

# Impacts of Transactional and Transformational styles of leadership on employee performance, Comparative study in GSM Operators of Pakistan

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In the name of Allah,the most

Beneficent and the most Merciful

## DECLARATION

I here by declare that I have developed this thesis entirely on the basis of my personal efforts under the sincere guidance of my supervisor Brig. Dr. Akhtar Nawaz Malik. All the sources used in this thesis have been cited and the contents of this thesis have not been plagiarized. No portion of the work presented in this thesis has been submitted in support of any application for any other degree of qualification to this or any other university or institute of learning.

Signature\_\_\_\_\_

IRFAN RIAZ

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## DEDICATION

To My Parents, Brothers,  
Friends and Teacher

## **ABSTRACT**

The purpose of this research study is to examine the influence of transformational and transactional leadership styles on employee performance in GSM Operators of Pakistan. A total of 397 respondents participated in this research from five GSM operators. Leadership styles were measured using Bass and Avolio's multifactor leadership questionnaire. Employee performance was determined by using self-evaluation model of William and Anderson. Data was analyzed using the SPSS software tool version 20 and Microsoft Excel.

Research findings showed a positive significant correlation between transformational and transactional leadership styles and employee performance levels. Furthermore, the research found that transformational leadership had a stronger positive influence on employee performance than did transactional leadership style. The findings support the argument in the literature review that transformational and transactional leadership behaviors enhance employee performance.

This research analyses employee performance both on organizational and cumulative bases. Four out five organizations analysis showed that transformational leadership has more significant influence on employee performance whereas Warid results showed that transactional leadership style has high influence on employee performance than transformational leadership style.

Finally, the research provides recommendations for the GSM Operators, Public sector and Government sector for optimal implementation of the transformational leadership style to increase employees work performance.

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# ***Chapter 1:Introduction***

## **1.1 Overview**

Leadership is one the important functions of management and it helps to enhance the overall efficiency of the organizationfor the achievement of the goals and objectives of the organization. Make and break of organizations as well as nations depends on the leadership. Pakistan is a land of opportunities where many national and multinational organizations with diverse work force are operating in Pakistan. Thus the CEO has to play dual role of manager and a leader. The leadership role as played by the CEO has multifold effects from employee performance to brand image. In-fact employee performance is the yard stick of organizational performance. Leadership styles have their impact on the individual performance and the individual business objectives achievement.

Ulrich (2002) states that, in current times, employees are the actual assets of the organization, not its products. These employees are more helpful in this competitive era than the products. According to Heraty and Morley (1971) individuals of the organization are acting as the lifeblood of any organization. They are the most important and valuable resources of the organization. Even the modern technology and latest techniques will not result in peak level of performance if the employees are not motivated and highly committed. Only motivation and commitment will help the achievement of goals and objectives of any organization. Now, more is expected from the employees, coming to work and doing the job in traditional ways is not enough, they should act like an entrepreneurs rather than an employees while working in groups and teams and should prove them worthy. Ulrich (2002) states that human resource of any organization is the most intangible resource of any organization and it is very difficult to imitate. Most of the organizations consider human resource as the actual source of competitive edge (Ulrich, 2000). Thus, the employee performance is most critical to the success of the organization. Failure or success of the organization is dependent on the employee performance, which in return is dependent on the leadership. This calls for the right leadership style in the organizations

## **1.2 Background**

*“One of the most universal cravings of our time is a hunger for compelling and creative leadership”*

(Burns 1978: 1)

Organizational outcomes are highly affected by the leadership style. Due to this impact of leadership, it is extensively discussed in research articles, magazines, books and seminars. One can define leadership in simple words, it is the ability to build confidence among the employees, it is the ability to support the employees in the form of trainings and rewards to achieve high performance, it is the ability to motivate the employees (Dubin 2004).

Globalization and competition in the international market has increased the demand of effective and successful leaders in the organizations. This resulted in increased demands of flexibility and responsiveness within organizations to face the increasing competition. Additionally, it is clear from literature that leadership quality is required at all levels, from top management to workers, in the organization. Roadway Express, Inc. believes that for the successful completion of the tasks, not only the higher management but all of its 28000 employees must possess leadership behavior (Dubin 2004).

The impacts of the leadership styles has been extensively studied by the researcher on different organizational outcomes, these outcomes include overall organizational performance, its turnover, performance of the individuals and teams. Leadership theorists agree that for the effective outcomes effective leadership is required. Extensive research resulted in the development of multiple theories, focusing on the development of effective leadership. Starting from the theories which focused inherent qualities of leadership like skills, personality, decision making power etc and these were called as trait theories as these theories were focusing on the traits of the effective leaders. On job behaviours of the leaders were explained by the behavioral theories of leadership. Impacts of external and internal factors on the behavior of leader is stated by the contingent leadership (Burns 1978). According to McKenna (2006) the new theories of leadership are focusing on the most inspirational characteristics of the leadership, which is in the form of transactional and transformational styles of leadership. These theories are related to the techniques and ways, employed by the leaders to influence the individuals and groups. Development of the full range leadership model is presented in chapter No. 2

Outcomes of many organizations in different countries has been widely studied and examined by the leadership theorists and they all agree that positive results are shown on the employee as well as organization performance by employing transactional and transformational leadership styles.

Purpose of this research is to check the impacts of both the leadership styles on organizational outcomes such as employee performance in GSM operators of Pakistan. The purpose of the study is the identification of the best suited leadership style to be employed by the GSM operators of Pakistan to ensure enhancement of employee performance.

### **1.3 Problem identification**

On job performance of followers is affected by the immediate boss or leader (Jung, 2001). GSM operators are playing vital role in the economy of country and these organizations performance is dependent on employee performance which in turn depends on Leadership style. So leadership is one of the prominent factors which effects employees performance.

### **1.4 Problem statement**

The problem around which this thesis revolves is leadership style.

*Can leaders increase the employee performance level by adopting the right style of leadership in GSM Operators of Pakistan.*

### **1.5 Objectives**

Objectives of the research include:

- To find out the leadership style implemented in GSM operators of Pakistan
- To draw the comparative analysis of transactional and transformational leadership in GSM operators
- To suggest the most appropriate style of leadership in GSM operators

### **1.6 Research Question**

To fulfill the research objectives, following is the research question

*To evaluate the appropriate leadership style (transformational or transactional) according to employees performance*

### **1.7 Level of Research Already Carried Out on the Proposed Topic**

Sufficient research on international level is being conducted on the proposed topic but diminutive research is done in Pakistan on this topic. There exists a gap in the contextual body of

literature in this sector of research with respect to Pakistan; this research will try to bridge that gap.

### **1.8 Relevance to national needs**

Telecom sector is playing a pivotal role in strengthening the economy of Pakistan. This sector is contributing a significant share in GDP of Pakistan. This sector is investing huge amount in Pakistan and creating job opportunities. Providing them the guidelines for adopting the right style of leadership will enhance organizations performance in Pakistan and this will attract more FDI in Pakistan. Moreover it will provide pre-knowledge for upcoming Leaders.

### **1.9 Significance**

This study will be helpful in multiple ways including;

- 1) Recommendation for adopting the right style of leadership in Pakistan.
- 2) Will provide pre-knowledge for upcoming Leaders.
- 3) Will create awareness about the importance and effects of right leadership style.
- 4) Suggestions on the basis of study will enhance the cooperation, better interpersonal relations among employees and employee performance.
- 5) Right type of leadership style will help to eliminate stress, aggression and resistance among the employees and between employees and leaders.

### **1.10 Areas of Application**

Suggestion and recommendations resulting from this study will be helpful for GSM operators and other organizations in Pakistan in selecting right type of leadership style and enhancement in employee performance.

It will be an addition in contextual body of knowledge in literature. it will be helpful for HR departments of different organizations in Pakistan while hiring and training their top level management.

### **1.11 Rationale of the study**

Effective and ineffective performance of the employee is dependent on the role played by leaders, who adopt different styles of leadership. These styles affect the employee performance

in terms of achieving business goals and objectives. There is a need to create awareness about the importance and effects of different styles of leadership on employee performance with respect to Pakistan. GSM Operators are chosen due to their importance in Pakistani economy.

The literature has always been consistent in quoting the relationship of employee and organizational performance and right style of leadership. This is depicted by the famous saying of **Keller (2006)**

*Organizational systems pursue for its goals and control its performance standards that are coordinated, directed and controlled on continually basis. The person who plays the central like hub for all of these activities is a leader. Leaders have impact on the organizational outcomes as turnover, employee commitment and productivity. Leaders prepare the people to put efforts to achieve the targets that they have never thought to achieve and obtain the action of their employees for more contribution for their organization. Therefore there is a vital relation between the leaders and the organizational performance.*

### **1.12 Research Methodology**

For the purpose of research, standard questionnaire is used for data collection. The targeted population is all the employees of GSM operators of Pakistan. However due to time and resources constraints, 1000 questionnaires were distributed. Convenience sampling technique is used for choosing the sample. Statistical tools are used for finding the results. It's a cross sectional study. Relative tests are used for research by using SPSS 20. Detailed analysis will come up with the results showing the impacts of leadership style on employee performance

### **1.13 Thesis Organization**

Sequence of the thesis is given below

**Introduction:** this chapter gives an idea about the problem, its impacts, purpose and aim of the research along with importance of the problem and its relevance to the national needs

**Literature Review:** This chapter gives an understanding of the literature about the basic concepts of transactional, transformation leadership and employee performance

**Methodology:** This chapter presents the methods employed for the data collection and softwares and tools used for the analysis

**Results and Data Analysis:** This chapter shows the results of the SPSS software along with explanations

**Discussion:** it includes discussion and comparison of the research and literature outcomes

**Conclusion and Recommendations:** Recommendations are presented after research findings, for the GSM operators of Pakistan, to achieve its goals.



## ***Chapter 2: Literature Review***

### **2.1 Overview**

Advancement in society and technology has increased the demand of leaders. Business situations and environments are continuously changing with the passage of time and this has created need of leaders who can handle these changes and achieve goals and objectives of organizations with the available resources. Leaders are required who can assure the best employee performance which will result in overall good employee performance and achievement of goals and objectives. This chapter includes the discussion of literature review starting from definition and then covers different theories and approaches, development of full leadership model and employee performance and link between employee performance and leadership styles.

### **2.2 Nature and Definition of Leadership**

*“Leadership is a process of interaction between leaders and followers where the leader attempts to influence followers to achieve a common goal.”*

**(Yukl, 2005)**

Leadership is not a new philosophy, it exists since the start of human kind. It's a concept developed thousands of years ago when there exist people to be led by some one. Concept of leadership is quite complex. It is constructed with many overlapping terms and definitions. Leadership can be defined in number of ways, in different scenarios and its meaning can be interpreted in many ways.

Generally, leaders are people who have some influence on people and they can control people and they can turn their beliefs and dreams in an output that can be achievement of goals and objectives of any organization, any political party or any country and they can lead people in a specific direction either by motivating them or force them. With the passage of time our understanding of leadership is changing. Hellriegel, et al. (2004) states that leadership is actually those qualities of leaders which inspire and aspire the followers towards goals achievement. Similarly Mullins (1999) states that leadership is a relationship between leader and followers where leader can change the behaviours of the followers and that change will lead towards the attainment of some specific goal or objective. Schilbach has done research in south Africa in 1983 and he states that leadership is an interpersonal process, leader directs the activities of the

followers and these activities result in any output, this can be attained by communication. Organizational performance is dependent on employee performance and is important for a successful leader to understand the contribution of individuals in the organizational performance.

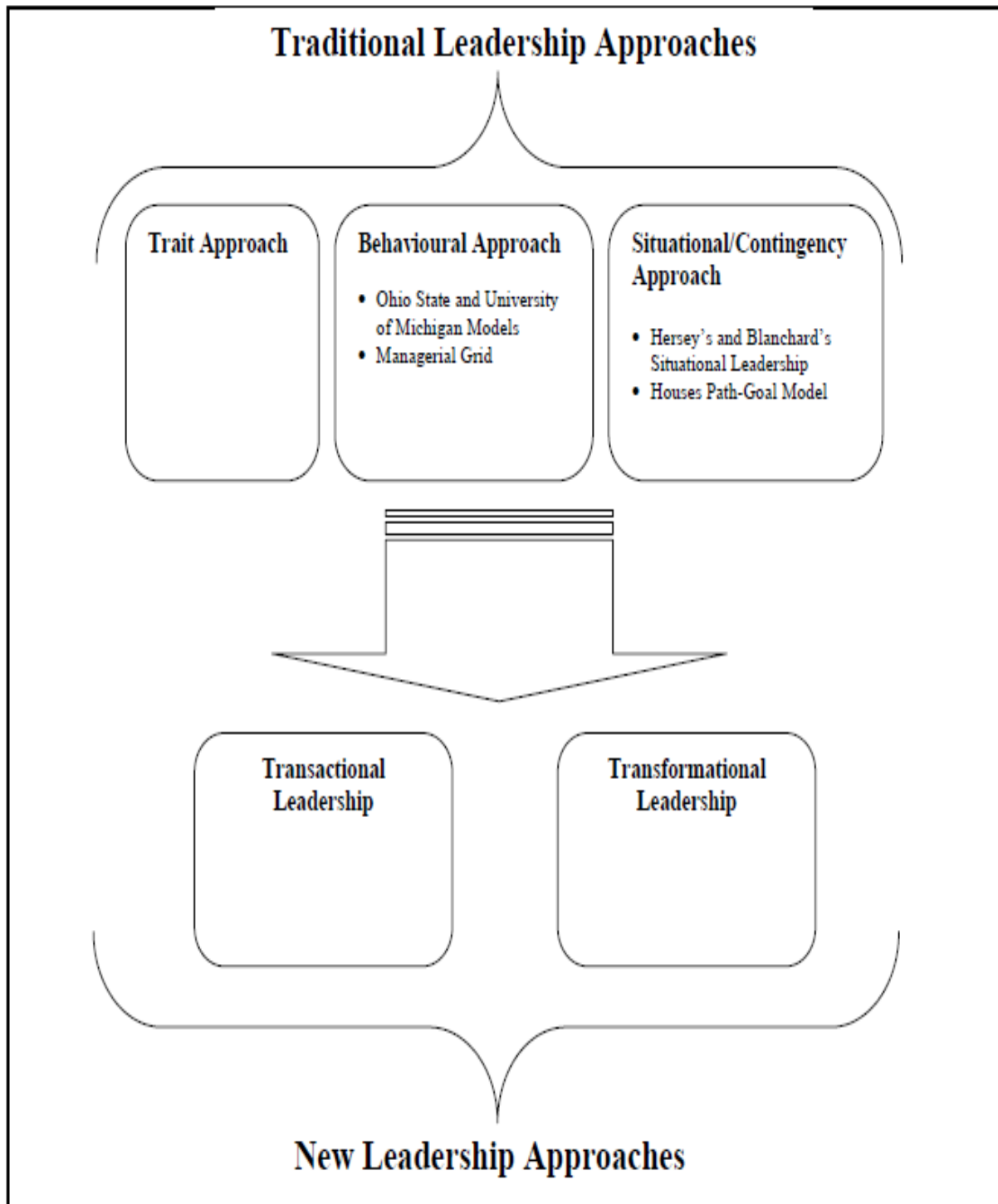
## **2.3 Leadership Theories**

For the purpose of understanding the basic concept of leadership, complete understanding of the leadership theories and its different aspects is quite important. These theories were developed by different researchers and philosophers with the passage of time. Factors involved in the development of a leader are explained by these theories and it also explains the results and consequences of the leadership activities.

Following is the discussion of traditional leadership approaches which includes trait, behavioural and contingency approaches and then is the discussion of modern approaches which includes transactional and transformational leadership styles.

### **2.3.1 Traditional Leadership Approaches**

There are three different traditional approaches of leadership, which are trait, behavioural and contingency approaches. (Senior, 1997) says that all these approaches explain different attributes of leadership and it will analyse the effects and impacts of these attributes on the followers after association between leader and follower.



(Adapted from Ristow, 1998)

**Figure 2.1: The Evolution of Leadership**

### **2.3.1.1 Trait Approach:**

Initially the research was conducted by the researchers to find out the attributes, qualities or skills which a successful and great leader should have. This was based on the concept that leaders can not be developed with trainings but leaders are born with the leadership qualities. (Swanepoel, et al., 2000).

First attempt for the understanding of leadership and its dimension, trait model was developed in early 1900's. This was based on the concept that leadership traits are inherited by the leaders and these can be used in different situations (Hersey and Blanchard, 1988). This research resulted in the identification of different traits found common in effective leaders. Different researchers have studied and analysed the impacts of these leadership traits on the followers. (Maude, 1978) adds that trait theory basically emphasizes on two types of traits, which are psychological and personality traits these two traits can be sub-divided into multiple items like emotional intelligence, charisma and dominance. This concludes that persons having these certain traits are leaders and this is the key to the selection of leaders within the organization and they can not be evolved with the training and development. However (Gerber, et al., 1996) states that trait approach totally focus on the personality and psychological characteristics.

Most recent research is focusing on the behaviours of the leaders which influence the followers rather than the traits of the leaders (Draft, 1999)

### **2.3.1.2 Behavioural Approach**

Stogdill was diverted towards behavioural approach when trait approach started gaining unpopularity. Researchers started working on the analysis of the behaviours of the leaders which contributes much in the effectiveness of the leaders. Researchers believed that traits are not that much important for influencing the followers to attain the goals and objectives rather it is the behavior of the leader which plays major role in influencing the followers (Draft, 1999).

Behaviours of the leaders was studied in the controlled environment of laboratory. Individuals working in the fields were also asked to describe the behaviours of their leaders in different environments and situations and then these behaviours were analyzed in terms of the effectiveness and uneffectiveness of the leaders by applying different criteria of effectiveness. This resulted in the leadership behavioural model. (Shriberg, Lloyd, Shriberg and Williamson, 1997) states that it is the behavior of the leader which results in the attainment of the objects rather than the traits of the leaders. This approach got enormous popularity and extensive research in this area resulted in different models which include McGregor's Theory, Lewin's, Lippitt and White's theory and the Managerial Grid Model of Blake and Mouton (1964)

#### ***2.3.2.2.1 Leadership Grid***

Leadership Grid was developed by Blake and Mouton (1985). According to this grid model, the two dimensions of the grid show two different types of leaders

- 1) The horizontal dimension shows the leaders who are more interested in the tasks (task-oriented leaders)
- 2) The vertical dimension represents the leaders who have more interest in subordinates (people-oriented leaders).

Each point in the grid represents a leadership style (McKenna 2006). The grid displays four different positions of leadership style:

Grid coordinates

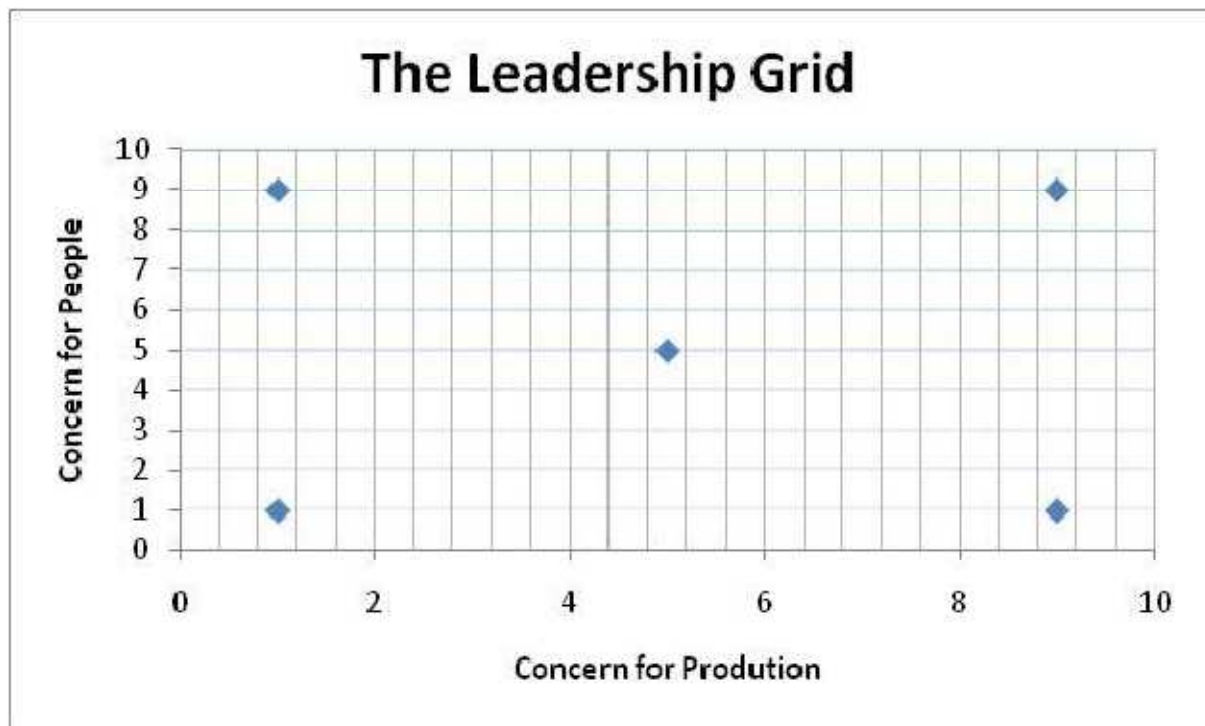
(1.1) Impoverished management – less attention is paid by the leaders for achievement of goals and objectives. Employees lose their interest in the organization and there is no assurance of the sustenance of organizational membership.

(1.9) Country club management – focus of the leader is on the socio-economic needs and interests of the subordinates. They try to create a friendly working environment. They compromise on the work

(9.1) Task management – subordinates are not important, tasks are important in any circumstances

(9.9) Team management – give equal importance to both the tasks and subordinates.

This grid model suggest that (9.9) team management is the most effective style and it should be adopted.



**Figure (2.2): Blake and Mouton Leadership Grid**

**(Source: McKenna, 2006, Figure 12.1: The Leadership Grid, p. 386)**

As this grid model do not consider the situational variables so it is criticized by many researches as Bolman and Deal (2003) stated:

*“The grid approach focuses almost exclusively on issues of task and human resources. It gives little attention to constituents other than direct subordinates and assumes that a leader who integrates concern for task with concern for people is effective in almost any situation. If structure is unwieldy, political conflict is debilitating or the organization’s culture is threadbare, the grid model may have little to say”*  
(McKenna 2006:385)

There is a restriction to this model that how much the situations effect the leaders performance, our concern is to find out the best leading method which is not effected by the situations, business environments, type of organization and type of peoples employed (Senior, 1997). After this, reserchers start thinking on one single method which is best suited regardless of situations.

### **2.3.1.3 Situational/Contingency Approach**

Researchers were not satisfied with the trait and behavioural approaches and this resulted in the situational /contingency approach to leadership. (Mullins, Swanepoel, et al., 2000) states that this give rise to an approach which focus on the fact that situations influence the effectiveness of the leaders. Effective leaders analyse the situation and change their style of leadership according to the situation. Selection and implementation of the specific leadership style can increase the effectiveness of the leader.

This approach suggest that both the traits and behaviours needed to be improved by the help of training and development as different situations require different traits and different behaviours (Hersey and Blanchard, 1988) says that different environments and situations need different styles to be adopted rather than an ideal leadership style. Behavior of the leaders and followers is studied in the situational leadership studies. Hersey and Blanchard (1988) argued that attitudes of the leaders is more importatnt that traits. Situational approach help in the study of different leadership styles which are effective in different situation.

According to the (Senior, 1997), behavior of the leader resulted due to the surrounding situations and conditions is called as leadership style. Yukl (1998) states that specific testable propostions derivation is not easy in this approach alongwith the inferences about the casuality direction.

### **2.3.2 New Leadership Approaches**

Many changes in the organizations and business environments have occurred over the past many year, this requires a modern leadership style and that style should be less bureaucratic and more democratic. This new style of leadership is required to handle the occurring changes in the type of orgnizations and business environments (Johnson, 1995). Traditional leadership approaches which are already discussed, have faced enormous criticism due to their restrictions. This resulted in the emergence of a different leadership style to ensure the survival of organizations and achievement of the goals and objectives of the organizaions.the new theories evolved in the reaction of the increasing sophistication of the three traditional approaches which are difficult to implement (Bass, Carlton, 1993). According to Bass (1990), The new approaches suggests the two different styles or types of leadership called as transactional leadership and transformational leadership. These two are completely different and opposite concept and views of leadership

#### **2.3.2.1 Transactional Leadership**

In their research, Bass and Avolio (1997) says that transactional leadership style is one which is based on the traditional beurucraticauthority , power and control. These are leader which motivate their followers for the achievement of tasks and goals by promising them the rewards on the timely completion of taska and goals. If sub-ordinates will complete the task efficiently the they will get rewards in return. Bass (1990) states that there are three phases involved in the transactional leader-follower relation.

- 1) Leader identifies the needs and requirements of the followers which they want in return of the their work and ensures that they should get these required things as reward on the successful completion of the tasks.
- 2) Rewards and incentives are promised against the employees effort. More he will apply the effort, more he will get as reward and incentive.



- 3) Leader will take care of the self interest of the sub-ordinates if this is linked with the timely and successful completion of tasks.

Bass (1985) indicates that transactional leaders keep track of the needs and requirements of the followers and normally focus on the attaining and maintaining of the better employee performance, changing the goals and objectives and concentrate on the reduction in the resistance and implementations and executions of the leaders decision. This type of leadership focus on the communication of goals and objectives, job descriptions, evaluation standards and task allocation along with system and equipment assessment (Bass, 1985).

Transactional leaders try their best for the timely completion of assignments. They also concentrate on the rules and regulations of the organizations and ensure that employees are aware and are dependent on the organizational reward and punishment system, they try to influence the employees, by using this reward and punishment system, to carry out the assigned tasks as dictated by the leader on the described time line (Bass and Avolio, 2000). Senior (1997) states that it is a system in which employees get a reward or discipline depending on their performance standard.

Transactional leaders can change their promise for getting the work done which is in their or organizations interest. The transactional leaders use a track which is low cost and within the company resources to meet the employees needs and interests in response to the tendered services from employees. Transactional leaders are usually working on the concept of exchange-based relationship with followers. They focus on the lower level needs of the employees and use the needs as the basic motivation factor. The basic theme of the transactional leadership is role illumination. They communicate clearly to the employees what they have to do and how to do for completing the tasks and contributing in the organizational performance (Bass, 1985).

Research by Burns (1978) concludes three items of job done by the transactional leaders. Firstly, they clearly communicate the job description that what is actually required to be done by the followers. Secondly, how that job will be done and what are the equipments required for the successful job completion. Lastly, what reward followers will get if they will complete the task

with the specified performance level and within the time frame stated by the leaders. Most of the time this style of leadership emerges during the problem solving or during the critical times when specific goals are to be achieved within the time. Transactional leaders try to create an environment where individuals improve their performance in the form of task completion which results in overall improvement in organizational performance (Brand, et al., 2000).

(Kirkbride, 2006) also supports the concept by stating that transactional style of leadership is based on the traditional contracts and agreements between leaders and followers, where goals are clearly defined and communicated and rewards are linked with the achievement of these goals and high performance. A clear system of reward and punishment is developed. The purpose is to motivate and inspire the followers to carry out at their best. Research shows that there are three basic approaches of transactional leadership, which includes,

- 1) Contingent reward (clear interpretation of objectives and rewards)
- 2) Management-by-exception-active (advance planning of problems)
- 3) Management-by-exception-passive (address problems after their occurrence).

