THE RELATIONSHIP BETWEEN TRANSFORMATIONAL LEADERSHIP STYLE
AND ORGANIZATIONAL EFFECTIVENESS IN UNITED NATIONS DEVELOPMENT
PROGRAMME / PROGRAMME OF ASSISTANCE TO THE PALESTINIAN PEOPLE
UNDP/PAPP.

ABDALLATIF M. A. ABUOWDA

MASTER OF SCIENCE MANAGEMENT
UNIVERSITI UTARA MALAYSIA
2010
The Relationship between Transformational Leadership Style and Organizational Effectiveness in United Nations Development Programme / Programme of Assistance to the Palestinian People UNDP/PAPP.

ABDALLATIF M. A. ABUOWDA

MASTER OF SCIENCE MANAGEMENT

UNIVERSITI UTARA MALAYSIA

2010
THE RELATIONSHIP BETWEEN TRANSFORMATIONAL LEADERSHIP STYLE AND ORGANIZATIONAL EFFECTIVENESS IN UNITED NATIONS DEVELOPMENT PROGRAMME / PROGRAMME OF ASSISTANCE TO THE PALESTINIAN PEOPLE UNDP/PAPP.

A thesis submitted to the College of Business in partial Fulfillment of the requirements for the degree of

Master of Science (Management)

Copyright © Abdallatif M. A. Abuowda September, 2010
KOLEJ PERNIAGAAN  
(College of Business)  
Universiti Utara Malaysia  

PERAKUAN KERJA KERTAS PROJEK  
(Certification of Project Paper)  

Saya, mengaku bertandatangan, memperakuan bahawa  
(I, the undersigned, certified that)  

ABDALLATIF M. A. ABUOWDA  

Calon untuk ijazah Sarjana  
(Candidate for the degree of)  

MASTER OF SCIENCE MANAGEMENT  

 telah mengemukakan kertas projek yang bertajuk  
(has presented his/her project paper of the following title)  

THE RELATIONSHIP BETWEEN TRANSFORMATIONAL LEADERSHIP STYLE AND ORGANIZATIONAL EFFECTIVENESS IN UNITED NATIONS DEVELOPMENT PROGRAMME/ PROGRAMME OF ASSISTANCE TO THE PALESTINIAN PEOPLE UNDP/PAPP  

Seperti yang tercatat di muka surat tajuk dan kulit kertas project  
(as it appears on the title page and front cover of the project paper)  

Bahawa kertas projek tersebut boleh diterima dari segi bentuk serta kandungan dan meliputi bidang ilmu dengan memuaskan.  
(that the project paper acceptable in the form and content and that a satisfactory knowledge of the field is covered by the project paper).  

Nama Penyelia  
(Name of Supervisor)  

DR. FAIS BIN AHMAD  

Tandatangan  
(Signature)  

Tarikh  
(Date)  

28 SEPTEMBER 2010
DECLARATION

The author is responsible for the accuracy of all opinion, technical comment, factual report, data, figures, illustrations and photographs in this dissertation. The author bears full responsibility for the checking whether material submitted is subject to copyright or ownership right. Universiti Utara Malaysia (UUM) does not accept any liability for the accuracy of such comment, report and other technical and factual information and the copyright or ownership rights claims.

The author declares that this dissertation is original and his own except those literatures, quotations, explanations and summarizations which are duly identified and recognized. The author hereby granted the copyright of this dissertation to College of Business, Universiti Utara Malaysia (UUM) for publishing if necessary.

Date: Student Signature: ______________________
PERMISSION TO USE

In presenting this project paper in partial fulfillment of the requirements for a Post Graduate degree from the Universiti Utara Malaysia (UUM), I agree that the Library of this university may make it freely available for inspection. I further agree that permission for copying this project paper in any manner, in whole or in part, for scholarly purposes may be granted by my supervisor or in their absence, by the Assistant Vice Chancellor of the College of Business where I did my project paper. It is understood that any copying or publication or use of this project paper or parts of it for financial gain shall not be allowed without my written permission. It is also understood that due recognition shall be given to me and to the Universiti Utara Malaysia (UUM) in any scholarly use which may be made of any material in my project paper.

