

Assessment of Transformational Leadership and Leadership Style on Business Organizations' Significant and Positive Change

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ABSTRACT

This study examines the isolation of transformational leadership, differentiates visionary leaders from other leadership types, identifies leadership style in organizations, and verifies if leaders influences business organization's performance. The primary data used for the study was collected from one hundred and fifty (150) staff, that is, employer and employees of the following organizations; Black Horse Plastics Industries; Fumman Agricultural Products Industries PLC; Summal foods Nig, Ltd; HEBN Publishers PLC, and Nestle Nig. PLC, using questionnaires to gather the data. Once the data was collected, it was organized and analyzed. The method used basically in analyzing data is the Chi-square. The study revealed that Where ever change is embraced, it can be sustained. Also, change is good, change is necessary and can only be achieved by visionary leaders, therefore, Managers should be re-molded into transformational leaders to help sustain positive and significant change in the organizations. The study therefore recommends that Managers should encourage a style of leadership, where employees will be able to express themselves and have a closer relationship with their bosses.

(Keywords: visionary leaders, transformational leadership, transitional leadership, leadership style, business organization, positive and significant change).

INTRODUCTION

Transformational leadership is typically a highly motivating form of leadership for individuals who share similar values to the leader, and for individuals who do not have a clear set of personal values. Developing a vision is one thing

but making that vision appealing is another. Transformational leader's help others embrace change and encourage innovation and creativity.

Change brings growth. Change increases organizational effectiveness. Any organization that ignores change does so at its own peril. Successful management of Change is crucial to any organization in order to survive and succeed in the present highly competitive and continuously evolving business environment. Similarly, in the organization setting, the system is formed. The already existing rules guide management and employees in the running of the organization. Since most managers use these methods for years, it must be known that at a certain point in history, they might not be relevant again due to the changing environment. It therefore becomes imperative for an organization to assess itself in light of the business environment from time to time.

This examination is expected to show the organization its own picture and should ignite yearn for change in its nerves. This "change" and its management depend on "Leadership", and not just Leadership but "Transformational Leadership". They provide the vision and direction for the growth and success of an organization. To successfully deal with change, all executives need the skills and tools for both strategy formulation and implementation. Over time, Organizations have come to accept that continual change is necessary. Whether a large organization or a small-scale business. However, people refuse to embrace change because they fear being outside their comfort zone. Transformational leaders on the other hand improve the performance, morals, motivation and dedication of both leaders and their teams or supporters. They can demonstrate real curiosity

about understanding the whole picture employee's face in adapting to change.

Objectives of the Study

The general objective of the study is to assess whether transformational leadership amidst other leadership style enhances and bring about positive change for business organization's growth, while the specific objectives are as follows:

1. Differentiate visionary leaders from other leadership style;
2. Identify the effect of leadership style on organizations' positive change; and
3. Investigate if leaders implement positive change for efficient performance of business organizations.

Research Hypotheses

H₀: Leadership in organizations is not characterized by strict subordinate compliance.

H₁: Leadership in organization is characterized by strict subordinate compliance.

H₀: Leadership type does not bring about significant change in the organization's performance.

H₂: Leadership type brings about significant change in the organization's performance.

Research Questions

1. What leadership style exists in the organization?
2. How leadership type brings about positive change in the organization?
3. In what way(s) do leaders implement positive change for organization's efficient performance?

LITERATURE REVIEW

Kanter (1999) described that the clash of global and local ideas produces new concepts in which local companies need to respond to international competitors, while foreign companies attempt to accommodate to local practices. In the past, the business environment was less turbulent and organizations were smaller and simply organized. In contrast, today, companies are more complex and the internal and external business environments change constantly in technology, markets, competition, customers, diversity of the workforce, management, and societies (Heifetz & Laurie, 1997; Jick, 1993).

Types of Change

Change can be classified by the extent of the change required, and the speed with which the change is to be achieved (Julia Balogun 2001). The speed of change is about the way that change is implemented. It ranges across a continuum from an all-at-once, big bang type of change to a step-by-step, stage-by stage incremental kind of change. The extent of the change required ranges across a spectrum from transformation to realignment. Transformation entails changing an organization's culture. Culture is to do with the shared and taken-for-granted assumptions and beliefs within an organization. A re-alignment, on the other hand, does not involve a fundamental reappraisal of the central assumptions and beliefs within an organization.