According to Bass (2003), both the first and second approach demands close monitoring of employees working and in case of any fault or mistake it is important to take immediate corrective measures after identification of faults and mistakes. Whereas, passive transactional leaders can wait for the occurrence of any mistake and then they decide about which measures to be taken or they may do not take any corrective measure at all, depending on the circumstances. In this case leaders do not clarify the goals and objectives and rely on certain agreements for the purpose of reward and punishment.

In order to be effective, transactional leaders should tackle the changing needs of followers by providing them rewards and this will force the followers to trust on the leader which will make the leader more effective. Effectiveness diminished when the leader fails to utilize his power for the provision of the rewards and punishments Kuhnert and Lewis (1987)

Business domains where exist less competition among the organizations are more suitable for the transactional leaders 1980s (Tichy and Devanna, 1986) and according to the (Howell and

avolio, 1993) incase of stable business conditions leaders do not change most of the things, they just try to attain the required performance level. However,(Bass 1985) states that's currently business situation is highly compctetive in narure and there exist a need of new leadership style for organiztaions survival and goals achievement, which is called as Transformational leadership style.

### **2.3.2.2 Transformational Leadership**

*It's a process in which changes are influenced in attitudes and assumptions of employees and building commitment for the organisation's mission, vision, goals and objectives"*

**Yukl (1989)**

Transformational leadership style is based on the concept of transforming the self interests, priorities and requirements so that they can perform in an extraordinary manner. (Walumbwa et al 2005). Theory of transformational leadership was initially developed by Burns(1978). It got tremendous amount of popularity in the research areas on the effective leadership. Further development on this theory was occurred in 1985 when Bernard Bass applied this theory on the organizational setups. According to the Bass (1985) transformational leader motivates the subordinates by appealing them to higher needs by acting in a reciprocal way. Transformational leadership style has attracted researcher and it was one of the theory that was widely research to date. According to (Hater and Bass, 1988) one of the reasons includes the self-sustaining capability of this style of leadership and it shows positive results on the effectiveness of the leadership.

Brand (2000) states that the this style of leadership is linked with the transformation of followers ideas, concepts, socio-financial needs and their abilities to achieve the tasks. Transformational leaders consequently demonstrate subordinates to transform into transformational leaders in their own right (Bass, 1994).

Cacioppe (1997) states that transformational leaders inspire the followers to consider the organizational vision as the vision of the followers. This can be achieved when both leader and

followers encourage each other and raise each others motivation level (Burns, 1978). Leader uses same parameters for needs evaluation for its-self and followers to achieve highest performance levels. This style of the leadership is very affective in the alignment of both the system and folloers, it creates a feeling of integrity within the organization (Hughes, Curphy 1994).

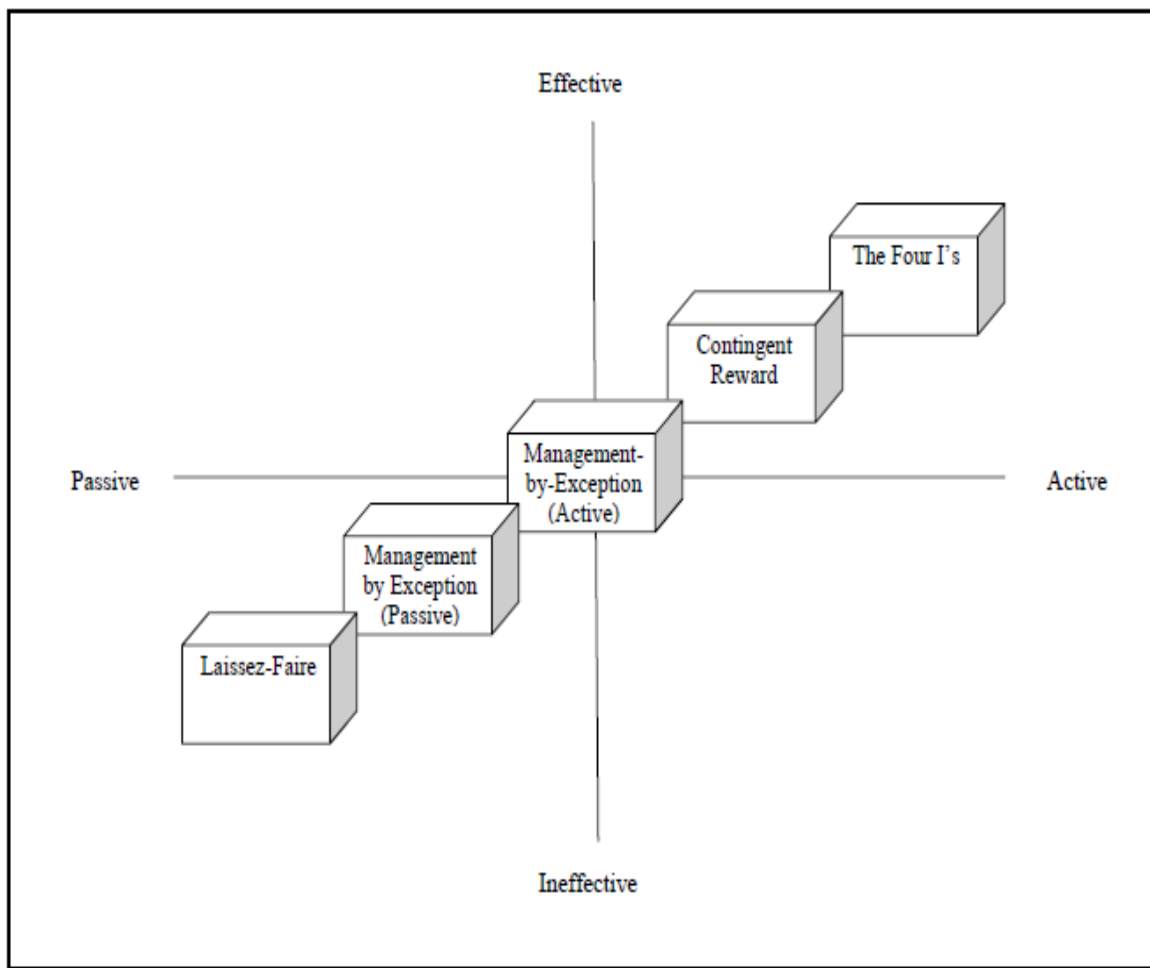
(Bass, 1998) states that transformational leaders are responsible for motivate the followers, this motivation will result in the higher employee and organizational performance and achievement of the goals and tasks. Performance can be achieved on higher levels by expanding the expectation level and raising the employee and organizational efficiency.

Transformational leaders inspire and aspire the followers towards the common goals and objectives by transcending their self-interst needs and socio-economic requirements, this will completelytransform the working environment . Transformational leadership style for higher performance achievement is done by using various motivational techniques and by setting different tasks, goals and objectives. (Bass, Avolio, 1987).

Barling(2000) states that followers working under the supervision of transformational leaders have high organizational commitment. In short, it is clear from the factual literature that transformational style of leadership is more effective then the transactional leadership style. Research shows that both leadership styles are interlinked and a leader can display the qulaities of both the styles.

### **2.3.2.3 Full Range Leadership Development Model**

Full range leadership development model was developed by Bass and Avolio in 1995. This model shows seven different leadership factors. These seven different leadership factors can be grouped into 3 basic styles of leadership called as transformational, transactional or laissez- faire style of leadership. This model as depicted in the figure#2.3 shows how much these behaviours of leadership styles are effective, ineffective and active and passive.



(Bass and Avolio, 1994: 5)

**Figure 3.2: A Model of the Full Range Leadership Development Theory**

As the model shows that transformational leadership style consists of three factors. These factors includes

- 1) Contingent reward
- 2) Management-by-exception-active
- 3) Management-by-exception-passive

as already discussed contingent reward is based on the concept of communication between both the leader and follower, it based on the promises about rewards and punishments. management-

by-exception (active) is a style in which leaders monitors the followers performance and identifies the mistakes and deviations and initiate corrective measure prior to the occurrence of the faults. management-by-exception (passive) is a style in which leader waits for the faults to occur and then corrective actions are taken or he may not take any action depending on the deviation.

There are four dimensions of transformational leadership style as described in the Full Range Leadership Development Model identified by Bass and Avolio in 1994. Similarly Bass (1985) developed a Multifactor Leadership Questionnaire to inspect these four dimensions of leadership. These dimensions are considered as the most active and effective in the organizations where it is practiced. These are often called as four I's (Bass 1990) and these include

- 1) Idealised Influence
- 2) Intellectual Stimulation
- 3) Individualised Consideration
- 4) Individualized Consideration

*oIdealized influence:* Refers to charisma, a behaviour through which emotional attachment of followers is created. Leaders should become a role model. This dimension includes the type of leaders who receive respect from their followers and this respect is accomplished when leaders put their followers' needs and interests over their own needs and interests. This shows the followers that they are important and are contributing towards organizational tasks (Bass et. al. 2003; McKenna 2006).

*oInspirational motivation:* This dimension of the transformational leadership style is based on the behavior of the leader which inspires and aspires the followers. Leader can do this by clearly explaining the tasks and expectations, performance levels should be defined in simple language. This will result in team spirit along with enthusiasm and optimism (Yukl, 1998). Provision of vision that is challenging and motivating in nature, is important and it should be future oriented. Optimistic visions motivate the followers and they perform in a better way. Those visions which do not seem to be practical fail to motivate leaders resulting in poor performance.

o *Intellectual Stimulation*: This refers to the introduction and utilization of the new ways and techniques of working within the organization. If leader will allow followers to be innovative and creating in problem solving it will increase their motivation level and will result in better performance. This will increase the involvement of the followers in the work. (Walumbwa & Lawler 2003).

o *Individualized consideration*: Transformational leaders focus improvements which subordinates require in order to perform better and contribute in growth of organization. This can be done by initiating training and development programs for individuals and groups Walumbwa et al's (2005). Research has shown that this training and development will increase the confidence and skills set of the followers and they will give better performance.

Above discussed behaviours of the transformational leadership style are opposite to the laissez-faire leadership style which is passive and ineffective, in this case leader pays no attention to the needs and interest of the follower. It is also called as "hands-off" style of leadership and was identified by Bass and Avolio (1994). In the Full Range Leadership Development Model it is identified as non-transactional style. This type of leaders avoid making decisions, hesitate in giving rewards and do not respond to the followers with any type of feedback.

Table 2.1 summarize the qualities of transformational and transactional leadership styles, as described by Parry (2002).

Idealised attributes and idealised behaviours ( <i>transformational</i> )	Leaders are seen as respected, trusted role models, they can be counted on, and demonstrate high moral and ethical standards.
Inspirational motivation ( <i>transformational</i> )	Leader's behaviour motivates and inspires followers, team spirit is aroused, enthusiasm and optimism is displayed and both leaders and followers create positive visions of the future.
Intellectual stimulation ( <i>transformational</i> )	Leaders stimulate and encourage innovation, creativity, and questioning of old assumptions. New ideas are welcomed and there should be no fear of mistakes or going against the grain.
Idealised attributes, idealised behaviours, inspirational motivation and intellectual stimulation constitute <i>Transformational Leadership</i> (Avolio et al., 1999).	
Individualised consideration ( <i>transformational</i> )	Special attention is paid to each individual's needs and differences. Effective listening, developing of potential and personalised interaction are all components of this leadership style.
Contingent reward ( <i>transactional</i> )	Leader and follower agree on what needs to be done and for what reward.
Individualised consideration and contingent reward constitute a <i>Developmental Exchange</i> .	
Management-by-exception (active) ( <i>transactional</i> )	Leader actively monitors errors, mistakes or any deviation from standards and norms.
Management-by-exception (passive) ( <i>transactional</i> )	Leader passively waits until problem or mistake arises then reacts.
Laissez-faire ( <i>transactional</i> )	Non-transaction, necessary decisions left unmade, responsibilities of leadership ignored
MBE-a, MBE-p and laissez faire constitute <i>Corrective Avoidant</i> leadership.	

### Qualities of Transformational and Transactional Leadership Styles

(Source: Parry et al., Table 1: Qualities of transformational and transactional leadership style, p.78)

Research by many researchers including McKenna (2006) and Bass(1985) advocates that transactional leadership style is suitable and more effective in the stable and less competitive business environments, where as transformational style of leadership is appropriate for unstable and competitive business environment. This is because both leadership styles focus on different points I,e transactional leaders focus on the high performance level achievement



where as transformational leaders provide a vision and new ways of working to achieve the vision

Transformational leaders has faced criticism from researcher, these researcher believe that transformayional leadership style is immoral and unethical. These leaders are daling with the emotions instead of the resons, they give some sort of unachievable picture of future, this future is quite unrealistic which will emotional motivate the subordiantes in their self intersts. Research shows that authenticorethical transformational leaders give importance to the intersts of both individuals and organiztaions. The other type is pseudo-transformational leadership, in this case the leaders make a compromise on the interests of the organization

Research by Judge and Piccolo (2004) advocates that botht the transformational and transactional style of leadership have a strong relation and it is difficult to distinguish between the imapcts of two styles. McKenna (2006) belives that transformational style is extension of transactional and it is constructed on the ground of transactional style. Multifactor Leadership Questionnaire (MLQ), which was developed by Avolio and Bass , shows that transformational leaders are more effective when they act less like a transactional leader

Development in the firdl of leadership theories, over past many years, was resulted due to the continuously changing environment of organiztaions and to meet the global market requirements. Both these styles have the ability to handle internal and external changes in the business environment

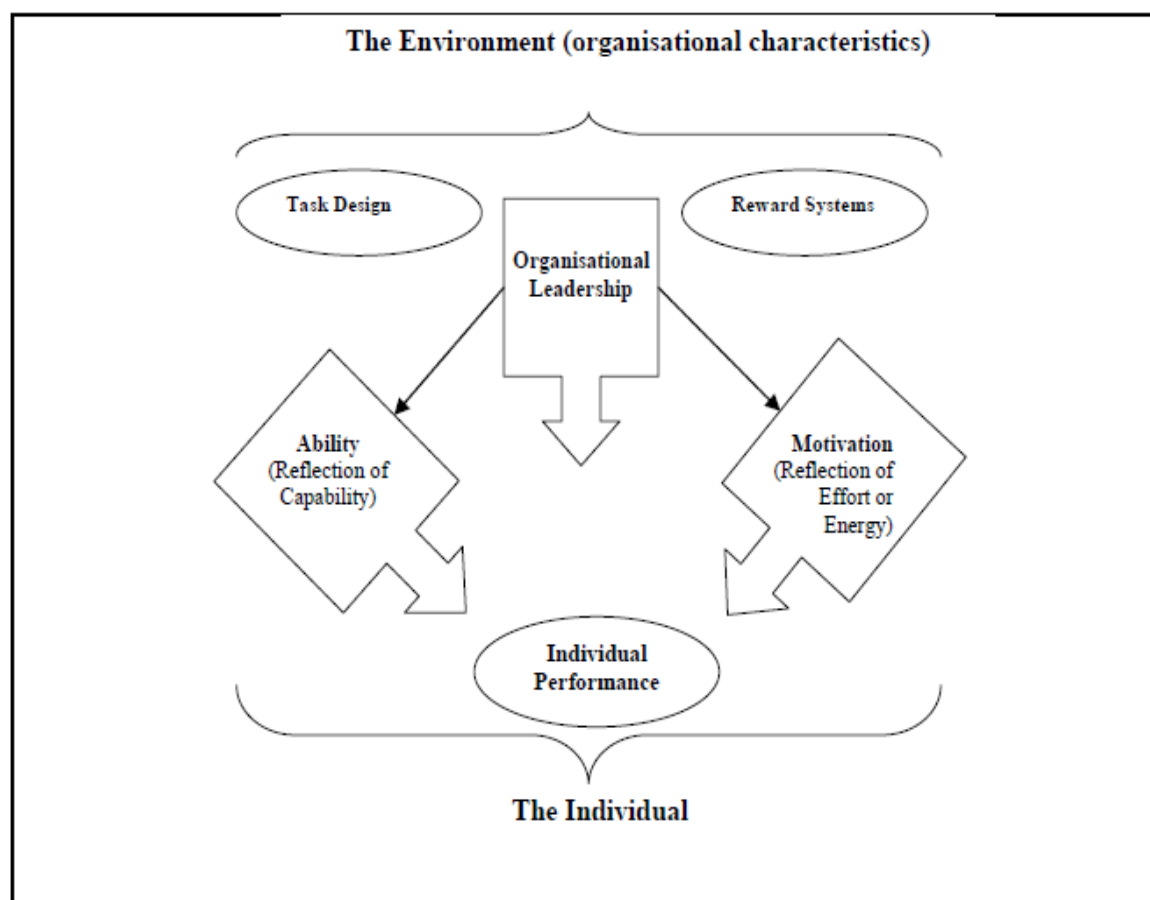
## **2.4 Individual Performance**

Amos, et al. (2004) argued that in order to execute the strategy of the organization and to achieve the goals and objectives of th organization, leader of the organization requires to effectively manage the individuals performance. These individuals performance sum up and reflects the performance of the organization. Performance is not some thing that will improve automatically, it needs some sort of pushing or pulling force and one of the best such force is to get rewarded. Individuals performance should be acknowledged by any means (Foot and Hook, 1999).

Individual performance is the one of the most important factor in organizational performance and it is extensively investigated over times. Whetten and Cameron (1998) states that individual performance is enhanced by linking abilities and skill sets with the motivation

Research by Cummings and Schwab (1973) shows that there are two two performance determinants which includes ability and motivation. It is also effected by environmental elements like task design and reward system. This phenomina is shown in figure below

**Figure 2.4 individual performance phenomina**



(Adapted from Cummings and Schwab, 1973:2)

Figure above labels ability as a reflection of capability. This characteristic enables the employees to perform in some specified way. Motivation is not stable character, it is dynamic in nature and it reflects energiers of efforts applied. It reflects how these resources including capabilities and energies will be utilized in some activity (Cummings and Schwab, 1973). For the achievement

of successful job performance, both abilities and motivation are equally important. Cummings and Schwab (1973) states that to carry out some task, employees must have some minimum level of ability. It is not important that how much he is motivated, he can't perform well if he doesn't have some ability. Likewise, sole ability will not be helpful in job performance if he is not motivated and unwilling to perform the task. Vroom (1964) supported this concept by identifying that ability and willingness are the key factors which influence and effect the individual performance in any organization.

Organizational leadership is actually style of leadership within organization that effect the individual performance both directly and indirectly. This duty of organizational leadership is further supported by Hall's (1996) competence process. This process shows that performance is the sum of competences. This process has three different dimensions including,

- 1) Collaboration
- 2) Commitment
- 3) Creativity.

Hall (1996) states that people who acts as the leader of the organization creates the environment for the competence results in creating conditions giving rise to it as a basic character. This will result in performance enhancement. It is the responsibility of the leader to create a competence process for the achievement of the goals and objectives and attaining higher employee performance.

While discussing employee performance, it is important to discuss few barriers in achieving higher employee performance. These barriers could be underdeveloped competencies, unrealistic goals and objectives and weak appraisal system for reward and punishment depending on the employee performance (Hellriegel, et al., 1999).

There are two types of factors which effect the employee performance in organization. These includes

### 1) Internal Factors

### 2) External Factors

Internal are those which are under the control and influence of organizations. These include employee selection methods and job descriptions where as external factors include those factors which are not under the control or influence of the organization like requirement for grading system of jobs and tasks (Hellriegel, et al., 1999).

## **2.5 Leadership style and employee performance – a causal link**

Ultimately these are individuals whose performance is graded as good or poor. These individuals give individual performance and results in a combined group or organizational performance. If the leaders want to get exceptional performance from individuals they should put their personal interests on one side and give attention to the attainment of organizational goals and objectives. Organizations itself play its role for defining the nature of the performance (Cummings and Schwab, 1973).

Similarly Bass and Mullins (1997) supported this concept that employees are the actual asset of the organizations. Their performance will automatically increase if they are given a chance to participate in decision making. This will increase both the employee and organizational performance.

It is the leader's ability to utilize the human resource and organizational success is totally dependent on this ability. Effective leader will give importance to employees, arrange trainings and developments and motivate them for the achievement of goals and objectives. Researchers believe that all effective and successful organizations are led by effective leaders and organizational performance is in direct proportion to the leader's effectiveness. Effectiveness of group or teams of employees is totally dependent on the qualities of the leaders (Fiedler and House, 1988).

Maccoby (1979) states that if the organizations want to get success and flourish in the modern era of competition and technological advancement, they need effective leadership, more

effectively then the previous times, it now requires modern trends and techniques in leadership and leadership styles. Bass (1997), is of the view that now, in modern time, it is the leader who creates a difference between a success and failure. Furthermore Kotter (1988) argues for the continuously changing trends in leadership styles because of the changes in business environment. It now requires total involvement of the workforce

## **2.6 In Role Behaviours :**

The in-role behavior refers to the core-task behavior which are dictated in the job description. Research by Katz and Kahn proposed this concept for the first time. It was Katz and Kahn (1966) who first highlighted the work behaviours of the employees on work place. They believe that their role behaviors were officially required too be performed by the employee. Willain and Anderson states that these are behaviours without which successful completion of job is not possible. There are four different dimensions considered during the performance evaluation of the employee. These include,

- 1) The Rating
- 2) Quality of the work
- 3) Quantity Evaluation
- 4) Recorded Data on Documents

There are three primary types of behaviours, which were studied and identified by the Katz, which effects the organizational operation.

- 1) Behaviours which are not considered as the part of job to be done, these are not included in job description and these are performed by individuals voluntarily.
- 2) Behaviours clearly mentioned in the job descriptions and it is the duty of the employee to perform it.
- 3) Behaviours that will maintain the identity of the organization.

## **2.7 Extra Role Behaviours**

Extra Role Behaviors are often called as organization citizenship behaviors. Its actual significance is best possible utilization of the resources, transformation of the resources and adaptability. It was William and Anderson who gave a new concept related to the OCB. They divided the OCB into two types towards which the OCB is directed

- 1) Organizational citizenship behavior – individuals (OCB-I): behaviours that are linked and directed towards the individuals in the organization, labeled as altruism.
- 2) Organizational citizenship behavior-organizational (OCB-O): behaviours that are linked or directed towards the organization as a whole, labeled as common obedience or compliance

## **2.8 Research Gap**

Although it is clear from the literature and previous studies that transformational leadership is more positively related to the employee performance and it improves the level of employee performance as compared to the transactional leadership style but analyses of these two styles of leadership has not been done in GSM operators of Pakistan, so, this study will help to fill the research gap in this area and it will be an addition in the contextual body of the literature in Pakistani context.

## **2.9 Summary**

It is clear from the literature review that leadership is an important factor which contributes in the success of organization. This is the basic factor in this regard, successful organizations display successful leaders and vice versa. Also, there are different styles of leadership and they have their own importance and impacts.

Leadership and its styles are presented in detail in this chapter. It includes three different approaches (trait, behavioural and situational/contingency approaches). Every approach shows a new and different approach of the leadership. It also indicates the effects on the employee-Leader relationship. Transformational and transactional styles of leadership were discussed along with The Full Range Leadership Development shows the two different styles of leadership. This model is the theoretical base and framework for this research purpose

Then the individual performance and its link was discussed with the leadership and leadership style. In-role behavior was discussed along with the extra role behavior often called as OCB , its two types which includes OCB-I and OCB-O. All this literature review has provided strong bases for the research topic

## ***Chapter 3: Research Methodology***

### **3.1 Overview**

Literature review pertaining to Leadership, Leadership styles, employee performance and organizational citizenship behavior was discussed in the preceding chapter. This chapter will cover research methodology including hypothesis, research design, population and sample, also, it will explain the instruments used for data collection

This research aims to focus on the impacts of two styles of leadership on employee performance within GSM Operators of Pakistan. Data on leadership styles and level of performance of employees in GSM Operators of country was collected and analyzed in order to identify such impacts.

### **3.2 Phases of research**

Research is divided into different phases in order to do it systematically. It was started from just a vague concept and ended on a clear conclusion about the system and future recommendations. Eight prominent phases are listed below

❖ Phase 1	➤ <i>Initial discussion of the Topic with Teachers and Fellows</i>
❖ Phase 2	➤ <i>Discussion of Topic with Supervisor and GEC Members in Detail</i>
❖ Phase 3	➤ <i>Reviewing the already available literature</i>
❖ Phase 4	➤ <i>Questionnaire formulation and checking its validity</i>
❖ Phase 5	➤ <i>Data Collection</i>
❖ Phase 6	➤ <i>Doing their analysis and deducing results</i>
❖ Phase 7	➤ <i>Extracting Conclusion and recommendations</i>



❖ Phase 8	➤ <i>Writing introduction</i>
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**Table 3.1 Research Methodology**

### 3.3 Purpose of Research

Purpose of research is not only to complete the requirements of master degree but to produce an insight into the leadership theories and to contribute in literature in Pakistani context

### 3.4 Population

Organizations that were selected for this study are all five GSM operators in Pakistan. Respondents of the study include higher level employees, e.g. directors and managers of the departments and Technical staff from technical departments and some other staff from Sales and Finance dept

### 3.5 Sample

For the purpose of sample collection, MLQ questionnaire was distributed in five different departments GSM service providers. A total of 1000 questionnaires were distributed in all five GSM service providers. Two hundred questionnaires were distributed in each organization.

Purpose of the survey was briefly explained to the managers, assistant managers and other employees. Questionnaire and scoring method was also explained to the respondents in the same meeting. It was told them that this information will be kept confidential and is not linked with any type of internal evaluation. Sole purpose of the survey is to conduct research for MS thesis on the performance level of employees within the company. Their participation was voluntary.

A total of 450 surveys were collected back from employees corresponding to a 45% response rate. The 1000 participants correspond to approximately 20 % of the total population of 5000 employees. 397 surveys corresponding to 39.7 % response were valid and utilized in the statistical analysis.

