



## Building a Climate of Change with a Link through Transformational Leadership and Corporate Culture: A Management Key to a Global Environment

Paul L. Flemming<sup>1</sup>

### ABSTRACT

Leaders in the Caribbean Diaspora have argued that there is no documented evidence of the association between the three fundamental pillars of public sector organization: leadership, performance and culture. This cross-culture leadership concern has evoked a series of research which basic aim is to conceptualize the leadership culture phenomenon. The problem is that there is a high degree of dysfunctional leadership within the public sectors organizations in the Caribbean diaspora and there is limited empirical evidence that can be had to validate the reason for this inadequacy. The purpose of this study is to investigate the link between transformational leadership styles, corporate organizational culture types and performance in sixteen public sectors organizations. The methodology implemented in this research is the Multifactor Leadership Questionnaire (MLQ 5X), and the Organizational Culture Assessment Instrument (OCAI) to collect data. Seventy-five executive directors completed measures of the MLQ 5x leadership traits and culture types. A total of 200 employees from across sixteen public sector organizations completed the measures on leadership and culture. The responses were scaled and coded to enable the segmentation of the data into dependent and independent variables based on the leadership, performance and culture variables. The study utilized the multiple regression models and correlation statistical analyses to determine the degree of commonality among the components. The results indicate support for the hypotheses link between the traits of transformational leadership and organizational culture with performance being the mediating variable. Exploratory analysis showed that several executive leaders have leadership traits that support culture values. The study concluded that transformational leadership and corporate organizational culture have positive effects on facilitating performance and is best suited in managing change and innovation in mature public and private sector organizations.

**Keywords:** Organizational culture, performance, transformational leadership.

**JEL Codes:** L1, L2, L3, M1.

**Available Online:** 00-00-00000

**This is an open access article under Creative Commons Attribution 4.0 License, 2017.**

---

<sup>1</sup> University of the Virgin Islands.

## 1. INTRODUCTION

The relationship between leadership and culture is a topic of ongoing interest (Banerji & Krishnan, 2000; Bass & Avoilo, 2005; Brown, 2007) to social scientist, management consultants, and corporate leadership in public sectors organizations, but the problem is that there is limited empirical evidence (Cameron and Quinn, 2006; Hartog, Jaap, & Koopman, 2011) of the link between the leadership culture phenomena. This study utilized a questionnaire to administer on 200 respondents to collect primary data. Hypotheses were developed and tested to determine the relationships between the variables of leadership and culture traits. The study concluded that transformational leadership and corporate organizational culture have positive effects on performance. To achieve this objective, a review of the relevant literature pertaining to the study, the methodology and analysis used to evaluate the research will be discussed. Finally, the results and findings from the study will be presented and the study will conclude with discussions and implications of the findings to management.

### 1.1 TRANSFORMATIONAL LEADERSHIP AND CORPORATE ORGANIZATIONAL CULTURE

The concept of transformational leadership and organizational culture have been studied extensively over the past decade given the argument that the combination of both phenomena hold great promise for advancing organizational effectiveness (Banerji & Krishnan, 2000; Bass & Avoilo, 2005). Bass (2003) purported that the constructs of transformational leadership would facilitate follower's performance as a consequence of leader's influence. The underlying framework represented the rising awareness of the traits of transformational leadership and their importance and value in developing idealized influence behaviour, inspirational motivation, intellectual stimulation, individualized consideration and idealized influence attributes in their followers to transcend their own personal ambition for a unified collective purpose, mission or vision for their organization (Blackwell, 2006; Hater & Bass, 2005).

### 1.2 TRANSFORMATIONAL LEADERSHIP TRAITS

Transformational leadership is a process that changes and transforms followers (Howell & Avolio, 2006). It focuses on individual's emotions, values, ethics, standards, and long-term goals. The theory suggests that some leaders, through their personal traits and their relationships with followers, go beyond a simple exchange of resources and productivity but seek to develop and empower individuals to their fullest potential (Nahavandi, 2006). The traits of transformational leadership theory can be employed to influence followers on an individual and group level, and it can also be instrumental in influencing an entire organization and its culture. To fully conceptualize the contributions of transformational leadership theory, it is important to review each theory's contribution to organizational development. Ogbonna & Harris (2000) pointed out that charisma or idealized influence describes leaders who act as strong role-models for followers, and whom followers seek to emulate. These leaders have very high standards of conduct, moral principles and ethical values (Aronson, 2001). They also provide their followers with a clear vision and a mission for their organizations and, in turn, earn a high degree of respect and trust by their followers (Bass & Avolio, 2003; Bass, 2003; Cooper & Schindler, 2006 & Nahavandi, 2006). The second factor in the transformational leadership framework is inspirational motivation. This factor articulates the importance of leaders communicating high expectations to followers, inspiring and motivating them by providing meaning and challenge to their followers' work so that they can develop a shared vision in the organization (Avolio, 2007, Campbell & Freeman, 2013; Kouzes & Posner, 2003). Further, the inspirational appeal of transformational leaders brings out the best efforts in followers such as harmony, charity and good works. The leader develops team spirit in followers who in turn display enthusiasm and optimism in achieving organizational goals (Barbuto, 2005; Avolio, Waldman, & Yammarino, 2004). Avolio, Bass, & Jung (2003) argued that the intellectual stimulation factor of transformational leadership "incorporates an open architecture dynamic into a process of situation evaluation, vision formulation and patterns of implementation. However, by inspiring a shared vision, leaders encourage followers to view problems from different perspectives in order to develop new solutions. The charismatic bond provides support and

