



Transformational Leadership and Power: An Empirical Study Conducted in a Public Sector Undertaking

Management

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ABSTRACT

Public Sector Undertakings crunched with scarce resource and also highly labour intensive in its nature is confronted to optimize service quality. The organizational structure is highly hierarchical which has got a culture of encouraging assertive and strong leaders. Hierarchy, status, leadership and power are the critical factors with respect to any Public Sector Undertakings. Organizations in the 21st century are in the process of identifying different ways and means to attain leadership in the domain they work. Intra organizational features like employees participation in management, organizational configuration, flow of organizational communication, and equivalence in all respects are critical organizational determinants for better performance of an organization. Ample literature is available to substantiate the fact that leadership also plays a crucial role in the endeavour of the organization to excel. The act of influencing one's followers is termed as leadership. By influencing the attitude and behaviour of employees as well as motivating them to contribute more, leaders can play a pivotal role in the achievement of organizational goals. There are different styles of leadership and transformational leadership style is one among them. Transformational leadership brings to bear impact on workers' disposition and conduct through employee's empowerment.

KEYWORDS

Leadership, Power, Public-sector, Transformational, Bureaucracy.

INTRODUCTION

Public Sector Undertakings which heavily administered by bureaucratic control mechanisms which decrease the significance of the leaders of public sector undertakings to their subordinates. Power and leadership are related to a great extent. Transformational leadership is characterised by the importance and acceptance of the needs and requirements of subordinates. The current environment characterized by uncertainty, global turbulence, and organizational instability calls for transformational leadership to prevail at all levels of the organization and all types of organizations. The followers of such leaders demonstrate high levels of job satisfaction and organizational commitment, and engage in organizational citizenship behaviors. With such a devoted workforce, it will definitely be useful to consider making efforts towards developing ways of transforming organization through leadership. Creating high-performance workforce has become increasingly important and to do so business leaders must be able to inspire organizational members to go beyond their task requirements. As a result, new concepts of leadership have emerged - transformational leadership being one of them. Management scholars identified that transformational leadership empowers employees to involve in the work so that they can improve work outcomes (Bass, 1999; Castro, Perinan & Bueno, 2008). Transformational leaders get along with subordinates to spot out the required change, generate a long term perspective to direct the change through inspiration, and implementing the change in accordance with committed members of a group. Transformational leadership helps to motivate the employees and boost the morale and thereby enhance job performance of subordinates through providing a sense of identity to the followers as well as a collective identity of the organization. Transformational leaders are always a role model for followers, challenge subordinates to take greater responsibility, and keen to diagnose the strengths and weaknesses of employees.

The present research is undertaken with an objective to study about the leadership practices in public sector undertakings in which the study mainly focuses mainly on transformational

leadership. Leadership in public sector undertakings is heavily dependent on the circumstance in which it arises. Power may play a crucial role in public sector undertaking's leadership style. This study will definitely try to reduce the existing research gap in this field.

LITERATURE REVIEW

Power is the ability of an individual to control oneself, others and

resources. There are several factors that that influence power which includes, needs, authority, control, dependence, expertise and experience. The powerful people can easily satisfy their own needs and requirements since the power they possess is more or less independent on others. A powerful person's decisions can influence the result of one's decision in many ways. (Copeland, 1994). Keltner et al. (2003), states that the behavioural approach system of a human being is influenced by power. Powerful people can activate the behavioural system where as among powerless people a kind of behavioural inhibition will be created. As a result powerful people will be more positive, sensitive, extrovert and risk taking and at the same time they prefer fewer interactions with lower cadre. People who are in higher echelons of power exhibit variations in their behaviour compared to people who are relatively powerless (Guinote, Judd, & Brauer, 2002). The close connection of power and action demonstrates that even though one directly does not possess power, the activation power may lead to action. This way power and status related to each other and to a great extent it may have an influence on society. Status is the respect given to a person by others (Magee and Galinsky, 2008). Because of this acceptance one's popularity in the organization is likely to increase. In the case of power, it is the control one exerts over others. Status and power can be differentiated (Blader and Chen, 2012). Power negatively influences justice and also may lead to unfair practices, but status generates positive impact over subordinates.

Power may transform a leader to a great extent that the leader may be myopic in many circumstances. One can clearly state that the unethical behaviour of self-serving is being triggered by excessive power. The leaders will automatically react sharply to those who fail to recognize his or her status. Powerful leaders without status will always exhibit a demanding behaviour to others. This may result in the inhumane tendencies among the power mongers. They use the excessive power to harm others. Sufficient literature is available to justify that those leaders with absolute power are careless about the wants and needs of others (Goodwin et al., 2000). Power may keep anyone myopic towards the requirements of others Galinsky et. al (2006). Power does not allow the powerful to comprehend in the others perspective or angle. This will definitely decrease the capacity of a leader to perceive in other person's views which may highly critical to the employees as well as to the organizations.