Table 1: Types of Change.

| | | Extent of change | |
|-----------------|-------------|--|---|
| | | Transformation | Realignment |
| Speed of change | Incremental | <i>Evolution:</i> Transformational change implemented gradually through interrelated initiatives; likely to be proactive change undertaken in anticipation of the need for future change | <i>Adaptation:</i> Change undertaken to realign the way in which the organisation operates, implemented in a series of steps |
| | Big bang | <i>Revolution:</i> Transformational change that occurs via simultaneous initiatives on many fronts; more likely to be forced and reactive because of the changing competitive conditions that the organisation is facing | <i>Reconstruction:</i> Change undertaken to realign the way in which the organisation operates, with many initiatives implemented simultaneously; often forced and reactive because of a changing competitive context |

Source: Faculty of Finance and Management, Management Quarterly Part 10 January 2001.

Linda Ackerman Anderson (1986), in an article in the *Organization Development Practitioner*, defined the three most prevalent types of change occurring in organizations as developmental change, transitional change, and transformational change. At a certain time, it was apparent that consultants and executives needed to understand and differentiate the types of change they were attempting to manage in their organizations. One size did not fit all.

Developmental Change

Developmental change represents the *improvement* of an existing skill, method, performance standard, or condition that for some reason does not measure up to current or future needs. They are motivated by the goal to do “better than” or do “more of” what is currently done. The key focus is to strengthen or correct what already exists in the organization, thus ensuring improved performance, continuity, and greater satisfaction. The process of development keeps people vibrant, growing, and stretching through the challenge of attaining new performance levels. There are two primary assumptions in developmental change. First, people are capable of improving, and second, they will improve if provided the appropriate reasons, resources, motivation, and training. Developmental change is the simplest and it applies to individuals, groups, or the whole organization. It is the primary type of change inherent in all of the following processes:

- Training (both technical and personal), such as communications, interpersonal relations, and supervisory skills;
- Some applications of process improvement or quality;
- Some interventions for increasing cycle time;
- Team building;
- Problem solving;
- Improving communication;
- Conflict resolution;
- Increasing sales or production;
- Meeting management;
- Role negotiation;
- Survey feedback efforts;

- Job enrichment; and
- Expanding existing market outreach.

Transitional Change

It is the required response to more significant shifts in environmental forces or marketplace requirements for success. Rather than simply improve *what is*, transitional change *replaces what is with something entirely different*. From the diagram, transitional change is more complex. Transitional change begins when leaders recognize that a problem exists or that an opportunity is not being pursued—and that something in the existing operation needs to change or be created to better serve current and/or future demands. Examples of transitional Change are Installation and integration of computers or new technology that do not require major changes in mindset or behavior; and Creation of new products, services, systems, processes, policies, or procedures that replace old ones.

Richard Beckhard and Rubin Harris (1987) articulated that transitional change requires the dismantling of the old state and the creation of a clearly designed new state, usually achieved over a set period of time, called the transition state. The requirements for deep personal change are low and quite predictable in transitional change. This makes human dynamics more “manageable” than in transformational change. Different types of human and cultural impacts which leaders may experience in transactional change are usually due to one of these:

- People possessing inadequate skills for functioning in the new state;
- People being “left in the dark” and feeling uncertain about what is coming next;
- People’s lack of understanding of the case for change or the benefits of the new state;
- People’s reluctance to stop doing what they have always done in the past;
- Homeostasis or inertia—people’s natural resistance to learning new skills or behaviors
- People’s emotional pain or grief at the loss of the past;

- Poor planning and implementation of the change, which creates confusion and resentment;
- Unclear expectations about what will be required to succeed in the new state;
- Fear about not being successful or capable in the new state; and/or
- Inadequate support to succeed in the new state.

With the strategies for managing transitional change, that is, a well-communicated case for change, a clear change plan, high employee involvement in designing and implementing that plan, local control of implementation, and adequate support and integration time to ensure that employees succeed in the new state, the critical impacts of the change-organizational and human can be dealt with effectively.