encouragement (Linnenluecke & Griffith, 2009) for followers and prevents them from feeling isolated. Intellectual stimulation is also exhibited when the leader facilitates the efforts of followers to become more innovative and creative by questioning assumptions, reframing problems, and developing new strategies to resolve organizational challenges (Llues, Judge & Wagner, 2006; Parry, 2012). The transformational leader facilitates individuals' attempts in developing new initiatives, and there is no public criticism of individual's mistakes even though they differ from their leaders' ideas (Black, 2003; Tucker & Russell, 2004). The individualized consideration factor is representative of the leader who provides a supportive climate in which he / she listened to the individual needs of the follower. The transformational leader treats followers with respect and facilitate individual growth by providing coaching, mentoring and growth opportunities (Bass & Avolio, 2003; Burnes, 2003). The leader may utilize a variety of methodologies such as delegation to help followers accomplish their tasks and grow through personal challenges in the organization.

### 1.3 CORPORATE ORGANIZATIONAL CULTURE TYPES AND PERFORMANCE

Cameron and Quinn (2006) crystallized the concept of effectiveness to the culture types by arguing that the criteria of effectiveness most prominent in a hierarchy culture are efficiency, timeliness, smooth functioning, and predictability. Fombrun (2011) asserted that the dominant operational theory that drives organizational success is control, foster efficiency and effectiveness. However, in hierarchy organizations, such as government agencies, the dominant operational theory that dictates effectiveness is the adherence to strict rules and regulations. While the underlying premise of hierarchy organizations emphasizes the importance of policies and guidelines, (Casimir, Waldman, Bartrum & Yong, 2006) the criteria of effectiveness most prominent in a market culture are achieving goals, outpacing the competition, increasing market share, and acquiring premium levels of financial returns. Further the dominant operational theory that galvanized organizational success is competition which creates an impetus for higher levels of productivity and therefore higher levels of effectiveness. Anything short of increasing market share, enhancing revenues, and increasing productivity was seen as failure (Cameron & Quinn, 2006; Harrigan, 2015; Cadden & Marshall, 2013). On the contrary, in the clan culture, the criteria of effectiveness most highly valued include cohesion, high levels of employee morale and satisfaction, human resource development, and teamwork (Hersey & Blanchard, 2011). The operational theory that dominates this culture type is involvement and participation of employees that fosters empowerment and commitment. The literature also found that committed, satisfied employees produce more efficient and effective service (Cameron & Quinn, 2006; Hooijberg & Petrock, 2004). Finally, Hooijberg and Petrock (2004) asserted that the adhocracy organizational culture emphasized the importance of new products, creative solutions to problems, cutting-edge technologies, and strategic growth in new market niches as the dominant effective criteria. However, the underlying operational phenomenon is innovation and new ideas, which create new markets, increase customers and new opportunities (Hambrick, 2005).

### 1.4 COMPETING VALUE FRAMEWORK

According to Cameron and Quinn (2006) the Organizational Culture Assessment Instrument (OCAI) is based on a theoretical model known as the Competing Values Framework. They further asserted that this framework is fundamentally important in organizing and interpreting a wide variety of organizational phenomena. It must be noted, however, that no one framework is comprehensive, and there are no documented arguments supporting the applicability of one framework over the other in analyzing organizational culture (Denison's & Mishra, 2005). However, the appropriate framework should be based on empirical evidence; should effectively represent the reality being describe; and should adequately integrate and organize the majority of the dimensions being proposed (Howard, 2009). The Competing Value Framework will be the methodology used to diagnose and facilitate changes in the culture environments of the public sectors organizations in this study. It is a framework that has empirical values, has been tested for both reliability and validity, and helps integrate many of the phenomena argued by various authors (Cameron & Quinn, 2006). The framework represents the

clan, adhocracy, market and hierarchy culture types which are extrapolated from scholarly literature that explains how different organizational values have become associated with different forms of organizational culture (Cameron & Quinn, 2006; Gordon, 2015). The quadrants match key management theories about organizational success, approaches to organizational quality, leadership roles, and management skills (Cameron & Quinn, 2006).