Request for permission to copy or to make other use of materials in this project paper in whole or in part should be addressed to:

Dean Research and Innovation

College of Business

Universiti Utara Malaysia (UUM)

06010 Sintok

Kedah Darul Aman
ABSTRACT

Majority of the Palestinian organizations' leaders utilize the transactional leadership style, which led to very low rates of satisfaction, effectiveness, and efficiency (As-Sadeq & Khoury 2005). Based on this result of As-Sadeq and Khoury (2005) study, the researchers suggested that the methods of leading those organizations need for rehabilitation, restructuring, and the Palestinian organizations leaders need to utilize more comprehensive model of leadership to develop and enhance the subordinates' quality and performance and thus the organizational effectiveness. So this study conducted to investigate the impact of utilizing the transformational leadership style in leading the Palestinian organizations in order to get them successfully to create positive desired outcome and organizational effectiveness. This study was designed to determine the relationship between the factors of transformational leadership which are idealized influence; inspirational motivation, intellectual stimulation, and individualized consideration and the organizational effectiveness measured by organizational commitment and job satisfaction among the employees at UNDP/PAPP. This Research was executed by a quantitative method. The participants in this study were the subordinates at UNDP/PAPP, 56 questionnaires were distributed to the respondents, and 52 questionnaires were returned. The data analyzed by SPSS version 14. Finally, the correlation analysis was used to measure the data for the variables are expressed. The result of this study showed that all the factors of transformational leadership which are idealized influence, inspirational motivation, intellectual stimulation, and individualized
consideration are positively and strongly correlated to both the organizational commitment and job satisfaction. These findings are consistent with many of the previous studies finding that transformational leadership related strongly and positively to organizational commitment and employees’ satisfaction.
ACKNOWLEDGEMENT

First praise is to Allah, the Almighty, on whom ultimately we depend for sustenance and guidance. Second, my sincere appreciation goes to my supervisor Dr. Fais bin Ahmed, whose guidance, careful reading and constructive comments was valuable. His timely and efficient contribution helped me shape this into its final form and I express my sincerest appreciation for his assistance in any way that I may have asked. And, many thanks go to Mr. Ghazali bin din for his comment on this project, also my Universiti Utara Malaysia. I am greatly indebted and appreciate very much to my beloved parents for their Encouragement, support, and inspiring me in their own ways to finish my thesis. Also not forgetting my grandmother, my brothers my sisters, and my friends all for their endless love, prayers and encouragement. I would like also to thank the respondents who have participated and given their honest feedback, which was very significant and useful for this study. Special thanks to Eng. Ameen Abuowda for his assistance throughout this study. Last but not least, I wish to express my sincere thanks to all those who have, one way or another, helped me in making this study a success.

ABDALLATIF M. ABUOWDA

Master of Science (Management)

29th Sept 2010
Table of Contents

DECLARATION.............................................................................................................. i
PERMISSION TO USE................................................................................................. ii
ABSTRACT.................................................................................................................. iii
ACKNOWLEDGEMENT............................................................................................... v
Table of Contents ..................................................................................................... vi
LIST OF TABLES......................................................................................................... x
Reliability Analysis ................................................................................................... x
Descriptive Statistics of Variables ............................................................................... x
Interpreting the r-value for Intercorrelations............................................................... x
LIST OF FIGURES.................................................................................................... xi
Chapter 1 ..................................................................................................................... 1
Introduction.................................................................................................................. 1
1.1 Overview .............................................................................................................. 1
  1.1.1 Background about the United Nations Development Programme/Programme of Assistance to the Palestinian People UNDP/PAPP... 4
1.2 Problem Statement ............................................................................................... 6
1.3 Research Objectives ............................................................................................ 7
1.4 Research Questions ............................................................................................. 8
1.5 Significance of the Study .................................................................................... 10
1.6 Scope of the Study .............................................................................................. 11
5.1 Introduction ................................................................. 82
5.2 Discussion ........................................................................ 84
5.3 Implications ..................................................................... 89
5.4 Recommendation for future research .............................. 91
5.5 Conclusion ....................................................................... 92

