Impact of Transformational Leadership on Employee Motivation in Telecommunication Sector

Farid Ahmad¹, Tasawar Abbas², Shahid Latif², Abdul Rasheed²

Abstract

This researcher is related to find the effect of Transformational Leadership on Employee Motivation in Telecommunication Sector in Punjab. It is also found the relationship of dimensions of Transformational Leadership to Motivation. For this purpose 400 questionnaires were distributed but 300 were returned back with 75% response rate because the remaining responses were not according to requirement. Due to outlier trimming 294 were used for analysis. Finally it is concluded that there is a significant relationship between transformational leadership and employee motivation. After all it is also provided that what are future recommendations for current study limitations.

Keywords: Transformational Leadership, Motivation, Individual Consideration, Inspirational Motivation

1. Introduction

From the last few years it has been witnessed that transformational and charismatic leadership are very important aspects of leadership that are highly associated with individual as well as organizational performance. Effectiveness of leadership measures the ability of leaders to provoke the followers towards the collective goals.

Researchers who have explored transformational and charismatic leadership; they must include motivational effect in their study (Shamir, House, & Arthur, 1993).

¹ M.phil Student, Hailey College of Commerce, Punjab University Lahore, Pakistan. Email Address: farid_87ahmad@yahoo.com
² Hailey College of Commerce, University of the Punjab, Lahore, Pakistan.
Actually scholars have described transformational leadership by taking motivational effect regarding the followers.

Literature of transformational and charismatic leadership is different from transactional and other types of leadership like monitoring. Transactional and monitoring is based on exchange compensation of amenableness but on the other hand transformational and charismatic based on influence like transmuting the values and primacies of the subordinates of achieving more than their expectations.

There are four dimensions that are proposed by Bass and Avolio (1994) of transformational leadership; Idealized Influence, Inspirational Motivation, Individualized Consideration and Intellectual Stimulation. Inspirational Motivation includes the urge of leader to followers for attaining goals through describing the goals in attractive and compensating manner, which motivate employees. Idealized influence means being a role model in front of employees and ready for sacrifices for the good of whole group. Leaders have high level of ethical conduct and do anything for the team. Individual Consideration includes attention, encouragement and support of leader to followers. Intellectual Stimulation conclude that leader enable the followers for probing the problems in a new way that is easy and creative.

Early research of transformational leadership was about the features of leaders and their relationship with followers. Further research on the behaviors of transformational leaders proposes that transformational leadership is intervened by the leader’s activities the aptitude to craft a common vision, to coherent clear and expressive goals, to permit employees, and dependable behavior.

2. Literature Review

Now a day every scholar defines motivation in their own wording for explanation. It may include the words like desire to do the work, aim, motives and needs etc. Actually the word motivation is extracted from Latin word ‘To Move’. So Luthans (2005) says that motivation can be explained as a process of driving the force that exist in human to get the desired goal or aim that is set in mind. According to him there are three basic elements; Needs, Drives and Incentives. It shows that when there is imbalance that human nature the need of anything is created.
To fulfill the need, there is a force that encourages getting the required satisfaction, so under this process these elements acts to complete the motivation meanings.

2.1 Motivation

Baluch (2006) defines motivation as a force of a person that induces him to attain the desired goals. Actually motivation is extracted by word “Motive”. This means to move in pursuit of goals. Every person has some objectives which have to be fulfilled. That’s why management must allocate motive to every individual or team to achieve goals for management.

According to Gray and Starke (1997), motivation is actually focus on how much the person is persisting about getting their goals. It may be elaborated as factors that affect individuals internally and externally that create enthusiasm to do that specific acts for getting the desire tasks. It also specify the properties of motivation, that every person has unique qualities, this fact is intentionally not automatic, it means person have sense to do that task which want to do, it is arise due to some reason and motivation theories predict the behaviour that lead to good performance and ultimately get incentives.

Motivation factor is very necessary in organization regarding the performance of employees but we can’t say that the person who is motivated is good performer. Their performances depend upon possession of skills regarding the training related to job. In automobile and industrial engineering there is need of little motivation but the productivity is high.

But on other side where motivation is very necessary high level of motivation is required for high level of production. It is not necessary highly motivated workers are more productive. If there is no motivation among the workers then the performance rate will be low that will be harmful for workers as well as organization, but the job related training is also crucial for the skills that lead to motivation.