**Table 3.2 Respondent Rate**

<b>Name of Organization</b>	<b>Number of questionnaire distributed</b>	<b>Questionnaires correctly filled up</b>	<b>Response Rate</b>
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<b>Mobilink</b>	200	82	41%
<b>Zong</b>	200	92	46%
<b>Ufone</b>	200	75	37.5%
<b>Telenor</b>	200	72	36%
<b>Warid</b>	200	76	38%

### 3.6 Variables:

Variable	Factors	No. of items	<u>Cronbach's Alpha</u>
Transformational Leadership	Idealized Attributes	20	.811
	Idealized Behaviors		
	Inspirational Motivation		
	Intellectual Stimulation		
	Individualized Consideration		
Transactional Leadership	Contingent Reward	12	.690
	Management by Exception – Active		
	Management by Exception - Passive		
Employee Performance	In Role Behavior	12	.818
	Organization Citizenship Behavior Towards individuals		
	Organization Citizenship Behavior Towards Organization		

### 3.7 Measures:

**3.7.1 Leadership Style:** Bass and Avolio's (2004) Multifactor Leadership Questionnaire was used to measure leadership behaviours. This questionnaire represents one of the few measures available to assess the full range of leadership behavior using a multifactor model. This questionnaire identifies two different types of leadership, called as, Transactional and transformational leadership styles

There are total 36 questions in the MLQ 5X form which are used for measuring nine different scales as shown below

These questions are rated using a five-point Likert scale:

1= strongle disagree, 2= disagree, 3= neutral, 4= agree, 5= stongle agree

**Table 3.3 Transformational Leadership Factors**

<i><b>Idealized Attributes – II(A)</b></i>	<ul style="list-style-type: none"> <li>➤ Instills pride in me for being associated with him/ her</li> <li>➤ Goes beyond self interest for the good of the group</li> <li>➤ Acts in ways that build my respect</li> <li>➤ Displays a sense of power and confidence</li> </ul>
<i><b>Idealized Behavior – II(B)</b></i>	<ul style="list-style-type: none"> <li>➤ Talks about their most important values and beliefs</li> <li>➤ Specifies the importance of having a strong sense of purpose</li> <li>➤ Considers the moral and ethical consequences of decisions</li> <li>➤ Emphasizes the importance of having a collective sense of mission</li> </ul>
<i><b>Inspirational Motivation – IM</b></i>	<ul style="list-style-type: none"> <li>➤ Talks optimistically about the future</li> <li>➤ Talks enthusiastically about what needs to be accomplished</li> <li>➤ Articulates a compelling vision of the future</li> <li>➤ Expresses confidence that goals will be achieved</li> </ul>
<i><b>Intellectual Stimulation – IS</b></i>	<ul style="list-style-type: none"> <li>➤ Re-examines critical assumptions to question whether they are appropriate</li> <li>➤ Seeks differing perspectives when solving problems</li> <li>➤ Gets me to look at problems from many different angles</li> <li>➤ Suggest new ways of looking at how to complete assignments</li> </ul>
<i><b>Individualized Consideration – IC</b></i>	<ul style="list-style-type: none"> <li>➤ Spends time teaching and coaching</li> <li>➤ Treats me as an individual rather than just a member of a group</li> <li>➤ Considers me as having different needs, abilities, and aspirations form others</li> <li>➤ Helps me develop my strengths</li> </ul>

**Table 3.4 Transactional Leadership Factors**

<b><i>Contingent Reward – CR</i></b>	<ul style="list-style-type: none"> <li>➤ Provides me with assistance in exchange for my efforts</li> <li>➤ Discusses in specific terms who is responsible for achieving performance targets</li> <li>➤ Makes clear what one can expect to receive when performance goals are achieved</li> <li>➤ Expresses satisfaction when I meet expectations</li> </ul>
<b><i>Management By Exception (Active) – MBEA</i></b>	<ul style="list-style-type: none"> <li>➤ Focuses attention on irregularities, mistakes, exceptions, and deviations from standards</li> <li>➤ Concentrates his/her full attention on dealing with mistakes, complaints, and failures</li> <li>➤ Keeps track of all mistakes</li> <li>➤ Directs my attention towards failures to meet standards</li> </ul>
<b><i>Management By Exception (Passive) – MBEP</i></b>	<ul style="list-style-type: none"> <li>➤ Fails to interfere until problems become serious</li> <li>➤ Waits for things to go wrong before taking action</li> <li>➤ Shows that he/she is a firm believer in “if it ain’t broke, don’t fix it”</li> <li>➤ Demonstrates that problems must become chronic before taking action</li> </ul>

Leadership styles are, in this research, assumed to be independent variables. There are two independent variables named as transactional and transformational leadership styles. Both have total eight different dimensions. Transformational leadership has five dimensions and transactional leadership has three different dimensions.

### 3.7.2 Employee Performance:

Employee performance is also measured by using standard statements by using William and Anderson (1990) model. This model states 21 standard items but 12 statements are used in this research. Different statements are used to get information about three different variables including IRB, OCB-I and OCB-O. All these three variables are considered independent variables. Below mentioned tables shows the statements falling in the category of three attributes

**Table 3.5 Employee Performance Attributes**

Attribute	Items used in Questionnaire
<b>In Role Behaviour – IRB</b>	<ul style="list-style-type: none"> <li>➤ Do your co-workers adequately complete the assigned duties</li> <li>➤ Do your co-workers perform the tasks expected from them</li> <li>➤ Do your co-workers help others who have been absent</li> <li>➤ Do your co-workers give advance notice when unable to come to work</li> </ul>
<b>Organization citizenship Behaviour towards Individuals - OCBI</b>	<ul style="list-style-type: none"> <li>➤ Do your co-workers help others who have heavy workloads</li> <li>➤ Do your co-workers assist the supervisor with his/her work (when not asked)</li> <li>➤ Do your co-workers pass along information to co-workers</li> <li>➤ Do your co-workers meet the formal performance requirements of the job</li> </ul>
<b>Organization citizenship Behaviour towards organization - OCBO</b>	<ul style="list-style-type: none"> <li>➤ Do your co-workers attendance at work is above the norm</li> <li>➤ Do your co-workers give advance notice when unable to come to work</li> <li>➤ Do your co-workers conserve and protect organisational property</li> <li>➤ Do your co-workers fulfil the responsibilities specified in their job description</li> </ul>

### 3.8 Methods of Analyses:

**3.8.1 Frequencies and Descriptive Statistics:** Leadership style related data which was collected by using MLQ and Employee performance related data which was collected by using William and Anderson's model was analyzed by using PSS version 20.0, a statistical software. This analysis shows the style of leadership practiced in these organizations.

**3.8.2 Crosstabulation:** relationship between two variables is established by using this analysis. This analysis is used to check if change in one variable is causing change or is linked with the other variable. SPSS was used to perform this analysis using the Chi-square Pearson Test.

Relationship between transformational and transactional leadership style and employee performance is examined in this analysis

**3.8.3 Correlation:** Further definition of relationship between independent and dependent variables was done by two-tailed Spearman Rank correlation.

**3.8.4 Regression Analysis–** Regression analysis is used for more than one independent variable. The Stepwise method in SPSS version 20.0 was used to perform this test.

- i. To examine the relationship between leadership styles (transformational and transactional) and employee performance.
- ii. To examine the contribution of each leadership factor to the relationship between leadership style and employee performance.

### 3.9 Hypothesis:

#### ***Hypothesis 1:***

(H0). Transformational leadership style is not positively related to employee performance.

(H1). Transformational leadership style is positively related to employee performance.

#### ***Hypothesis 2:***

(H0). Transactional leadership style is not positively related to employee performance.

(H2). Transactional leadership style is positively related to employee performance.

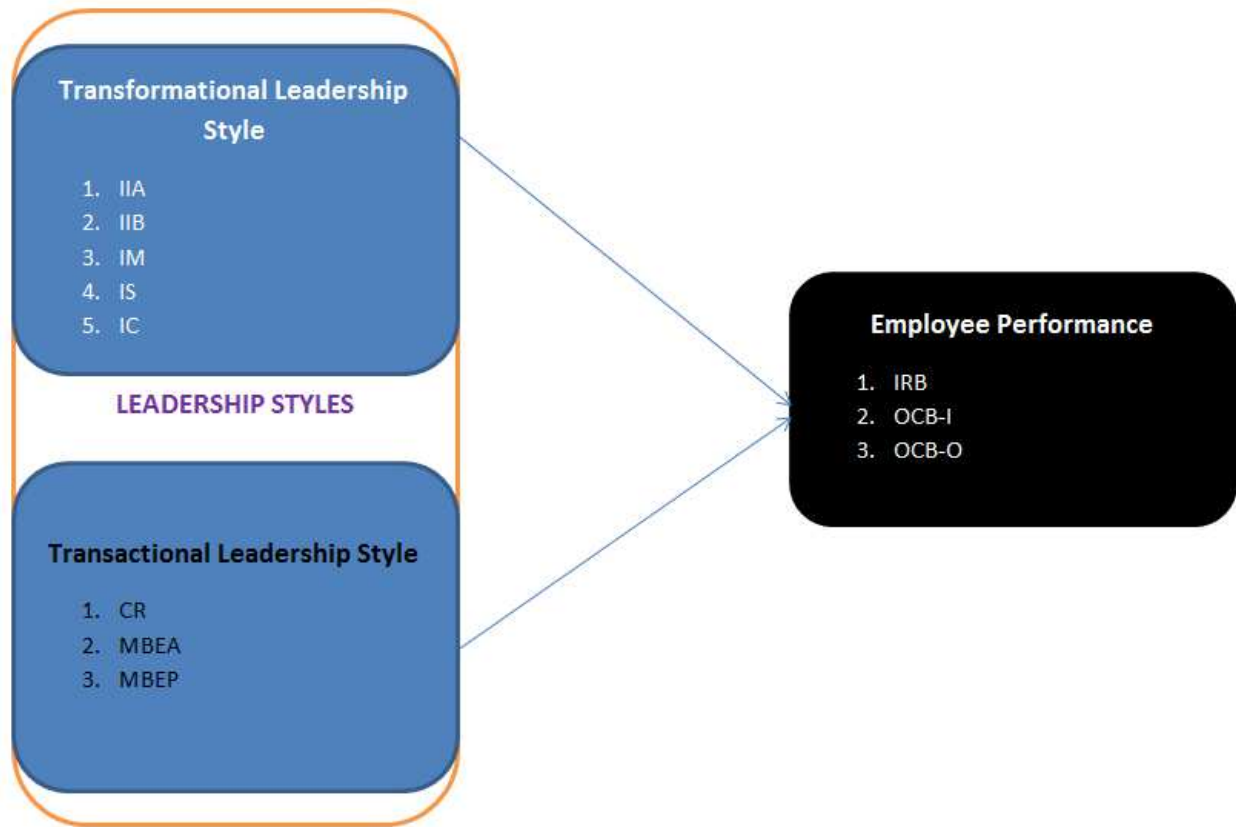
#### ***Hypothesis 3:***

(H0). Transformational leadership style has not a stronger influence on employee performance than Transactional leadership style.

(H3). Transformational leadership style has a stronger influence on employee performance than Transactional leadership style.

### 3.10 Research Model:

Figure 4.2 Research Model



### 3.11 Limitations and Future Research:

During this research work, there was some limitations faced which could be attempted in future research. This research was conducted during the era of energy crises which has lowered the revenue of the GSM operators of Pakistan and this decrease has resulted in less number of trainings and developments programs. Bonus and incentives are quite less as compared to the previous years. This has limited the managers as well as organization itself to increase training and development program and fulfill their promises of bonus and rewards.

Our request for access to the company evaluation record of employees, which is done on quarterly and annual bases, was rejected with the reply that it's company confidential record that's why we used William and Anderson model to evaluate the employee performance.

Similarly access to the company network outage record was not allowed which was intended to use for the employee performance evaluation.

Lastly, this research was conducted during the economic regression times, it has slight impact on the employee performance and commitment to the work. This research should be done in future during the normal economic conditions to provide more accurate results

### **3.12 Ethical Considerations:**

This section will explain some ethical norms which should be considered during any research. All these norms were adopted to the best possibility

During the data collection process, the co-operation of the respondents is very important. Many researchers faced this issue of non-cooperation. Participants always want some assurances like anonymity and confidentiality.. it is stated by Bless and Higson-Smith (2000) that there are few rights of the participants which includes

- 1) Privacy
- 2) Voluntary Participation;
- 3) Anonymity
- 4) Confidentiality.

All the participants involved in the research briefly explained that this questionnaire will be used for the research purpose only and this research is the requirement for the MS degree and this questionnaire will not be used for any type of internal evaluation. It was made clear that this questionnaire does not demand name or any type of identity and this information will not be displayed anywhere.

Similar issues were shown by the HR and Administration of the companies and then they were assured that this will not harm their reputation and identity, also, these results will not be used for any other purpose except the research purpose. These results will be kept confidential and will not be furnished anywhere other than the research.



## ***Chapter 4:Results***

### **4.1 Scale reliability Analysis:**

Reliability of the scale are two important aspects to consider. It gives an idea about the measures provided by the research. Reliability is actually the extent to which same results are generated on repeated trials or test-retest

Standard MLQ is used for leadership in this research, developed by Bass and Avolio. Reliability of this questionnaire is checked by many researchers. We have checked the reliability of the questionnaire, measured by Cronbach's alpha. In the previous studies, this instrument reliability was computed by using 2080 cases from nine independent studies by Bass and Avolio and reliability was 0.81 to 0.96.

In this study the scale reliability of the questionnaire is .904.

Reliability Statistics	
Cronbach's Alpha	N of Items
.904	44

**Table 4.1 Cronbach's Alpha of questionnaire**

Individual reliability of transformational leadership style is .811

Reliability Statistics	
Cronbach's Alpha	N of Items
.811	20

**Table 4.2 Cronbach's Alpha of Transformational Leadership style**

Whereas for transactional leadership style, value of alpha is .690

Reliability Statistics	
Cronbach's Alpha	N of Items

.690	12
------	----

**Table 4.3 Cronbach's Alpha of transactional leadership**

For employee performance, self-rated standard questionnaire was used. This was developed by William and Anderson (1992). 12 out of 21 statements were selected for this study. Reliability of the employee performance section is .818

Reliability Statistics	
Cronbach's Alpha	N of Items
.818	12

**Table 4.4 Cronbach's Alpha employee performance**

## 4.2 Descriptive statistics:

Pearson correlation is used test for the investigation of the relationship between the variables Table below shows the mean, standard deviation,Skewness and kurtosis score for each of the main variables and individual constructs.

**Table 4.4 Descriptive Statistics**

	Descriptive Statistics								
	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
IIAverage	397	1.00	5.00	3.0806	.97658	-.050	.122	-.667	.244
IIBAverage	397	1.00	5.00	3.1795	.99798	-.004	.122	-.713	.244
IMAverage	397	1.00	5.00	2.8652	.91293	.281	.122	-.611	.244
ISAverage	397	1.00	5.00	3.2702	.95060	-.062	.122	-.806	.244
ICAverage	397	1.00	4.75	2.7764	.86980	.186	.122	-.487	.244
CRAverage	397	1.00	5.00	3.0189	.93876	-.123	.122	-.662	.244
MBEAAverage	397	1.00	5.00	2.9805	.90424	.017	.122	-.683	.244
MBEPAverage	397	1.00	5.00	2.8659	.91604	.033	.122	-.647	.244
IRBAverage	397	1.00	5.00	3.0668	.95195	.082	.122	-.656	.244

OCBIAverage	397	1.00	5.00	2.9786	.95900	.106	.122	-.814	.244
OCBOAverage	397	1.25	5.00	3.1883	.97909	-.036	.122	-.874	.244
TransformationalAverage	397	1.15	4.60	3.0344	.68056	-.121	.122	-.542	.244
TransactionalAverage	397	1.00	4.58	2.9551	.68284	-.299	.122	-.219	.244
EmployeePerformanceAverage	397	1.08	5.00	3.0779	.83430	-.027	.122	-.512	.244
Valid N (listwise)	397								

### 4.3 Crosstabs:

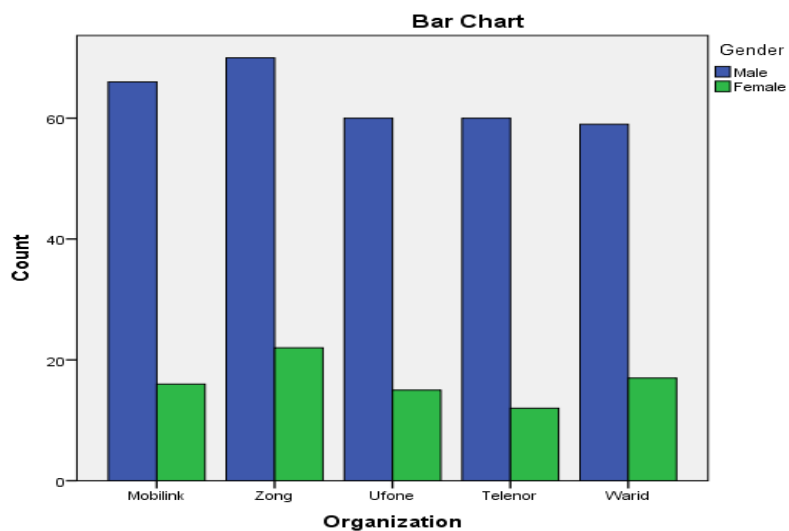
Different tables of crosstabs analysis are given below; this shows that data was gathered from all the segments of the population

**Table 4.5 Case Processing Summary**

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Organization * Gender	397	100.0%	0	0.0%	397	100.0%
Organization * Experience	397	100.0%	0	0.0%	397	100.0%
Organization * Qualification	397	100.0%	0	0.0%	397	100.0%
Organization * Department	397	100.0%	0	0.0%	397	100.0%
Organization * Designation	397	100.0%	0	0.0%	397	100.0%

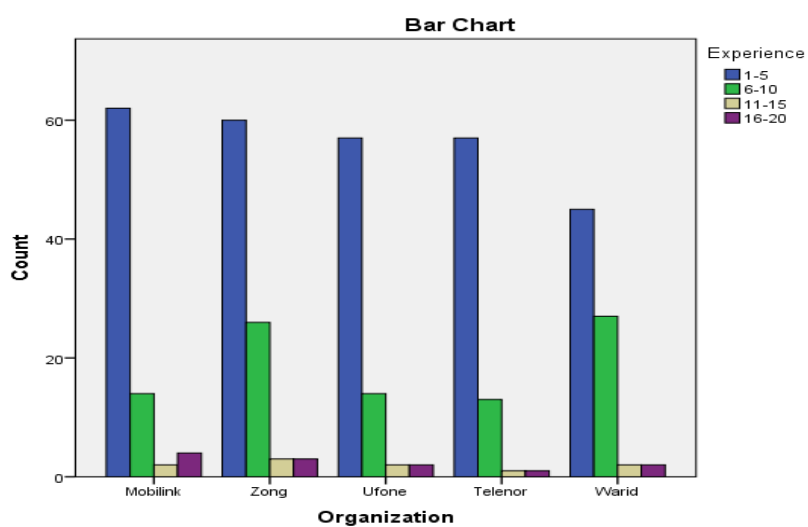
**Table 4.6 Organization \* Gender Crosstabulation**

Count		Gender		Total
		Male	Female	
Organization	Mobilink	66	16	82
	Zong	70	22	92
	Ufone	60	15	75
	Telenor	60	12	72
	Warid	59	17	76
Total		315	82	397



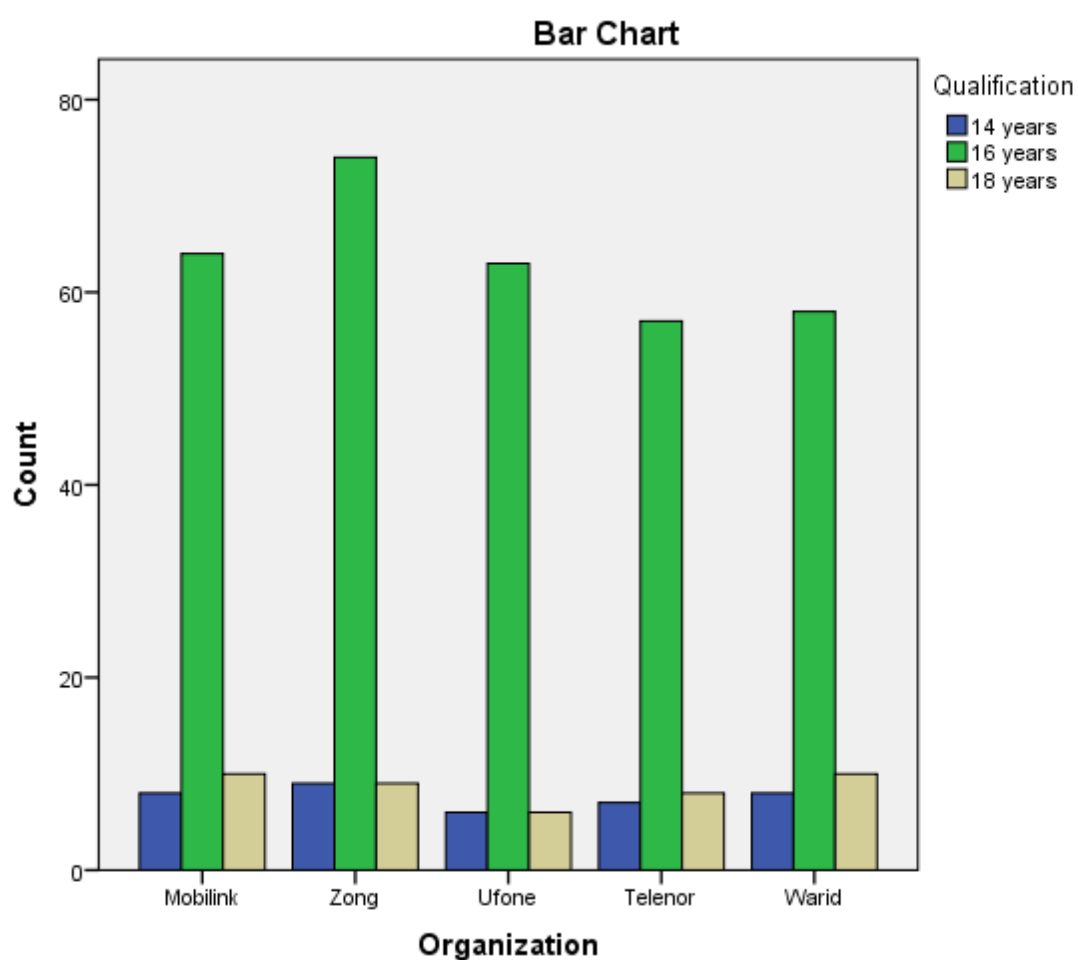
**Table 4.7 Organization \* Experience Crosstabulation**

Count		Experience				Total
		1-5	6-10	11-15	16-20	
Organization	Mobilink	62	14	2	4	82
	Zong	60	26	3	3	92
	Ufone	57	14	2	2	75
	Telenor	57	13	1	1	72
	Warid	45	27	2	2	76
Total		281	94	10	12	397



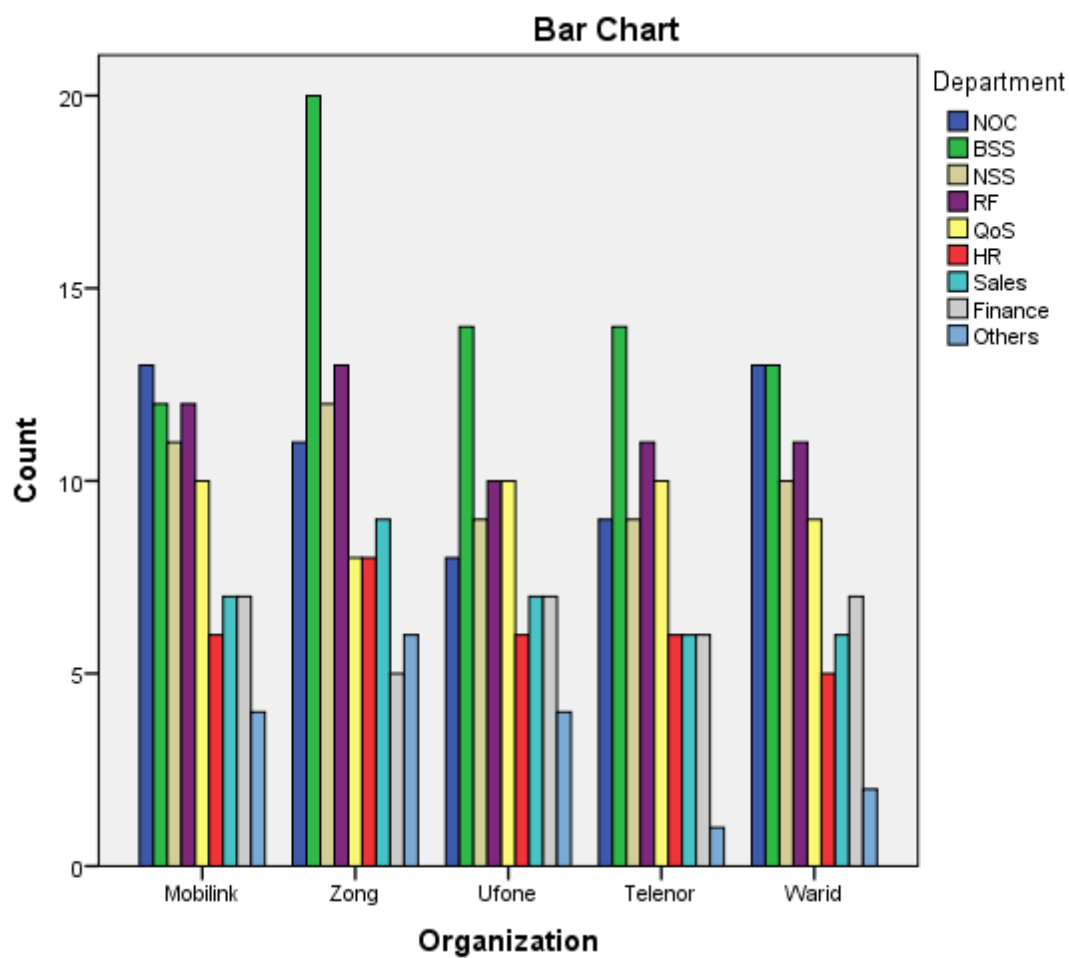
**Table 4.8 Organization \* Qualification Crosstabulation**

Count		Qualification			Total
		14 years	16 years	18 years	
Organization	Mobilink	8	64	10	82
	Zong	9	74	9	92
	Ufone	6	63	6	75
	Telenor	7	57	8	72
	Warid	8	58	10	76
Total		38	316	43	397



**Table 4.9 Organization \* Department Crosstabulation**

Count		Department									Total
		NOC	BSS	NSS	RF	QoS	HR	Sales	Finance	Others	
Organization	Mobilink	13	12	11	12	10	6	7	7	4	82
	Zong	11	20	12	13	8	8	9	5	6	92
	Ufone	8	14	9	10	10	6	7	7	4	75
	Telenor	9	14	9	11	10	6	6	6	1	72
	Warid	13	13	10	11	9	5	6	7	2	76
Total		54	73	51	57	47	31	35	32	17	397