## 1.5 THE IMPACT OF TRANSFORMATIONAL LEADERSHIP TRAIT, CORPORATE ORGANIZATIONAL CULTURE TYPES AND PERFORMANCE ON PUBLIC AND PRIVATE SECTOR ORGANIZATIONS

In formulating a model for studying leadership styles and organizational culture types, it was necessary to identify with the pertinent hypotheses that will guide the research questions. Having represented the hypothetical premise, (Cameron & Quinn, 2006; Hater & Bass, 2005), the investigation of the link that exists between transformational leadership style and organizational culture type answered the following questions:

1. Is there an association between clan culture and a specific leadership style as the dominant leadership style in public sector organizations?
2. Is there an association between adhocracy culture and a specific leadership style as the dominant leadership style within public sector organizations?
3. Is there an association between hierarchy culture and a leadership style as the dominant leadership style within public sector organizations?
4. Is there an association between market culture and a specific leadership style as the dominant leadership style within public sector organizations?
5. Which organizational culture type is directly associated with transformational leadership and is most conducive to organizational performance in public sector organizations?

The following hypotheses provided a procedural process of the intended research questions of the study.

- H1: There is no linear relationship between leadership traits and organizational culture types as defined by the Competing Values Framework.
- H2: There is a linear relationship between leadership traits and organizational culture types as defined by the Competing Values Framework.

## 2. DATA AND METHODOLOGY

This study utilized a survey instrument in the form of a Multifactor Leadership Questionnaire (MLQ) Form 5X to collect data on leadership behavior, and the Organizational Culture Assessment Instrument (OCAI) to measure organizational culture types. A review of the literature revealed that there are several instruments designed to assess transformational leadership, and the best-known and most rigorously assessed instrument is the Multifactor Leadership Questionnaire (MLQ) Form 5X (Javidan & Waldman, 2003). Originally designed by Bass (2003), and updated by Bass and Avolio (2002), the MLQ is psychometrically tested for reliability and validity. The argument was made by Bass (2003); Bass and Avolio (2003) and Javidan and Waldman (2003) that the MLQ Form 5X measure the full range of leadership styles. This implies that every leader displays a frequency of both the transformational and transactional factors; but each leader's profile involves more of one and less of the other (Bass, 2003). The MLQ Form 5X instrument was purchased from Mind Garden Inc. and was used in this research with permission.

### 2.1 SAMPLE AND PROCEDURE

The surveys were distributed to all full-time employees in sixteen public sectors organizations of the United States Virgin Islands with branches on St. Thomas, St. Croix and St. John. The participants were given hard copies of the survey to complete with instruction to return the completed copies in sealed

envelopes to ensure confidentiality and anonymity. The completed data were keyed into a computer program using both Microsoft Excel and SPSS spread sheets to secure the data and to further preserve anonymity of the responses. The full-time participants of all four agencies received hard copies of a letter asking them to complete the survey by answering questions about their demographics; their organization's leadership and management styles of their immediate supervisors, and their organization's culture. A total of 220 surveys were distributed with 200 returning. Of the 200 that returned, nine (9) were rejected due to insufficient data resulting in 191 usable surveys yielding a response rate of 96%. For example, only the demographic sections of 4 surveys were completed, with another 2 surveys incorrectly distributing the points for OCAI.

## 2.2 MEASUREMENT

Further, the literature revealed that the MLQ Form 5X has been used extensively in different organizational settings including the public and private sectors to measure employees' perceptions of leadership behaviors in work environments. According to Bass and Avolio (2005), the MLQ Form 5X has been widely used to measure the four dimensions of transformational leadership described as the "Four I's". First is the idealized influence (II) or charisma, which is based on a follower's respect and admiration for the leader. Second is individualized consideration (IC), the extent to which the leader cares about the individual followers' concerns and developmental needs. Next is intellectual stimulation (IS), which is the degree to which the leader provides followers with interesting and challenging tasks and encourages them to solve problems in their own way. Finally, inspirational motivation (IM) which is based on communication of expectations and followers' confidence in the leader's vision and values (Bass & Avolio, 2005; Bass, 2003; Vigoda-Godot, 2006; Javidan & Waldman, 2003).

The OCAI used a response scale in which individuals divide 100 points among alternatives. This instrument is designed with six, key dimensions to assess the sample received from the respondents. According to Cameron and Quinn (2006), the OCAI dimensions range from dominant characteristics, organizational leadership, management, strategic emphasis, organizational glue, to the criteria for success. Each of the six items can create four possible results which are divided into 100 points, known as an ipsative rating scale. However, the instrument in this study used the Likert scale, in which respondent rate each alternative in each question on a scale of 1 to 5 or 1 to 7- ranging from strongly agree to strongly disagree. The rating for each of the dimensions was analyzed and summed up. Thus, the results were plotted to determine the strength of each competing culture within the organization. It is argued that each response in the Likert's format create a degree of independence, which ensures objectivity in the research process (Cameron & Quinn, 2006). The anticipated time it takes for one OCAI questionnaire to be completed was 20 minutes.