The unprecedented and rapid change, through which the world is heading, entails a change in management theories and perspectives in contemporary period. Organizational change management suggests

that this change can be managed internally. One of the most important themes in socio-economic entity of the universe is, organizational management, which confronts the most important issues like job satisfaction, employee commitment and employee performance. Nowadays, corporations require people who can toil for the advantage of the institution in addition to their assigned tasks and responsibilities. Employee commitment and employee performance are the two key factors that can provide lush green pastures for the organization in their run up for leadership in the market. Hence it is imperative for business entities to diagnose factors that influence employee commitment and employee performance and ample literature is available which justifies that leadership and employee empowerment are the two key factors.

Any extensive study of organizational management highlights that leadership styles plays a dominating role in determining the success of any organization (Bass & Avolio, 1997).

Among different leadership styles transformational leadership is one of the most explored leadership styles irrespective of disciplines. Leaders who are very influential among the followers are known as transformational leaders. Because of their charisma, transformational leaders can motivate others and influence their ideologies by installing an exciting road map for future (Bass B. M., 1997). This leadership style creates an emotional bondage among superiors and subordinates. Well-being of others is the driving force of transformational leaders. Empathy, compassion, emotional, human relations, humane approach, trust, infusing confidence, and encouragement are some of the important characteristic features of transformational leadership (Jin, 2010). Transformational leadership style encourages participative style of decision making and inspires to share power (Aldoory & Toth, 2004)., transformational leader can potentially convert others into leaders since they have better understanding of their followers.

Transformational leaders encourage their followers to subordinate their self-interest to the interest of the group or the team. According to the transformational leadership style, leadership is nothing but navigating through unexplored routes which requires vision and charisma. Many scholars argue that charismatic leadership and transformational leadership are more or less same, but in fact charisma is only one of the important components of transformational leadership. "Bass and colleagues" have identified major components of transformational leadership namely, idealized influence, inspirational motivation, intellectual stimulation and individualized consideration. These attributes embedded in, the transformational leader acts as a catalyst the organizational transformation process which enables the organization to reap the advantage in the long run and is beneficial to both the organization and the employees. Accomplishment of organizational goals under transformational leadership style is comparatively easy since it directs, guides and influences the attitude of others toward the attainment of objectives. The competence of a manager to motivate the co-workers as well as subordinates to work with confidence and zeal can be termed as transformational leadership. The potential to impact a group in order to realize its vision can be termed as leadership, in simple terms. Transformational leaders are required to develop the future vision, and to motivate the organizational members to want to achieve the visions and to improve the performance. Leadership is the capacity and ability in dealing and coping with change, envisioning, risking oneself, and focusing on others and their values (Kourdi, 1999).

RESEARCH METHODOLOGY

Research design

Descriptive design

Descriptive research design explains what exists with respect to variables or conditions in a situation. This method describes the relationship between variables. It estimates the percentage of units in a specified population exhibiting a particular character. It is helpful in making specific predictions. It exhibits the characteristics of the particular individual or a group.

Population

This study was conducted among middle level managers in leading Public Sector Undertaking in Cochin, Kerala, India.

Sampling

The study adopted convenience sampling method which is a specific type of non-probability sampling method that relies on data collection from population members who are conveniently available to

participate. It is a type of sampling where the first available primary data source will be used for the research without additional requirements. It is the easiest sampling method compared to other methods.

Sample size

The sample size for this study was taken from middle level managers in leading Public Sector Undertaking in Cochin, Kerala, India. The sample size decided was 100 middle level managers.

Instrument Administered

In this current study the instruments used are Bass and Avolio, (1995) instrument Multifactor Leadership Questionnaire (MLQ) from Bass and Avolio was and the second one covering four frames of categorizing leadership behaviours is the Bolman and Deal (1997) instrument. However, in line with the objective of the study, the Multifactor Leadership Questionnaire (MLQ) from Bass and Avolio was selected to conduct the research. The original questionnaire is 45-items, on a 5-point Likert-type scale with anchors labelled as 1 = not at all to 5 = always. The MLQ is used to evaluate how frequently, or to what degree, individuals believe they engage in thirty-two specific behaviours toward their subordinates. The Power is also evaluated by using Gallinsky and 7 point likert type scale; it is tested to know whether individuals form a coherent and organized sense of their power within specific relationship or group contexts. It is also assessed the consistency of the personal sense of power across discrete social contexts. The personal sense of power also examined at different levels of abstraction.