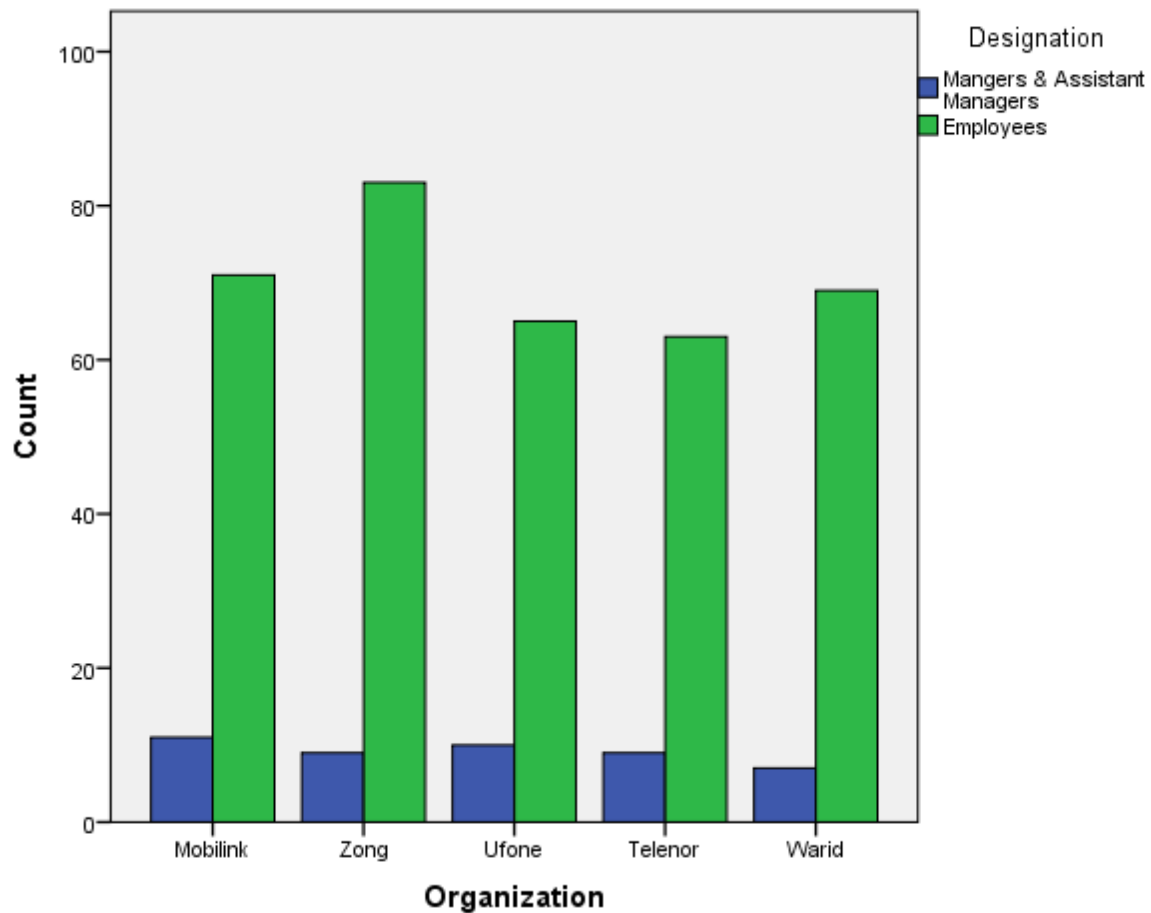


**Table 4.10 Organization \* Designation Crosstabulation**

Count

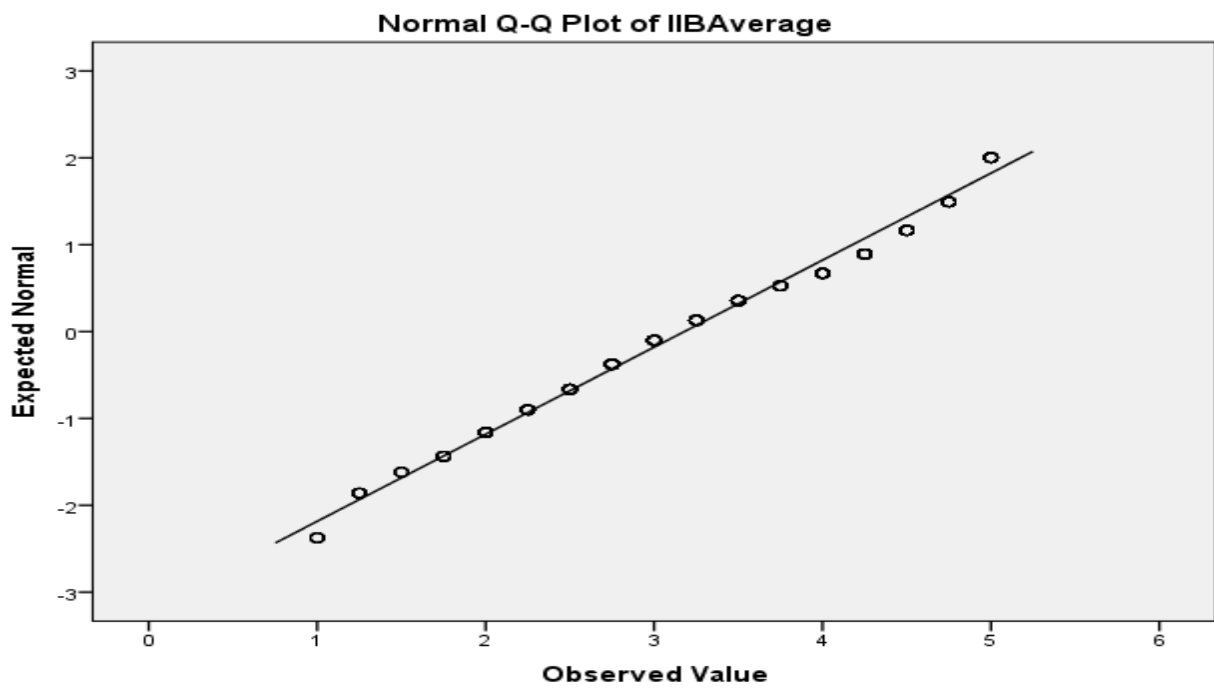
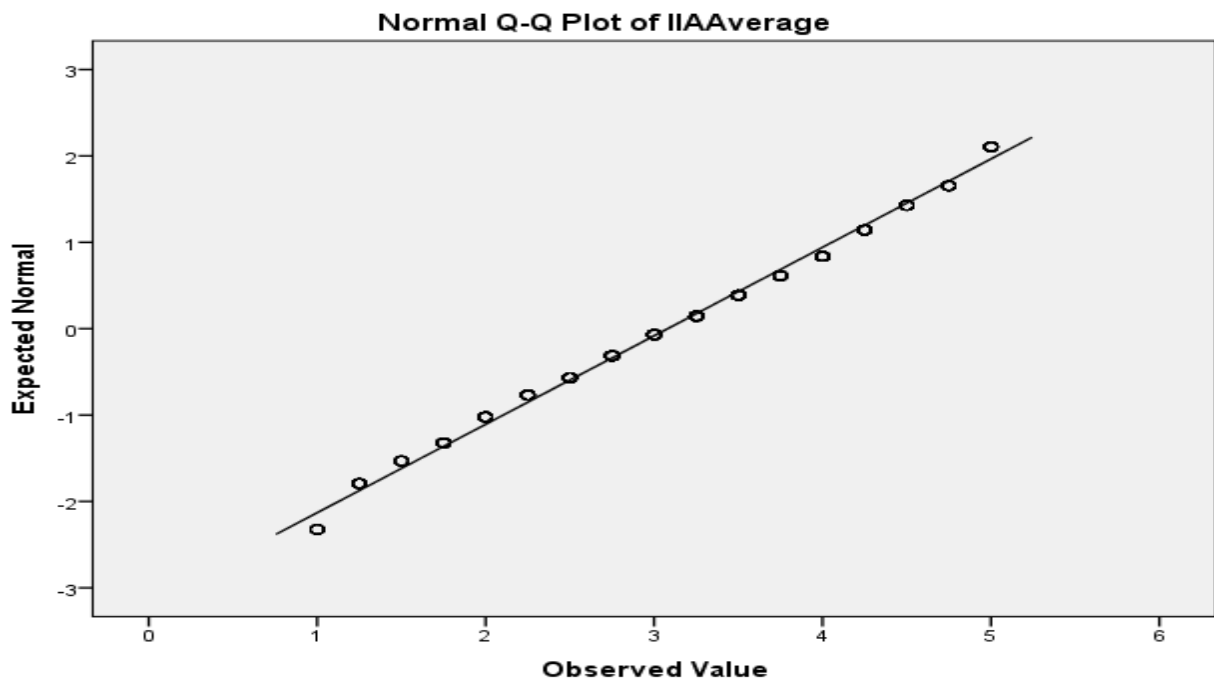
		Designation		Total
		Mangers & Assistant Managers	Employees	
Organization	Mobilink	11	71	82
	Zong	9	83	92
	Ufone	10	65	75
	Telenor	9	63	72
	Warid	7	69	76
	Total	46	351	397

Bar Chart

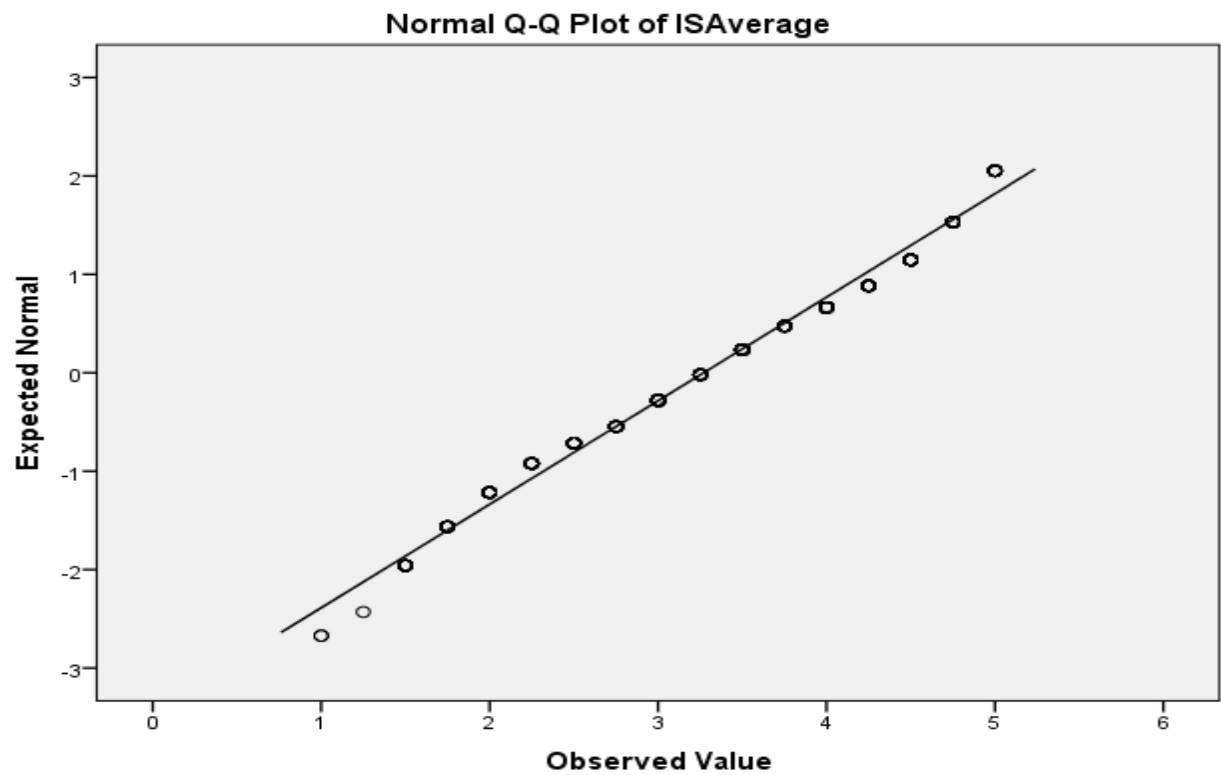
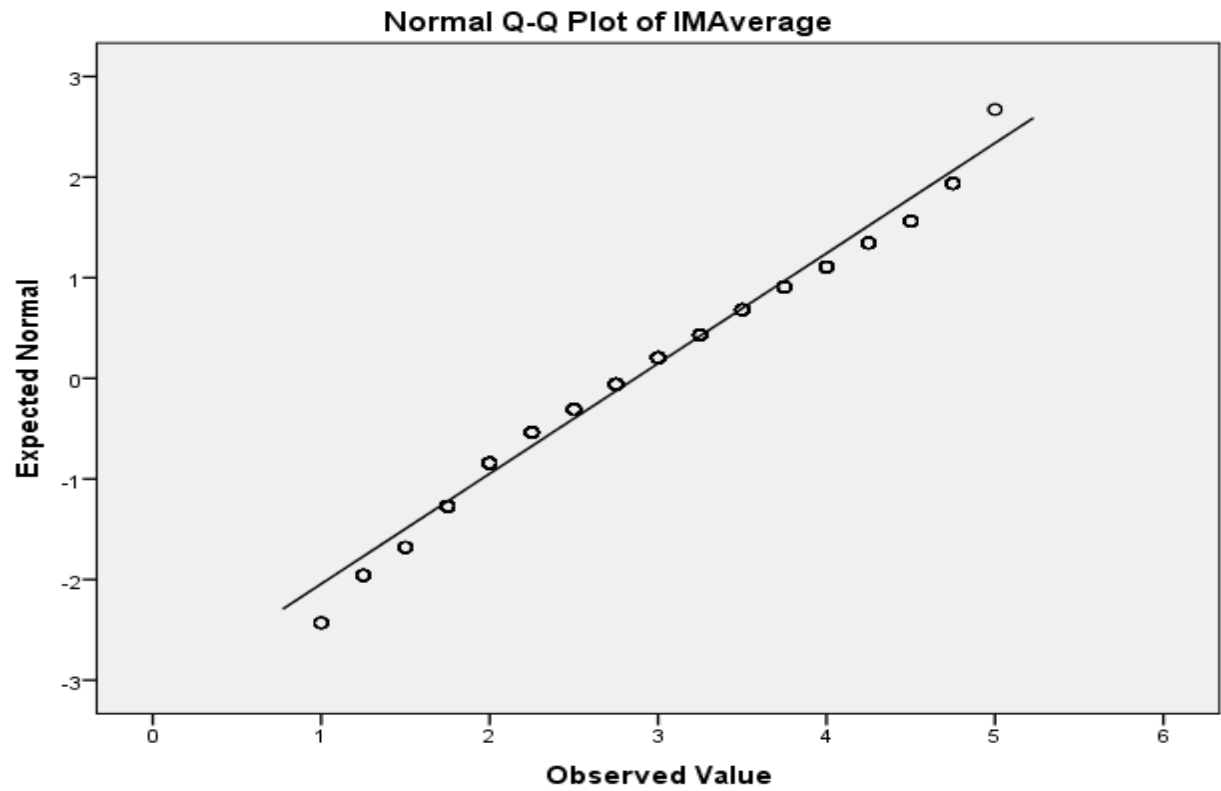


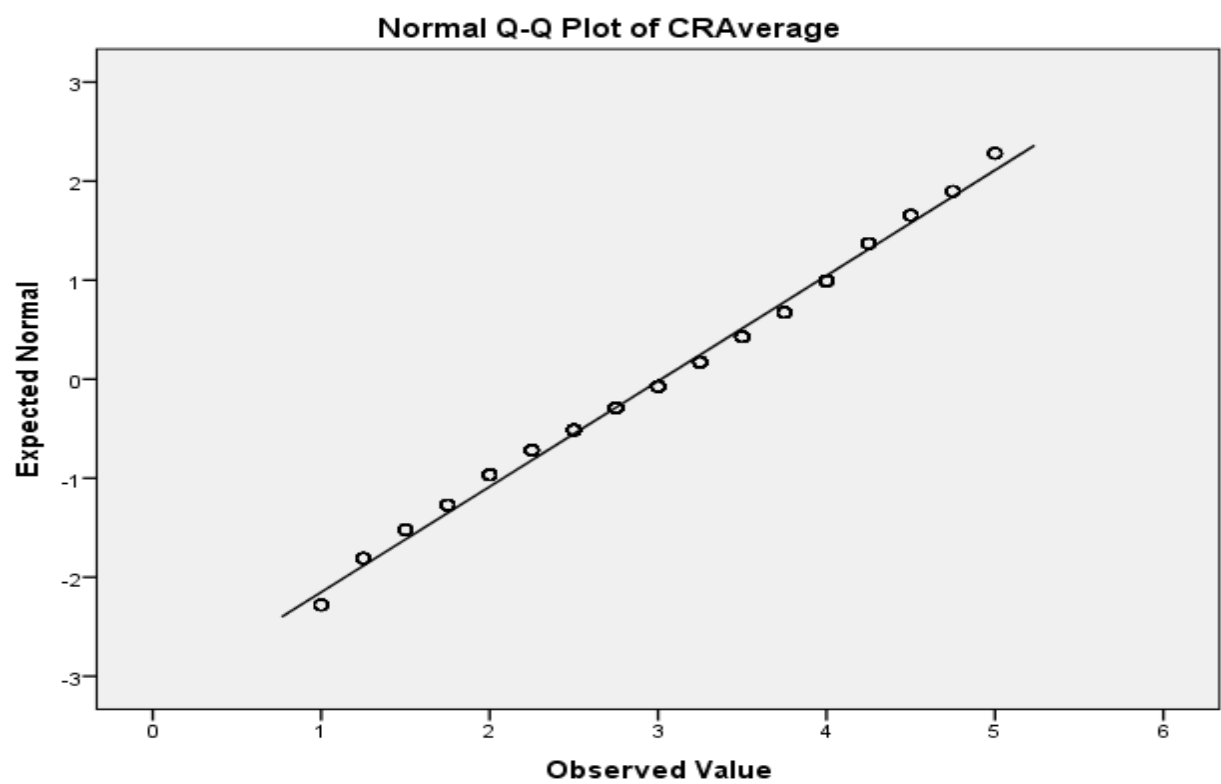
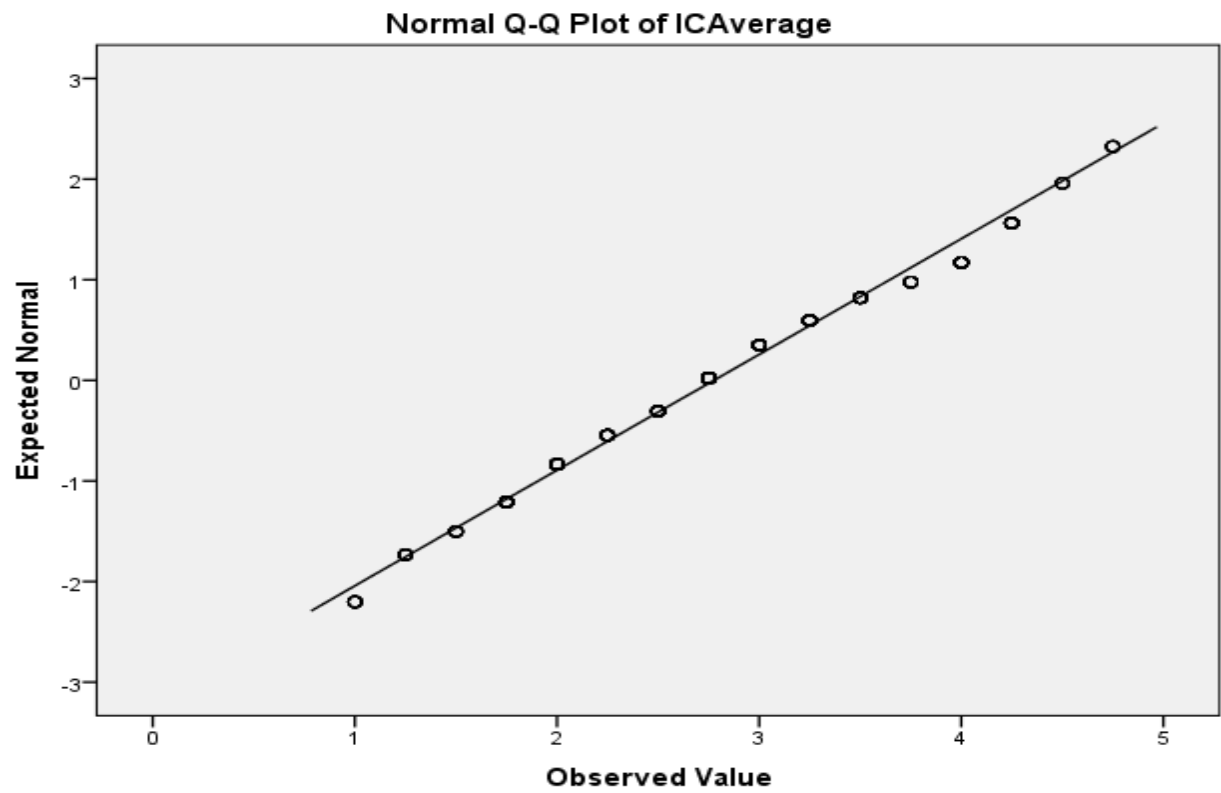
#### 4.4 Q-Q Plots for Normality Test:

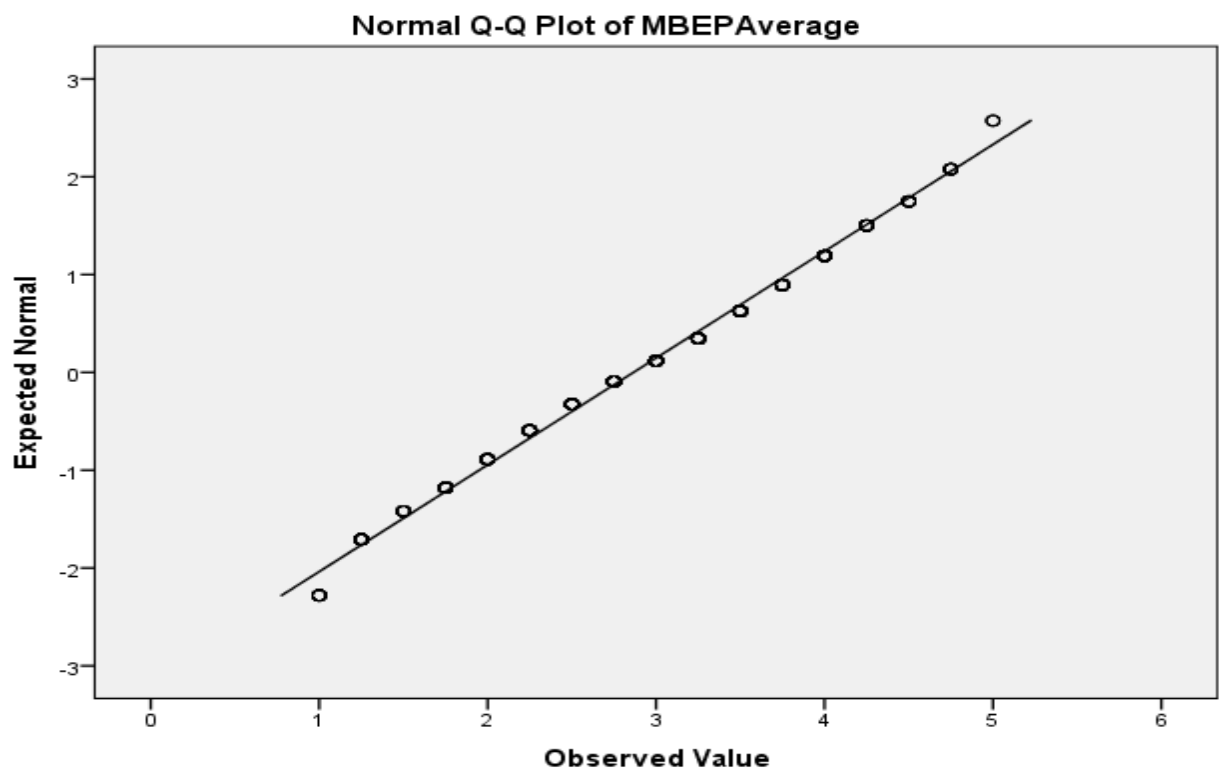
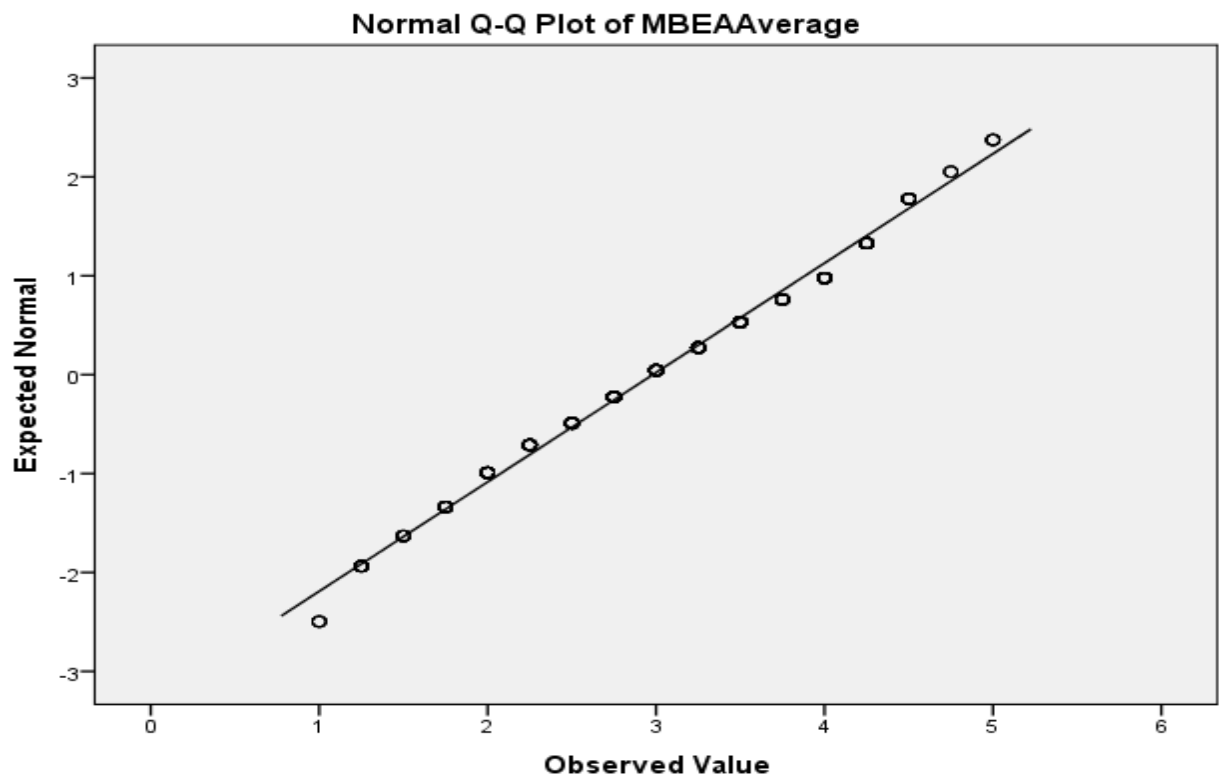
These are the Q-Q plots which shows the normality of the data. these graphs include graphs of individual factors along with the two independent and one dependent variable