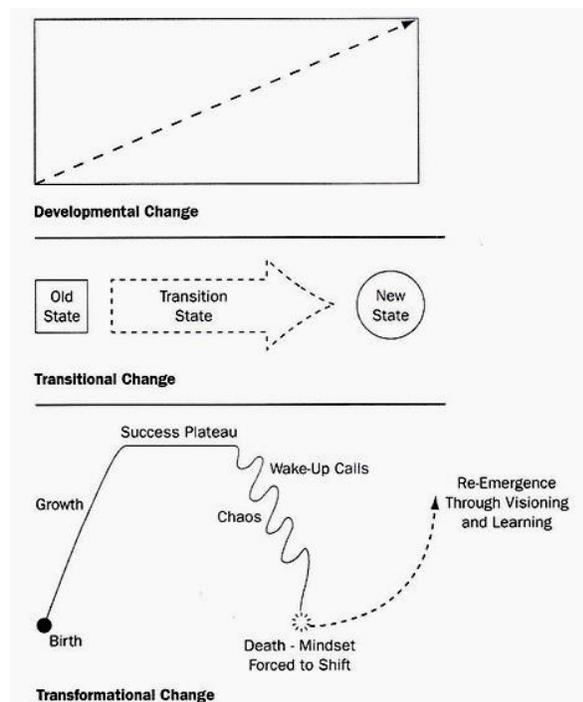


Figure 1: Three Types of Organizational Change.

(Source: Anderson, D. and L.S, Anderson, 2001. *Beyond Change Management. The Practicing Organization Development Series*).

Transformational Change

Transformational change is the most complex and its evident from the diagram. Transformation is the radical shift from one state of being to another, so significant that it requires a shift of culture, behavior, and mindset to implement successfully and sustain over time. The new state that results from the transformation, from a content perspective, is largely uncertain at the beginning of the change process and emerges as a product of the change effort itself.

TRANSFORMATION is an assertion that our actions today create our future tomorrow. In transformation, you design your future and invent ways to bring it about. It doesn't reference the past, it births a future that is entirely new. Albert Einstein said that "problems cannot be solved by the same level of thinking that created them." Transformational change is distinguished by radical breakthroughs in paradigms, beliefs and behavior. Gass 2013 says, transformational change is profound, fundamental and irreversible. It is a metamorphosis, a radical change from one form to another. In transformational change, what was seen as obstacles may morph into opportunities.

Transformational change is radical and often drastic, and differs from developmental (small incremental steps) or transitional (dismantling the old state and rebuilding the new in a series of transition steps). It involves discontinuity, a shift in assumptions and a willingness to work with complexity.

Transformational change requires a shift in mindset, behavior and ways of working together. Change management, and cultural change, are inherent parts of a successful transformation process. Transformational change usually stems from pressures in the external environment and requires a radical shift in behavior. It must be led by the organization's leaders with a focus on leadership, mission, strategy, culture and values. Transformation involves the whole organization (leaders, employees & customers) to make sense of where they are now, generate ideas about how to change, and work together to implement it. For transformational change, the change areas will include, the organization, the people, the services, and the processes. Transformational change is the core of competitive advantage.

Table 2: Matrix of the Three Types of Organizational Change.

| Type | Degree of Pain Felt | Primary Motivation | Degree of Threat to Survival | Gap Between Environmental Needs & Operations | Clarity of Outcome | Impact on Mindset | Focus of Change | Orientation | Level of Personal Development Required | How Change Occurs |
|-------------------------|---------------------|--|------------------------------|--|---|--|--|--|--|---|
| Developmental Change | 1 | Improvement | 1 | 1 | 4 It is prescribed against a standard | 1 Little if any | Improvement of skills, knowledge, practice, and performance | To do better in a certain area: project-oriented | 1 | Through training, skill development, communications, process improvement |
| Transitional Change | 2 | Fix a problem | 2 | 2 | 4 It is designed against a criteria | 1 Little if any | Redesign of strategy, structures, systems, processes, technology or work practices (not culture) | Project-oriented; largely focused on structure, technology, and work practices | 2 | Controlled process, support structures, timeline |
| Transformational Change | 3-4 | Survival: change or die; or Thrival: breakthrough needed to pursue new opportunities | 1-4 | 3-4 | 1 It is not initially known; it emerges or is created through trial and error and continuous course correction | 2-4 Forced to shift: old mindset and/or business paradigm must change | Overhaul of strategy, structure, systems processes, technology, work, culture, behavior, and mindset | Process-oriented requires shift in mindset, behavior, and culture | 3-4 | Conscious process design and facilitation; high involvement; emergent process |

Source: Anderson. D. & L.S, Anderson, (2001).

