

INVESTIGATING THE RELATIONSHIPS BETWEEN THE COMPONENTS OF TRANSFORMATIONAL LEADERSHIP AND JOB PERFORMANCE: AN EMPIRICAL STUDY

Md. Sahidur Rahman*
Shameema Ferdausy**

Abstract

This paper aims to investigate the relationships between the components of transformational leadership (such as, idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration) and job performance in a collectivistic society. Transformational leadership components were measured by the Multifactor Leadership Questionnaire 5X while job performance was assessed by Tsui et al.,'s Job Performance Scale. Data for this study were collected from 176 working MBA students who were asked to rate their managers' transformational leadership behavior and job performance studying at three private universities in Chittagong, a port city of Bangladesh, with the help of printed survey instruments. In data collection, this study used convenience sampling technique. Data collected were analyzed using descriptive statistics, bivariate correlation, and regression analysis. Results indicated a positive correlation between the components of transformational leadership and job performance. An important implication of the study is that managers should use their transformational leadership attributes to improve their own as well as subordinates' job performance. The most important limitation was to use the convenience samples that might limit the generalizability of the results. Future research directions are also discussed.

Keywords: *Transformational leadership, idealized influence, inspirational motivation, intellectual stimulation, individualized consideration, and job performance.*

INTRODUCTION

The scholarly study of transformational leadership in the context of leadership paradigm has become the approach of choice among organizational behavioral researchers over the past three decades. It has been argued that transformational leadership has greatly influenced the thoughts of researchers, of practitioners, of scholars, and of students of leadership. According to Bass and Riggio (2006) "transformational leaders motivate others to do more than they originally intended and often even more than they thought possible. They set more challenging expectations and typically achieve higher performances....." (p. 4).

*Associate Professor, Department of Management Studies, University of Chittagong, Bangladesh 4331. Email: sahidur_cu@yahoo.com

**Associate Professor, Department of Management Studies, University of Chittagong, Bangladesh 4331. Email: s_ferdausy@yahoo.com

A growing body of studies have examined the relationships between transformational leadership and performance in a wide variety of situations. For instance, a positive relationship has been found between transformational leadership and performance in Russian companies (Elenkov, 2002), in U.S. and North American companies (LeBrasseur, Whissell, & Ojha, 2002), and in companies in New Zealand (Singer, 1985), and Korea (Jung & Sosik, 2002). It has also been suggested that transformational leadership is important in governmental (Wofford, Whittington, & Goodwin, 2001), military (Bass, Avolio, Jung, & Berson, 2003), educational (Harvey, Royal, & Stout, 2003), non-profit organizations (Riggio, Bass, & Orr, 2004), and private sectors (Yammarino & Dubinsky, 1994). Additionally, it has been uncovered that transformational leadership is associated with the effectiveness of health care workers (Gellis, 2001), athletes (Charbonneau, Barling, & Kelloway, 2001), groups of salespersons (MacKenzie, Podsakoff, & Rich, 2001), prison workers (Walters, 1998), and high school principals (Kirby, Paradise, & King, 1992).

The above scenario reveals that there has been little empirical research investigating the relationships between the components of transformational leadership and job performance in a collectivistic society like Bangladesh. Although, Bangladeshi scholars, practitioners, and students have a great inquisitiveness in transformational leadership, the empirical research is largely absent here. This research gap has encouraged the authors to undertake the present study.

LITERATURE REVIEW

Origins of Transformational Leadership

Rooted in the behavioral theory of leadership, Burns (1978) was one of the firsts to define transformational leadership. He proposed that the leadership process occurs in one of two ways, either transactional or transformational. Transactional leadership is based on bureaucratic authority and legitimacy associated with one's position within the organization. Transactional leaders emphasize the clarification of tasks, work standards, and outcomes. Whereas transformational leadership involves taking into consideration the follower as a whole by showing concern, being supportive, recognizing followers accomplishments, and providing for their welfare.

Specifically, Burns (1978) argued that a transactional leader tends to focus on task completion and employee compliance, and these leaders rely quite heavily on organization rewards and punishments to influence employee performance. Transactional leadership involves contingent reinforcement. Followers are motivated by the leader's promises, praise, and reward. They are corrected by negative feedback, reproof, threats, or disciplinary actions. The leader reacts to whether the followers carry out what the leaders and followers have transacted to do.

In contrast, Burns (1978) characterized transformational leadership as a process that motivates followers by appealing to higher ideals and moral values. Transformational leaders are able to define and articulate a vision for their organizations, and their leadership style can influence or transform individual-level variables such as increasing motivation, and organizational-level variables such as mediating conflicts among groups or teams. Transformational leadership contains four components, charisma or idealized influence (attributed or behavioral), inspirational motivation, intellectual stimulation, and individualized consideration (Bass, 1985, 1990, 1997; Bass & Avolio, 2004).

Current State of Transformational Leadership

Bass (1985, 1990), who built on Burns's (1978) original concept of transformational leaders embraced this two-factor theory of leadership (Avolio & Bass, 1988) and saw these constructs as splitting into two dimensions scales (e.g., the Initiating Structure construct from the Ohio State studies). The transactional leader may clarify the task structure with the "right" way to do things in a way that maintains dependence on the leader for preferred problem solutions. The transformational leader on the other hand may provide a new strategy or vision to structure the way to tackle a problem, endowing the subordinate's sovereignty in problem solving.

