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## Review

# An Empirical Investigation of Modern Leadership styles in Government Agencies in Saudi Arabia

# Dr. Nawal Abdalla Adam

#### Abstract

Associate Professor, Faculty of Business and Administration, Prince Norah University

E-mail: nawal\_ama@yahoo.com

Although classic leadership styles seem to be basic for most managers, today, in the current changing world, leaders in government agencies need to know how to influence their subordinates to exert more effort using more modern leadership styles. This paper seeks to examine the adoption of modern leadership styles by government agencies' leaders in Saudi Arabia. A total of 476 randomly selected responses from various government agencies working Riyadh (Saudi Arabia) were collected using questionnaire survey. Descriptive statistics results showed that transactional leadership style and the transformational leadership styles are the most dominant styles in the government agencies. Correlations results reveal that there is a weak positive relationship between transformation leadership style, transactional leadership style, e-leadership style, and the number of subordinates. Managerial implications are presented based upon these results.

**Keywords:** E-leadership, Government agencies, Modern leadership styles, Transformational leadership, Transactional leadership

#### INTRODUCTION

Previous studies found that leadership styles adopted by a manager affect the organizational outcomes (Avolio, 1999, Hater and Bass (1988), and Waldman, et al. (1987). Hater and Bass (1988), and Waldman, et al. (1987). Although classic leadership styles seem to be basic for most managers, leaders in government agencies need to know how to influence their subordinates to exert more effort using more modern leadership styles.

Many previous studies conducted in relation to public sector commented that there are few studies focused on leadership styles in the public sector. Wart (2003) reviewed the mainstream leadership literature. He noted that till 1990's public sector literature did not include the integration of transactional and transformational leadership style as the case of private sector. According to Hansen and Villadsen (2010) the majority of recent studies on leadership styles in the public sector focused on the differentiation between transformational and transactional leadership styles. Furthermore, it is argued that public sector leadership styles have not been

explored independently of private sector (Wyse and Vilkinas, 2004). Of course there are great differences between private and public sector managers' leadership styles resulted from differences in job context of each (Hansen and Villadsen, 2010).

However, it is noted that the majority of studies conducted examine only one single leadership style, (e.g. Chen, Li and Tang, 2009). As suggested by, Rosing, Frese and Bausch (2011) a single leadership style cannot effectively promote creativity in providing better understanding of the role of leadership for follower creativity.

Drummond and Al-Anazi (1997)compared leadership styles (transformational, transactional. And laissez- faire styles) and employees reactions in public and privates sector organizations. They concluded that there are complete absences leadership influences (transformational transactional styles) in the public sector in Saudi Arabia.

The aim of this paper is to investigate the adoption of

modern leadership styles (transformational leadership style, transactional leadership style, and e-leadership style) in the government agencies in Saudi Arabia,

#### Literature Review

Literature review showed a wide range of definitions of leadership. A common feature among all definitions is that leadership includes influencing, inspiring, and mobile subordinates to achieve a stated goal.

Literature on leadership stated various types of leadership styles (Hirtz, Murray, and Riordam, 2007; House, Hanges, Javidan, Dorfman, and Gupta, 2004; Davis, 2003; Spears and Lawrence, 2003). The most common leadership style is transformational leadership style. The concept of transformational leadership first introduced by Burn (1978) and developed further by Bass (1985). Style of leadership in which the leader identifies the needed change, creates a vision to guide the change through inspiration, and executes the change with the commitment of the members of the group

#### **Transformational Leadership**

Transformational leaders motivate their subordinates and transform their attitudes, beliefs, and values in order to achieve high level of performance (Tracey and Hinkin 1998, Bass, 1985; Yukl, 1999).

Transformational leadership for dimension inspirational motivation idealized influence, intellectual stimulation and individualized consideration (Bass 1985; Burns 1978). According to Burns (1978) transformational leadership style creates a significant change in organization by shaping employees' perceptions, values, expectations, and aspirations. Transformational leadership usually involves strong personal recognition or identification with the leader, the creation of a shared vision of the future.

Transformational leaders reported high followers' satisfaction, motivation and commitment and high level of trust in the leader (Keegan and Den Hartog, 2004, Podsakoff and MacKenzie1996). Transformational leaders display charisma and self-confidence, and high performing units and businesses. Therefore concept of transformational leadership is associated with terms such as 'visionary' and 'charismatic' leadership. (Keegan and Den Hartog, 2004).

## **Dimensions of Transformational leadership**

Avolio, Bass, and Jung (1997) stated four dimensions of transformational leadership include influence, inspirational motivation, intellectual stimulation and

individualized consideration:

Idealized influence: Leaders the state, challenging goals and motivating subordinates to work beyond their self-interest in order to achieve such goals (Dionne, Yammarino, Atwater and Spangler, 2004). The Leader is admired, respected and trusted, and therefore represents a role model to be followed by subordinates. According to Bass and Riggio (2006), leaders are willing to take risks and demonstrating high levels of ethical and moral commitment.