Robbins, Judge and Vohra (2010) define motivation as intensity of effort of an individual to get the desired goals. Key components that elaborate the motivation are persistence, direction and intensity.
It means the effort should be to a specific and production side that can produce positive and fruitful results; second one is the persistence, means that the efforts should be consistence to achieve the required aim. Third one is intensity that means how much the individual is keen to get the required goals for him as well as organization. Motivation can be positive, negative and neutral. Positive motivation will be in shape of salary, recognition and fringe benefits. But negative motivation can demote the job performance. Motivation actually drive the force that exist in person to act in desire way.

2.2 Transformational Leadership

According to Gray and Starke (1997) leadership is a quality of an individual that inspire the followers for achieving their goals. Leadership is not only to direct the follower but also assist in a critical condition when they require support. As we can say that leadership is combination of two aspects, which is process and property. Leadership is process of influencing the subordinates through direction and also supports for achieving their desired objectives, on the other hand property as the inborn quality of an individual that is attributed for getting success through followers. Slocum and Hellriegel (1982) define leadership as the continuous process of influencing the followers. It is necessary for the leader whom followers should want to follow. Leaders are the persons who direct and also assist the follower’s needs and command their loyalty and achieve desire aim. Great persons are that who is able to receive admiration form subordinates to whom they are dealing. Leadership is a deed that the person do but we can’t say that the aggressiveness or strict command by any one. It is a two-way communication in which leaders command the followers and the subordinates obey that commands. Good leaders do not take decision at once instead of; they take decision after thinking and mutual understanding.

Transformational leadership style has their own four dimensions that include Idealized Influence (II), Individual Consideration (IC), Intellectual Stimulation (IS) and Inspirational Motivation (IM) that are elaborated as under.

2.2.1 Idealized Influence (II)

Under this dimension of transformational leadership, leaders provide vision, mission and faith and also inspire subordinates about objectives of organization. This quality of leadership makes leader a role model in front of followers.
They feel proud and dignity with accompanying such type of bold leader, in that way subordinates follow their decision and determination. Such leaders have more capabilities, consistency and determination against problems. This quality has to elements that are behavioral and attributed influence. By keeping this type of trait leader become more risk taker and stable about their communication regarding business transactions. They also have high level of ethics and determination in their conduct. Under this dimension leader feel that the follower gave him respect, on the other hand leader gave followers mission (Hater & Bass, 1988). In this environment follower do their assignment accordingly and want to do above the specific target (Amabile et al., 1996; Amabile et al., 2004; Jung et al., 2003). In this way leaders effect the motivation of employees in positive manner.

2.2.2 Individual Consideration (IC)

This quality of leader inspires them for coaching and training of subordinates and stimulates them for getting experiences. In this, leader pays attention at individual level. Followers feel very happy and comfortable when they are directed individually. They feel capable for that deed. Leaders act as coach for whole team who train them for achieving desire goals and objectives of the company that can enable the followers for recognition and rewards in shape of money and nominal wages. Face to face communication between leader and followers encourage them that are fruitful for working environment. This dimension of leadership enhance the capability of leader to pay more attention to followers, transmit project work to them and feel that they can get more experience by doing this action (Hater & Bass, 1988). Leaders gave them discretionary powers for fulfillment of their working needs and act according to direction, so they want to dedicate time for work due to feelings of discretion and test their capabilities in working environment. Thus employees are stimulated to achieve high level of motivation.

2.2.3 Intellectual Stimulation (IS)

Transformational leader motivate followers in new way, they make them creative, and they become a good decision maker. They focus on reasoning behind every action. Transformational leader always direct their followers to find the solution of problems in logical manner rather than in traditional setup. This situation makes subordinates creative, critical and logical.
Creativity is highly invigorated. Leaders think that followers have enough potential for getting their goals. More creative followers get recognition from leaders but do not criticized if they do not act according to desire of leader. Intellectual stimulation increases the ability of think in unique way and gave new ideas about problem solving and enhances the dilemmas solving skills (Hater & Bass, 1988). On the other hand it also encourages challenging status quo and using high level of imagination. Under this situation they just focus on task without taking attention of external factors. Thus followers think about problem solving that can lead to motivation.