However, unlike Burns (1978), Bass (1990) argued that transformational and transactional leadership, while at opposite ends of the leadership continuum, maintained that the two can be complementary and that all leaders display both leadership styles though to different degrees, thus bringing into his theoretical framework, the integrative theory of leadership research. Furthermore, in Bass's view, the transformational leadership style is likely to be ineffective in the total absence of a transactional relationship between leaders and subordinates (Bryant, 2003; Judge & Piccolo, 2004; Sanders, Hopkins & Geroy, 2003; Yukl, 1989). In addition, Bass (1990) expands the theoretical concept of Burns (1978) by stressing the importance of including more than one type of leadership variable in research involving leaders and leadership when he stated, "cognitive, behavioral, and interactional explanations are likely to be needed to account fully for leader-follower relations and outcomes from them" (p. 52). He further stated that "leadership must be conceived in terms of the interaction of variables that are in constant flux" (Bass, 1990; p. 76). This statement would suggest that Bass embraced the integrative approach to leadership as it is broader in scope by simultaneously taking into consideration leader traits, behavior, and situational/contingency variables, as these multiple leadership theories previously discussed are subsumed under the umbrella of transformational leadership theory.

Another departure Bass (1990) takes from Burns's (1978) concept of transformational leadership style is his assertion that these leaders motivate followers by appealing to strong emotions regardless of attending to positive moral values and brings up leaders such as Adolf Hitler. Other researchers have described transformational leadership as going beyond individual needs, focusing on a common purpose, addressing intrinsic rewards and higher psychological needs such as self actualization, and developing commitment with and in the followers (Bass, 1985; Bennis, 1990; Leithwood & Jantzi, 2000).

Transformational leadership defined

Transformational leaders exploit potential needs or demands of followers based on shared common goals and objectives. This is accomplished by the leader articulating their vision of what they see as the opportunities and threats facing their organization, the organization's strengths, weaknesses, and comparative advantages, and generates awareness and acceptance of the purposes and mission of the group (Dixon, 1999). This is done by appealing to followers' potential motives that seek to satisfy higher needs and engages the full person in order to draw a true consensus in aligning individual and organizational interests. Followers accept leadership decisions as the best under the circumstances even if it means some individual members interests may have to be sacrificed to meet common objectives (Stordeur, Vandenberghe, & D'hoore, 2000).

Components of Transformational Leadership

The four core components of transformational leadership are discussed briefly in the following sections:

Idealized Influence: Transformational leaders are a source of charisma and enjoy the admiration of their followers. They enhance pride, loyalty, and confidence in their people, and they align these followers by providing a common purpose or vision that the latter willingly accept (Bass et al., 2003; Luthans & Doh, 2009). This aspect is viewed in two perspectives, such as, idealized influence attributes and idealized influence behavior. Leaders with idealized influence attributes serve as models and the followers want to be like them. Leaders with idealized influence behavior reveal the influence to change workers' behavior (Bass & Riggio, 2006).

Inspirational Motivation: Transformational leaders are extremely effective in articulating their vision, mission, and beliefs in clear-cut ways, thus providing an easy-to-understand sense of purpose regarding what needs to be done (Bass et al., 2003; Luthans & Doh, 2009). Here leaders effectively give the meaning and purpose of followers' thoughts and perspective. This aspect led the leaders to envision the future of all concerns which ultimately serves the vision of the transformational leaders as well (Bass & Riggio, 2006).

Intellectual Stimulation: Transformational leaders are able to get their followers to question old paradigms and to accept new views of the world regarding how things now need to be done. There is not any sort of criticisms for the mistakes done rather encouragements to solve problems in new ways (Bass et al., 2003; Luthans & Doh, 2009). New ideas and creative problem solutions are solicited from followers, who are included in the process of addressing problems and finding solutions. Followers are encouraged to try new approaches, and their ideas are not criticized because they differ from the leaders' ideas (Bass & Riggio, 2006).

Individual Consideration: Each individual is considered individually. TFL pays attention to each individual's needs, wants, and expectations like a coach or a mentor (Bass et al., 2003; Luthans & Doh, 2009). These leaders are able to diagnose and elevate the needs of each of their followers through individualized consideration, thus furthering the development of these people. The leaders' behavior demonstrate acceptance of individual differences (Bass & Riggio, 2006).

Job Performance

Scholars have a continuing interest in the arena of performance. As a result, there are almost as many different definitions of performance as there are persons who have attempted to define the concept. According to O'Regan, Ghobadian, and Sims, (2005) an effective performance measurement system ought to cover all aspects of performance that are relevant to the existence of an organisation and the means by which it achieves success and growth. Rotundo and Sackett (2002) define performance as those actions and behaviors that are under the control of the individual and contribute to the goals of the organization. Laitinen (2002) suggests that performance "can be defined as the ability of an object to produce results in a dimension determined a priori, in relation to a target" (p. 66). Hellriegel, Jackson, and Slocum (1999) define performance as the level of an individual's work achievement after having exerted effort.

Available studies have revealed several types of performance, such as, team performance (Feyerherm & Rice, 2002; Rapisarda, 2002; Koman & Wolff, 2008), job performance (Wong & Law, 2002; Carmeli, 2003; Cote, Christopher, & Miners, 2006; Sy, Tram, & O'Hara, 2006; Dries & Pepermans, 2007), and management performance (Slaski & Cartwright, 2002). However, this study aims to focus on job performance of the managers of the organizations.