Reliability Validity

Reliability Statistics	
Cronbach's Alpha	N of Items
.863	53

Tools for data collection

For this study, a structured questionnaire is used in which a set of questions has been prepared to collect information relating to the topic of the study. The first section covered demographic information which contained the questions regarding Gender, Age, Education, Job title .The second part contained the questions to measure the Transformational Leadership as well as Power among Public Sector Employees.

Tools for analysis

Tool for analysis used are regression analysis. In statistical modeling, regression analysis is a statistical process for estimating the relationships among variables. It includes many techniques for modeling and analyzing several variables, when the focus is on the relationship between a dependent variable and one or more independent variables (or 'predictors'). More specifically, regression analysis helps one understand how the typical value of the dependent variable (or 'criterion variable') changes when any one of the independent variables is varied, while the other independent variables are held fixed. Most commonly, regression analysis estimates the conditional expectation of the dependent variable given the independent variables – that is, the average value of the dependent variable when the independent variables are fixed.

Hypothesis Testing

H0 -There is no significance between Power and Transformal Leadership

H1 - There is a significant relation between Power and Transformal Leadership

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.854a	.730	.727	3.46800

a. Predictors: (Constant), Trns

Here R= .854were,R is the square root of R =Squared and is the correlation between the observed and predicted values of dependent variables and R square = .730 were ,it is the proportion of variance in the dependent variable (power)which can be explained by the independent variable (Transformal leadership)

Model	Sum of Squares	Df	Mean Square	F	Sig.
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1	Regression	3183.111	1	3183.111	264.663	.000b
	Residual	1178.649	98	12.027		
	Total	4361.760	99			

a. Dependent Variable: (POWER)

b. Predictors: (Constant), (TRANSFORMAL)

Since p-value less than 0.01 it implies that the calculated regression coefficient is significant and the variance in independent variable contributes to the change in dependent variable. Therefore it is referred that the variance in power type really contribute to the change in transformatinal leadership

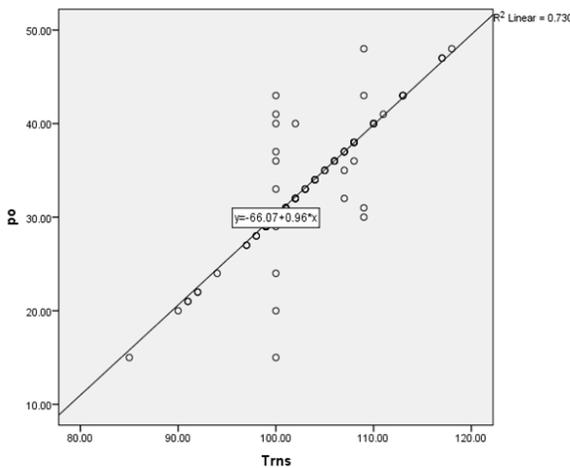
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	-66.067	6.119		-10.797	.000
	Trns	.963	.059	.854	16.268	.000

a. Dependent Variable: po

The constant and parameter needed for the formulation of regression equation $y_i = a + bX_i$ The value given under the column B against constant is the value (66.067) and against transactional is the b-value(.963)

Therefore regression equation $y_i = a + bX_i$ is formulated as Power = 66.067+.963 Transformatinal Leadership

Fig:1



Here the graph represents positive relation between Power and Transformatinal Leadership

CONCLUSION

The purpose of the present study was to examine the relationship between perceived power and transformational leadership. In this research on reduced individuation in high power individuals, we hypothesized that power will have a negative impact on transformational leadership. Results showed that the low power participants indeed achieved significantly higher transformational leadership scores than their high power counterparts, thereby supporting the hypothesis. transformational leadership, which should be "particularly useful in public and non-profit organizations given the service and community oriented nature of their missions", is likely to be adversely affected by leaders' power, thereby suggesting either to control power accumulation in leadership positions or to come to terms with more authoritative leadership styles in top management. However, the present study also extends on the literature on power. Previous research in this area has revealed that power has significant impact on a plethora of factors such as the pursuit of a goal, social behavior, and affect. The present study provides first empirical evidence that it also affects an outcome variable present in every work setting, namely leadership. It is important to point out that we have not measured the participants' actual leadership style or power, but rather the self-assessments of their leadership behavior and perceived power .

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