The data was analyzed in three stages: demographics, factor analysis, and regression analysis. First, the data was examined using descriptive statistics to understand the samples without testing the hypotheses. The age of the respondents ranges from 22 to 55. The mean age was 42.3 years with a standard deviation of 11.72. Gender was 34% male and 65% female. 98 % of the respondents reported full-time tenure with their agencies with a mean of 9 years. 5% of the respondents reported tenure with less than 5 years, while 3% reported tenure with less than 1 year. Although the demographics were incorporated into the data set, they were only used to better understand the sample, and were not used in the analysis of the questionnaires. The results of the sample showed that the respondents were mostly females, well-experienced and have a long tenure with their organizations. Second, an aggregated variance analysis was conducted on Transformational Leadership Traits to identify those items that were appropriately correlated to Organizational Culture Types using variance procedures. First, the mean score for each of the six transformational leadership scales was calculated, then a comparison of the means was conducted for each item to evaluate the appropriateness of each score (i. e statistically significantly higher on the appropriate definition utilizing t-tests;  $p < 0.05$ ) (Flemming, 2009).

### 3. RESULTS AND DISCUSSION

Table 1: A comparison of means culture types with leadership traits

L. Traits	Clan	Adhocracy	Market	Hierarchal
Org. Eff.	14.17	32.5	10.83	37.50
IIB	14.17	32.5	10.83	37.50
IM	14.72	16.72	19.22	43.72
IS	23.52	18.08	23.07	29.88
IC	7.50	19.16	36.25	30.42
IIA	16.67	19.00	25.83	29.17

The analysis indicated that the sample size was adequate for assessing the practical significant differences between the means which is consistent with each observation represented in Table 1. The analysis also indicated that the mean scores of Organizational Effectiveness (Org. Eff.) = 37.50; Idealized Influence Behavior (IIB) = 37.50; and Inspirational Motivation (IM) = 43.75; seems strongly correlated to Hierarchal Culture types. Intellectual Stimulation (IS); Individualized Consideration (IC) and Idealized Influence Attributes (IIA), reported less significant with 29.88; 30.42; and 29.17 respectively. A test of Correlation was used to measure the relationship between transformational leadership traits and organizational culture types. The MLQ measures leadership constructs while the OCAI (Cameron & Quinn, 2006) measures culture types. The components of the MLQ measuring transformational leadership are: Idealized Influence (Behavior), Inspirational Motivation; Intellectual Stimulation; Individualized Consideration and Idealized Influence (Attributes); Clan Culture; Adhocracy Culture; Market Culture, and Hierarchal Culture formed an overall composite score for transformational leadership and organizational culture depicted in Table 2. This study utilized the component factor analysis with varimax rotation to measure the correlation between the nine (9) different factors of transformational leadership and culture types consistent with Schimmoeller (2006). The reliable coefficient had an alpha score of .71 and the inter-correlations were high as depicted in Table 2. The inter-correlations range from .010 to .841 with a p-value greater than ( $p > .05$ ) which indicates that the components of transformational leadership and organizational culture types are not independent of each other in this study.

This study found strong correlations with transformational leadership traits and organizational culture types in public sector organizations as depicted in Table 2. The links are positively related with Clan 3.333; Adhocracy 0.476; and Hierarchal culture .268, .232 respectively. What was surprising is the positive links between Market culture .322, and .447, and transformational leadership traits in public sector organizations which Cameron and Quinn (2006), asserted is more prominent in private sector organizations. It should be noted that the links were related significantly at the stated .05 level of significance, and the P-values were also significant between the correlations coefficients. This finding can serve as a model framework in public sector organizations for political leaders that supports matching effective leadership styles with organizational culture types in order to enhance performance. The positive correlation between hierarchy and clan culture was expected with transformational leadership traits. The analysis further revealed that the traits of transformational leadership are idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. What was unexpected, however, is the strong association with Adhocracy culture which is said to be dynamic, entrepreneurial, and creative place to work; and market culture which is argued to be result oriented, competitive, and goal-oriented (Cameron & Quinn, 2006; Hooijberg & Petrock, 2003).