2.2.4 Inspirational Motivation (IM)

Leader motivate the followers by accepting challenges and also act as model for them, het inspire for achieving goal effectively. Transformational leadership enables leader to explain the meanings of challenges that have to face and motivate them. They motivate the followers for achieving optimum results. Leader tells followers about future affairs and also aware about the future goals and vision of organization that is actually commitment to goals. Through this leaders make a symbol of courage and model for stimulation of subordinates, their efforts for work and encourage them for getting more then they want for their self-interest. When leaders encourage their followers for express some new ideas then they can freely elaborate their internal feeling and unique ideas because they feel that their ideas will be supported by leaders (Bass & Avolio, 1995; Sosik et al., 1998)

3. Relationship between Transformational Leadership and Motivation

Shamir et al. (1993) find the effect of charismatic leadership on motivation that is based on self-concept theory. Actually all the findings based on previous studies. Under this study authors make three prepositions and then find results by applying tests. Findings of the study show that motivation can be achieved through informal roles and other social activities among the peers. Theory of transformational leadership is very important in field of leadership and many studies show that there is positive relationship of transformational leadership and other dependent variable like satisfaction, commitment, motivation and performance of the employees (e.g. Kane & Tremble, 2000; Lowe et al., 1996).
Cheung and Wong (2010) found that there is positive relationship between transformational leadership and employee creativity that results were consistent with findings of Shin and Zhou (2003) study. They argue that leaders care for their needs and wants related to social activities that ultimately affect the power of ideas generation.

Transformational leadership is surrounded by idealized influence, intellectual stimulation, and inspirational motivation (Trottier, Van Wart, & Wang 2008). Transformational leaders link a persuasive vision that stimulates strong feelings, and they work as ethical and honorable hero (Bass 1985), rising followers’ perception about ideal goals and inspiring followers to surpass their own interest, collective objectives (Shamir, House, & Arthur 1993). Transformational leadership is related with positive conduct of employees including duty performance and numerous actions of organizational citizenship behaviors (Podsakoff et al. 2000).

4. Data and Methodology

The aim of the study is to find out the effect of transformational leadership on motivation of employees in telecommunication sector in Pakistan. The reason behind the choice of this sector is check whether the employees are motivated from their higher management like managers.

Nature of study is descriptive that include to find out the impact of transformational leadership on employee motivation in telecommunication sector that includes Ufone, Zong, Mobilink, Telenor, Warid and PTCL.
4.1 Theoretical Model

4.2 Development of Hypothesis

H1: Employee Motivation and Idealized Influence Attributed is associated with each other.
H2: Employee Motivation and Idealized Influence Behavioral is associated with each other.
H3: Employee Motivation and Inspirational Motivation is associated with each other.
H4: Employee Motivation and Intellectual Stimulation is associated with each other.
H5: Employee Motivation and Individualized Consideration is associated with each other.

Questionnaires were distributed for the purpose of collecting data in Lahore, Faisalabad by espousing simple random sampling technique. Main reason for selecting this technique is that every element of the population has equal opportunity for electing as sample for study. Sample size of study is 300 elements from population. Actually 400 questionnaires was send to population but 300 responses were useable for study and after data screening 294 responses were reported due to outlier problem.

In this study questionnaire was used for collection of data. By keeping in mind cost and benefit analysis questionnaire was sent to public and private employees of telecommunication sector.
The instrument that is used in this study consists of three sections, first section include question about transformational leadership and second one contain items about motivation and last section consist of demographics like age, qualification, experience with current organization, total experience, level of the job and type of organization. Questionnaire was self-administrated and researcher also guided the employee for filling the questionnaire that can contribute to study effectively and also aware about the basic purpose of study as well. Transformational leadership has 5 dimensions that contain 4 items each adopted form Avolio et al. (1991) and Motivation was also adopted from questionnaire.

1. Analysis and Interpretation

Descriptive statistics are comprises below in the form of table that are extracted by using SPSS 16.0 with questionnaire as instrument for data collection using 5 point likert scale. There are means and standard deviation of transformational leadership, idealized influence attributed, idealized influence behavioral, inspirational motivation, intellectual stimulation, individualized consideration and employee motivation. Means values of transformational leadership shows that “sometimes“ employees are adopting transformational leadership style.