Job performance is a commonly used performance in the workplace. It most commonly refers to whether a person performs his or her job well. According to Campbell (1990) and his colleagues (Campbell, McCloy, Oppler, & Sager, 1993), job performance is an individual level variable. In other words, it is something a single person does. A number of studies (e.g., Tsui, Pearce, Porter, & Tripoli, 1997; Heilman, Block, & Lucas, 1992; Pearce & Porter, 1986; Welbourne, Johnson, & Erez, 1998, Williams & Anderson, 1991) have suggested several factors to measure job performance. According to the preceding authors, it can be measured by quantity, quality, and accuracy of work; employee's efficiency and standard of work; employees' strive for higher quality work, achievement of work goals, and so on. As Tsui et al.,'s (1997) job performance scale includes most of the factors, so it was chosen to use in the present study.

DEVELOPMENT OF RESEARCH HYPOTHESES

Idealized influence and job performance

Idealized influential managers exhibit positive role model behaviors, put the subordinates' needs ahead of their own needs, and set high standards of conduct and performance for themselves and their employees (Bass & Avolio, 1994). Since idealized managers are said to be counted on to "do the right thing" and exhibit high levels of moral conduct, subordinates may perceive the manager as a role model. They suppress selfish behaviors and desires for self-gain which may be detrimental to the good of the group. They set high standards of conduct for themselves and their subordinates to enhance job performance (Bass & Avolio, 1994). Idealized manager's influence involves an internalized-moral commitment, a course of action to invest in efforts regardless of the balance of external costs and benefits (Shamir, House, & Arthur, 1993). They manufacture ethics to give life through commitment to the spirit of the organization which affect the performance of the employees (Hodkinson, 1983). Taken together, the following hypothesis is derived:

Hypothesis 1: There is a positive relationship between idealized influence and job performance measured by the working MBA students.

Inspirational motivation and job performance

Inspirationally motivating managers provide meaning and challenge for employees' work, arouse team spirit and group synergy, display confidence, optimism, and enthusiasm, and articulate attractive future visions for subordinates (Bass & Avolio, 1994). By providing employees with purpose and meaning attached to their work, managers elevate employees' levels of intrinsic motivation (Deci & Ryan, 1985), and therefore, motivate employees to improve high levels of performance (Bass & Avolio, 1994; Shamir, 1990). By understanding how each employee can best contribute toward the collective effort, inspirationally motivating managers may forge a bond of unity and collective interest and therefore enhance team spirit and performance (Megerian & Sosik, 1996). An inspirationally motivating manager, whose self-motivation is manifested in high levels of performance, may have a contagious effect on employees' performance (Shamir, 1991; 1995). Taken together, the following hypothesis is developed:

Hypothesis 2: There is a positive relationship between inspirational motivation and job performance measured by the working MBA students.

Intellectual stimulation and job performance

Intellectually stimulating managers encourage followers to question assumptions, view problems from different perspectives, and approach old situations in new ways (Bass & Avolio, 1994). One effective way for stimulating managers to intellectually stimulate employees is through constructive criticism. An artful critique focuses on accomplishments employees have achieved in the past and what they are capable of doing in the present and future. The artful critique entails being empathetic and sensitive to employees' needs, and

offering alternative ways to perform tasks (Megerian & Sosik, 1996). A manager who wishes to intellectually stimulate employees may be more likely to produce the desired performance if s/he possesses the required skills. One way to stimulate employees' critical thinking is to integrate humor into interactions with employees (Goleman, 1995). Managers possess good moods may be more inclined to display positive reactions when interacting with employees. Thus, a good mood on behalf of both managers and employees may result in better performance when making decisions (Megerian & Sosik, 1996). Thus, authors propose the following hypothesis:

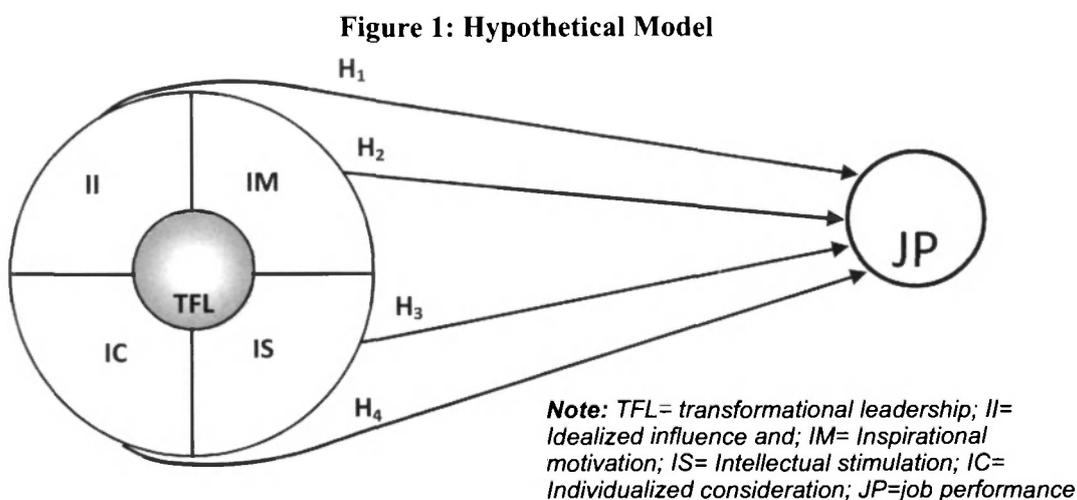
Hypothesis 3: There is a positive relationship between intellectual stimulation and job performance measured by the working MBA students.