Table 2: Correlation of organizational culture and transformational leadership traits

	Clan	Adhocracy	Market	Hierarchal
Idealized Influence Behaviour				
Correlation coefficient	3.333*	-0.367*	-0.257	0.268
p-value	0.000*	0.022*	0.142	0.114
Inspirational Motivation				

Correlation coefficient	-0.362*	0.339*	0.322*	-0.328*
p-value	0.002*	0.001*	0.005*	0.003*
Intellectual Stimulation				
Correlation coefficient	-0.226	-0.419*	0.447*	-0.358*
p-value	0.176	0.006*	0.008*	0.028*
Individualized Consideration				
Correlation coefficient	0.476*	-0.459*	-0.169	0.232
p-value	0.001*	0.001*	0.241	0.096
Idealized Influence Attributes				
Correlation coefficient	-0.196	-0.538*	-0.078	0.530*
p-value	0.160	0.000*	0.579	0.000*

Finally, this study corroborated the fact that organizational culture impacts the ability of leaders to improve organization performance as evident by the symbiotic relationship of each construct. The five elements of transformational leadership correlated positively with the four phenomenons of organizational culture types. The analysis of the various component parts of transformational leadership made it possible to evaluate the correlation, which would have otherwise been difficult to evaluate.

Table 3: Summary of culture leadership regression

	R	R Square	Adj. R Square	t	sig
Organizational Effectiveness	.320	.102	.073	11.793	.159
Idealized Influence Attributes	.383	.147	.124	3.771	.000**
Individualized Consideration	.306	.094	.089	4.425	.000**
Inspirational Motivation	.197	.039	.023	2.650	.009**
Intellectual Stimulation	.308	.95	.075	2.774	.006*
Idealized Influence Behaviour	.335	.112	.103	4.803	.000**

As depicted in Table 3, the sig. value / p - value is less than .05 which enforced the fact that transformational leadership traits depend on organizational culture types in public sector organizations. The analysis further showed that transformational leaders possess a variety of culture characteristics which support the findings of [Bass and Avolio \(2005\)](#); [Avolio and Bass \(2003\)](#) and [Cameron and Quinn \(2006\)](#), who argued that transformational leaders appeal to their followers in different ways. There was insufficient evidence, however, to conclude that effectiveness depends on organizational culture types with a p - value of .159 which is greater than .05. There were five critical dimensions that were imbedded in the questionnaires. The first dimension was represented by four Idealized Influence Behavior (IIB) and four Idealized Influence Attributes items. These items were primarily associated with a leader's ability to behave in ways that reflect strong ethics, possesses strong role-model principles, is admired, respected and trusted ([Bass & Avolio, 2005](#); [Avolio & Bass, 2003](#)). A second dimension included four Intellectual Stimulation items suggesting that transformational leaders stimulate their followers' efforts to be innovative and creative by questioning assumptions; reframing problems; developing new and innovative ways to resolve old problems ([Bass & Avolio, 2003](#); [Avolio & Bass, 2005](#)). The third dimension was represented by four Inspirational Motivation items suggesting that transformational leaders behave in ways that motivate and inspire their followers by providing meaning and challenge to their followers' work ([Bass & Avolio, 2003](#)). The fourth dimension evaluated the ability of transformational leaders to address the needs of their followers for achievement and growth by acting as coach or mentor ([Bass & Avolio, 2003](#)). The final dimension consisted of four items that measure the ability of transformational leaders to effectively represent their followers by enhancing their ability to achieve organization's goals and objectives ([Flemming, 2009](#)). This research presents a model framework for moving organizations forward in achieving synergy by effectively identifying transformational leadership traits to organizational culture types. Satisfactory relationship, however, between leadership and culture may be disrupted or altered by economic changes or development; and stakeholders may demand government actions to protect their interest or establish

a new equilibrium. Nahavandi (2006) defines a leader as a person who influences individuals and groups within an organization; help them in the establishment of goals; and guide them towards achieving of those goals; thereby allowing them to be effective. In order to be effective, leaders must help the organization maintain internal health and external adaptability. Despite the apparent simplicity of the definitions of leadership, culture and effectiveness, they are difficult concepts to implement. First, culture can affect whom we consider to be an effective leader. Second, organizations rarely provide their leaders with the opportunity to experiment and improve. Third, notwithstanding the many roles that leaders play in an organization, in some situations their impact on group and organizational performance is limited due to unnecessary political pressures (Northouse, 2013; Lim 2015; Kotter & Heskett, 2004).

As depicted in figure 1, this study found organizational effectiveness to be positively correlated with transformational leadership traits, Hierarchy and Clan culture types which are consistent with the research conducted by Yuki (2008), that also found transformational leadership to be positively correlated with satisfaction and leader’s effectiveness. There was sufficient evidence, however, to conclude that effectiveness depends on organizational culture types with  $p > .05$ . Future research is needed to examine the correlation between organizational performance and transformational leadership traits in public organizations. Further research is also required to investigate a wider sampling frame and to examine the relationship between leadership and culture behaviors and relevant organizational outcomes (Yuki, O’Donnell & Taber, 2009).