Leadership Styles

Leadership is identified by Nongo, (2015) as an important subject in the field of organizational behavior. Leadership has the most dynamic effects during individual and organizational interaction. In other words, ability of management to execute “collaborated efforts” depends on leadership capability. Lee and Chuang (2009), explain that the excellent leader not only inspires subordinates potential to enhance efficiency but also meets their requirements in the process of achieving organizational goals.

Stogdill (1957), defined leadership as the individual behavior to guide a group to achieve the common target. Fry (2003) also explains leadership as the use of leading strategy to offer inspiring motive and to enhance the staff’s potential for growth and development. Several reasons indicate that there should be a relationship between leadership style and organizational performance.

Hence, scholars have proposed that a high-performance organization requires first-class leadership; there is no simple solution and no rapid fix to compensate for poor leadership (Bell 2006; Künzle et al. 2010; Spinelli 2006). The concept of leadership has become increasingly

familiar in discourses on management development over the last 20 years (Mumford and Gold 2004, p. 9) in Zumitzavan and Michie, (2015).

Types of Leadership Styles

Among the various types of leadership styles and motivation relating to effective organizational management, this paper focuses on transformational and transactional leadership styles only. Transactional leadership is based on conventional exchange relationship in which followers’ compliance (effort, productivity, and loyalty) is exchanged for expected rewards. In contrast, transformational (extraordinary) leaders raise followers’ consciousness levels about the importance and value of designated outcomes and ways of achieving them. They also motivate followers to transcend their own immediate self-interest for the sake of the mission and vision of the organization (Saowalux and Peng 2007; Burns 1978 in Nongo, 2015).

Transformational Leadership

Burns (1978), identified transformational leadership as a process where “one or more

persons engage with others in such a way that leaders and followers raise one another to higher levels of motivation and morality". For transformational leadership style, the follower feels trust, admiration, loyalty and respect towards the leader, and is motivated to do more than what was originally expected to do (Bass, 1985; Katz & Kahn, 1978). The transformational leader motivates by making followers more aware of the importance of task outcomes, inducing them to transcend their own self-interest for the sake of the organization or team and activating their higher-order needs. He encourages followers to think critically and seek new ways to approach their jobs, resulting in intellectual stimulation that results in an increase in level of performance, satisfaction, and commitment to the goals of their organizations (Podsakoff et al, 1996; Bass et al, 1994).

Transactional Leadership

Transactional leadership involves an exchange process that results in follower compliance with leader request but not likely to generate enthusiasm and commitment to task objective. The leader focuses on having internal actors perform the tasks required for the organization to reach its desired goals (Boehnke et al, 2003). The objective of the transactional leader is to ensure that the path to goal attainment is clearly understood by the internal actors, to remove potential barrier within the system, and to motivate the actors to achieve the predetermined goals (House and Aditya, 1997). Transactional leaders display both constructive and corrective behaviors.

Constructive behavior entails contingent reward, and corrective dimension imbibes management by exception. Contingent reward involves the clarification of the work required to obtain rewards and the use of incentives and contingent reward to exert influence. It considers follower expectations and offers recognition when goals are achieved. The clarification of goals and objectives and providing of recognition once goals are achieved should result in individuals and groups achieving expected levels of performance (Bass, 1985). Active management by exception refers to the leader setting the standards for compliance as well as for what constitutes ineffective performance and may include punishing followers for non-compliance with those standards. This style of leadership implies close

monitoring for deviances, mistakes, and errors and then taking corrective action as quickly as possible when they occur.

RESEARCH METHODOLOGY

This study examines whether transformational leadership amidst other leadership style enhances and bring about significant and positive change for business organization's growth. The study relied on survey design and reliance is also placed on private business organizations in Ogun and Oyo state of Nigeria. The research made use of primary and secondary data. The primary data was collected from One hundred and Fifty (150) staff that is employer and employees of the following organizations; Black Horse Plastics Industries; Fumman Agricultural Products Industries PLC; Summal foods Nig, Ltd; HEBN Publishers PLC, and Nestle Nig. PLC, using questionnaires to gather the data. Once the data was collected, it was organized and analyzed.

The method used basically in analyzing data is the Chi-square. Chi-square analysis would be used to evaluate and interpret the hypotheses earlier stated and the hypotheses shall be tested from which an "accept" or "reject" decision will be made. For analysis of questionnaires, a computer program called Statistical Package for Social Sciences (SPSS) was used.