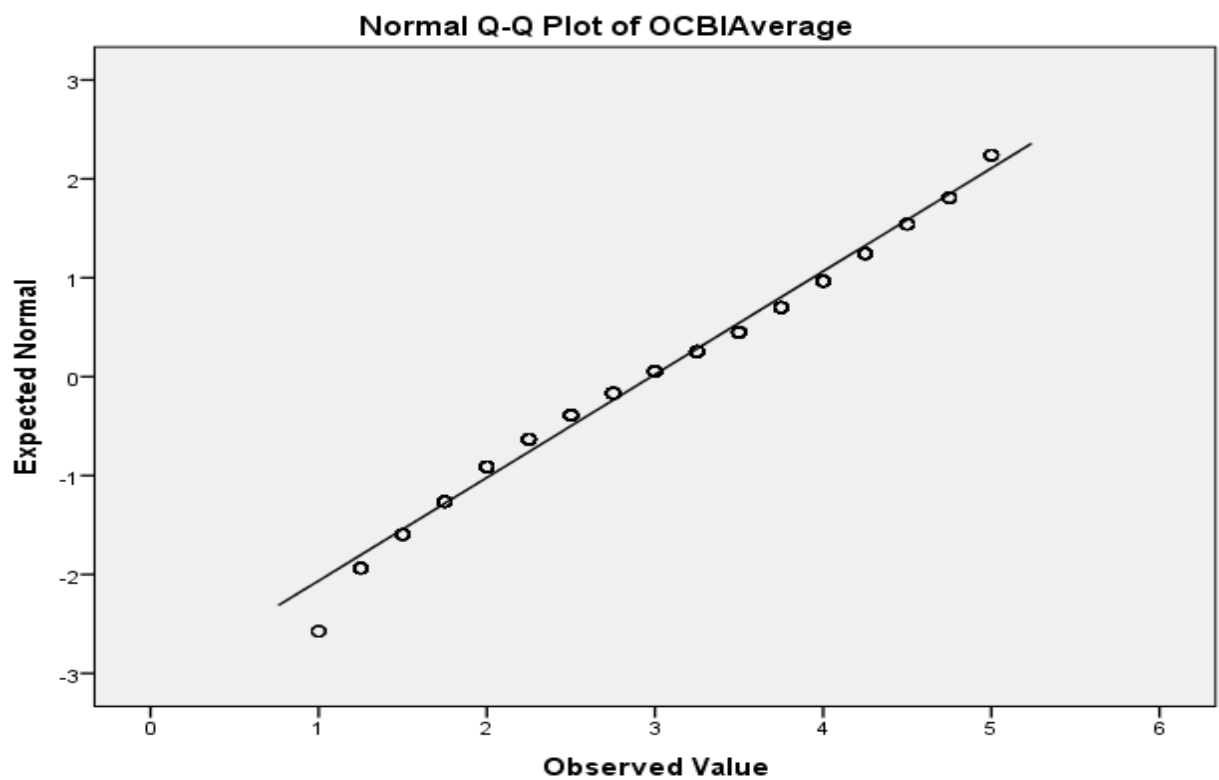
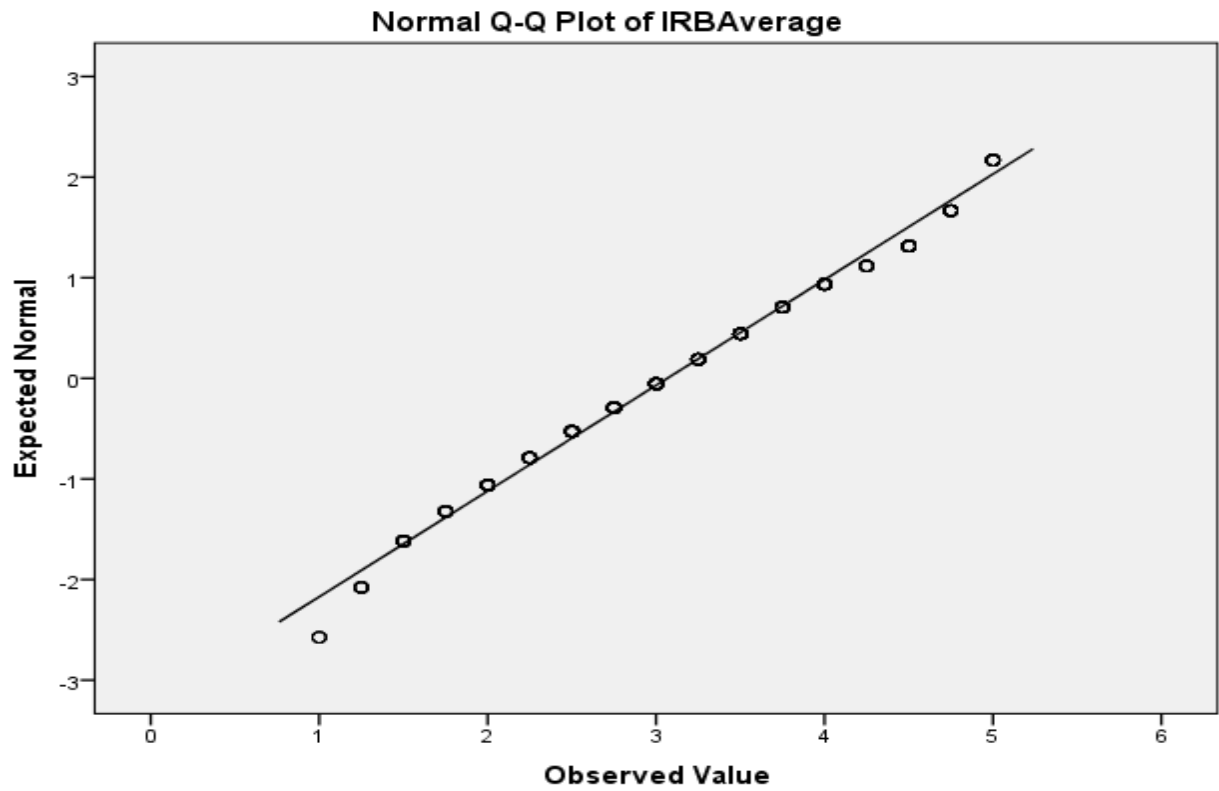


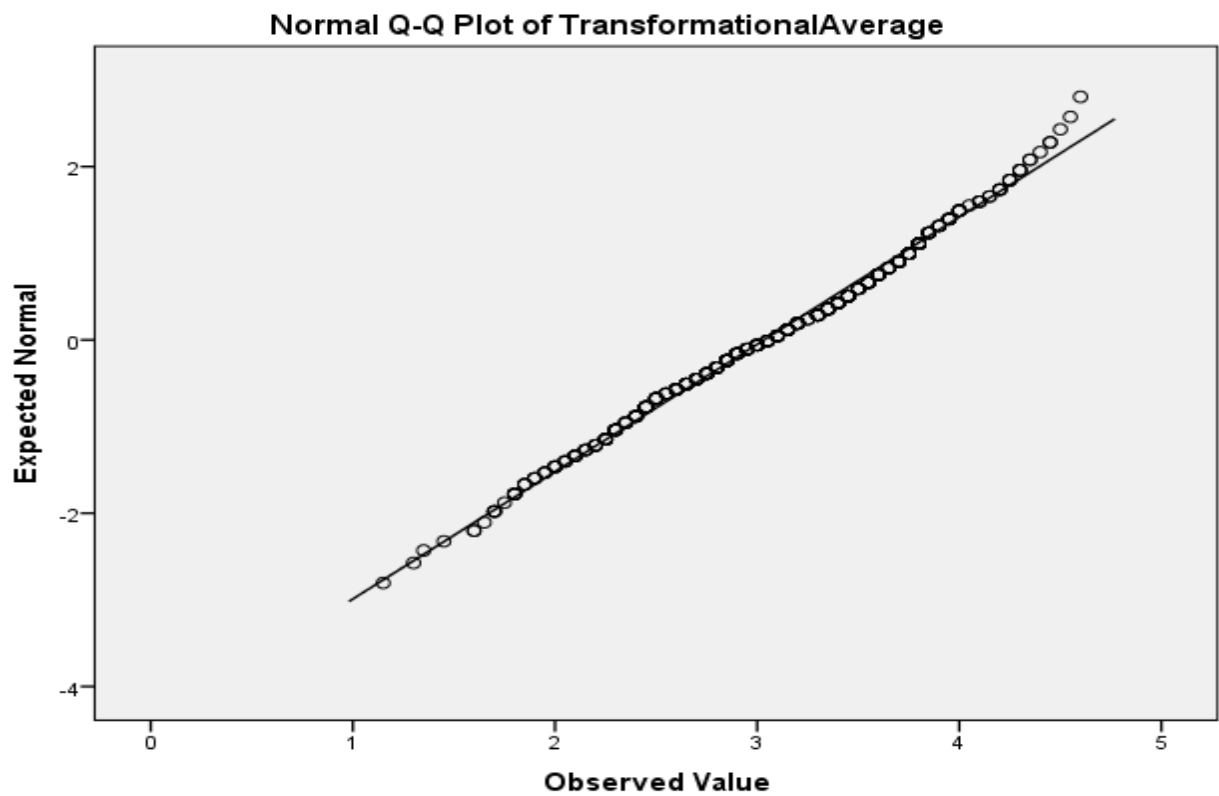
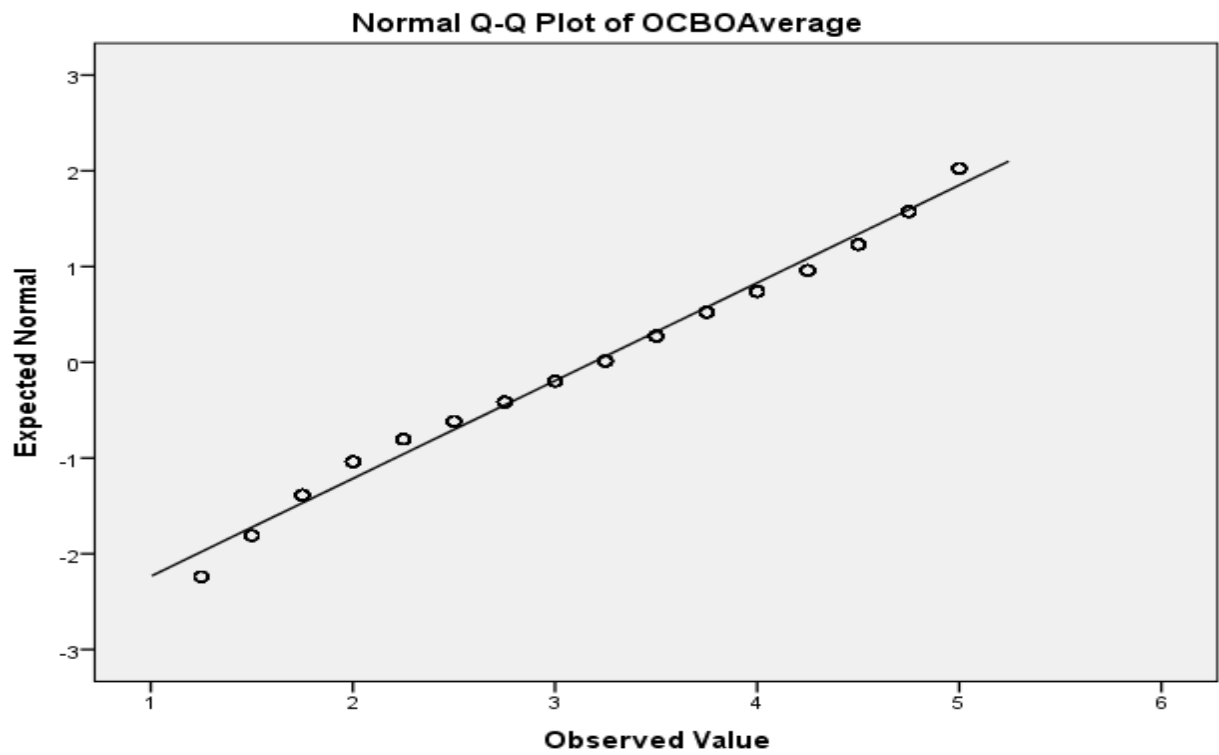


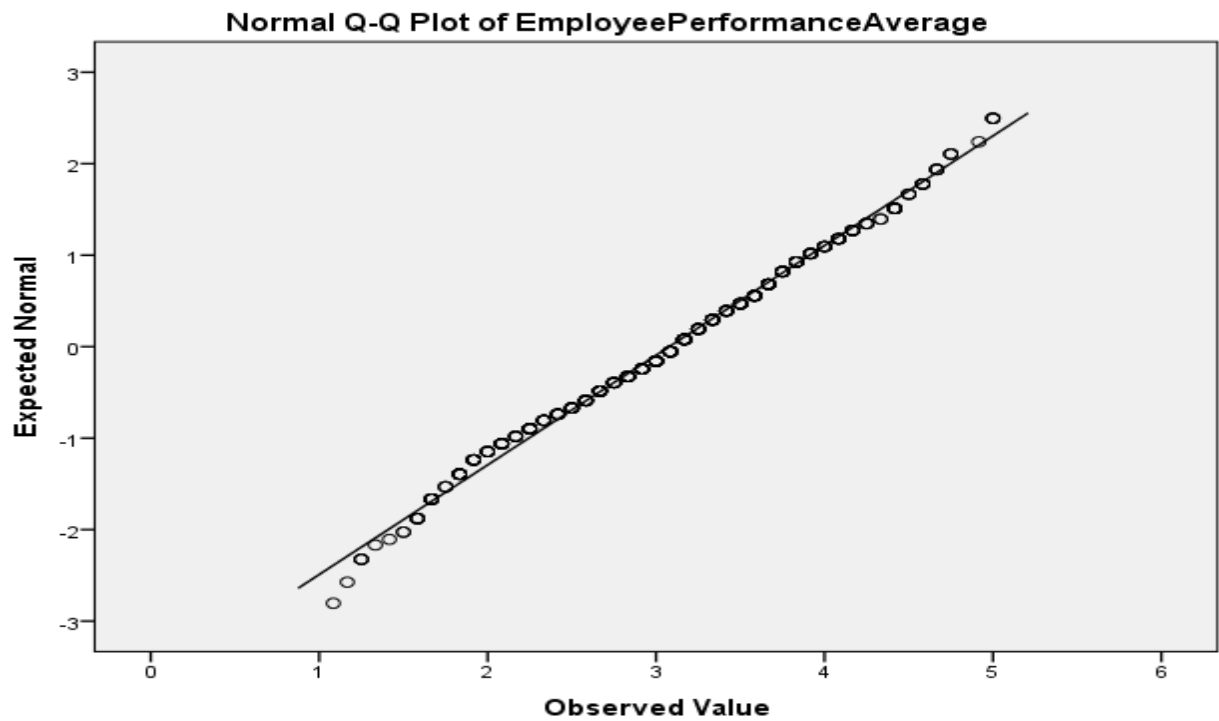
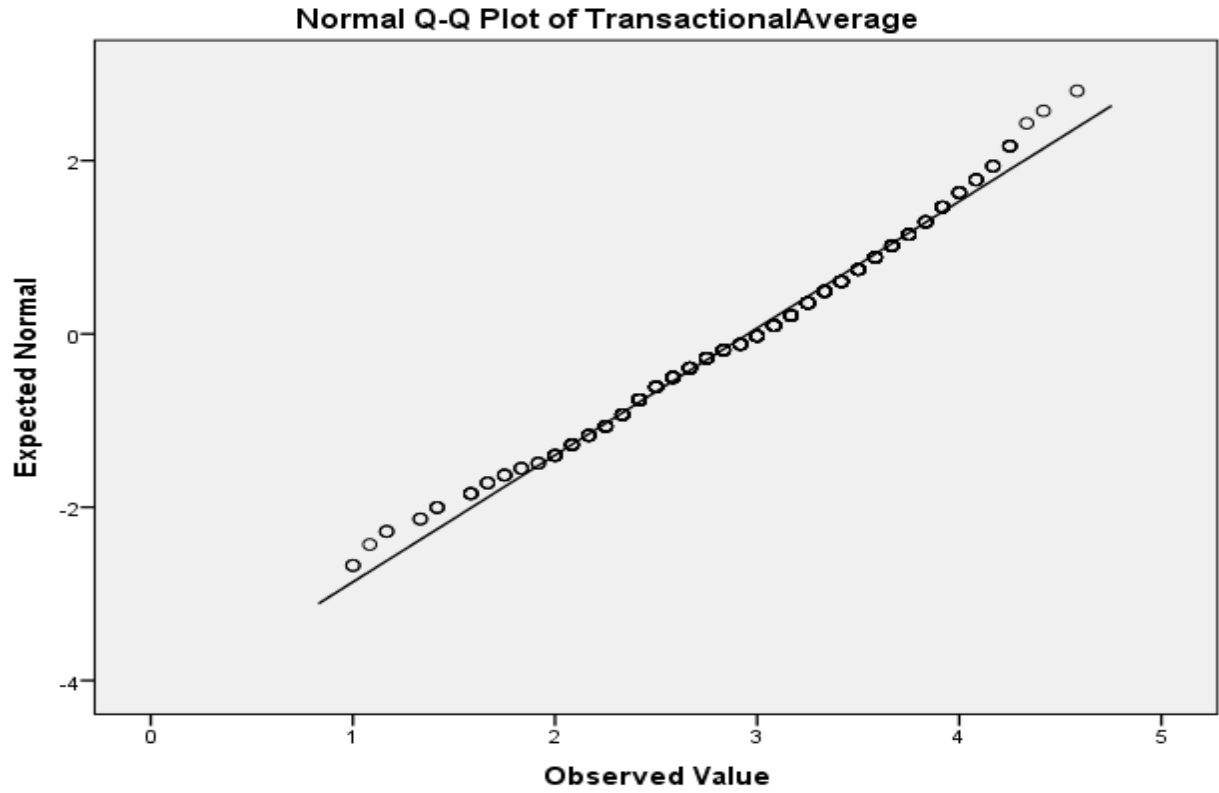












## 4.4 Study Variables / Hypothesis Testing

All the hypothesis of the study was tested by using SPSS statistical techniques by using SPSS 20. Regression and Correlation techniques were used to test the hypothesis. Pearson correlation, bivariate analysis and regression analysis were employed to check the relationship of the main variables and individual constructs of the main variables to the dependent variable employee performance and its individual constructs. Results of the analysis techniques for each of the hypothesis of the study is explained below

### 4.4 Hypothesis 1:

*H0*). Transformational leadership style is not positively related to employee performance.

*(H1)*). Transformational leadership style is positively related to employee performance.

#### 4.4.1 Correlation Analysis:

Correlations			
		Transformational Average	EmployeePerformance Average
TransformationalAverage	Pearson Correlation	1	.690**
	Sig. (2-tailed)		.000
	N	397	397
EmployeePerformanceAverage	Pearson Correlation	.690**	1
	Sig. (2-tailed)	.000	
	N	397	397

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Table 4.11 H1 correlation

Here in this table, Pearson correlation is used. It is used to check the effect or impact of one variable on another variable as independent and dependent variable. This table shows that transformational leadership style has 69% impact on the variable employee performance.

Cohen (1988) states that if  $r = .10$  it has small effect, if  $r = .30$  it has medium effect and if  $r = .50$  it has stronger effect. Here in this case value of  $r$  is much greater than  $.50$  (.733), it means that it has a large effect on employee performance

Pearson correlation was used for this test as it has been indicated that in many previous studies that there exist a relationship between the transformational leadership and employee performance. This test was done to check the relationship and impact of the two variables and values of  $r > .50$  shows that impact and influence of this style is quite large

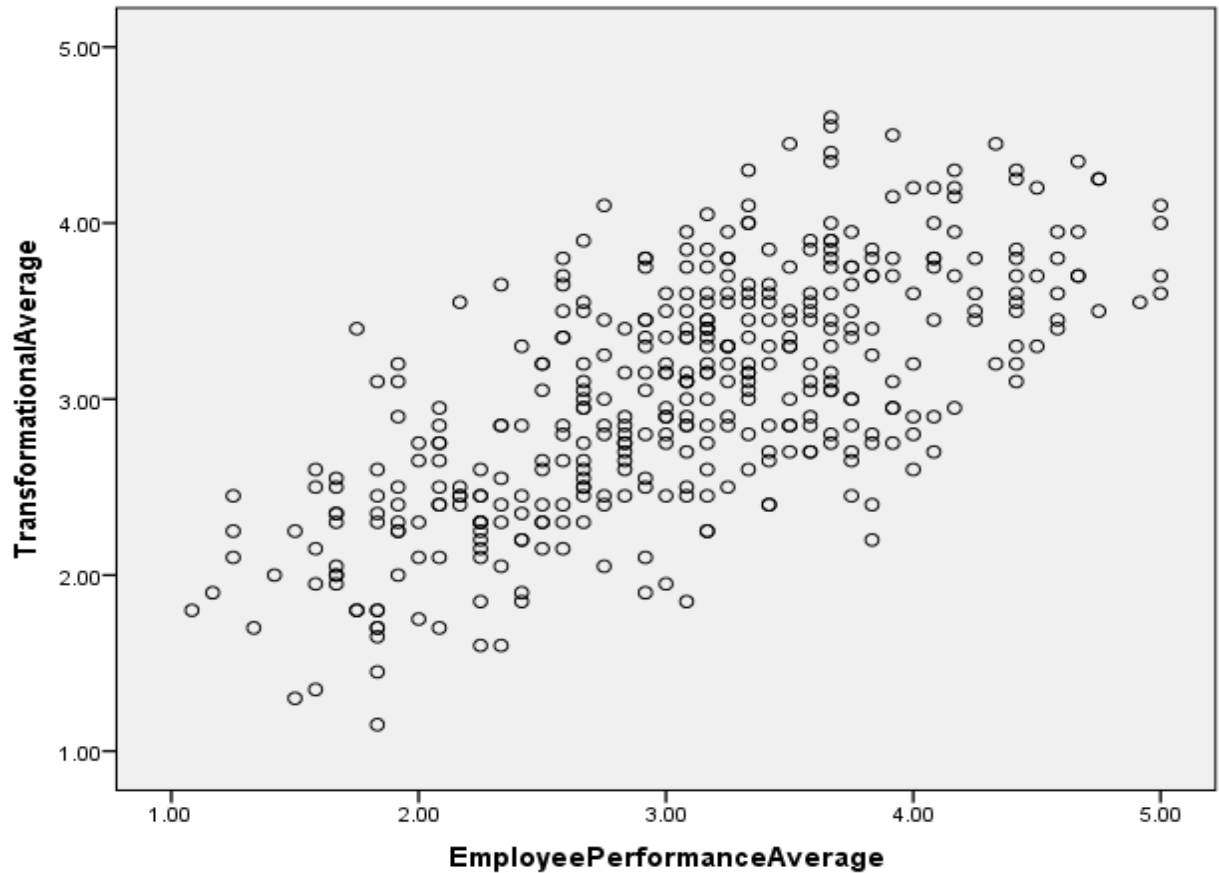
		IIAverage	IIBAverage	IMAverage	ISAverage	ICAverage	IRBAverage	OCBIAverage	OCBOAverage
IIAverage	Pearson Correlation	1	.652**	.368**	.321**	.523**	.591**	.585**	.595**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000	.000
	N	397	397	397	397	397	397	397	397
IIBAverage	Pearson Correlation	.652**	1	.313**	.359**	.387**	.641**	.544**	.593**
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000	.000
	N	397	397	397	397	397	397	397	397
IMAverage	Pearson Correlation	.368**	.313**	1	.538**	.229**	.284**	.304**	.258**
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000	.000
	N	397	397	397	397	397	397	397	397
ISAverage	Pearson Correlation	.321**	.359**	.538**	1	.303**	.337**	.264**	.284**
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000	.000
	N	397	397	397	397	397	397	397	397
ICAverage	Pearson Correlation	.523**	.387**	.229**	.303**	1	.362**	.356**	.409**
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000	.000
	N	397	397	397	397	397	397	397	397
IRBAverage	Pearson Correlation	.591**	.641**	.284**	.337**	.362**	1	.587**	.605**
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000	.000
	N	397	397	397	397	397	397	397	397
OCBIAverage	Pearson Correlation	.585**	.544**	.304**	.264**	.356**	.587**	1	.682**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000		.000
	N	397	397	397	397	397	397	397	397
OCBOAverage	Pearson Correlation	.595**	.593**	.258**	.284**	.409**	.605**	.682**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	
	N	397	397	397	397	397	397	397	397

\*\* . Correlation is significant at the 0.01 level (2-tailed).



#### 4.4.2 Scattered diagram:

Figure 4.1 Scattered diagram



Scattered diagram shows that higher the score on (MLQ) transformational leadership style, the higher will be the employee performance. It shows the relationship between the two variables and impact of transformational leadership style on employee performance

#### 4.4.3 Regression analysis

**Table 4.12 Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.707 <sup>a</sup>	.500	.490	.59595

a. Predictors: (Constant), TransformationalAverage, Gender, Organization, Experience, Department, Designation, Qualification, Age

**Table 4.13 ANOVA<sup>a</sup>**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	137.842	8	17.230	48.515	.000 <sup>b</sup>
	Residual	137.799	388	.355		
	Total	275.641	396			

a. Dependent Variable: EmployeePerformanceAverage

b. Predictors: (Constant), TransformationalAverage, Gender, Organization, Experience, Department, Designation, Qualification, Age

By the regression results in the first table provided by the SPSS is a model summary of this study variable of the first hypothesis. This table provides the value of R and R<sup>2</sup> for the model. For this study of the hypothesis R has a value of 0.707 for the predictor of transformational leadership style that represents the simple correlation between the leadership style and employee performance. Value of R<sup>2</sup> is .500 which explains the that leadership style accounts 50% of the variation(variance) in the employee performance . This shows that there are some other factors which explain the 50% of the model

Adjusted R square provides about how well the model is generated. It shows that if the model was derived from full population how much variation it will give, 50% -49% = 1% variation.

Important part of the second table is F Ratio, its value is 48.515 that is significant at  $p < 0.01$ . Therefore it can be concluded that regression model results in good prediction of employee performance.

**Table 4.14 Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.234	.335		.700	.484
Organization	-.039	.021	-.065	-1.817	.070
Gender	.014	.083	.007	.163	.871
Experience	.082	.051	.067	1.600	.110
Qualification	.093	.078	.050	1.188	.235
Department	.039	.013	.112	3.021	.003
Designation	.072	.102	.028	.711	.478
Age	-.100	.051	-.093	-1.967	.050
TransformationalAverage	.832	.044	.679	18.741	.000

a. Dependent Variable: EmployeePerformanceAverage

Third part of our study hypothesis is regression model coefficients. In this table we can say that value of  $b_0$  or constant is .234, it shows that if leaders will not emphasize on the leadership style then employee performance will be .234 or 23%. Where value of Beta for transformational leadership style shows if the leaders will emphasize on the transformational leadership style and one unit increase in style will increase the employee performance by 67.9%

Above results shows that transformational leadership has significant positive impact on employee performance hence  $H_1$  is accepted and  $H_{01}$  is rejected

## 4.5 Hypothesis 2:

( $H_0$ ). Transactional leadership style is not positively related to employee performance.

( $H_2$ ). Transactional leadership style is positively related to employee performance.

#### 4.5.1 Correlation Analysis:

Correlations		TransactionalAverage	EmployeePerformanceAverage
TransactionalAverage	Pearson Correlation	1	.600**
	Sig. (2-tailed)		.000
	N	397	397
EmployeePerformanceAverage	Pearson Correlation	.600**	1
	Sig. (2-tailed)	.000	
	N	397	397

\*\* . Correlation is significant at the 0.01 level (2-tailed).

**Table 4.15 correlation for H2**

Here in this table, Pearson correlation is used. It is used to check the effect or impact of one variable on another variable as independent and dependent variable. This table shows that transformational leadership style has 60% impact on the variable employee performance.