Individualized Consideration and job Performance

Individually considerate managers treat employees as individuals through one to one contact and two-way communication, and mentor employees by creating new learning opportunities (Bass, 1985). If a manager recognizes that an employee wishes to invest his/her knowledge, skills, and abilities in a particular task, the manager can provide the requisite training, which in turn, improves the job performance. In addition, s/he engages in two-way communication with employees that influence the performance of the employees (Megerian & Sosik, 1996). Empathy, one of the important elements of individualized consideration, is required for individually considerate managers to provide employees with fulfilment of their needs for achievement, esteem, and self-actualization that facilitates performance beyond expectation (Bass, 1985). Therefore, authors suggest the following hypothesis:

Hypothesis 4: There is a positive relationship between Individualized consideration and job performance measured by the working MBA students.

A hypothetical model was developed to exhibit the relationships between the components of transformational leadership and job performance as follows:



RESEARCH METHODS

Participants

Data for this study were collected from 176 working MBA students who were asked to rate their managers' transformational leadership components and job performance. They were working at different organizations while studying the evening MBA programs at three private universities in Chittagong, a port city of Bangladesh, during conducting the study. The respondents were classified into two categories, such as, mid-level and/or lower-level. No top level respondents were invited to complete the survey because they have been evaluated by their subordinates. All respondents were given autonomy to rate their respective managers to whom s/he was directly responsible for reporting. The organizations were classified into several categories, such as, as manufacturing, merchandising, sales and retail, education, healthcare, financial services, and service industry. Respondents' were assured that any information provided by them would be kept confidential and used only for academic purposes.

Respondents ranged in age from 25 to 47 years, with a mean of 31.68 (SD= 6.72) years, and 112 (64%) were male while 64 (36%) were female. There were 119 (68%) and 57 (32%) representation by the middle and lower-level participants. The respondents were well educated, as 52 (33.80%) had completed their bachelor degrees while 124 (66.20%) had master degrees. In terms of organizational units, 46 (26.1%) belonged to manufacturing, 15 (8.5%) to merchandising, 27 (15.3%) to sales and retail, 18 (10.2%) to education, 15 (8.5%) to healthcare, 26 (15.2%) to financial services, and 29 (16.2%) to service industry.

Survey Instruments

The study adopts the following instruments to collect data from the participants.

Multifactor Leadership Questionnaire

The components of transformational leadership were measured using the Multifactor Leadership Questionnaire (MLQ 5X; Bass & Avolio, 2000). The MLQ 5X (Bass & Avolio, 2000) is the most recent version available of the original MLQ form. For the purpose of this study, only 20 items of the MLQ 5X (Bass & Avolio, 2000), which specifically assess the components of transformational leadership, were used. There are two types of forms in the instrument MLQ 5X: self form and rater form. In this study, the rater form was used which measured the subordinates' perceptions of their respective managers' transformational leadership components. The items were measured on a 5-point Likert scale ranging from 0 (not at all) to 4 (frequently, if not always). Bass and Avolio (2000) reported that reliabilities for the components ranged from 0.73 to 0.94 while the current study ranged between 0.72 and 0.84.

Sample items for the transformational leadership components were 'My manager instills pride in me for being associated with him/her' (idealized influence attribute), 'My manager talks about his/her most important values and beliefs' (idealized influence behavior), 'My manager talks optimistically about the future' (inspirational motivation), 'My manager seeks

differing perspectives when solving problems' (intellectual stimulation), and 'My manager spends time teaching and coaching' (individualized consideration). The mean score of each component was obtained by totalling the four item scores and dividing them by the number of items (four), in order to obtain the each component mean score.

Job Performance

Six items adapted from Tsui et al., (1997) were used to measure the job performance of the managers. Sample items were 'My manager's quantity of work is much higher than average', 'My manager's quality of work is much higher than average' etc. The response scale ranged from 1, 'strongly disagree,' to 7, 'strongly agree'. During the development of the job performance scale, the reliability reported by Tsui et al., (1997) was 0.89. However, the reliability of the job performance scale for the current study was 0.92. The mean score of job performance was obtained by totaling the six job performance item scores, and dividing them by the number of items (six), in order to obtain the job performance mean score.

Data Collection Procedure

For selecting the respondents, convenience samples were used in this study. In order to collect data, 270 working MBA students, employed only in mid and lower level positions, from three private universities were selected. The authors spent three separate days to collect data from the selected working MBA students. By entering the different MBA classrooms at different days, the authors firstly briefed the students about the purpose of the survey and then procedures to complete the printed survey instruments. The students took forty five minutes on an average to complete the survey. Due to some constraints, it was not possible to collect an equal number of responses from the each classroom or university. Finally, a total of 176 (65.18%) usable responses were received. Then, the raw data entered into an Excel file for summarization, and then imported into the SPSS (16.0 version) for statistical analysis.

Reliability of Scales and Validity of Data

Reliability reflects the consistency of a set of item in measuring the study variables/concepts (Cooper & Schinder, 2001; Field, 2005). It illustrates the individual differences concerning the amount of agreement or disagreement of the concepts or variables studies (Page & Mayer, 2000). In this study, reliability measurement is important to verify the consistencies of the items used in emotional intelligence, transformational leadership, and job performance scale in a different culture or country (Hair, Anderson, Tatham, & Black, 2003). Cronbach's alpha is most widely used method to measure the reliability of the scale (Field, 2005; Malhotra, 2002). It may be mentioned that Cronbach's alpha value ranges from 0 to 1, but satisfactory value is required to be more than .60 for the scale to be reliable (Malhotra, 2002; Cronbach, 1951). However, Cronbach's alpha of the transformational leadership and job performance scale for the current study was 0.93 and 0.92 respectively. Therefore, these two instruments were highly reliable for data collection.