RESULTS AND DISCUSSION

Data Presentation, Analysis and Interpretation **Socio-Economic Characteristics of** **Respondents**

Age Analysis: Table 3 below shows that 6 of the respondents were aged between 18 and 25years, constituting 7%, 67 respondents were between 26 and 35 years, which is 44.7%, 48 respondents fall between 36-45 years, representing 32%, 23 respondents were between ages 46-55 years, which is 15.3% while 6 respondents are over 55 years of age and 4%. This implies that a significant portion of the respondents are above 26 years, they are experienced on the job and will be reliable source of data gathering.

Gender: From the table, 117 (78%) respondents were male and 33 (22%) respondents were female. It shows that more men are being

employed than women, thus gender issues should be looked into.

Marital Status: Single respondents were 28 that is, 18.7%, while the married ones are 122 that is 81.3% as depicted in the table. Most of the respondents were married which shows responsibility.

Form of Employment: All the respondents are private sector employed, which is a more organized sector than the Public sector in Nigeria, 148 (98.7%) of them are fully employed while 2 (1.3%) of the respondents are fully employed but schooling as well.

Income: Respondents who fall within the category of less than ₦20,000 were 7, with a percentage of 4.7. The ₦21,000-₦60,000 category was 51 representing 34%. Those for the ₦61,000-₦100,000 were 52 respondents with a percentage of 34.7. The next category that is, ₦101,000-₦150,000 consist of 19 respondents and 12.7% while the last is “above ₦150,000”, with 21 respondents and 14%. This is shown on the table above. Those with average or high income tend to be more sincere than those in the lower category of income.

Year of Work Experience: The respondents that fall within less than one year of experience were 2, that is 1.3%. Those of 1-2 years were 5, that is, 3.3%, those of 2-4 years were 19, that is, 12.7%, for 5 years, 13 respondents and percentage of 8.7. Those who have worked for 5 years and beyond were 111 and 74%. Most respondents have worked for over 5 years, so they have enough experience on the job, day-to-day relationship with managers, for more accurate information on the questionnaires.

Educational Background: The school leaving certificate category was 9 and 6%. Those who hold an NCE or OND certificate were 21 respondents (14%). Those with an HND or BSc. were 108 and a percentage of 72. Some also have professional certificates along their first degrees; they are 11 which constitute of 7.3%. This shows that many staff have their first degree, as a result, they should understand what the questionnaire basis is all about.

Department: From the table above, 36 (24%) of the respondents were finance department staff, 15 (10%) were Administration Department staff, 45 (30%) were from the manufacturing department, 34 (22.7%) were Sales/Marketing staff, while those from other departments, example Engineering, Security, Maintenance etc. were 20 (13.3%). More of the respondents were from departments that co-ordinates activities in the organizations, as such, more reliable information.

Table 3: Socio-Economic Characteristics of the Respondents.

| Variable | Number of Respondents | % |
|-------------------------------|-----------------------|------------|
| Age | | |
| 18-25 years | 6 | 4 |
| 26-35 years | 67 | 44 |
| 36-45 | 48 | 32 |
| 46-55 | 23 | 15.3 |
| >56 | 6 | 4 |
| Total | 150 | 100 |
| Gender | | |
| Male | 117 | 78 |
| Female | 33 | 22 |
| Total | 150 | 100 |
| Marital Status | | |
| Single | 28 | 18.7 |
| Married | 122 | 81.3 |
| Divorced | 0 | 100 |
| Total | | |
| Form of Employment | | |
| Private sector employed | 148 | 98.7 |
| Student | 2 | 1.3 |
| Business person | 0 | 0 |
| Total | 150 | 100 |
| Income | | |
| <₦20,000 | 7 | 4.7 |
| ₦21,000-₦60,000 | 51 | 34 |
| ₦61,000-₦100,000 | 52 | 34.7 |
| ₦101,000-₦150,000 | 19 | 12.7 |
| >₦150,000 | 21 | 14 |
| Total | 150 | 100 |
| Years of Experience | | |
| <1year | 2 | 1.3 |
| 1-2years | 5 | 3.3 |
| 2-4years | 19 | 12.7 |
| 5years | 13 | 8.7 |
| >5years | 111 | 74 |
| Total | 150 | 100 |
| Educational Background | | |
| SSCE | 1 | 7 |
| NCE/OND | 9 | 6 |
| HND/Bs.c | 108 | 72 |
| Prof cert | 11 | 7.3 |
| Total | 150 | 100 |
| Department | | |
| Finance | 36 | 24 |
| Administration | 15 | 10 |
| Manufacturing | 45 | 30 |
| Sales/Marketing | 34 | 22.7 |
| Others | 20 | 13.3 |
| Total | 150 | 100 |

Source: Field Survey, 2014

PRESENTATION AND ANALYSIS OF DATA ACCORDING TO RESEARCH QUESTIONS

Research Question 1 states: What leadership style exists in some Organization?