Cohen (1988) states that if  $r = .10$  it has small effect, if  $r = .30$  it has medium effect and if  $r = .50$  it has stronger effect. Here in this case value of  $r$  is much greater than .50 (.598), it means that it has a large effect on employee performance

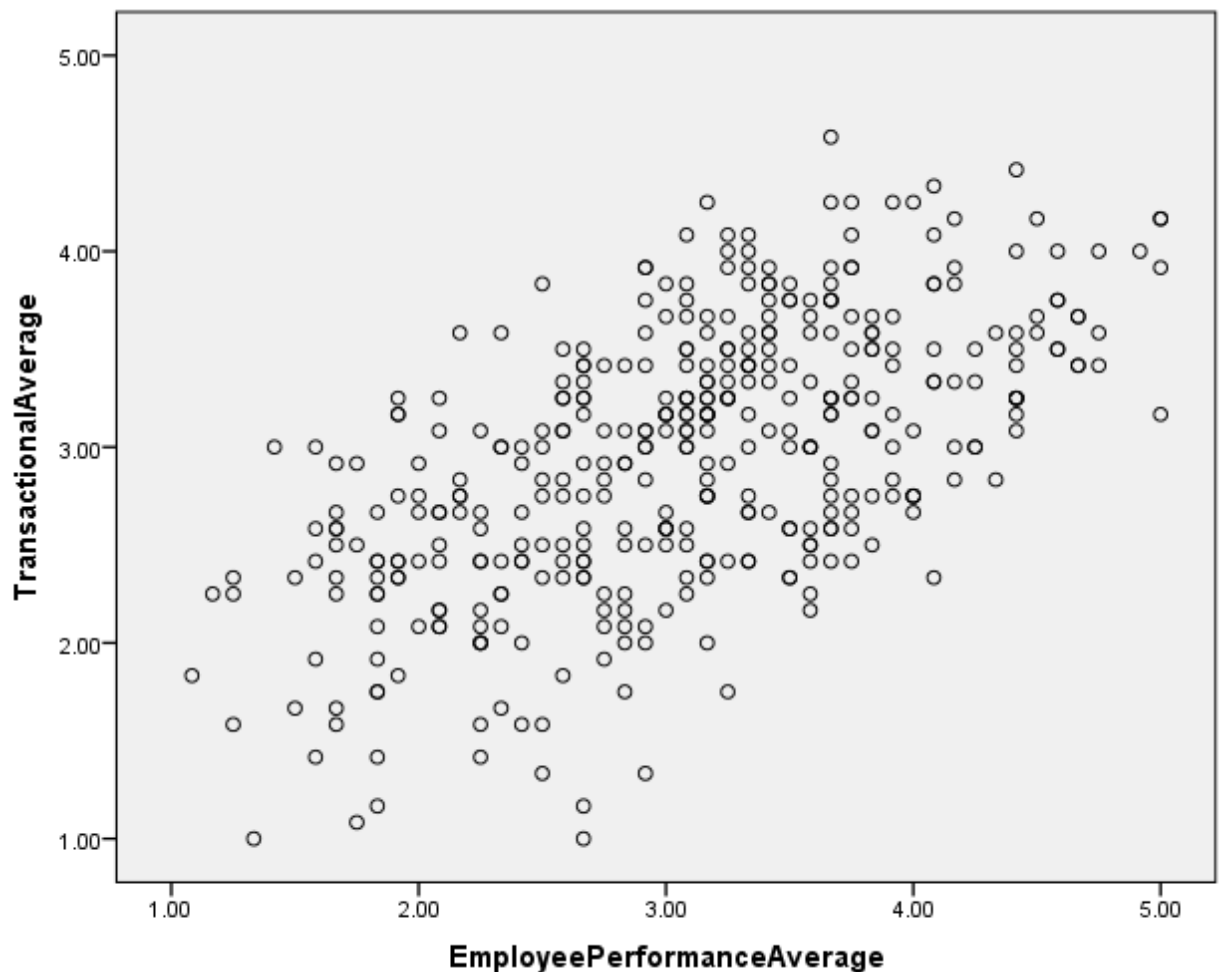
Correlations		CRAverage	MBEAAverage	MBEPAverage	IRBAverage	OCBIAverage	OCBOAverage
CRAverage	Pearson Correlation	1	.545**	.207**	.525**	.579**	.577**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	397	397	397	397	397	397
MBEAAverage	Pearson Correlation	.545**	1	.227**	.332**	.413**	.534**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	397	397	397	397	397	397
MBEPAverage	Pearson Correlation	.207**	.227**	1	.181**	.178**	.138**
	Sig. (2-tailed)	.000	.000		.000	.000	.006
	N	397	397	397	397	397	397
IRBAverage	Pearson Correlation	.525**	.332**	.181**	1	.587**	.605**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	397	397	397	397	397	397
OCBIAverage	Pearson Correlation	.579**	.413**	.178**	.587**	1	.682**
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	397	397	397	397	397	397
OCBOAverage	Pearson Correlation	.577**	.534**	.138**	.605**	.682**	1
	Sig. (2-tailed)	.000	.000	.006	.000	.000	
	N	397	397	397	397	397	397

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Pearson correlation was used for this test as it has been indicated that in many previous studies that there exist a relationship between the transformational leadership and employee performance. This test was done to check the relationship and impact of the two variables and values of  $r > .50$  shows that impact and influence of this style is quite large

#### 4.5.2 Scattered diagram:

**Figure 4.2 scattered diagram**



This diagram shows that transactional style of leadership has also impact on the employee performance, although this impact is much less than the transformational style of leadership. This diagram shows that data is much scattered and sometimes lower score on the MLQ resulted in high performance and sometimes high score on MLQ has resulted in lower performance

### 4.5.3 Regression Analysis:

**Table 4.16 Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.631 <sup>a</sup>	.398	.386	.65397

a. Predictors: (Constant), TransactionalAverage, Experience, Gender, Organization, Department, Designation, Qualification, Age

**Table 4.17 ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	109.704	8	13.713	32.064	.000 <sup>b</sup>
	Residual	165.937	388	.428		
	Total	275.641	396			

a. Dependent Variable: EmployeePerformanceAverage

b. Predictors: (Constant), TransactionalAverage, Experience, Gender, Organization, Department, Designation, Qualification, Age

By the regression results in the first table provided by the SPSS is a model summary of this study variable of the first hypothesis. This table provides the value of R and R<sup>2</sup> for the model. For this study of the hypothesis R has a value of .631 for the predictor of transactional leadership style that represents the simple correlation between the leadership style and employee performance and value of R<sup>2</sup> is .398 which explains that leadership style accounts 39.8% of the variation in the firm performance. This shows that there are some other factors which explain the 61.2 % of the model

Adjusted R square provides about how well the model is generated. It shows that if the model was derived from full population how much variation it will give, 39.8% -38.6% = 1.2% variation.

Important part of the second table is F Ratio; its value is 32.064 that is significant at  $p < 0.01$ . Therefore it can be concluded that regression model results in good prediction of employee performance

**Table 4.18 Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.433	.371		1.167	.244
Organization	-.032	.023	-.054	-1.363	.174
Gender	.053	.091	.026	.579	.563
Experience	.103	.056	.085	1.840	.066
Qualification	.067	.086	.036	.781	.435
Department	.056	.014	.161	3.954	.000
Designation	.100	.112	.038	.893	.373
Age	-.098	.056	-.090	-1.746	.082
TransactionalAverage	.729	.049	.597	15.029	.000

a. Dependent Variable: EmployeePerformanceAverage

Third part of our study hypothesis is regression model coefficients. In this table we can say that value of  $b_0$  or constant is .433, it shows that if leaders will not emphasize on the leadership style then employee performance will be 43.3%. Where value of Bets for transactional leadership style shows if the leaders will emphasize on the transformational leadership style and one unit increase in style will increase the employee performance by 59.7%

Above results shows that transformational leadership has significant positive impact on employee performance hence H2 is accepted and H0 is rejected

### 4.6 Hypothesis 3:

(H0). Transformational leadership style has not a stronger influence on employee performance than Transactional leadership style.

(H3). Transformational leadership style has a stronger influence on employee performance than Transactional leadership style.

#### 4.6.1 Correlation:

By analyzing the correlation of both the styles with employee performance, it is clear that transformational leadership has higher value as compared to transactional leadership style

**Table 4.19 correlations for H3**

### Correlations

		TransformationalAverage	TransactionalAverage	EmployeePerformanceAverage
TransformationalAverage	Pearson Correlation	1	.685**	.690**
	Sig. (2-tailed)		.000	.000
	N	397	397	397
TransactionalAverage	Pearson Correlation	.685**	1	.600**
	Sig. (2-tailed)	.000		.000
	N	397	397	397
EmployeePerformanceAverage	Pearson Correlation	.690**	.600**	1
	Sig. (2-tailed)	.000	.000	
	N	397	397	397

\*\* . Correlation is significant at the 0.01 level (2-tailed).

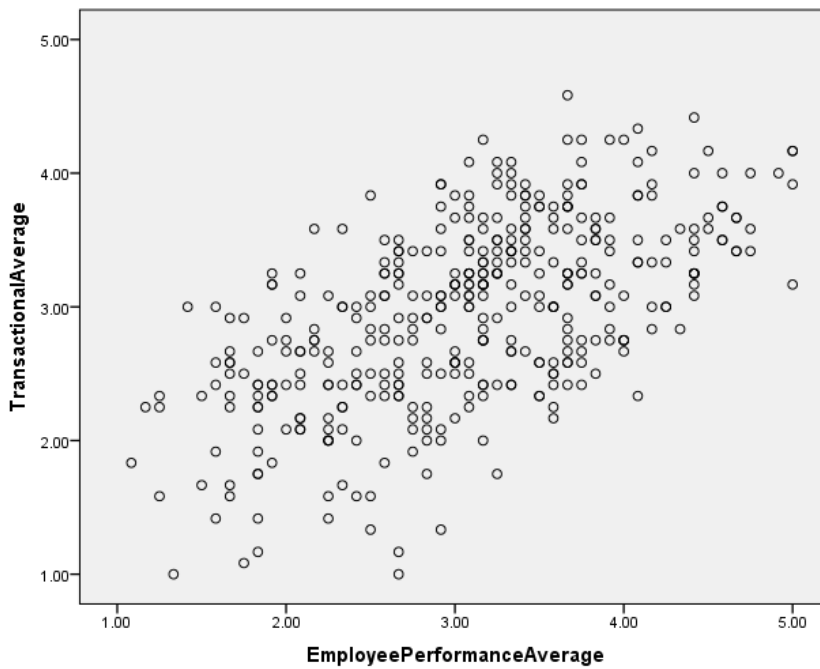
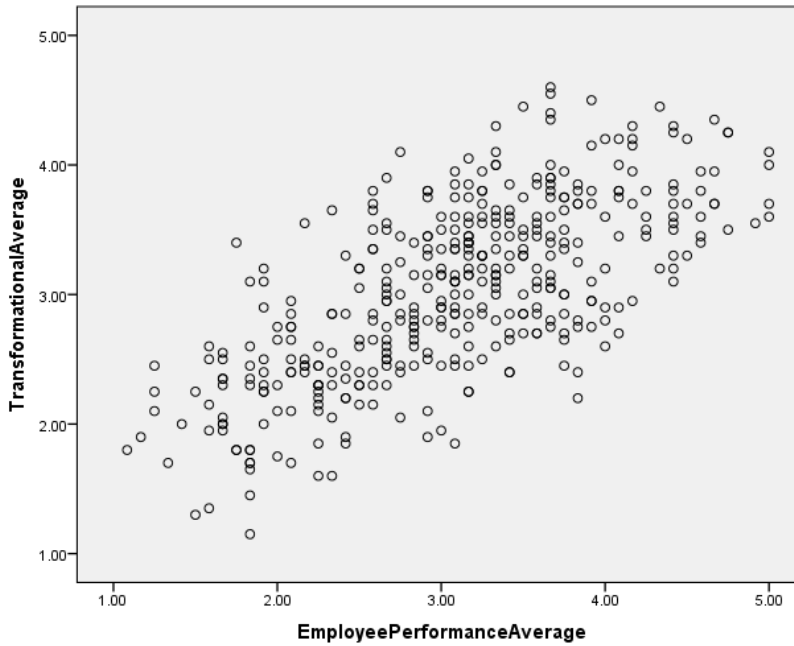
Given below is the table which shows the correlation between the factors of both styles and employee performance. Correlation analyses shows that transformational leadership style has higher correlation between the transformational leadership style and employee performance

		IIAAverage	IIBAverage	IMAAverage	ISAAverage	ICAAverage	CRAverage	MBEAAverage	MBEPAverage	IRBAverage	OCBIAverage	OCBOAverage
IIAAverage	Pearson Correlation	1	.652**	.368**	.321**	.523**	.677**	.422**	.139	.591**	.585**	.595**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000	.005	.000	.000	.000
	N	397	397	397	397	397	397	397	397	397	397	397
IIBAverage	Pearson Correlation	.652**	1	.313**	.359**	.387**	.578**	.416**	.246**	.641**	.544**	.593**
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.000	.000	.000	.000	.000
	N	397	397	397	397	397	397	397	397	397	397	397
IMAAverage	Pearson Correlation	.368**	.313**	1	.538**	.229**	.376**	.217**	.058	.284**	.304**	.258**
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000	.246	.000	.000	.000
	N	397	397	397	397	397	397	397	397	397	397	397
ISAAverage	Pearson Correlation	.321**	.359**	.538**	1	.303**	.416**	.350**	.560**	.337**	.264**	.284**
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000	.000	.000	.000	.000
	N	397	397	397	397	397	397	397	397	397	397	397
ICAAverage	Pearson Correlation	.523**	.387**	.229**	.303**	1	.461**	.411**	.130**	.362**	.356**	.409**
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000	.010	.000	.000	.000
	N	397	397	397	397	397	397	397	397	397	397	397
CRAverage	Pearson Correlation	.677**	.578**	.376**	.416**	.461**	1	.545**	.207**	.525**	.579**	.577**
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000	.000	.000	.000	.000
	N	397	397	397	397	397	397	397	397	397	397	397
MBEAAverage	Pearson Correlation	.422**	.416**	.217**	.350**	.411**	.545**	1	.227**	.332**	.413**	.534**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000		.000	.000	.000	.000
	N	397	397	397	397	397	397	397	397	397	397	397
MBEPAverage	Pearson Correlation	.139	.246**	.058	.560**	.130**	.207**	.227**	1	.181**	.178**	.138**
	Sig. (2-tailed)	.005	.000	.246	.000	.010	.000	.000		.000	.000	.006
	N	397	397	397	397	397	397	397	397	397	397	397
IRBAverage	Pearson Correlation	.591**	.641**	.284**	.337**	.362**	.525**	.332**	.181**	1	.587**	.605**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000		.000	.000
	N	397	397	397	397	397	397	397	397	397	397	397

#### 4.6.2 Scattered Diagram:

Figure 4.3 scattered diagram





Again these two diagrams shows that the impact of transformational leadership style is greater than the transactional leadership style

#### 4.6.3 Regression Analysis:

By comparing the model summary, variance analysis and coefficient analysis we can find out that transformational leadership style is more effective in enhancing the employee performance level

**Table 4.20 Model Summary 1**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.707 <sup>a</sup>	.500	.490	.59595

a. Predictors: (Constant), TransformationalAverage, Gender, Organization, Experience, Department, Designation, Qualification, Age

**Table 4.21 Model Summary 2**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.631 <sup>a</sup>	.398	.386	.65397

a. Predictors: (Constant), TransactionalAverage, Experience, Gender, Organization, Department, Designation, Qualification, Age

**Table 4.22 ANOVA<sup>a</sup> 1**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	109.704	8	13.713	32.064	.000 <sup>b</sup>
	Residual	165.937	388	.428		
	Total	275.641	396			

a. Dependent Variable: EmployeePerformanceAverage

b. Predictors: (Constant), TransactionalAverage, Experience, Gender, Organization, Department, Designation, Qualification, Age

**Table 4.23 ANOVA<sup>a</sup> 2**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	137.842	8	17.230	48.515	.000 <sup>b</sup>
	Residual	137.799	388	.355		
	Total	275.641	396			

a. Dependent Variable: EmployeePerformanceAverage

b. Predictors: (Constant), TransformationalAverage, Gender, Organization, Experience, Department, Designation, Qualification, Age

**Table 4.24 Coefficients<sup>a</sup> 1**

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	.433	.371		1.167	.244
Organization	-.032	.023	-.054	-1.363	.174
Gender	.053	.091	.026	.579	.563
Experience	.103	.056	.085	1.840	.066
Qualification	.067	.086	.036	.781	.435
Department	.056	.014	.161	3.954	.000
Designation	.100	.112	.038	.893	.373
Age	-.098	.056	-.090	-1.746	.082
TransactionalAverage	.729	.049	.597	15.029	.000

a. Dependent Variable: EmployeePerformanceAverage

**Table 4.25 Coefficients<sup>a,2</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.234	.335		.700	.484
Organization	-.039	.021	-.065	-1.817	.070
Gender	.014	.083	.007	.163	.871
Experience	.082	.051	.067	1.600	.110
Qualification	.093	.078	.050	1.188	.235
Department	.039	.013	.112	3.021	.003
Designation	.072	.102	.028	.711	.478
Age	-.100	.051	-.093	-1.967	.050
TransformationalAverage	.832	.044	.679	18.741	.000

a. Dependent Variable: EmployeePerformanceAverage

## 4.7 Result of organizations

Given below are the results of all five organizations, individual results of these organizations lead to the cumulative resulted which is already discussed .

### 4.7.1 Mobilink:

Given below are the results of Mobilink

**Reliability Statistics**

Cronbach's Alpha	N of Items
.907	44

Above table shows that reliability of the questionnaire for te data of this organization is .907 Similarly descriptive statistics shows that data is normally distributed

**Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
IIAverage	82	1.00	5.00	2.9695	.97055
IIBAverage	82	1.25	5.00	3.1280	.97519
IMAverage	82	1.00	4.75	2.9878	.93945
ISAverage	82	1.00	5.00	3.1799	.94140
ICAverage	82	1.00	4.75	2.8140	.90847
CRAverage	82	1.00	4.75	3.0732	.93086
MBEAAverage	82	1.25	5.00	3.0915	.88149
MBEPAverage	82	1.00	5.00	2.8445	.93841
IRBAverage	82	1.25	5.00	2.9329	.90357
OCBIAverage	82	1.25	5.00	2.8689	.89168
OCBOAverage	82	1.25	5.00	3.0732	.97380
TransformationalAverage	82	1.15	4.60	3.0159	.72991
TransactionalAverage	82	1.42	4.33	3.0030	.62174
EmployeePerformanceAverage	82	1.25	4.42	2.9583	.78951
Valid N (listwise)	82				

Correlations				
		TransformationalAverage	TransactionalAverage	EmployeePerformanceAverage
TransformationalAverage	Pearson Correlation	1	.746**	.714**
	Sig. (2-tailed)		.000	.000
	N	82	82	82
TransactionalAverage	Pearson Correlation	.746**	1	.525**
	Sig. (2-tailed)	.000		.000
	N	82	82	82
EmployeePerformanceAverage	Pearson Correlation	.714**	.525**	1
	Sig. (2-tailed)	.000	.000	
	N	82	82	82
**. Correlation is significant at the 0.01 level (2-tailed).				

Above table shows the correlation between the two styles and employee performance, this table proves that transformational leadership style has high correlation with the employee performance.

Given below are the tables of correlation between the factors of the employee performance and two styles of leadership.

		IIAAverage	IIBAverage	IMAAverage	ISAverage	ICAverage	IRBAverage	OCBIAverage	OCBOAverage
IIAAverage	Pearson Correlation	1	.687**	.710**	.386**	.596**	.641**	.581**	.600**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000	.000
	N	82	82	82	82	82	82	82	82
IIBAverage	Pearson Correlation	.687**	1	.578**	.365**	.417**	.636**	.498**	.561**
	Sig. (2-tailed)	.000		.000	.001	.000	.000	.000	.000
	N	82	82	82	82	82	82	82	82
IMAAverage	Pearson Correlation	.710**	.578**	1	.499**	.420**	.598**	.400**	.499**
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000	.000
	N	82	82	82	82	82	82	82	82
ISAverage	Pearson Correlation	.386**	.365**	.499**	1	.241*	.287**	.125	.251*
	Sig. (2-tailed)	.000	.001	.000		.029	.009	.263	.023
	N	82	82	82	82	82	82	82	82
ICAverage	Pearson Correlation	.596**	.417**	.420**	.241*	1	.462**	.427**	.460**
	Sig. (2-tailed)	.000	.000	.000	.029		.000	.000	.000
	N	82	82	82	82	82	82	82	82
IRBAverage	Pearson Correlation	.641**	.636**	.598**	.287**	.462**	1	.442**	.709**
	Sig. (2-tailed)	.000	.000	.000	.009	.000		.000	.000
	N	82	82	82	82	82	82	82	82
OCBIAverage	Pearson Correlation	.581**	.498**	.400**	.125	.427**	.442**	1	.628**
	Sig. (2-tailed)	.000	.000	.000	.263	.000	.000		.000
	N	82	82	82	82	82	82	82	82
OCBOAverage	Pearson Correlation	.600**	.561**	.499**	.251*	.460**	.709**	.628**	1
	Sig. (2-tailed)	.000	.000	.000	.023	.000	.000	.000	
	N	82	82	82	82	82	82	82	82

\*\* Correlation is significant at the 0.01 level (2-tailed).

\* Correlation is significant at the 0.05 level (2-tailed).

#### Correlations

		CRAverage	MBEAAverage	MBEPAverage	IRBAverage	OCBIAverage	OCBOAverage
CRAverage	Pearson Correlation	1	.586**	-.002	.504**	.422**	.580**
	Sig. (2-tailed)		.000	.987	.000	.000	.000
	N	82	82	82	82	82	82
MBEAAverage	Pearson Correlation	.586**	1	-.002	.449**	.433**	.603**
	Sig. (2-tailed)	.000		.984	.000	.000	.000
	N	82	82	82	82	82	82
MBEPAverage	Pearson Correlation	-.002	-.002	1	-.050	-.097	-.080
	Sig. (2-tailed)	.987	.984		.657	.388	.473
	N	82	82	82	82	82	82
IRBAverage	Pearson Correlation	.504**	.449**	-.050	1	.442**	.709**
	Sig. (2-tailed)	.000	.000	.657		.000	.000
	N	82	82	82	82	82	82
OCBIAverage	Pearson Correlation	.422**	.433**	-.097	.442**	1	.628**
	Sig. (2-tailed)	.000	.000	.388	.000		.000
	N	82	82	82	82	82	82
OCBOAverage	Pearson Correlation	.580**	.603**	-.080	.709**	.628**	1
	Sig. (2-tailed)	.000	.000	.473	.000	.000	
	N	82	82	82	82	82	82

\*\* Correlation is significant at the 0.01 level (2-tailed).

## Regression analysis:

Given below are the results of the regression analysis for both the styles of leadership and these results shows that in mobilink transformational leadership is giving better

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.736 <sup>a</sup>	.542	.499	.55891

a. Predictors: (Constant), TransformationalAverage, Age, Designation, Department, Experience, Qualification, Gender

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	27.374	7	3.911	12.519	.000 <sup>b</sup>
	Residual	23.116	74	.312		
	Total	50.490	81			

a. Dependent Variable: EmployeePerformanceAverage

b. Predictors: (Constant), TransformationalAverage, Age, Designation, Department, Experience, Qualification, Gender

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.204	.827		.247	.806
	Gender	.131	.195	.066	.668	.506
	Experience	.024	.093	.023	.258	.797
	Qualification	.126	.165	.075	.767	.445
	Department	.048	.028	.148	1.713	.091
	Designation	.054	.219	.023	.246	.806
	Age	-.143	.102	-.139	-1.413	.162
	TransformationalAverage	.753	.093	.696	8.137	.000

a. Dependent Variable: EmployeePerformanceAverage

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.611 <sup>a</sup>	.373	.314	.65394

a. Predictors: (Constant), TransactionalAverage, Gender, Department, Experience, Qualification, Designation, Age

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	18.845	7	2.692	6.295	.000 <sup>b</sup>
	Residual	31.645	74	.428		
	Total	50.490	81			

a. Dependent Variable: EmployeePerformanceAverage

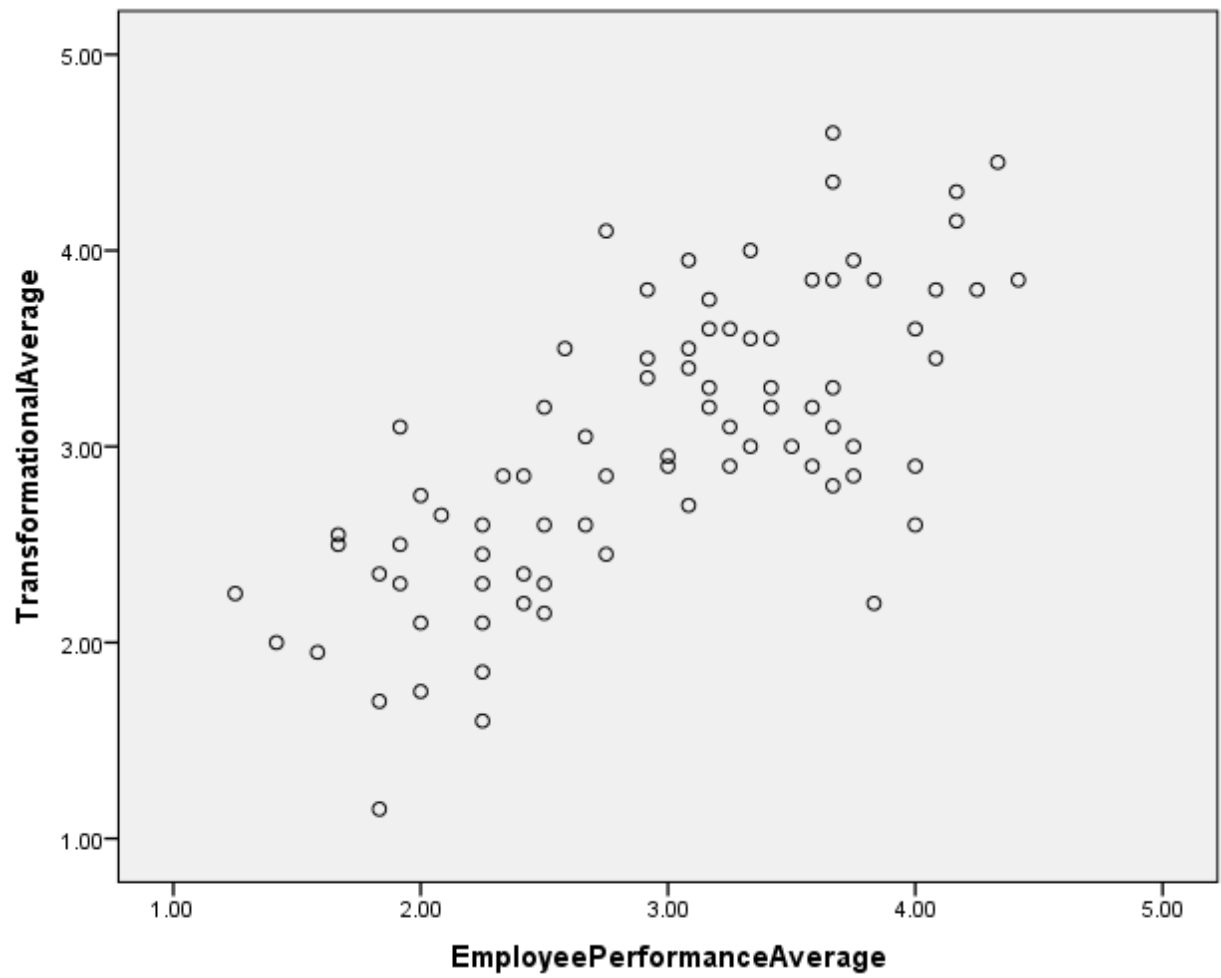
b. Predictors: (Constant), TransactionalAverage, Gender, Department, Experience, Qualification, Designation, Age