**Table No. 5.1 Scores (Mean, Standard Deviation) of Transformational Leadership and Motivation**

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformational Leadership</td>
<td>2.5517</td>
<td>.42828</td>
</tr>
<tr>
<td>Idealize Influence Attributed</td>
<td>2.5451</td>
<td>.60244</td>
</tr>
<tr>
<td>Idealize Influence Behavioral</td>
<td>2.5782</td>
<td>.61675</td>
</tr>
<tr>
<td>Inspirational Motivation</td>
<td>2.5604</td>
<td>.65575</td>
</tr>
<tr>
<td>Intellectual Stimulation</td>
<td>2.5774</td>
<td>.64376</td>
</tr>
<tr>
<td>Individualized Consideration</td>
<td>2.4974</td>
<td>.60377</td>
</tr>
</tbody>
</table>

Scoring value of mean of transformational leadership is 2.5517 that mean most of the employees of telecom sector are adopting “sometimes” transformational leadership. Dimension “Individualized Consideration” having low score as compared to other dimensions of transformational leadership.
Table No. 5.2 Demographics Characteristics of Respondents (N = 294)

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>N</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>178</td>
<td>60</td>
</tr>
<tr>
<td>Female</td>
<td>116</td>
<td>40</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20-25</td>
<td>206</td>
<td>70</td>
</tr>
<tr>
<td>26-30</td>
<td>62</td>
<td>21</td>
</tr>
<tr>
<td>31-Above</td>
<td>26</td>
<td>9</td>
</tr>
<tr>
<td><strong>Total Experience</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-5</td>
<td>252</td>
<td>85</td>
</tr>
<tr>
<td>6-10</td>
<td>31</td>
<td>11</td>
</tr>
<tr>
<td>11-Above</td>
<td>11</td>
<td>4</td>
</tr>
<tr>
<td><strong>Type of Organization</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Private</td>
<td>250</td>
<td>85</td>
</tr>
<tr>
<td>Public</td>
<td>44</td>
<td>15</td>
</tr>
</tbody>
</table>

The respondents belong to both male and female category having more male as compared to female. Mostly employees are belonging to 20-25 age groups. Majority (85%) employees have 1-5 years job experience and the same percentage belong to private organization.

Table No. 5.3 Correlation Matrix

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>IIA</th>
<th>IIB</th>
<th>IM</th>
<th>IS</th>
<th>IC</th>
<th>MO</th>
<th>TL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Idealized Influence Attributed</strong></td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Idealized Influence Behavioral</strong></td>
<td>.365**</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Inspirational Motivation</strong></td>
<td>.294**</td>
<td>.381**</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Intellectual Stimulation</strong></td>
<td>.279**</td>
<td>.377**</td>
<td>.278**</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Individualized Consideration</strong></td>
<td>.398**</td>
<td>.349**</td>
<td>.348**</td>
<td>.317**</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Employee Motivation</strong></td>
<td>.321**</td>
<td>.357**</td>
<td>.335**</td>
<td>.232**</td>
<td>.422**</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td><strong>Transformational Leadership</strong></td>
<td>.672**</td>
<td>.719**</td>
<td>.680**</td>
<td>.662**</td>
<td>.696**</td>
<td>.484**</td>
<td>1.00</td>
</tr>
</tbody>
</table>

**Correlation is significant at 0.01 level of significant**
Above reported table indicate the results of correlation among the dependent and independent variables. It is observed that there is positive and significant correlation between Idealized influence attributed and employee motivation because \( r = 0.321 \) and \( P < 0.01 \) it means we reject our null hypothesis and accept alternative that indicate the significant relationship between idealized influence attributed and employee motivation.

Idealized influence behavioral is also have positive and significant relationship with employee motivation due to \( r = 0.357 \) and \( P \)-value is less than 0.01 so we have reject our null hypothesis and accept alternative that shows significant relationship between idealized influence behavioral and employee motivation. Inspirational motivation has positive and significant relationship with employee motivation because value of \( r \) is 0.335 and \( P \)-value is less than 0.01 that shows we are going to reject our null hypothesis and accept the alternative that indicate the positive and significant relations with employee motivation.