To answer the question, questionnaire items were put forward to the respondents. Below are the responses obtainable. From the table below, 36 respondents and 24% of the population claim their managers were very strict, 73 respondents representing 48.7% also testified to this, 10 (6.7%) respondents were indecisive on this issue, 22 respondents (14.7%) disagreed, while 9 of them were totally unresponsive of this fact. Therefore, it implies that most managers in organizations operate autocratic style of leadership.

Table 4: Section B: Question 1: Manager Leadership Style and Employees.

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------------|-----------|---------|---------------|--------------------|
| Strongly Agreed | 36 | 24.0 | 24.0 | 24.0 |
| Agreed | 73 | 48.7 | 48.7 | 72.7 |
| Undecided | 10 | 6.7 | 6.7 | 79.3 |
| Disagreed | 22 | 14.7 | 14.7 | 94.0 |
| Strongly disagreed | 9 | 6.0 | 6.0 | 100.0 |
| Total | 150 | 100.0 | 100.0 | |

Source: Field survey, (2014)

From the table below, 23 (15.3%) respondents support that their managers allow contributions from them, 31 (20.7%) respondents also support this, 14 (9.3%) respondents were undecided, 74 (49.3%) respondents claim otherwise while 8 (5.3%) respondents totally disagreed. Therefore, it can be deduced that many bosses dictate what to do to their employees.

Table 5: Section B: Question 2: Participation at work and employees commitment.

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 8 | 5.3 | 5.3 | 5.3 |
| Disagree | 74 | 49.3 | 49.3 | 54.7 |
| Undecided | 14 | 9.3 | 9.3 | 64.0 |
| Agreed | 31 | 20.7 | 20.7 | 84.7 |
| Strongly agreed | 23 | 15.3 | 15.3 | 100.0 |
| Total | 150 | 100.0 | 100.0 | |

Source: SPSS Analysis, (2014)

From the above table, 13 (8.7%) respondents accepted, 73 (48.7%) respondents also supported this fact, 42 (28%) were undecided, 13 (8.7%) were of otherwise opinion, as well as 9 (6.0%) respondents who disagreed. This shows that most managers are far in communication with their employees. Some respondents could not decide in fear of their bosses.

Table 6: Section B: Manager- Employees relationship. (Question 6)

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 9 | 6.0 | 6.0 | 6.0 |
| Disagree | 13 | 8.7 | 8.7 | 14.7 |
| Undecided | 42 | 28.0 | 28.0 | 42.7 |
| Agreed | 73 | 48.7 | 48.7 | 91.3 |
| Strongly Agreed | 13 | 8.7 | 8.7 | 100.0 |
| Total | 150 | 100.0 | 100.0 | |

Source: SPSS Analysis, (2014)

From the table above, 7 (4.7%) respondents claim that their leaders allow them to contribute to the process of change in organizations, 48 (32.0%) respondents also agreed with this, 13 (8.7%) were undecided, while 77 respondents and 5 respondents representing 51.3% and 3.3% respectively viewed otherwise. This implies that Leaders alone initiate the process of change and do not allow suggestions from employees.

Table 7: Section B: Employee contribution to the process of change. (Question 17).

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 5 | 3.3 | 3.3 | 3.3 |
| Disagree | 77 | 51.3 | 51.3 | 54.7 |
| Undecided | 13 | 8.7 | 8.7 | 63.3 |
| Agreed | 48 | 32.0 | 32.0 | 95.3 |
| Strongly Agreed | 7 | 4.7 | 4.7 | 100.0 |
| Total | 150 | 100.0 | 100.0 | |

Source: SPSS Analysis, (2014)

Research Question 2 states: How has leadership type introduced positive and significant change in the organization?