There are three important findings that may be derived from this research as it relates to public sector organizations which may contribute to the body of knowledge. First, this study supported the empirical research by Selden & Sowa, (2004); Shilbury, Ann-More (2006), who asserted that hierarchy culture is present in large organizations and government agencies, as evident by standardized procedures, multiple hierarchical levels and an emphasis on rule enforcement.

However, this study adds to the body of knowledge by unexpectedly discovering that transformational leadership traits are also embedded in hierarchy, clan, adhocracy and market cultures, thus supporting the assumption that these leaders exhibit visionary and inspirational behaviors. This finding also supports (Rawden 2002; Rabbins, 2005; Naidoo, Coopoo & Surujlal, 2015) research that successfully argued the case that transformational leaders are effective change agents and followers are more motivated to perform by an inspiring vision from transformational leaders than by the promise of rewards based on performance. Second, from a practical standpoint, it is useful for leaders in public sector organizations to understand the positive correlation between transformational leaders and the hierarchy, clan, adhocracy and market cultures as they relate to organizational performance (Rudd, Greenly, Beaston & Ling, 2008).

The understanding of the framework, exhibited in figure 1 represents the synergistic link between the variables of leadership, corporate culture and organizational performance standards. as proven by this study, may enhance organizational performance by articulating a clear and aggressive strategy which ultimately will lead to productivity and efficiency (Cameron & Quinn, 2006; Vigado-Gadot, 2006). The implementations of these findings will enable leaders to communicate on where the organizations are going; develop the skills and abilities of subordinates; and encourage innovative problem-solving with a strong reward system. Similarly, with this framework, Yin, (2003), conceptualized that it is these leadership behaviors that can truly transform organizations from a static environment to a more efficient and effective workplace. Third, this study has found that transformational leadership to be positively associated with the leader’s satisfaction, effectiveness of the leader, role clarity, mission



Figure 1: A transformational leadership’s framework for shaping organizational culture and performance



clarity, and openness of communication (Hinkin & Tracey, 2013). Similarly, Yukl (2013) described transformational leadership as influencing major changes in public sector, organizations' members and building commitment for the organizational objectives. Consistent with these findings, this study should lead us to question whether or not more emphases should be placed on evaluating the mindset of political employees when they are appointed to leadership roles in public sector organizations (Wilderman, Glunk & Maslowski, 2000).

#### 4. CONCLUSION AND POLICY IMPLICATIONS

This study hypothesized and proved that transformational leadership traits are dependent on organizational culture types. Although this study confirmed that transformational leaders possess the ability to effectively enhance organizational performance, further study is recommended using other leadership styles so that leaders can fully understand and appreciate the appropriate methodology that will effectively enhance performance in specific public sector organizations. This research found that public sector organizations are dominated by hierarchy, clan, adhocracy and market culture types. The sixteen organizations studied in this research have been characterized by one or more of the four culture types identified by the framework, and they demonstrated a strong correlation to the transformational leadership traits in that these leaders are proficient in organizing, controlling, monitoring, administering, coordinating, and maintaining efficiency. The organizational culture types also demonstrated strong correlations with transformational leadership traits as it relates to team builders, facilitators, nurturers, mentors, and supporters. This study also found organizational effectiveness to be positively correlated with transformational leadership, hierarchy and clan culture which is consistent with the research conducted by Gordon & DiTomaso (2003) that also found transformational leadership to be positively correlated with satisfaction and leader's effectiveness. Further research is also required to investigate a wider sampling frame and to examine the relationship between leadership and culture behaviors and their relevant organizational outcomes.

This study adds to the body of knowledge by confirming that transformational leadership traits and organizational corporate culture types are important organizational antecedents of performance. It will be appropriate for managers and organizational leaders in public sector organizations facing turbulence and environmental uncertainty to utilize leaders who can demonstrate inspirational motivation, intellectual stimulation, and individualized consideration to aligned with the organizational culture types of clan and market culture. The findings of this study also actualized key policy implications: First, organizations articulating changes in leadership must also consider the implication on the performance of the organization. Second, a change in the culture must also synergize with a change in leadership, however, the political ramification of the appointment must be evaluated. Finally, organizations facing turbulent environments with competitive industry should implement these recommended policies so that they can maximize high level of effectiveness.

#### REFERENCES

- Aronson, E., (2001). Integrating leadership styles and ethical perspectives. *Canadian Journal of Administrative Sciences*, 18(4), 244-256
- Avolio, B. J., Bass, B. M., & Jung, D. I, (2003). Re-examining the components of transformational and transactional leadership using the multifactor leadership questionnaire. *Journal of Occupational & Organizational Psychology*, Vol. 72, 441-62.
- Avolio, B. J, (2007). Promoting more integrative strategies for leadership theory-building. *American Psychologist* 62 (1): 25-33.
- Avolio, B., Waldman, D., & Yammarino, F, (2004). Leading in the 1990s: The four I's of transformational leadership. *Journal of European Industrial Training*, 15, 9-16.
- Barbuto, J. E, (2005). Motivation and transformational, charismatic, and transformational leadership: A Test of Antecedents. *Journal of Leadership & Organizational Studies*, 11(4), 1-13.