The validity implies the extent to which differences in observed scales scores reflect true differences among objects on the characteristics being measured, rather than systematic or random error (Malhotra, 2002; Saunders, Lewis, & Thornhill, 2011). In this study, authors considered only the criterion validity which denotes that criterion variables (i.e. demographic characteristics, attitudinal, and behavioral measures) were collected at the same time. Face and content validity were not essential because authors used the established survey instruments in this study.

RESULTS

The mean (M) and standard deviation (SD) calculated for the transformational leadership, components of transformational leadership, and job performance is presented in Table 1. The mean and standard deviation for transformational leadership and components of transformational leadership were consistent with the previous research findings (Avolio, Bass, & Jung, 1995; Bass & Avolio, 1995; 2000; Rahman, Ferdousy, & Uddin, 2012). Similarly, the mean and standard deviation of the job performance was found consistent with Rahman's (2010) study conducted in the UK. Correlations between the components of transformational leadership and job performance are also presented in Table 1.

Table 1: Means, Standard Deviations, Reliabilities, and Correlations between Variables

Variables/ components	M	SD	α	Correlation						
				1	2	3	4	5	6	
1.TFL	2.53	0.63	0.93	1.0						
2.JP	5.05	1.17	0.92	0.76**	1.0					
3.II	2.51	0.72	0.84	0.91**	0.71**	1.0				
4.IM	2.62	0.71	0.80	0.88**	0.68**	0.80**	1.0			
5.IS	2.55	0.71	0.78	0.85**	0.66**	0.70**	0.67**	1.0		
6.IC	2.45	0.73	0.73	0.87**	0.62**	0.73**	0.71**	0.74**	1.0	

** Significant at the 0.01 level; N= 176; TFL= transformational leadership; JP= job performance; II= idealized influence, IM=inspirational motivation, IS= intellectual stimulation, IC=individualized consideration.

Examination of the Table 1 shows that there were significant correlations between the components of transformational leadership and job performance. Idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration were found to relate significantly with job performance ($r = 0.71, p < 0.01$; $r = 0.68, p < 0.01$; $r = 0.66, p < 0.01$; $r = 0.62, p = .01$) respectively. Thus, it indicates that all four hypotheses were supported by the results.

Table 2: Summary of Regression Analysis of Socio-Demographic Characteristics with Transformational Leadership and Job Performance

Covariates	Co-efficients (β)		S.E. (β)		Value of t-statistic		Value of F - R2		Value of F - statistic	
	TFL	JP	TFL	JP	TFL	JP	TFL	JP	TFL	JP
Gender	.18	.11	.09	.17	1.98	.653				
Age	.09	.02	.06	.11	1.52	.241				
Position	-.03	-.20	.08	.17	-3.38	-1.18	.12	.11	7.29**	5.76**
Education	.18	.29	.04	.08	3.89**	3.46**				
Organization	.03	.04	.03	.05	1.01	.914				

**** Correlation is significant at the 0.01 level; N= 176. TFL= transformational leadership; JP= job performance**

Review of the Table 2 demonstrates that only 12% and 11% of the variance in transformational leadership and job performance was explained by socio-demographic characteristics (e.g. gender, age, position, education, and organization) in which education was found significant. It indicates that a larger portion of variance in transformational leadership and job performance was unexplained. The presence of unexplained variance suggests that there were other potential or implied variables that account for variations in transformational leadership and job performance.

Table 3: Summary of Regression Analysis regarding components of transformational leadership with job performance

Predictors	Co-efficients (β)	S.E. (β)	Value of t-statistic	Value of R2	Value of F - statistic
II	0.664	0.164	4.04**		
IM	0.348	0.146	2.37**		
IS	0.415	0.133	3.12**	0.59	57.88**
IC	0.002	0.139	0.012		

**** Correlation is significant at the 0.01 level; N= 176; II= idealized influence, IM=inspirational motivation, IS= intellectual stimulation, IC=individualized consideration.**

Examination of the Table 3 indicates that about 59% of the variance in job performance was explained by the four predictors or components of transformational leadership (II, IM, IS and IC). Among the four predictors only idealized influence, inspirational motivation, and intellectual stimulation were significant. Although a little proportion of variance in job performance was unexplained, it has been suggested that the components of transformational leadership might be the significant predictors in explaining the job performance.

DISCUSSION

The present study intends to investigate the relationships between the components of transformational leadership and the job performance in a collectivistic society.

The first purpose of this study was to examine the relationship between idealized influence and job performance. Hypothesis 1 stated that there was a positive relationship between idealized influence and job performance measured by the respondents' perception. The result of the current study supported this contention. Thus, managers with higher score in idealized influence are more likely to be high job performers. This positive relationship is consistent with the proposition of previous studies (Bass & Avolio, 1994; Shamir et al., 1993; Hodkinson, 1983). This result of the current study also offers a support for the theoretical argument that idealized influence may be an important element to improve managers' job performance.

The second purpose of the study was to explore the relationship between inspirational motivation and job performance. Consistent with hypothesis 2, the relationship between inspirational motivation and job performance was found to be positive perceived by the respondents. This positive relationship is consistent with the assumptions of previous studies (Bass & Avolio, 1994; Deci & Ryan, 1985; Megerian & Sosik, 1996). It indicates that managers who are high in inspirational motivation are likely to exhibit superior job performance. This tentative understanding is made based on the theoretical assumption that inspirational motivation may be a precursor of high job performance.