Inspirational motivation refers to the way in which leaders motivate and inspire their followers to commit to the vision of the organization.

Intellectual stimulation is referred to the role of leaders in stimulating innovation and creativity in their subordinates by questioning assumptions and approaching old situations in new ways (Bass and Riggio, 2006; Nicholason, 2007).

Individualized consideration refers to leader's paying special attention to each individual subordinate's need for achievement and growth by acting as a coach or mentor (Bass and Riggio, 2006; Nicholason, 2007).

As stated by Wright and Pandey (2010), transformational leadership largely suited to the public sector, whose employees are inherently required to see beyond self-interest to the well-being of the larger community in particular.

#### **Transactional Leadership**

Transactional leadership includes reciprocal influence between leaders and subordinates. The recognized what subordinate was wanted to get from his work and tried to see that he can got what he wanted if he perform as wanted (Bass 1995). Kuhnert and Lews (19780) stated that transactional leader focuses on task, successful employee and rewards and subordinates something they want in exchange of something the leader wants On the other hand, transactional leaders use extrinsic motivators of rewards and punishments to gain compliance from their followers. They are directive and action-oriented accept goals, structure, and the culture of the existing organization. Transactional leaders are primarily passive, willing to work within existing systems and negotiate to attain goals of the organization. (Odumeruand Ifeanyi (2013).

#### **Dimensions of Transactional leadership**

Bass and Avolio (1995) proposed that transactional leadership consists of three dimensions, namely contingent rewards, management by exception (active) and management by exception (passive).

Contingent reward refers to leaders who state the work that must be achieved clearly and offers rewards in

exchange for good performance.

*Management by exception (passive)* refers to leaders who intervene only when problem arise.

Management by exception (active) refers to leaders actively monitoring the work of followers and make sure that standards are met (Antonakis et al., 2003).

Studies showed that transformational and transactional leadership styles complement each other.

Leaders who adopt transformation leadership style in any suitable situation should also be facilitated and supported it by transaction leadership style. Therefore, previous found that transformational leadership style and transactional leadership styles affects to subordinates' satisfaction and lead to job success. Recent studies have shown that the ability of leaders to properly use transformational and transactional leadership styles may have a significant impact on individual outcomes, especially followers' perceptions of justice (Greenberg, 1996, 2003, Tatum et al., 2003, 2003), and trust in the leaders (Konovsky, Pugh, 1994, Korsgaard et al., 1995, Pillai et al., 1999).

literature in leadership in the public sector focused on the influence and effectiveness of transformational (over transactional) leadership (Schein, 1992; Ogbonna and Harris, 2002; Hooljberg and Choi, 2001; Wart, 2003; Pimpa, 2010). Hooljberg and Choi (2001) also stated that in case of the public sector transformational leadership is more important in terms of both perceptions of leader effectiveness and followers' satisfaction. However, Hughes et al, (1996) suggested that leader has to use both transformational style transactional style so as to create a pleasant working atmosphere and to have maximum input.

Burns theorized that transforming and transactional leadership were mutually exclusive styles. Transformational and transactional leadership strategies were originally posited as contrasts (Burns 1978), but they do not necessarily conflict (Waldman et al. 1990), and the two leadership strategies are therefore seen as different continua.

It noted that most leadership literature focused on transactional and transformational leadership styles in western public sector rather Arab countries. This study focused on transactional and transformational leadership styles in the public sector beside e-leadership in government agencies in Arab countries.

#### E-leadership

However, Leadership now days is largely affected by globalization where leaders can use various modern communication means (such as telephone, e-mail, fax machine, chat, groupware, video conferencing, etc.) to interact with their followers.

The term e-leadership represents a new emerging

context for examining leadership" (Avolio, Kahai, and Dodge, 2001), and shows how technology is affecting leadership and the fundamental change in the way leaders and followers related to each other within organizations (Avolio and Kahai, 2003). E-leadership refers to leaders who use electronic channels to contact with their followers (Zaccaro and Bader, 2003). Eleadership is defined by Avolio, Kahai, and Dodge (2000) as a process social influence followers mediated by advance information technology to produce a change in attitudes, feelings, thinking, behavior, and performance of organizations. E-leadership is mostly about the need to lead geographically dispersed teams, called virtual teams. As stated by Zaccaro and Bader (2003) leadership associated with the concept e- team which is characterized by geographical dispersion and time limited mission.

E-leader usually uses e-mail and electronic bulletin to report to members' actions and decisions, set clear task roles and expectations, encourage team electronic exchange and provide immediate feedback, keep electronic archive, and encourage personal and social information.

E-leadership—is becoming essential to organizational innovation and competitiveness. Effective e-leader is capable of leading groups and managing technology systems in ways that achieve both local and global demands.