To answer the question, questionnaire items were put forward to the respondents. Below are the responses obtained. From the table below, 15 out of 150 respondents representing 10% of the population really agreed that their leaders were visionary, 38(25.3%) of the respondents equally agreed, 16(10.7%) were undecided, a large majority 67, representing 44.7% detected that most leaders are not visionary, while 14(9.3%) also disagreed. We can infer from this that most leaders have stereotyped pattern of leadership. They may either be transactional or charismatic leaders.

Table 8: Section B: Transformational versus Transactional leaders. (Question 3)

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------------|-----------|---------|---------------|--------------------|
| Strongly Disagree | 14 | 9.3 | 9.3 | 9.3 |
| Disagree | 67 | 44.7 | 44.7 | 54.0 |
| Undecided | 16 | 10.7 | 10.7 | 64.7 |
| Agreed | 38 | 25.3 | 25.3 | 90.0 |
| Strongly Agreed | 15 | 10.0 | 10.0 | 100.0 |
| Total | 150 | 100.0 | 100.0 | |

Source: SPSS Analysis, (2014)

TEST OF HYPOTHESES

Hypothesis Testing 1

Hypothesis I answers research question I and is tested as follows:

Hypothesis I: Leadership in organizations is characterized by strict subordinate compliance.

Thus, the hypothesis is to be tested from the responses given by the employees of some private companies in Nigeria, which are my respondents, at 0.05 level of significance. If there is any difference in their view, an “accept” or “reject” decision of the original hypothesis will be made. A sub-hypothesis will therefore be formulated:

H₀: Leadership in organization is not characterized by strict subordinate compliance.

H₁: Leadership in organization is characterized by strict subordinate compliance.

In order to test this hypothesis, the chi-square statistical tool was used and the table generated is shown below:

Table 9: Chi-Square Analysis: My Leader/Manager has a Good Rapport With His Employees.

| | Observed (O) | Expected (E) | (O-E) | (O-E) ² | (O-E) ² /E |
|--------------------|--------------|--------------|-------|--------------------|-----------------------|
| Strongly Agreed | 13 | 30 | -17 | 289 | 9.63 |
| Agreed | 73 | 30 | 43 | 1849 | 61.63 |
| Undecided | 42 | 30 | 12 | 144 | 4.80 |
| Strongly Disagreed | 13 | 30 | -17 | 289 | 9.63 |
| Disagreed | 9 | 30 | -21 | 441 | 14.70 |
| Total | 150 | 150 | 0 | 3012 | 100.39 |

Source: Field survey, (2014)

From Table 9 above, using the formula for chi-square (X²) which is given as:

$$\sum (O-E)^2/E = 100.39$$

The above calculation at 0.05 level of significance with 4 degrees of freedom, df(4) from t-table;

$$X^2 \text{ calculated} = 100.39$$

$$X^2 \text{ at } 0.05 \text{ df } (4) = 9.488$$

$$\text{Where df is gotten from the number of rows less } 1 = (5-1) = 4$$

Decision Rule: If Chi-square calculated is greater than the value of the tabulated chi-square, the null hypothesis will be rejected, and the alternative hypothesis will be accepted, but if it is less than, then the null hypothesis will be accepted.

Here, the calculated Chi-square (X^2) is 100.39 while the tabulated X^2 at 0.05 level of significance at 4 degrees of freedom (df(4)) is 9.488. Since the value of the calculated Chi-square (100.39) is greater than the value of the tabulated Chi-square (9.488), it implies that the null hypothesis be rejected and the alternative hypothesis be accepted which states that “Some leadership styles exist in the organizations.”

Hypothesis Testing II

Hypothesis II answers research question 3 and is tested as follows:

Hypothesis II: Leadership type has introduced significant and positive change in the Organization.

If there is any difference in the respondents view, an “accept” or “reject” decision of the original hypothesis will be made. A sub-hypothesis will therefore be formulated:

H₀: Leadership type has not introduced significant change in the organization.

H₁: Leadership type has introduced significant change in the Organization.