The third purpose of the study was to check the relationship between intellectual stimulation and job performance. Hypothesis 3 stated that motivation was positively related to job performance measured by the participants' perception. The result of the current study supported this assertion. This positive relationship is consistent with the supposition of previous studies (Bass & Avolio, 1994; Megerian & Sosik, 1996; Goleman, 1995). The result of the present paper also provides a support for the assumption that inspirational motivation may be an important stimulus for improving higher job performance of the managers.

The final purpose of this study was to ascertain the relationship between individualized consideration and job performance. Hypothesis 4 stated that there was a positive relationship between individualized consideration and job performance measured by the respondents' perception. The finding of the current study supported this hypothesis. Thus, managers who are higher in individualized consideration are more likely to be higher in job performance. This affirmative relationship is consistent with the propositions of previous studies (Bass, 1985; Megerian & Sosik, 1996; Shamir et al., 1993). The result of the current paper also delivers a support for the notional assumption that individualized consideration may be an important factor in escalating managers' job performance.

IMPLICATIONS FOR MANAGEMENT

An important implication of the research is that managers should use their transformational leadership behavior to improve their own as well as subordinates' job performance. Essentially, transformational managers contribute more to inspire subordinates via their own influence, motivation, and stimulation. Pioneering organizations should focus on improving transformational leadership qualities of the managers through proper training programs. In addition, the positive impact of transformational leadership on job performance is important in the field of Human Resources (HR) and in advancing the strategic capability of

organizations. In today's increasingly competitive environment, organizations are desperately looking for innovative ways to attain and retain their competitive advantages, and hence improving job performance by utilizing transformational leadership characteristics is recognized as a high priority. The current study is relevant to scholars, practitioners, business leaders, and students because the findings may help them to identify transformational leaders who will be able to enhance job performance.

LIMITATIONS

Despite the positive implications for management, the study has suffered from some limitations. The most important limitation was to use convenience samples that might limit the generalizability of the findings. A random sampling procedure could be the best alternative to assure generalizability of the results. The use of a positivist paradigm may be another limitation of the study. It is not always possible for the researchers to be neutral, value free, and objective in every step of conducting the research. Individuals normally experience the world through their own framework (Popper, 1959). The sample size (N = 176) posed another limitation of this study. Larger and representative sample is needed to further investigate the relationship between the components of transformational leadership and job performance. Presence of common method variance (CMV) in the measures may have caused inflated relationships between the independent and dependent variables. One way to overcome this problem is to split the measures of variables by time (Rahim et al., 2006). Finally, it should be noted that the current study used the MLQ 5X, an observer-rated instrument, to measure transformational components of the managers which was short of 360° assessments where senior bosses, colleagues, and peers rate participants on the relevant characteristics.

FUTURE DIRECTIONS

In terms of future research directions, subsequent studies should be attempted to investigate the relationships between transformational leadership components and job performance, longitudinally. Due to a small sample size (N=176) of the current study, future research would be benefited from a large sample size, using a variety of samples. The structural equation model (SEM), which requires large sample size, generates more reliable conclusion in terms of the construct validity of the measurement used. Prospective designs would allow for examination of whether components of transformational leadership are predictive of the job performance. Research examining the relationship between transformational leadership components and job performance mediated by emotional intelligence could produce more interesting results. Further more, research examining the relationships between job performance and other leadership paradigms, such as, transactional leadership, servant leadership, situational leadership, authentic leadership, and team leadership is warranted.

REFERENCES

- Avolio, B. & Bass, B. (1988). Transformational leadership, charisma and beyond. In J. G. Hunt, H. P. Baliga, H. P. Dachler, & C. A. Schriesheim (Eds.), *Emerging leadership vistas* (pp. 29-50). Lexington, MA: Lexington Books.
- Avolio, B., Bass, B., & Jung, D. (1995). *MLQ: Multifactor leadership questionnaire: Technical report*. Palo Alto, CA: Mind Garden.
- Avolio, B. Bass, B., & Jung, D. (1997). *Replicated confirmatory factor analyses of the Multifactor Leadership Questionnaire*. Binghamton, NY: Center for Leadership Studies, Binghamton University.
- Bass, B. (1985). *Leadership and performance beyond expectations*. New York: Free Press.
- Bass, B. (1990). From transactional to transformational leadership: Learning to share the vision. *Organizational Dynamics*, 18, 19-36.
- Bass, B. (1997). Does the transactional/transformational leadership paradigm transcend organizational and national boundaries? *American Psychologist*, 52, 130-139.
- Bass, B., & Avolio, B. (1993). Transformational leadership: A response to critiques. In M. M. Chemers & R. Ayman (Eds.), *Leadership theory and research: Perspectives and directions* (pp. 49-80). New York: Academic Press.
- Bass, B., & Avolio, B. J. (1994). *Improving organizational effectiveness through transformational leadership*. Thousand Oaks, CA: Sage.
- Bass, B., & Avolio, B. (1995). *MLQ: Multifactor leadership questionnaire*. Redwood City, CA: Mind Garden.
- Bass, B., & Avolio, B. (2000). *Multifactor leadership questionnaire: Technical report*. Redwood City, CA: Mind Garden.
- Bass, B. M., & Avolio, B. J. (2004). *The Multifactor Leadership Questionnaire (MLQ): diagnostic manual*. Menlo Park, CA: Mind Garden.
- Bass, B. Avolio, B. Jung, D. & Berson, Y. (2003). Predicting unit performance by assessing transformational and transactional leadership. *Journal of Applied Psychology*, 88, 207-218
- Bass, B., & Riggio, R. (2006). *Transformational Leadership* (2nd ed.). London: Lawrence Erlbaum Associates.
- Bennis, W. (1990). Managing the dream: Leadership in the 21st century. *Training: The Magazine of Human Resource Development*, 27(5), 44-46.
- Bryant, S. (2003). The role of transformational and transactional leadership in creating, sharing and exploiting organizational knowledge. *Journal of Leadership and Organizational Studies*, 9(4), 32-44.
- Burns, J. (1978). *Leadership*. New York: Harper & Row.
- Bycio, P., Hackett, R., & Allen, J. (1995). Further assessments of Bass's (1985) conceptualization of transactional and transformational leadership. *Journal of Applied Psychology*, 80, 468-478.
- Campbell, J. (1990). Modeling the performance prediction problem in industrial and organizational psychology. *Handbook of industrial and organizational psychology*, 1(2), 687-732.
- Campbell, J., McCloy, R., Oppler, S., & Sager, C. (1993). A theory of performance. *Personnel selection in organizations*, 35, 70.
- Carmeli, A. (2003). The relationship between emotional intelligence and work attitudes, behavior and outcomes. *Journal of Managerial Psychology*, 18(8), 788-813.