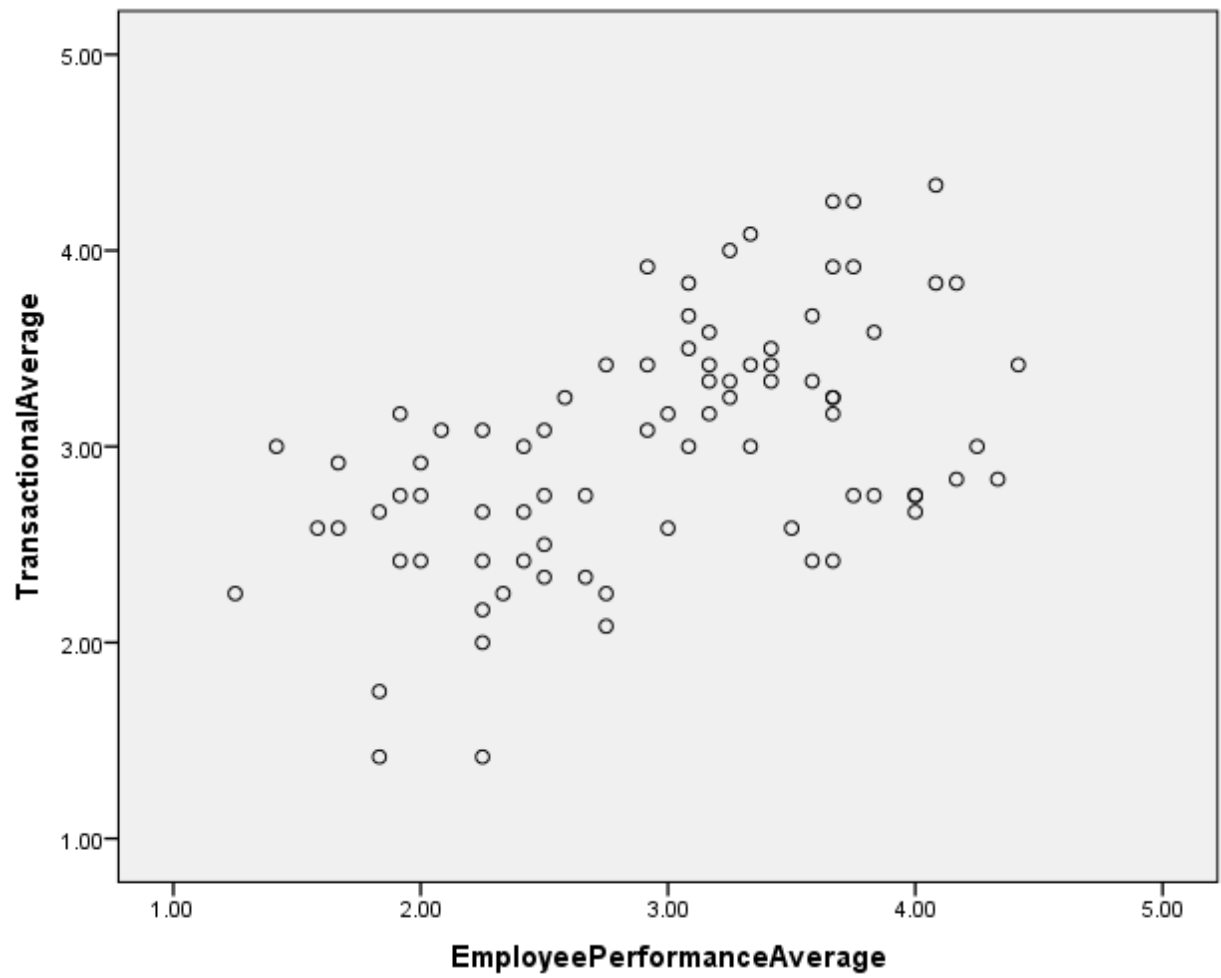
**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.193	1.039		.186	.853
	Gender	.212	.230	.107	.923	.359
	Experience	-.016	.109	-.015	-.147	.884
	Qualification	.039	.192	.023	.204	.839
	Department	.087	.032	.267	2.688	.009
	Designation	.190	.262	.083	.725	.471
	Age	-.134	.119	-.131	-1.128	.263
	TransactionalAverage	.660	.124	.519	5.331	.000

a. Dependent Variable: EmployeePerformanceAverage







#### 4.7.2 Telenor:

Results of the test for Telenor are given below, these test shows that in this organization transformational leadership style is giving slight better employee performance

##### Reliability Statistics

Cronbach's Alpha	N of Items
.875	44

##### Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
IIAverage	72	1.00	4.75	2.6736	.94351
IIBAverage	72	1.00	5.00	2.7465	.93305
IMAverage	72	1.00	4.50	2.6354	.79715
ISAverage	72	1.50	5.00	3.3611	.90469
ICAverage	72	1.75	4.25	2.8368	.63656
CRAverage	72	1.00	5.00	2.8403	.93193
MBEAAverage	72	1.00	4.75	2.9236	.75833
MBEPAverage	72	1.00	5.00	2.8924	.89779
IRBAverage	72	1.00	5.00	3.0000	.91832
OCBIAverage	72	1.00	5.00	3.0000	.94612
OCBOAverage	72	1.25	5.00	3.0833	.92691
TransformationalAverage	72	1.60	3.95	2.8507	.62975
TransactionalAverage	72	1.83	4.42	2.8854	.51758
EmployeePerformanceAverage	72	1.08	5.00	3.0278	.78976
Valid N (listwise)	72				

##### Correlations

		TransformationalAverage	TransactionalAverage	EmployeePerformanceAverage
TransformationalAverage	Pearson Correlation	1	.623**	.560**
	Sig. (2-tailed)		.000	.000
	N	72	72	72
TransactionalAverage	Pearson Correlation	.623**	1	.531**
	Sig. (2-tailed)	.000		.000
	N	72	72	72
EmployeePerformanceAverage	Pearson Correlation	.560**	.531**	1
	Sig. (2-tailed)	.000	.000	
	N	72	72	72

\*\* . Correlation is significant at the 0.01 level (2-tailed).

IIBAverage	Pearson Correlation	.628**	1	.488**	.447**	.392**	.424**	.323**	.012	.278	.213	.395**
	Sig. (2-tailed)	.000		.000	.000	.001	.000	.006	.919	.018	.073	.001
	N	72	72	72	72	72	72	72	72	72	72	72
IMAverage	Pearson Correlation	.551**	.488**	1	.555**	.297**	.681**	.230	.056	.637**	.475**	.504**
	Sig. (2-tailed)	.000	.000		.000	.011	.000	.052	.638	.000	.000	.000
	N	72	72	72	72	72	72	72	72	72	72	72
ISAverage	Pearson Correlation	.346**	.447**	.555**	1	.260	.389**	.232*	.458**	.337**	.118	.356**
	Sig. (2-tailed)	.003	.000	.000		.028	.001	.050	.000	.004	.324	.002
	N	72	72	72	72	72	72	72	72	72	72	72
ICAverage	Pearson Correlation	.351**	.392**	.297**	.260	1	.254*	.271*	.069	.114	.064	.371**
	Sig. (2-tailed)	.002	.001	.011	.028		.032	.021	.565	.338	.591	.001
	N	72	72	72	72	72	72	72	72	72	72	72
CRAverage	Pearson Correlation	.597**	.424**	.681**	.389**	.254*	1	.315**	-.156	.777**	.547**	.665**
	Sig. (2-tailed)	.000	.000	.000	.001	.032		.007	.192	.000	.000	.000
	N	72	72	72	72	72	72	72	72	72	72	72
MBEAAverage	Pearson Correlation	.211	.323**	.230	.232*	.271*	.315**	1	-.017	.289*	.237*	.410**
	Sig. (2-tailed)	.076	.006	.052	.050	.021	.007		.885	.014	.045	.000
	N	72	72	72	72	72	72	72	72	72	72	72
MBEPAverage	Pearson Correlation	-.120	.012	.056	.458**	.069	-.156	-.017	1	-.180	-.159	-.174
	Sig. (2-tailed)	.315	.919	.638	.000	.565	.192	.885		.129	.182	.143
	N	72	72	72	72	72	72	72	72	72	72	72
IRBAverage	Pearson Correlation	.484**	.278	.637**	.337**	.114	.777**	.289*	-.180	1	.620**	.551**
	Sig. (2-tailed)	.000	.018	.000	.004	.338	.000	.014	.129		.000	.000
	N	72	72	72	72	72	72	72	72	72	72	72
OCBIAverage	Pearson Correlation	.354**	.213	.475**	.118	.064	.547**	.237*	-.159	.620**	1	.570**
	Sig. (2-tailed)	.002	.073	.000	.324	.591	.000	.045	.182	.000		.000
	N	72	72	72	72	72	72	72	72	72	72	72

### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.691 <sup>a</sup>	.478	.421	.60101

a. Predictors: (Constant), TransformationalAverage, Designation, Gender, Department, Experience, Qualification, Age

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	21.166	7	3.024	8.371	.000 <sup>b</sup>
	Residual	23.118	64	.361		
	Total	44.284	71			

a. Dependent Variable: EmployeePerformanceAverage

b. Predictors: (Constant), TransformationalAverage, Designation, Gender, Department, Experience, Qualification, Age

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.204	.756		.270	.788
	Gender	.172	.242	.082	.710	.480
	Experience	.680	.160	.474	4.249	.000
	Qualification	-.051	.200	-.030	-.254	.800
	Department	.005	.035	.013	.129	.898
	Designation	.295	.275	.124	1.072	.288
	Age	-.200	.139	-.201	-1.437	.156
	TransformationalAverage	.585	.124	.466	4.710	.000

a. Dependent Variable: EmployeePerformanceAverage

### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.685 <sup>a</sup>	.469	.411	.60592

a. Predictors: (Constant), TransactionalAverage, Gender, Designation, Department, Experience, Qualification, Age

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	20.787	7	2.970	8.088	.000 <sup>b</sup>
	Residual	23.497	64	.367		
	Total	44.284	71			

a. Dependent Variable: EmployeePerformanceAverage

b. Predictors: (Constant), TransactionalAverage, Gender, Designation, Department, Experience, Qualification, Age

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.265	.810		-.327	.745
	Gender	.257	.242	.122	1.061	.293
	Experience	.742	.158	.517	4.685	.000
	Qualification	-.032	.201	-.019	-.159	.874
	Department	-.003	.035	-.010	-.099	.922
	Designation	.282	.278	.119	1.017	.313
	Age	-.189	.141	-.190	-1.340	.185
	TransactionalAverage	.679	.149	.445	4.560	.000

a. Dependent Variable: EmployeePerformanceAverage

### 4.7.3 Ufone:

Results of the test for Telenor are given below, these test shows that in this organization transformational leadership style is giving slight better employee performance

#### Reliability Statistics

Cronbach's Alpha	N of Items
.907	44

#### Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
IIAverage	75	1.00	5.00	2.9133	.95904
IIBAverage	75	1.00	4.75	2.9333	.95094
IMAverage	75	1.00	4.75	3.0500	.97779
ISAverage	75	1.00	5.00	3.2467	.96255
ICAverage	75	1.00	4.75	2.6567	.95928
CRAverage	75	1.00	5.00	2.9833	.96854
MBEAAverage	75	1.25	5.00	3.0833	.89889
MBEPAverage	75	1.00	5.00	2.8067	.97310
IRBAverage	75	1.25	4.75	2.7833	.82541
OCBIAverage	75	1.00	5.00	2.9133	.98596
OCBOAverage	75	1.25	5.00	3.1000	.98124
TransformationalAverage	75	1.30	4.45	2.9600	.74851
TransactionalAverage	75	1.42	4.58	2.9578	.61488
EmployeePerformanceAverage	75	1.25	4.42	2.9322	.78170
Valid N (listwise)	75				

#### Correlations

		TransformationalAverage	TransactionalAverage	EmployeePerformanceAverage
TransformationalAverage	Pearson Correlation	1	.741**	.725**
	Sig. (2-tailed)		.000	.000
	N	75	75	75
TransactionalAverage	Pearson Correlation	.741**	1	.577**
	Sig. (2-tailed)	.000		.000
	N	75	75	75
EmployeePerformanceAverage	Pearson Correlation	.725**	.577**	1
	Sig. (2-tailed)	.000	.000	
	N	75	75	75

\*\* . Correlation is significant at the 0.01 level (2-tailed).

#### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.648 <sup>a</sup>	.420	.360	.62543

a. Predictors: (Constant), TransactionalAverage, Age, Designation, Department, Gender, Qualification, Experience

#### ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	19.010	7	2.716	6.943	.000 <sup>b</sup>
	Residual	26.208	67	.391		
	Total	45.218	74			

a. Dependent Variable: EmployeePerformanceAverage

b. Predictors: (Constant), TransactionalAverage, Age, Designation, Department, Gender, Qualification, Experience

#### Coefficients<sup>a</sup>



Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.122	.874		.139	.890
	Gender	.234	.200	.121	1.169	.247
	Experience	.007	.132	.006	.056	.955
	Qualification	.186	.210	.096	.886	.379
	Department	.058	.032	.179	1.834	.071
	Designation	.072	.254	.032	.285	.777
	Age	-.246	.129	-.226	-1.916	.060
	TransactionalAverage	.748	.124	.588	6.049	.000

a. Dependent Variable: EmployeePerformanceAverage

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.782 <sup>a</sup>	.611	.570	.51246

a. Predictors: (Constant), TransformationalAverage, Designation, Age, Department, Gender, Qualification, Experience

**ANOVA<sup>a</sup>**

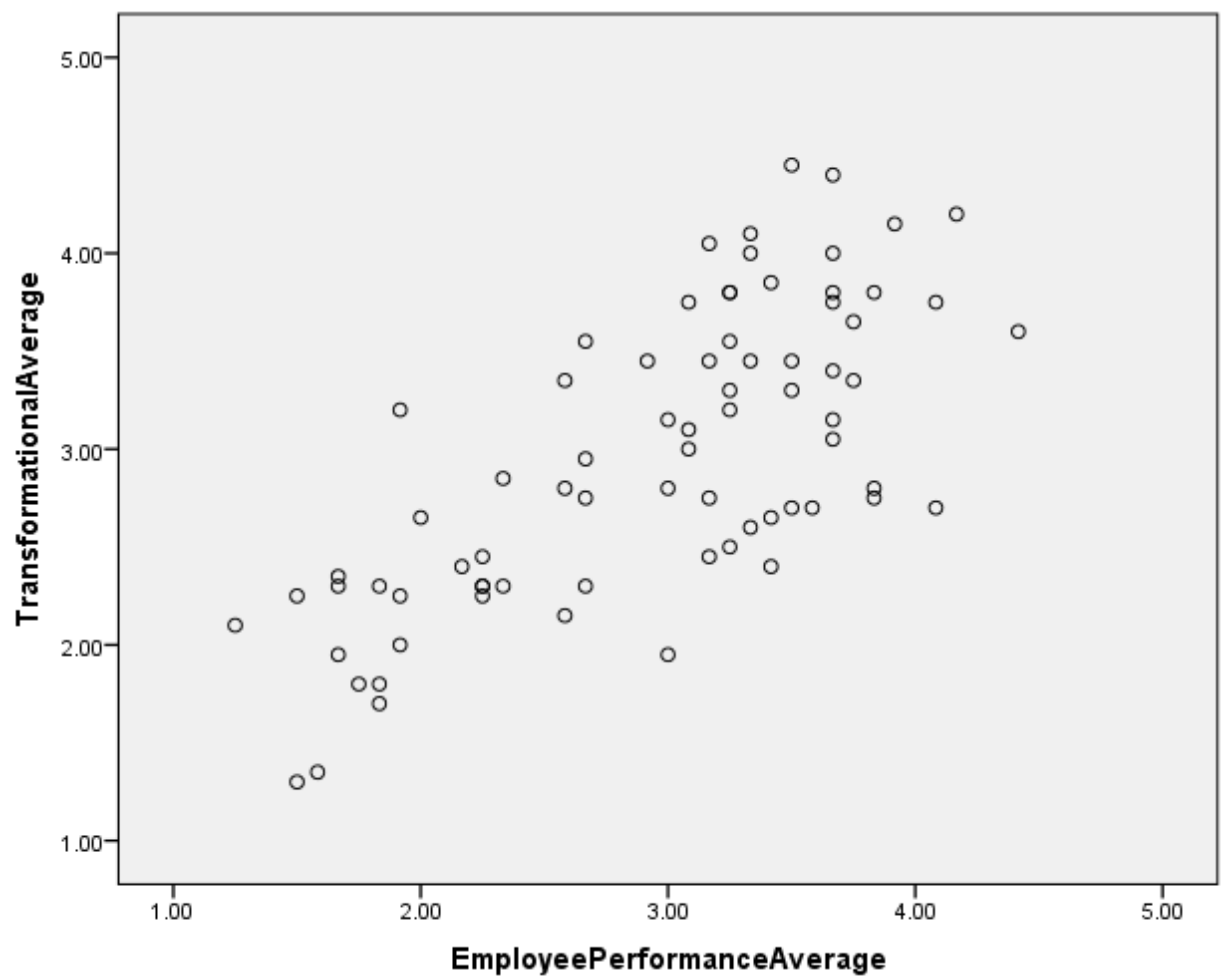
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	27.623	7	3.946	15.026	.000 <sup>b</sup>
	Residual	17.595	67	.263		
	Total	45.218	74			

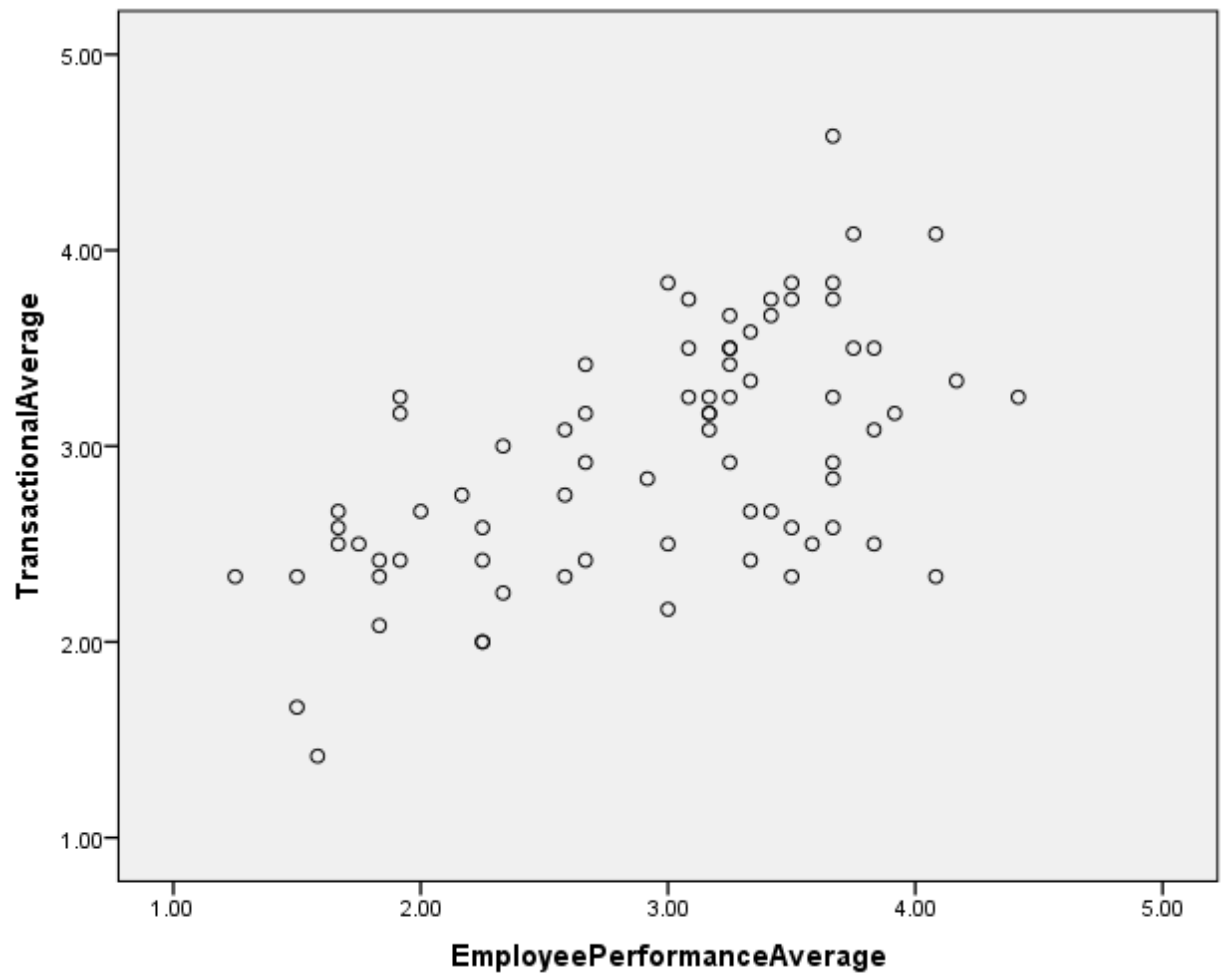
a. Dependent Variable: EmployeePerformanceAverage

b. Predictors: (Constant), TransformationalAverage, Designation, Age, Department, Gender, Qualification, Experience

Coefficients <sup>a</sup>						
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	-.532	.718		-.740	.462
	Gender	.266	.163	.137	1.626	.109
	Experience	.151	.106	.128	1.424	.159
	Qualification	.297	.173	.153	1.717	.091
	Department	.008	.027	.025	.304	.762
	Designation	.322	.209	.141	1.536	.129
	Age	-.336	.106	-.308	-3.171	.002
	TransformationalAverage	.788	.084	.755	9.343	.000

a. Dependent Variable: EmployeePerformanceAverage





#### 4.7.4 Warid:

Results of the test for Telenor are given below, these test shows that in this organization Transactional leadership style is giving better employee performance

**Reliability Statistics**

Cronbach's Alpha	N of Items
.883	44

**Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
IIAverage	76	1.00	5.00	2.9934	.93003
IIBAverage	76	1.00	5.00	3.3980	.95322
IMAverage	76	1.25	4.75	2.8618	.92772
ISAverage	76	1.50	5.00	3.2204	.94425
ICAverage	76	1.00	4.75	2.7961	.98379
CRAverage	76	1.00	5.00	2.9934	.93003
MBEAAverage	76	1.25	4.75	2.6612	.94314
MBEPAverage	76	1.00	4.75	2.9145	.90421
IRBAverage	76	1.00	5.00	2.9507	.97896
OCBIAverage	76	1.25	5.00	2.7862	.90065
OCBOAverage	76	1.25	5.00	2.9507	.95483
TransformationalAverage	76	1.45	4.55	3.0539	.64461
TransactionalAverage	76	1.08	4.17	2.8564	.68659
EmployeePerformanceAverage	76	1.67	4.50	2.8958	.75032
Valid N (listwise)	76				

### Correlations

		TransformationalAverage	TransactionalAverage	EmployeePerformanceAverage
TransformationalAverage	Pearson Correlation	1	.639**	.554**
	Sig. (2-tailed)		.000	.000
	N	76	76	76
TransactionalAverage	Pearson Correlation	.639**	1	.585**
	Sig. (2-tailed)	.000		.000
	N	76	76	76
EmployeePerformanceAverage	Pearson Correlation	.554**	.585**	1
	Sig. (2-tailed)	.000	.000	
	N	76	76	76

\*\* . Correlation is significant at the 0.01 level (2-tailed).

### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.601 <sup>a</sup>	.361	.296	.62974

a. Predictors: (Constant), TransformationalAverage, Experience, Department, Gender, Designation, Qualification, Age

### ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	15.257	7	2.180	5.496	.000 <sup>b</sup>
	Residual	26.967	68	.397		
	Total	42.224	75			

a. Dependent Variable: EmployeePerformanceAverage

b. Predictors: (Constant), TransformationalAverage, Experience, Department, Gender, Designation, Qualification, Age

**Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.900	.826		1.089	.280
Gender	-.125	.215	-.070	-.581	.563
Experience	-.132	.133	-.120	-.994	.324
Qualification	.261	.199	.170	1.315	.193
Department	.061	.034	.195	1.835	.071
Designation	-.117	.277	-.045	-.422	.674
Age	-.014	.130	-.014	-.110	.913
TransformationalAverage	.596	.117	.512	5.077	.000

a. Dependent Variable: EmployeePerformanceAverage

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.647 <sup>a</sup>	.419	.359	.60069

a. Predictors: (Constant), TransactionalAverage, Experience, Department, Gender, Designation, Qualification, Age

**ANOVA<sup>a</sup>**

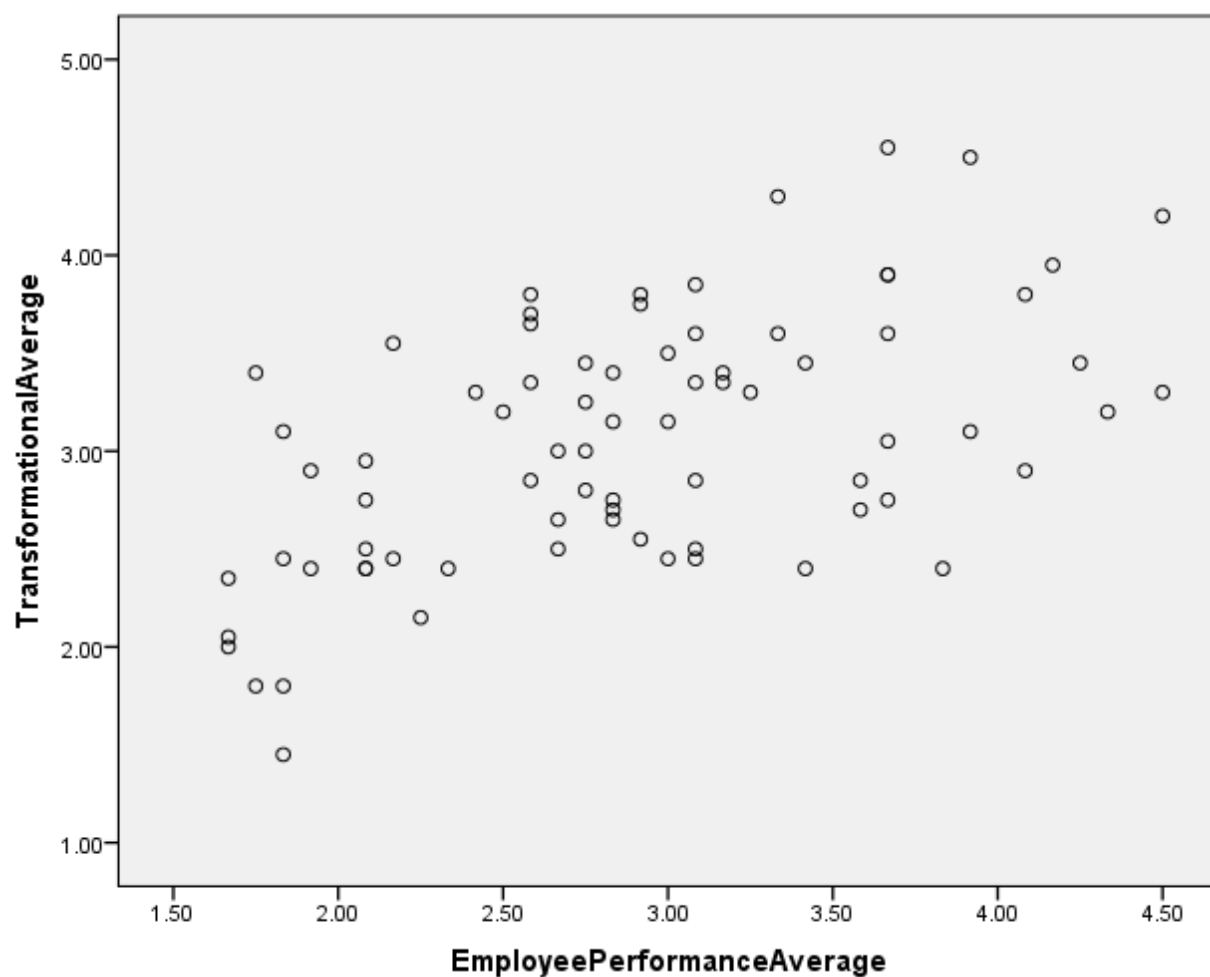
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	17.688	7	2.527	7.003	.000 <sup>b</sup>
	Residual	24.536	68	.361		
	Total	42.224	75			