In other to test this hypothesis, the chi-square statistical tool was used and the table generated is shown below:

Table 10: Chi-Square Analysis: Our Leaders Are Visionary Leaders.

| | Observed (O) | Expected (E) | (O-E) | (O-E) ² | (O-E) ² /E |
|--------------------|--------------|--------------|----------|--------------------|-----------------------|
| Strongly Agreed | 15 | 30 | -15 | 225 | 7.5 |
| Agreed | 38 | 30 | 8 | 64 | 2.13 |
| Undecided | 16 | 30 | -14 | 196 | 6.5 |
| Disagreed | 67 | 30 | 37 | 1369 | 45.63 |
| Strongly Disagreed | 14 | 30 | -16 | 256 | 8.53 |
| Total | 150 | 150 | 0 | 2110 | 70.29 |

Source: Field survey, (2014)

From Table 10 above, using the formula for chi-square (X^2) which is given as:

$$\sum (O-E)^2/E = 70.29$$

The above calculation at 0.05 level of significance with 4 degrees of freedom, df(4) from t-table;

$$X^2 \text{ calculated} = 70.29$$

$$X^2 \text{ at } 0.05 \text{ df } (4) = 9.488$$

Where df is gotten from the number of rows less 1 = (5-1 = 4)

Decision Rule: If Chi-square calculated is greater than the value of the tabulated Chi-square, the null hypothesis will be rejected, and the alternative hypothesis will be accepted, but if it is less than, then the null hypothesis will be accepted.

Here, the calculated Chi-square (X^2) is 70.29 while the tabulated X^2 at 0.05 level of significance at 4 degrees of freedom (df(4)) is 9.488. Since the value of the calculated Chi-square (70.29) is greater than the value of the tabulated Chi-square (9.488), it implies that the null hypothesis be rejected and the alternative hypothesis be accepted which states that “leadership type has introduced significant change in the organizations.”

DISCUSSION OF FINDINGS

Most of the respondents were between the ages of 26-35 years. This can also be traced to the fact that more young people are being recruited for difficult jobs being done in most of these organizations. It also indicates an active age participated in the study. Visionary leaders may be lacking in the organizations, but they have not failed to introduce minimal change at some time, this may have been possible by the characteristic of reward and punishment by managers.

A majority of the employees said their bosses are strict. This implies that most managers use an autocratic style of leadership, where they give their followers close monitoring through regulations and procedures. Also, from the responses, managers do not help their staff to adapt to change. This shows that they still have traits of transactional leadership where they find faults and deviations rather than communicating, inspiring and empowering, them to contribute to

achieving organizational success as transformational leaders would. It has been noted that some organizations introduce minimal elements of change, but are subject to decay overtime. This is due to lack of sustainability practice in organizations. Managers should be re-molded into transformational leaders to help sustain positive and significant change in the organizations. Where ever change is embraced, it can be sustained. Finally, the study showed that change is good, change is necessary and can only be achieved by visionary leaders.

SUMMARY OF FINDINGS

The idea of strategic change management, is that of “transitioning,” “transitioning” of individuals, teams and Organizations to a desired future state. Change must be led by organization’s leaders with a focus on leadership, mission, strategy, culture and values. Transformational leaders see to inspiring and empowering their followers to contributing to achieving organizational success. Leadership defines what the future should look like, aligns people with that vision and inspires them to make it happen despite the obstacles” Kotter (2008).

CONCLUSION

A number of factors make-up barriers to change. Some are lack of visionary leaders, financial constraints, lack of proper communication between leaders and employees, too large organizational structure and the satisfaction with status quo respectively in order of importance as gathered from respondents. Others are lack of preparation for new roles, complexity, competitive forces, undefined goals and objectives etc. Resistance to change arises as a result of the barriers stated above. It is an inevitable consequence of organizational change initiative and most crucial inertial force against transformation. (Carnall,1990, Burnes; 1992, Coulson-Thomas,1992, Kotter1996).

RECOMMENDATIONS

Although no uniform leadership style is the best, but the leadership style which exist in an organization play a significant role in overall success of the organization. Managers should encourage a style of leadership, where employees

will be able to express themselves and have a closer relationship with their bosses. Communication will build the relationship between managers and employees. Change introduced into organizations should be maintained. Leaders should also ensure that major changes that have helped the organization should be retained. Anything short of this suggests “initiative decay.” Furthermore, managers should evolve from just leaders to transformational leaders. Leaders with vision and can develop their followers into leaders. With an in-depth understanding of their organization and the business environment, they should employ the means of passion, inspiration and moral courage to transform the present situation and create a new and better world.

It is in the light of the above that suggestion is being made so as to aid further research on this topic. These suggestions include carrying out a comparative analysis of the impact of strategic change management and transformational leadership in the Nigerian private sector as a whole. Also, the current study can also be replicated with another method of data analysis.

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