#### Leadership

Previous studies showed that transactional leadership is equally important as transformational leadership increases organizational competitiveness in an era of global competition (Bass, Avolio, 1993, Howell, Avolio, 1993, Pillai et al., 1999). This study intended to address the gap in the literature of e-leadership.

#### **Participants**

The participants were employees from various government agencies in Riyadh city in Saudi Arabia. Because the population size is very large and the exact statistics of the number of employees working in the public sector in Saudi Arabia is not available for the researcher convenient sampling was used to select the research participants. The total number of employees included in the research sample was 476 employees. The profile of those employees is provided in Table (1). It is clear from the table that 66.2 % of the participants were males and 33.8% were females. Majority of the respondents were between 31 years to 40 years of age. Furthermore, 53.6% of respondents had Bachelors level of education. Moreover, 36.6% of respondents had 0-5 years' work experience while 20% was for employees

Table 1. Profile of Participants

Characteristics		No.	%
Sex	Male	315	66.2
	Female	161	33.8
	Less than 30	161	33.8
	31-40	146	30.7
	41-45	95	20.0
Age	46-50	27	5.7
	51-55	18	3.8
	More than 56	10	2.1
	Less than secondary	17	3.6
	school		
Education	Secondary school	109	22.9
	Bachelors	255	53.6
	Graduate	74	15.5
	0-5	174	36.6
	6-10	95	20.0
Experience	11-20	114	23.9
	21-30	45	9.8
	More than 30	26	5.7

**Table 2.** Descriptive statistics

Variable	Mean		Std. deviation	
	Statistics	Std. Error	-	Variance
Transformational	3.35	.037	.78	.608
Transactional	3.46	.038	.825	.681
e-leadership	3.31	.045	.970	.941

Table 3. Correlations

	Transformational leadership	Transactional leadership	E-leadership leadership
Transformational leadership	1	.401	.369
Transactional leadership	.401	1	.184
E-leadership leadership	.369	.184	1

with work experience ranging between 6 to 10 years with their respective agency. The rest of the figures calculated in this regard were 23.9%, 9.3%, and 5.7% for experience 11-20, 21-30, and more than 30 years respectively.

#### Measure

The Multifactor Leadership Questionnaire (MLQ) (Bass and Avolio, 1995) was used to measure participants' perceptions and thoughts of how they see the style of leadership of their leaders. MLQ was suggested by many researchers as appropriate instrument for assessing transformational and transactional leadership styles (Kirkbride, 2006).

The research variables were measured using Likert five point scales. The dimensions used to measure transformational leadership included "idealized attributes", "idealized behavior", inspirational motivation",

"intellectual stimulation", and individualize consideration". Transactional leadership was measured using "contingent reward" and "management by objectives".

#### Data analysis

A statistical package for social science (SPSS) version

20.0 was used to analyze the questionnaire data. descriptive statistics was conducted to determine the importance of the modern leadership styles.

Table (2) provides means and standard deviations of transformational leadership, transactional leadership, and e-leadership. Descriptive statistics reveals positive results of all variables except the e-leadership. The highest calculated mean value 3.46 of transactional leadership shows that public sector employees feel that their supervisors always give them positive feedback and rewards when they perform well. Aggregate mean of

3.35 for transformational leadership explains the public sector employees' perception about a facilitating and team oriented leadership style of the supervisor. The mean value of e-leadership (3.31) reflects the public employees' perception about the use of advanced information technology devices to exchange feedbacks, keep information archives.

Correlation values given in Table (3) a high positive correlation value 0.401 between transformational leadership and transactional leadership. This shows that when a supervisor explicitly articulates a vision, establishes team norms and provides model for success, he might also tell standards to carry out work and use extrinsic rewards and punishment.

Transformational leadership style is also correlated with e-leadership. The correlation value of 0.369 shows that in order for supervisor settles team goals and foster their norms, he might use different devices and encourage electronic relationships among the teams members.

#### CONCLUSION

The research results showed that employees working in the government agencies perceive their supervisors as more tend to exercise transactional leadership style as compared to transformational leadership style and eleadership style. This indicates that leaders in the government agencies sometimes use rewards and punishments and share an exchange relationship with their followers.

Results also showed a high value of transformational leadership, which implies government leaders use transformational leadership style more than transactional and e-leadership styles.

The correlation results show a significant relationship between transformational leadership style and transactional leadership style. This support the argument of Bass, 1985; Waldman, Bass and Yammarino, 1990; Kirby, Paradise and King, 1992, that transformational leadership enhances or supplement transactional leadership. Moreover, transformational leadership was found to have positive and significant relationship with eleadership.

## **Practical implications**

Leaders in government agencies should be trained to adopt more e-leadership style in order to cope with the continuous change business world. They should adopt more than leadership style, facilitate transformational leadership style with e-leadership style and adopt transactional leadership style where suitable.

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