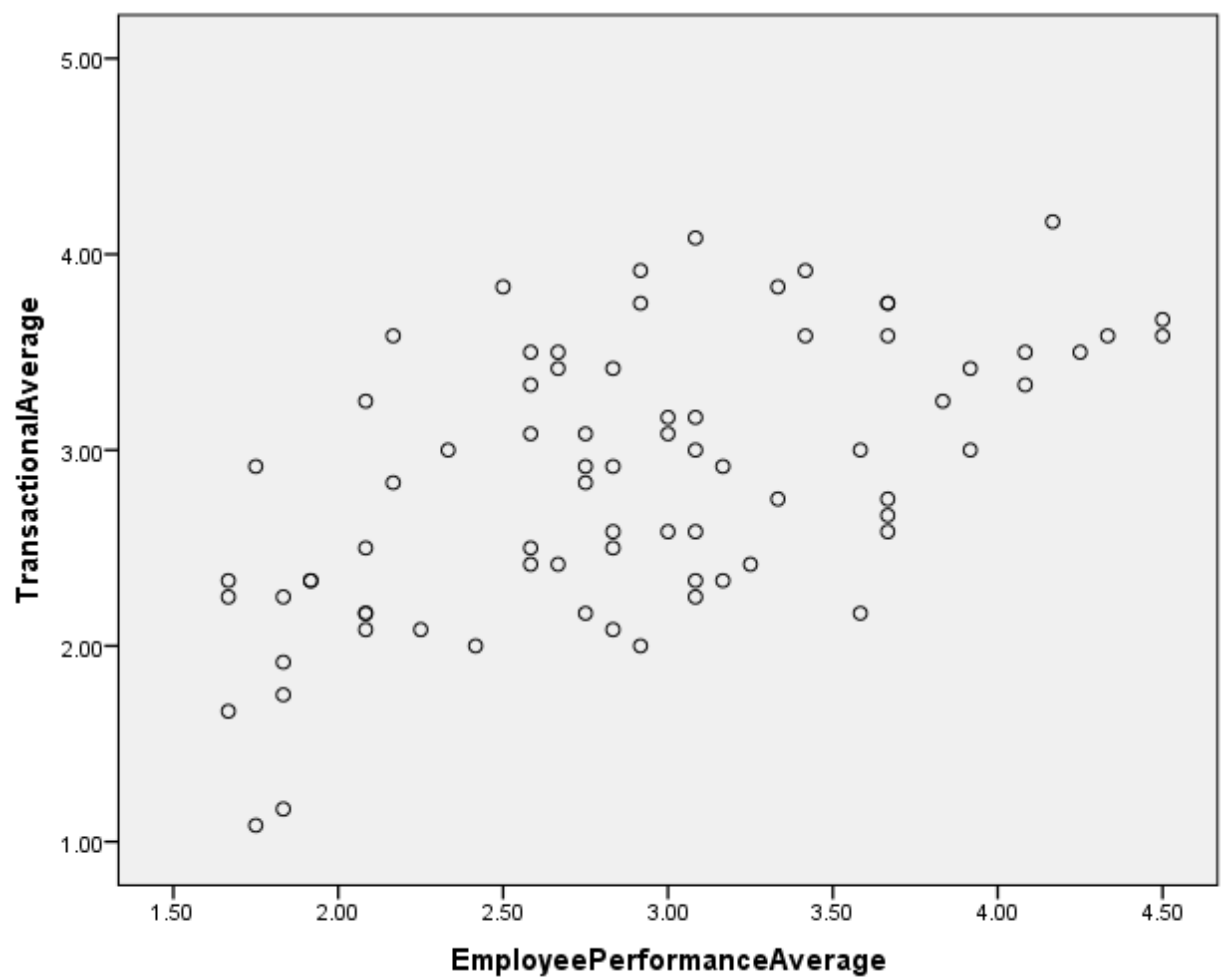
a. Dependent Variable: EmployeePerformanceAverage

b. Predictors: (Constant), TransactionalAverage, Experience, Department, Gender, Designation, Qualification, Age

Coefficients <sup>a</sup>					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1	(Constant)	.304	.817	.372	.711
	Gender	-.275	.207	-.154	.187
	Experience	-.055	.128	-.050	.667
	Qualification	.284	.189	.185	.139
	Department	.080	.031	.255	.012
	Designation	.162	.270	.063	.551
	Age	-.009	.124	-.009	.944
	TransactionalAverage	.638	.108	.584	.000

a. Dependent Variable: EmployeePerformanceAverage







#### 4.7.5 Zong:

Given below are the results of the Zong, results of the data from this organization shows that transformational leadership style has high positive influence on employee performance as compared to transactional leadership style

**Reliability Statistics**

Cronbach's Alpha	N of Items
.932	44

**Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
IIAverage	92	1.75	5.00	3.7065	.76730
IIBAverage	92	1.25	5.00	3.5842	.95810
IMAverage	92	1.00	5.00	2.7880	.87701
ISAverage	92	1.25	5.00	3.3397	.99765
ICAverage	92	1.00	4.75	2.7772	.82414
CRAverage	92	1.00	4.50	3.1603	.92773
MBEAAverage	92	1.00	4.75	3.1060	.95088
MBEPAverage	92	1.00	4.50	2.8723	.88834
IRBAverage	92	1.25	5.00	3.5652	.93090
OCBIAverage	92	1.25	5.00	3.3179	.98763
OCBOAverage	92	1.25	5.00	3.6413	.91710
TransformationalAverage	92	1.70	4.35	3.2391	.59963
TransactionalAverage	92	1.00	4.25	3.0462	.87036
EmployeePerformanceAverage	92	1.25	5.00	3.5082	.87235
Valid N (listwise)	92				

### Correlations

		TransformationalAverage	TransactionalAverage	EmployeePerformanceAverage
TransformationalAverage	Pearson Correlation	1	.744**	.806**
	Sig. (2-tailed)		.000	.000
	N	92	92	92
TransactionalAverage	Pearson Correlation	.744**	1	.729**
	Sig. (2-tailed)	.000		.000
	N	92	92	92
EmployeePerformanceAverage	Pearson Correlation	.806**	.729**	1
	Sig. (2-tailed)	.000	.000	
	N	92	92	92

\*\* . Correlation is significant at the 0.01 level (2-tailed).

### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.750 <sup>a</sup>	.563	.527	.60007

a. Predictors: (Constant), TransactionalAverage, Designation, Department, Gender, Qualification, Experience, Age

### ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	39.004	7	5.572	15.474	.000 <sup>b</sup>
	Residual	30.247	84	.360		
	Total	69.251	91			

a. Dependent Variable: EmployeePerformanceAverage

b. Predictors: (Constant), TransactionalAverage, Designation, Department, Gender, Qualification, Experience, Age

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.679	.692		.981	.329
	Gender	.020	.161	.010	.122	.904
	Experience	.177	.124	.145	1.428	.157
	Qualification	.033	.173	.017	.191	.849
	Department	.051	.026	.144	1.943	.055
	Designation	.071	.232	.024	.307	.760
	Age	-.080	.114	-.076	-.698	.487
	TransactionalAverage	.750	.074	.748	10.108	.000

a. Dependent Variable: EmployeePerformanceAverage

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.834 <sup>a</sup>	.696	.670	.50075

a. Predictors: (Constant), TransformationalAverage, Experience, Department, Gender, Designation, Qualification, Age

**ANOVA<sup>a</sup>**

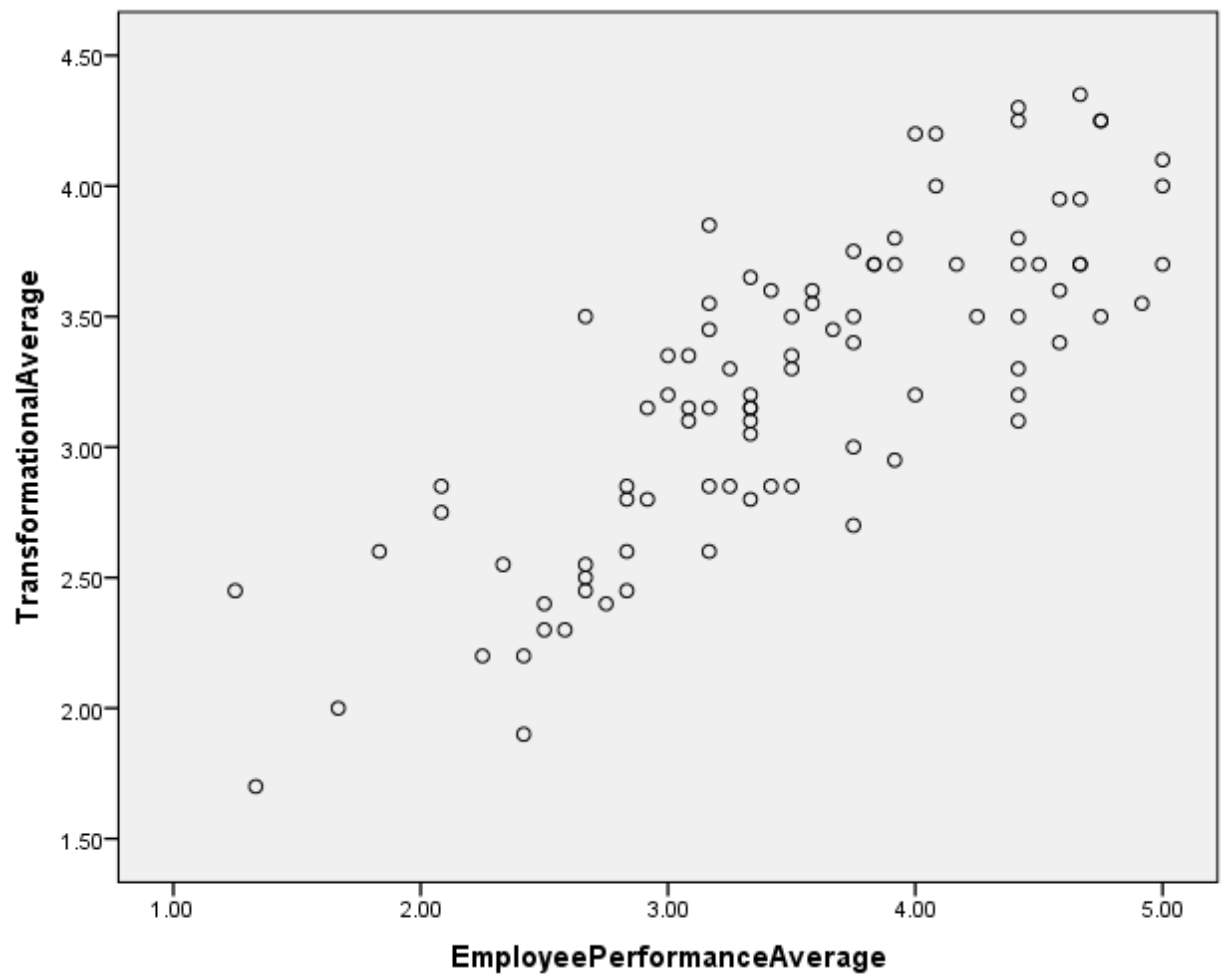
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	48.188	7	6.884	27.453	.000 <sup>b</sup>
	Residual	21.063	84	.251		
	Total	69.251	91			

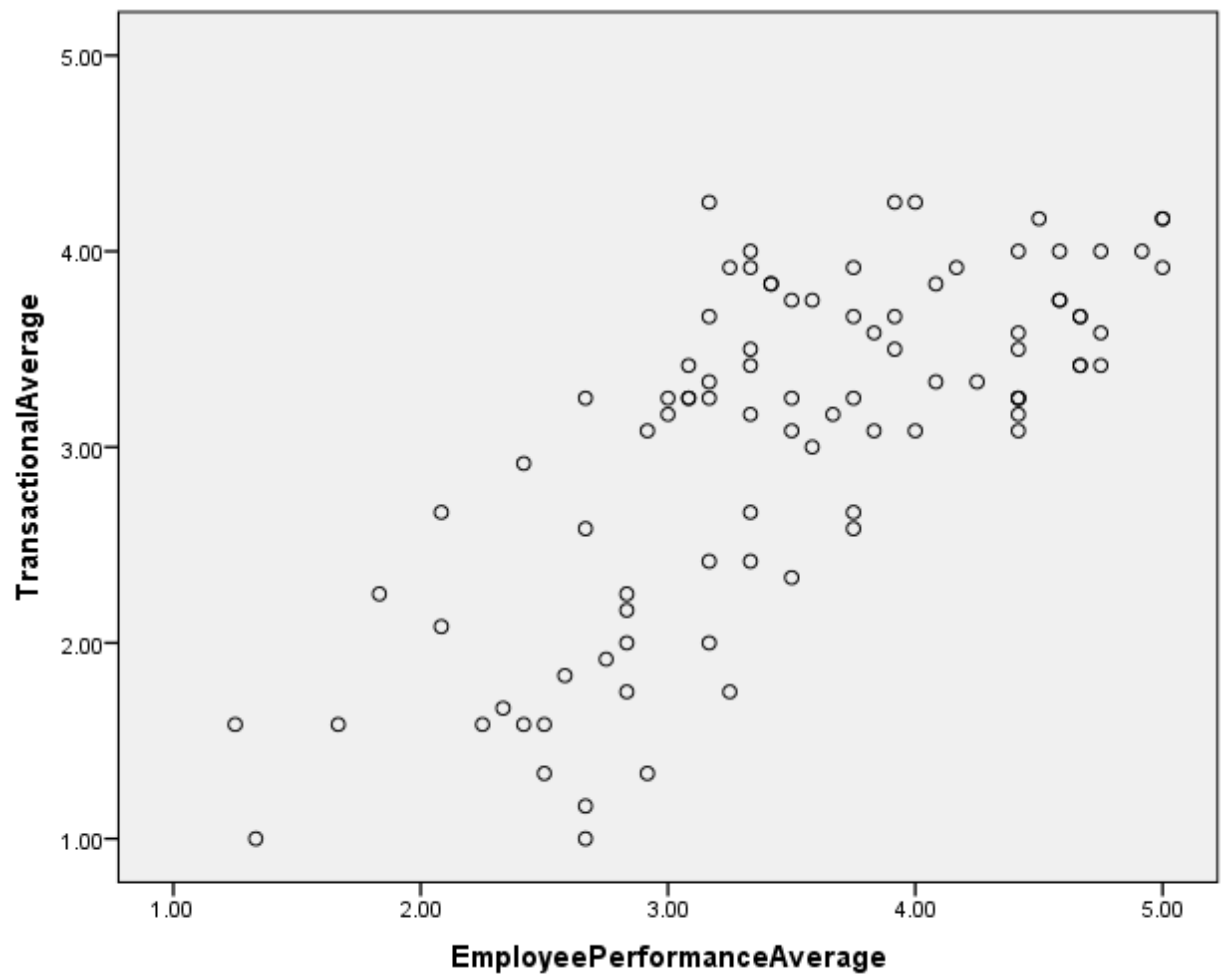
a. Dependent Variable: EmployeePerformanceAverage

b. Predictors: (Constant), TransformationalAverage, Experience, Department, Gender, Designation, Qualification, Age

Coefficients <sup>a</sup>					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1					
(Constant)	-1.197	.634		-1.889	.062
Gender	-.083	.133	-.041	-.626	.533
Experience	.019	.103	.016	.185	.854
Qualification	.022	.144	.011	.150	.881
Department	.075	.022	.210	3.380	.001
Designation	.175	.194	.060	.902	.369
Age	.089	.095	.084	.933	.354
TransformationalAverage	1.211	.089	.832	13.540	.000

a. Dependent Variable: EmployeePerformanceAverage





## ***Chapter 5: Discussion, Conclusion and Recommendations***

### **5.1 Discussion:**

The purpose of this research study is to examine the impact of two leadership styles, which are transformational and transactional leadership style, on the employee performance in the GSM operators of Pakistan. This study focus on the determination of the best suited leadership style in GSM operators. Bass and Avolio (2004) MLQ multifactor leadership questionnaire was used for the purpose of leadership style measurement whereas William and Anderson employee performance measuring model was employed for the employee performance evaluation

#### **5.1.1 Impacts of Transformational leadership style on employee performance:**

SPSS 20 was used in this study, which is a statistical tool. Initially scattered diagram show that there is significant positive relation between transformational leadership styles and employee performance. Our findings show that employees perceiving their leaders or managers as transformational leaders have reported high employee performance. Pearson correlation shows a significant positive correlation between the transformational leadership style and employee performance ( $p < 0.01$ ). Person correlation also shows a significant positive correlation between different leadership attributes and employee performance attributes ( $p < 0.01$ ). These results are consistent with the previous studies done in the leadership style field, these previous studies also show positive correlation between transformational leadership style and employee performance

Correlation findings in the result table shows that IIA, IIB, IM and IS has strong positive correlation with the employee factors like IRB, OCBI and OCBO. Transformational leaders have ability to increase the overall performance of employees. IIA and IIB has high positive correlation with the all three attributes of employee performance whereas IS and IC has high positive correlation with the OCBI and OCBO.

Similarly regression results also show that there is high impact on the employee performance by the adoption of the transformational leadership style. This style will increase the employee performance by 67.9 % and without this style employee performance will be just 23.4%. The regression shows that 50% of the model can be explained by this style and if this model is applied to the whole population it will show less than 1% variance

Correlation shows that IM has insignificant correlation with IRB, OCBI and OCBO. IS has significant positive correlation with the Employee performance attributes but this correlation has less value than rest of the leadership factors. IIB has most high correlation with the employee performance factors. IC and IM has also significant positive correlation with the employee performance factors

So the results of the statistical analysis show high positive correlation between all the leadership factors and employee performance factors. Transformational leaders enhance the employee performance by aligning the needs and values of the followers with the vision, mission and organizational targets and goals. Transformational leaders increase the employee involvement and they transform the followers into leaders thus increasing their performance level. Transformational leaders emphasize more on the training and development of the followers and provide them the opportunities to perform their jobs in a better way by using new techniques rather than using traditional ways of doing job

#### **5.1.2 Impacts of Transactional leadership style on employee performance:**

Analysis of the correlation shows that transactional leadership style also has a positive relationship with employee performance. All the three factors of transactional leadership have significant positive correlation with the employee performance factors.

Same is also depicted by the scattered diagram and it shows that there exists positive and significant relationship between the transactional leadership style and employee performance. Although there are situations when the high score on MLQ resulted in high performance and sometime high performance is shown when the score on the MLQ is quite low

While discussing the regression analysis, results shows that the correlation value is .600 which indicates positive and high impact on the employee performance. The value of  $R^2$  .398 shows that transactional leadership style accounts for the 39.8% variation in the employee performance and 71.2% variation is caused by other factors, similarly if this model is applied to whole population it will result in 1.2% less variation in the employee performance

Similarly regression coefficients shows that by the adoption of transactional leadership style increase by one unit will increase the employee performance by 59.7%, and if leader will not emphasize this style of leadership it will increase the employee performance by .433%

Correlation between the factors of the transactional leadership style and employee performance shows that CR has high positive influence on IRB, OCBI and OCBO whereas MBEA has less correlation with IRB as compared to OCBI and OCBO. Similarly MBEP has high correlation with IRB as compared to OCBI and OCBO

### **5.1.3 Comparative Analysis of the impacts of the transactional and transformation leadership style on employee performance:**

Results generated by using statistical tool SPSS 20 shows that both the styles are effective and both have positive results. Both the leadership styles can increase the employee performance.

There exist more correlation between factors of transformational leadership styles and employee performance factors as compared to the correlation between the factors of transactional leadership styles and employee performance factors. Similarly the scatted diagram shows that higher the score on MLQ, higher is the employee performance. Results of regression analysis has also shown that the one unit increase in transformational leadership style will cause more increase in employee performance than the transactional leadership style

So overall comparison has proved transformational leadership style more effective and although transactional leadership is also effective but its level of effectiveness is less as compared to transformational leadership style.

## **5.2 Conclusion:**

Focus of this study was on the comparative analysis of effects of two leadership styles on employee performance in GSM operators of Pakistan and to find out which style is more effective in enhances employee performance in this industry. Findings of the study will act as a guide for the top level management of these organizations for increasing the employee performance.

Issue of leadership style has been faced by many organizations. Leadership style is one of the factors which have high influence and impact on the organizational outcomes. Employee performance is one of these outcomes. Literature review has shown that there is significant



positive influence of both the styles on employee performance. As it is already discussed that transactional leaders provide a clear picture of the goals and objectives of the organization and these leaders declare the rewards or punishments linked with the completion of the targets or vice versa. Their main purpose is to achieve the goals and objectives of the organization and they use reward and punishment system as a tool for motivating the employees. On the other hand, transformation leaders transform the needs, priorities and values of the followers. They motivate the followers to achieve targets and use new and different ways of doing job. They give a clear and optimistic future vision. They align the need, values and priorities of the followers with the mission and vision of the organization. This will cause an increase in the involvement, commitment and performance of the employees. Findings of the previous studies have proved transformational leadership style more effective in achieving best organizational outcomes in different type of organizations

Results of the study shows that both transformational and transactional leadership styles have positive and significant correlation with the employee performance. Results generated by the Pearson correlation have shown that transformational leadership style factors have high positive correlation with the employee performance as compared to the factors of the transactional leadership style. These findings are consistent with the previous studies and literature

This study shows that overall as industry and in organizations both styles are adopted by the leaders but individual leaders will adopt combination of both leadership styles. Research by Judge and Piccolo also states that there is strong relationship between both the styles and transformational leadership is an extension of the transactional leadership style. It is difficult to separate the qualities and effects of both the styles

The problem associated with the transformational leadership style is that it faces resistance by the employees. This is because of less training on the effects and impacts of the transformational style of leadership. When employees are empowered to make decision and their involvement is increased employees consider it as careless attitude of the leaders but in the long run they start understanding the positive effects of the transformational leadership style. Trainings also contribute in understanding the impacts of the transactional leadership style. This will automatically increase the employee performance

In case of the transactional style of leadership, contingent rewards system causes increase in employee performance and motivates employees to achieve goals and objects, they achieve the targets to get the promised incentives and rewards. However this decision is made by the top management rather than the immediate boss or leaders. This cause disappointment among the leaders and reduce the leaders respect along with the decrease in the employee performance

(McKenna 2006; Bass 1985) states in their research that transactional leadership style is more appropriated for the stable working conditions and transformational leadership style is more suited to the unstable working conditions. Transactional leaders just concentrate on the achievement of specific performance level where as transformational leaders focus on the adoption of the new ways and techniques of doing the work. GSM operators working environment is not stable, engineering or technical and sales departments working condition is more unstable as compared to the departments like Finance and human resource so it is better to adopt the transformational leadership style in this GSM industry in Pakistan

Lastly, all the research questions have been answered and objectives of the study met. Results of the study have proved that transformational leadership style is the most suitable style of leadership for increasing employee performance.

## **5.3 Recommendations**

### **5.3.1 Recommendations for the GSM Operators:**

The results of this study shows that transformational leadership style will highly increase the employee performance in the GSM organizations as compared to the transactional leadership style. Lots of efforts and changes will be required in order to the implementation and application of the transformational style of leadership. Multiple recommendations will be made in this for the introduction and implementation of this style of leadership.

- 1) The GSM Operators must ensure the trainings of the leaders or management, on the transformational style of leadership. These trainings should include the alignment of both the organizational and employee's needs, values, priorities and aspirations. These trainings will help the managers to transform into the role models and this will develop

confidence and cause respect. Literature shows that these types of trainings are very important for successful application of transformational style of leadership.

- 2) Training of the followers or subordinates is also of vital importance for the successful application of transformational style of leadership. This will help to reduce the negative reaction about this new style of leaders from the follower's side as predicted by the literature.
- 3) A new structure should be introduced by modifying the existing organizational structure which should be consistent with the transformational style of leadership. The existing structure which is hierarchical in nature does not ensure the required flexibility and communication lines required for the implementation of the transformational style of the leadership.
- 4) Authority of the leader is very important for the successful application of the transformational style of leadership. Top management must support the immediate boss or leader for the achievement of the desired results by enhancing their authority regarding decision making rather than centralized decision making and leader should have the authority to fulfil their promise to sustain the respect.
- 5) Human resource department should modify the recruiting and hiring system of the organization for the selection of leaders and followers having awareness about the effects of transformational style of leadership and who are capable of adopting this style of leadership.
- 6) Vision and mission of the organization should be changed and it should be communicated to the followers clearly. Vision should be optimistic and it must consider the needs, values and priorities of the followers.

### **5.3.2 Recommendations for the Private Sector:**

Private sector of the Pakistan is playing an important role. Pakistani market is facing high completion between the national and international organization working in the private sector. To achieve the better organizational outcomes private sector must concentrate on the employee performance level and should adopt the transformational style of leadership for the high employee performance level. This will increase the probability of their survival in the competitive market.

Current economic conditions of the country show that only salary is not helpful or encouraging for the high employee performance level. Employees should be transformed into leaders by increasing their decision making authority and by increasing their involvement. Alignment of the follower's needs and priorities with the organizational priorities and needs is very important for the achievement of the desired results. Private sector can use the below mentioned recommendations for the successful application of this style of leadership.

- 1) Identification of the weaker areas is very important. Surveys and questionnaire should be used for the evaluation of employee, departmental and overall organizational performance. Customer satisfaction should also be checked by using surveys. This will identify the departments which needs change in leadership style.
- 2) Identification of the current style of leadership can be checked by using MLQ questionnaire. It will show the outcomes of the every leadership style and will help in the identification of the leaders processing either transformation or transactional characteristics.
- 3) Trainings of the employees should be arranged for the application of transformational style of leadership. Employees must know the importance and effects of the transformational leadership style.
- 4) Annual or bi-annual assessment of the leaders and leadership style is required for the identification of the required changes in leadership style.

### **5.3.3 Recommendations for the Government Sector:**

This study will not help the private sector only; it will also help the government sector also. Government sector needs special attention to increase the employee performance. By using the findings of this study government sector also adopt transformational style of leadership for better organizational outcomes. Above mentioned recommendations will help the government sector for the successful application of this style of leadership.

It is very important to state that transformational leadership will not be suitable for all the government departments. Their effectiveness depends on the type of operation, culture, and environment. It may help like Pakistan railways, PIA, NTC and Pakistan steel mill etc. government sector can use the combination of both the styles of leadership for effective outcomes.

### **5.4 Limitations of the study:**

This study made contribution in the form of support to the existing literature. There exists a gap in the contextual body of literature in this sector of research with respect to Pakistan; this research will try to bridge that gap.

Limitations of the research include that access to the quarterly and a bi-annual, annual evaluation report of the employees was rejected by all the organizations by declaring it as confidential data. Similarly access to the network outages was also rejected which was intended for the comparison of overall technical performance of these organizations.

Also, this research was during the times of the energy crises and economic crises in the Pakistan. These two factors have affected the employee performance. Research would have given more reliable results if country is not facing these two problems

### **5.5 Future Research:**

This study has considered only two leadership styles. Research can be done by using a third type which is called as laissez-faire. There are many other factors which contribute in the employee performance along with the leadership style. Further research is needed to check the impact of tangible organizational elements such as facilities, equipment and machines and material and

intangible organizational elements like such as managerial capability, employee's competence, perceived organizational reputation and organizational culture on the employee performance

Employee performance of those organizations where transformational leadership style is applied can be check in the future research and comparison can be made with the previous findings and literature review. Research can be done in private and public sector. Research between the new and old generations can also be done. Future research should be done during the normal economic and energy conditions to find out the employee performance level.

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