- Cooper, D., & Schindler, P. (2001). *Business Research Methods*. Sydney: McGraw-Hill.
- Côté, S., Christopher, T., & Miners. (2006). Emotional intelligence, cognitive intelligence, and job performance. *Administrative Science Quarterly*, 1-28.
- Cronbach, L. (1951). Coefficient alpha and the internal structure of tests. *Psychometrika*, 6(3), 297-334.
- Deci, E., & Ryan, R. (1985). *Intrinsic motivation and self-determination in human behavior*. New York: Plenum Press.
- Dixon, D. (1999). Achieving results through transformational leadership. *Journal of Nursing Administration*, 29(12), 17-21.
- Dries, N., & Pepermans, R. (2007). Using emotional intelligence to identify high potential: a metacompetency perspective. *Leadership & Organization Development Journal*, 28(8), 749-770.
- Elenkov, D. (2002). Effects of leadership on organizational performance in Russian companies. *Journal of Business Research*, 55, 467-480.
- Feyerherm, A., & Rice, C. (2002). Emotional intelligence and team performance: The good, the bad and the ugly. *International Journal of Organizational Analysis*, 10(4), 343-362.
- Field, A. (2005). *Discovering Statistics using SPSS*. London: Sage.
- Gellis, Z. (2001). Social work perceptions of transformational and transactional leadership in health care. *Social Work Research*, 25, 17-25.
- Goleman, D. (1995). *Emotional intelligence*. New York: Bantam Book.
- Hair, J., Anderson, R., Tatham, R., & Black, W. (1998). *Multivariate Data Analysis with Readings*. New Jersey: Prentice Hall.
- Harvey, S., Royal, M., & Stout, D. (2003). Instructor's transformational leadership: University student attitudes and ratings. *Psychological Reports*, 92, 395-402.
- Heilman, M., Block, C., & Lucas, J. (1992). Presumed incompetent? Stigmatization and affirmative action efforts. *Journal of Applied Psychology*, 77(4), 536-544.
- Hellriegel, D., Jackson, S., & Slocum Jr, J. (1999). *Management*. South: Western College Publishing.
- Hodkinson, C. (1983). *The philosophy of leadership*. New York: Martin's Press.
- House, R. (1977). A 1976 theory of charismatic leadership. In J. G. Hunt & L. L. Larson (Eds.), *Leadership: The cutting edge* (pp. 189-207). Carbondale: Southern Illinois University Press.
- Judge, T., & Piccolo, R. (2004). Transformational and transactional leadership: A meta-analytic test of their relative validity. *Journal of Applied Psychology*, 89(5), 755-768.
- Jung, D. Sosik, J. & Bass, B. (1995). Bridging leadership and cultures: A theoretical consideration of transformational leadership and collectivistic cultures. *Journal of Management Inquiry*, 2, 3-18.
- Kirby, P., Paradise, L., & King, M. (1992). Extraordinary leaders in education: Understanding transformational leadership. *Journal of Educational research*, 85, 303-311.
- Koman, E., & Wolff, S. (2008). Emotional intelligence competencies in the team and team leader. *Journal of Management Development*, 27(1), 55-75.
- Laitinen, E. (2002). A dynamic performance measurement system: evidence from small Finnish technology companies. *Scandinavian Journal of Management*, 18(1), 65-99.
- LeBrasseur, R., Whissell, R., & Ojha, A. (2002). Organisational learning, transformational leadership and implementation of continuous quality improvement in Canadian hospitals. *Australian Journal of Management*, 27, 141-162.