- Banerij, P., & Krishnan, V. R., (2000). Ethical preferences of transformational leaders: an empirical investigation. *Leadership & Organizational Development Journal*, 21(8), 1-11
- Barney, J, (2016). Organizational culture. *Academy of Management Review*, 11(3), 656-665.
- Bass, B. M, (2003). Two decades of research and development in transformational leadership. *European Journal of Work and Organizational Psychology*, 8(1), 9-32.
- Bass, B. M.; & Avolio, B. J, (2002). The multifactor leadership questionnaires Form 5X. Center for Leadership Studies, State University of New York, Binghamton, NY.
- Bass, M., & Avolio, B. J, (2003). Developing transformational leadership: 1992 and beyond. *Journal of European Industrial Training*, 14, 21-37.
- Bass, B. M., & Avolio, B. J, (2003). Transformational leadership and organizational culture: Public Administration Quarterly, 17(1), 112-121.
- Bass, B. M. & Avolio B. J, (2005). Improving organizational effectiveness through transformational leadership. Thousand Oak: Sage Publication.
- Blackwell, S. S, (2006). The influence of perceptions of organizational structure & culture on leadership role requirements: the moderating impact of locus of control & self-monitoring. *Journal of Leadership & Organizational Studies*, 12(4)1-27.
- Block, L, (2003). The relationship between transformational leadership styles and organizational culture connection in improving performance in public sector. The leadership-culture connection: an exploratory investigation. *Leadership & Organization Development Journal*, 24(5/6), 318-334.
- Brown, E. M, (2007). An examination of the link between organizational culture and performance: a study of three county public health departments (Doctoral dissertation, University of California, Berkeley, 2007). UMI Publication No. AAT 3306035.
- Burns, J. M, (2003). Leadership. Transforming leadership: A new pursuit of happiness. New York: Atlantic Monthly Press.
- Cadden, C., Marshall. D, Coa. G, (2013) "Opposites attract: organizational culture and supply chain performance", *supply chain management: An International Journal*, Vol. 18 Iss: 1, pp.86 - 103
- Campbell, J.P &Freeman, S.J, (2013). Culture congruence, strength and type: relationships to effectiveness. *Research in organizational change and development* 12(5). Greenwich, CT: JAI Press
- Cameron K, S. & Quinn, R. E, (2006). Diagnosing and changing organizational culture. (Revised Edition). San Francisco: The Jossey-Bass.
- Casimir, G., Waldman, D. A., Bartram, T., & Yang, S, (2006). Trust and the relationship between leadership and follower performance: opening the box in Australia and china. *Journal of Leadership & Organizational Studies*, 12(3), 1-14.
- Cooper, D. R., & Schindler, P. S, (2006). Business research methods. (9th Eds.). New York: McGraw-Hill.
- Denison, D. R, (1990), Corporate culture and organizational effectiveness, New York: Wiley.
- Denison, D. R., & Mishra, A. K, (2005). Towards a theory of organizational culture and effectiveness. *Organization Science*, 6 (7) 204-22.
- Flemming, P.L, (2009). A study of the relationship between transformational leadership traits and organizational culture types in improving performance in public sector organizations: A Caribbean Perspective: Doctoral dissertation, Capella University. UMI Publication No. 3366452.
- Fombrun, C, (2011). Corporate culture, environment, and strategy. *human resources management*, 22, 139- 152.
- Gordon, G.G, (2015). The relationship of corporate culture to industry sector and corporate performance: R. H. Kilman; M. J. Saxton, & R. Serpa, (2nd Eds.). *gaining control of the corporate culture*, Jossey-Bass, San Francisco, CA, 103-25.
- Gordon, G. G., & DiTomaso, N, (2003), Predicting corporate performance from organizational culture. *Journal of Management Studies*, (29)783-98.
- Hambrick, D. C, (2005). Operationalizing the concept of business-level strategy in research. *Academy of Management Review*, 5 (4), 567-576.
- Hartog, D. N. D., Jaap J. V. M., & Koopman, P. L, (2011). Transactional versus transformational leadership: An analysis of the MLQ. *Journal of Occupational and Organizational Psychology*, 1 (70), 19-34.