Intellectual stimulation also has positive and significant relation with employee motivation because \( r = 0.232 \) and \( P < 0.01 \) that indicant relation is significant at .01 level of significant. Our hypothesis are accepted or rejected on the base of \( P \)-value that urges us to accept the alternative hypothesis that indicates the significant relations between intellectual stimulation and employee motivation. Now come to Individualized consideration that also has positive and significant relation with employee motivation. \( P < 0.01 \) that shows relationship is significant at 0.01 level of significant. The value of \( r = 0.422 \) that denote correlation.

Now come to correlation of main equation that is Transformational Leadership as independent and Employee Motivation as Dependent variable. Value of \( r = 0.484 \) and \( P \) value is less as compared to 0.01 that means our null hypothesis is rejected and accept the alternative hypothesis that indicate there is significant relationship between Transformational Leadership and Employee Motivation. By applying the regression analysis of independent and dependent variable it is come to know that there is positive and significant relationship between employee motivation and transformational leadership. But the findings evidence is given in the form of table as under
Regression Table No. 5.4

<table>
<thead>
<tr>
<th>Model</th>
<th>Un-standardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
<th>Co linearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td>T</td>
<td>Sig.</td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>1.704</td>
<td>.197</td>
<td>8.645</td>
<td>.000</td>
</tr>
<tr>
<td>TL</td>
<td>721</td>
<td>.076</td>
<td>.484</td>
<td>9.462</td>
<td>.000</td>
</tr>
</tbody>
</table>

a. Dependent Variable: MO

It is observed from above mentioned table regression coefficients Beta and Constant having value 0.721 and 1.704 respectively. On the other hand value of significance is 0.000 that is less as compared to 0.05 that is level of significance. On the basis of such findings we come to know that our Null hypotheses is going to reject and accepting the alternative. Alternative shows that there is positive and significant relationship between Employee Motivation and Transformational Leadership.

2. Discussion

Employee Motivation is very important factor for organization because it is the only factor that can enhance the capability of employees and can lead to success of organization. So there are lot of studies available motivation and transformational leadership but with relation to other variable like satisfaction, performance etc. but the current study is in different scenario with effect of transformational leadership on employee motivation in Pakistan. For getting results data is gathered form service and sale centre of different telecommunication companies that include Mobilink, Ufone, Warid, Telenor and PTCL in Punjab. Present study is providing statistical evidence about the effect of transformational leadership on employee motivation and making a good contribution to research.

Respondents of this study contain male and female so the final results of study conclude that there is 294 people who participate in study out of which 116 are male and 178 are female. It is come to know that in telecommunication sector mostly employees are female that are 60.5% of the whole sample size.
Present study is also considering the age factor. It is considered as very important factor in performance and motivation of organization and also takes full attention to keep more attentive to their work. Respondents contains different ages so I make different group of same interval and comprise it in discussion as 206 people are those who belong to 20 to 25 group of age and remaining one related to maximum age. It means trend of hiring people in this sector towards female because they are more polite and having good behavior towards customer dealing. Employees that are within this age are considered more efficient and committed to their work that commitment lead organization to success.

Respondents are educated and qualifying different degrees so it is also taking into study about the qualification of employees whether they are Graduate are master or other qualification. So results denote that 178 employees are those who are just graduate and 114 people are those who are master and only 2 employees that may be highest post in telecom sector are more than master degree. It means mostly employees are master and graduate that are working in telecom sector.

For the purpose of data collection questionnaire ware collected from both public and private organization. Findings show that 250 employees are those who are belong to private sector, because mostly telecom sector is under foreign investment so it is not under government. On the other hand only 44 employees are from public sector organization.

If we see about the descriptive of study then we come to know that mean value of research is more than 2 of all variables. It means mostly employees in telecom sector are within sometimes and fairly often scale means employees sometimes use the transformational leadership and sometimes fairly often. When it is observed about the value of dependent variable (Employee Motivation) is more than 3 and within agree and indifferent situation. From these findings we can conclude that the employees do their work according to their own wish and they are agree about the motivation through transformational leadership.

No one study is always full and final and having no limitation. In the same way present study also have some limitation. The purpose of limitation is to direct the future researcher about the betterment and more quality of study. So following are some limitation of current study
Due to distance constraint sample size of study was low.

Data was collected only from telecommunication sector.

There may many other variables that lead to motivation not only transformational leadership.

Due to low sample size the results of study are not generalized to whole population

Study is contained to managerial and non-managerial staff only.

Reference