- Leithwood, K., & Jantzi, D. (2000). The effects of transformational leadership on organizational conditions and student engagement with school. *Journal of Educational Administration*, 38(2), 112-129.
- Luthans, F. & Doh, J. (2009). *International Management* (8th ed). New York, McGrawHill, IRWIN.
- MacKenzie, S., Podsakoff, P., & Rich, G. (2001). Transformational and transactional leadership and salesperson performance. *Journal of the Academy of Marketing Science*, 29, 115-134.
- Malhotra, N.K. (2002). *Marketing Research: an applied orientation* (3rd ed.). New Delhi: Pearson Education Asia.
- Megerian, L., & Sosik, J. (1996). An affair of the heart: Emotional intelligence and transformational leadership. *Journal of Leadership & Organizational Studies*, 3(3), 31.
- O'Regan, N., Ghobadian, A., & Sims, M. (2005). The link between leadership, strategy, and performance in manufacturing SMEs. *Journal of Small Business Strategy*, 15(2), 45-57.
- Page, C., & Meyer, D. (2000). *Applied Research Design for Business and Management*. New York: McGraw-Hill.
- Pearce, J., & Porter, L. (1986). Employee responses to formal performance appraisal feedback. *Journal of Applied Psychology*, 71(2), 211-218.
- Popper, K. (1959). *The logic of scientific discovery*: Hutchinson.
- Rahim, M., Psenicka, C., Oh, S., Polychroniou, P., Dias, J., Rahman, M., & Ferdousy, S. (2006). Relationship between emotional intelligence and transformational leadership: A cross-cultural study. In M. A. Rahim (Ed.), *Current Topics in Management* (pp.223-236). New Brunswick & London: Transaction Publishers.
- Rahman, M.S. (2010). *The role of emotional intelligence in leadership styles and job performance*. Unpublished master's dissertation, University of Edinburgh, UK.
- Rahman, M, Ferdousy, S, & Uddin, M. (2012). Examining the relationships between emotional intelligence and the components of transformational leadership. *ABAC Journal*, 32(1), 45-59.
- Rapisarda, B. (2002). The impact of emotional intelligence on work team cohesiveness and performance. *International Journal of Organizational Analysis*, 10(4), 363-379.
- Riggio, R., Bass, B., & Orr, S. (2004). Transformational leadership in nonprofit organizations. In R. E. Riggio & S. S. Orr (Eds.), *Improving leadership in nonprofit organizations* (pp. 49-62). San Francisco: Jossey-Bass.
- Rotundo, M., & Sackett, P. (2002). The relative importance of task, citizenship and counterproductive performance to global ratings of job performance: a policy-capturing approach. *Journal of Applied Psychology*, 87, 66-80.
- Sanders, J., Hopkins, W., & Geroy, G. (2003). From transactional to transcendental: Toward an integrated theory of leadership. *Journal of Leadership and Organizational Studies*, 9(4), 21-31.
- Saunders, M., Lewis, P., & Thornhill, A. (2011). *Research Methods for Business Students* (5th ed). New Delhi: Pearson.
- Shamir, B. (1990). Calculations, values, and identities: the sources of collectivistic work motivation. *Human Relations*, 43, 313-332
- Shamir, B. (1991). The charismatic relationship: Alternative explanations and predictions. *The Leadership Quarterly*, 2(2), 81-104.
- Shamir, B. (1995). Social distance and charisma: Theoretical notes and an exploratory study. *The Leadership Quarterly*, 6(1), 19-47.

- Shamir, B., House, R., & Arthur, M. (1993). The motivational effects of charismatic leadership: A self-concept based theory. *Organization Science*, 577-594.
- Singer, M. (1985). Transformational vs. transactional leadership: A study of New Zealand company managers. *Psychological Reports*, 57, 143-146.
- Slaski, M., & Cartwright, S. (2002). Health, performance and emotional intelligence: an exploratory study of retail managers. *Stress and Health*, 18(2), 63-68.
- Stordeur, S., Vandenberghe, C., & D'hoore, W. (2000). Leadership styles across hierarchical levels in nursing departments. *Nursing Research*, 49(1), 37-43.
- Sy, T., Tram, S., & O'Hara, L. (2006). Relation of employee and manager emotional intelligence to job satisfaction and performance. *Journal of Vocational Behavior*, 68(3), 461-473.
- Tsui, A., Pearce, J., Porter, L., & Tripoli, A. (1997). Alternative approaches to the employee-organization relationship: does investment in employees pay off? *Academy of Management Journal*, 40(5), 1089-1121.
- Walters, C. L. (1998). Leadership in maximum/close custody prison settings. Unpublished doctoral dissertation, Gonzaga University, Spokane, WA.
- Welbourne, T., Johnson, D., & Erez, A. (1998). The role-based performance scale: Validity analysis of a theory-based measure. *Academy of Management Journal*, 540-555.
- Williams, L., & Anderson, S. (1991). Job satisfaction and organizational commitment as predictors of organizational citizenship and in-role behaviors. *Journal of Management*, 17(3), 601-617.
- Wofford, J., Whittington, J., & Goodwin, V. (2001). Follower motive patterns as situational moderators for transformational leadership effectiveness. *Journal of Managerial Issues*, 13, 196-211.
- Wong, C., & Law, K. (2002). The effects of leader and follower emotional intelligence on performance and attitude: An exploratory study. *The Leadership Quarterly*, 13(3), 243-274.
- Yammarino, F., & Dubinsky, A. (1994). Transformational leadership theory: Using levels of analysis to determine boundary conditions. *Personnel Psychology*, 47, 787-811.
- Yukl, G. (1989). Managerial leadership: A review of theory and research. *Journal of Management*, 15(2), 251-289.

WEB REFERENCES

- <http://www.scribd.com/doc/13220241/Bass-Leadership-Tranformational-2xpag>
<http://www.papercamp.com/group/what-are-your-thoughts-about-the-idea-that-t...>
<http://soc.kuleuven.be/io/egpa/HRM/malta/Jensen2009.pdf>
<http://scholar.sun.ac.za/bitstream/handle/10019.1/2968/Baker,%20M.pdf.txt?s...>