- Harrigan, k. R., (2015). Strategy formulation in declining industries. *Academy of Management Review*, 5(4), 599-604.
- Hater, J. J. & Bass, B. M, (2005). Superiors' evaluation and subordinates' perceptions of transformational and transactional leadership. *Journal of Applied Psychology*, 73, 695-702
- Hersey, P. & Blanchard, K. H, (2011). *Management of organizational behavior: utilizing human resources*. (5th Eds.). Upper Saddle River, N. J.: Pearson Prentice Hall.
- Hinkin, T., & Tracey, J, (2013). The relevance of charisma for transformational leadership in stable organizations. *Journal of Organizational Change Management*, 12(2), 105.
- Hooijberg, R., & Petrock, F, (2004). On cultural change: Using the competing value framework to help leaders execute a transformational strategy. *Human Resource Management*, 32(1)1-29.
- Howard, L, (2009). Validating the competing values model as a representation of organizational cultures. *International Journal of Organizational Analysis (1993 - 2002)*, 6(3), 231.
- Howell, J. M., & Avolio, B. J, (2006), Transformational leadership, transactional leadership, locus of control, and support for innovation: key predictors of consolidated-business-unit performance. *Journal of Applied Psychology*, (78), 891-902.
- Javidan, M., & Waldman, D, (2003, March). Exploring charismatic leadership in the public sector: measurement and consequences. *Public Administration Review*, 63(2), 229-242.
- Kotter, J. P., & Heskett, J. L, (2004). *Corporate culture and performance*. New York, NY: The Free Press.
- Kouzes, J., & Posner, R, (2003). *Leadership the challenge* (3rd Eds.). San Francisco: The Jossey-Bass.
- Lim, B, (2015), Examining the organizational culture and organizational performance link. *Leadership and Organization Development Journal*, (16)16-21.
- Linnenluecke, M. K., Griffiths, (2009). Corporation, culture, and commitment: motivation and social control in organizations. *Journal of World Business* 45 (2010) 357–366.
- Llies, R., Judge, T., & Wagner, D, (2006). Making sense of motivational leadership: the trail from transformational leaders to motivated followers. *Journal of Leadership & Organizational Studies*, 13 (1), 1-22.
- Nahavandi, A, (2006). *The art and science of leadership*. (4th Eds.). Upper Saddle River, New Jersey: Pearson Prentice Hall.
- Naidoo, P., Coopoo, P. and Surujlal, J, (2015). Perceived leadership styles of sport administrators and the relationship with organizational effectiveness. *African Journal for Physical, Health Education, Recreation*, pp. 167-181.
- Northouse, P. G, (2013). *Leadership: theory and practice*. (3rd Eds.). Thousand Oak, California: Sage Publication.
- Ogbonna, E., & Harris, L. C, (2000), Leadership style, organizational culture and performance: empirical evidence from UK companies. *International Journal of Human Resource Management*, 11(1), 766-88.
- Parry, W. K, (2012). Enhancing adaptability: leadership strategies to accommodate change in local government setting. *Journal of Leadership Studies* 5(4).
- Robbins, S, (2005). *Organization theory. Structure, design, and application*. (3rd Eds.). Eaglewood, New Jersey: Prentice Hall.
- Rowden, R. W, (2002). The strategic role of human resource management in developing a global corporate culture. *International Journal of Management*, 19(2), 155-160.
- Rudd, J., Greenly, G.E, Beaston, A.T, Lings, I. N, (2008). Strategic planning and performance: extending the debate *Journal of Business Research* Vol. 61, I. 2, 99–108.
- Schein, E, (2004). *Organizational culture and leadership*. (3rd ed.) San Francisco: Jossey-Bass.
- Selden, S. C., & Sowa, J. E, (2004). Testing a multi-dimensional model of organizational performance: prospects and problems. *Journal of Public Administration Research and Theory*, 14(3), 395-416.
- Shilbury, D, Anne More. K, (2006). A Study of Organizational effectiveness for national olympic sporting organizations. *Nonprofit and Voluntary Sector Quarterly* 35(1):5-38
- Tucker, B. A., & Russell, R. F, (2004). The influence of the transformational leader. *Journal of Leadership & Organizational Studies*, 10(4), 103-111.
- Vigoda-Gadot, E, (2006). Leadership Style, Organizational politics, and employee's performance: an empirical examination of two competing models. *Emerald group Publishing Limited*, 36(5), 661-683.

- Wilderom, C. P. M., Glunk, U., & Maslowski, R, (2000), Organizational culture as a predictor of organizational performance in Ashkanasy, N. M., Wilderom, C. P. M., Peterson, M. F. (Eds.). Organizational culture and Climate, Sage, Thousand Oaks, CA, 193-209.
- Yin, R., (2003). Case study research design and methods (3rd Eds.). Thousand Oak: Sage Publication.
- Yukl, G, (2013). Leadership in organizations (3rd Eds.). Englewood Cliffs, NJ: Prentice-Hall
- Yukl, G., O'Donnell, M., and T. Taber, (2009). Influence of leader behaviors on the leader-member exchange relationship. Journal of Managerial Psychology 24 (4): 289-299.
- Yuki, G, (2008). Leadership in organizations. (5th Eds.). Upper Saddle River, NJ: Prentice Hall.