REFERENCES ...................................................................... 94
# LIST OF TABLES

<table>
<thead>
<tr>
<th>No.</th>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Table 2.1</td>
<td>Transformational leadership behavior</td>
<td>34</td>
</tr>
<tr>
<td>2</td>
<td>Table 3.1</td>
<td>Number of staff are working at UNDP/PAPP.</td>
<td>53</td>
</tr>
<tr>
<td>3</td>
<td>Table 3.2</td>
<td>Total number of employees in UNDP/PAPP</td>
<td>53</td>
</tr>
<tr>
<td>4</td>
<td>Table 3.3</td>
<td>Likert scale with score from 1 to 5.</td>
<td>61</td>
</tr>
<tr>
<td>5</td>
<td>Table 4.1</td>
<td>Response Rate</td>
<td>64</td>
</tr>
<tr>
<td>6</td>
<td>Table 4.2</td>
<td>Respondents Profile</td>
<td>65</td>
</tr>
<tr>
<td>7</td>
<td>Table 4.3</td>
<td>Reliability Analysis</td>
<td>67</td>
</tr>
<tr>
<td>8</td>
<td>Table 4.4</td>
<td>Descriptive Statistics of Variables</td>
<td>68</td>
</tr>
<tr>
<td>9</td>
<td>Table 4.5</td>
<td>Interpreting the r-value for Intercorrelations</td>
<td>71</td>
</tr>
<tr>
<td>10</td>
<td>Table 4.6</td>
<td>Pearson correlations Result.</td>
<td>72</td>
</tr>
<tr>
<td>11</td>
<td>Table 4.7A</td>
<td>Model Summary</td>
<td>77</td>
</tr>
<tr>
<td>12</td>
<td>Table 4.7B</td>
<td>ANOVA (b)</td>
<td>77</td>
</tr>
<tr>
<td>13</td>
<td>Table 4.7C</td>
<td>Coefficients (a)</td>
<td>78</td>
</tr>
<tr>
<td>14</td>
<td>Table 4.8</td>
<td>Results of Regression Analysis between the dimensions of independent variable and the dependent variable.</td>
<td>79</td>
</tr>
<tr>
<td>15</td>
<td>Table 4.9</td>
<td>Summary of Findings</td>
<td>81</td>
</tr>
</tbody>
</table>
**LIST OF FIGURES**

<table>
<thead>
<tr>
<th>No.</th>
<th>Item</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Figure 1 Additive effect of transformational leadership.</td>
<td>32</td>
</tr>
<tr>
<td>2</td>
<td>Figure 2 Proposed theoretical framework.</td>
<td>49</td>
</tr>
</tbody>
</table>
Chapter 1
Introduction

1.1 Overview

Besides affecting the company's organization and culture, there are other ways to enhance the organizations' performance. One way to encourage a team to work better together would be to engage them in a team building activity. This helps to build trust and a feeling of camaraderie. With this additional feeling of belonging, many teams can push through the storming phase of their development into the norming phase resulting in increased performance by all team members. And thus it is important to say that any organization, whether private or public, for-profit or not-for-profit is represented need to adequately leaders to get their goals done.

To be a successful organization, the organizations must have their own strategies especially for their leadership, which handles the company. A good leader can lead the organization to success while the bad leaders will lead to organization failure. Based on this understanding the organizations must have been focusing and improving their people to enable them in those organizations improving their performances to achieve the organizations' objectives.

The main issues and problems faced by the most of the organizations are due to important factor that relates with leadership skills and ability as well as attitude. As
The contents of the thesis is for internal user only
REFERENCES


Brown, B. B. & Albert Wiswell, C. (2003). *Employees' organizational commitment and their perception of supervisors' relations-oriented and task-oriented leadership behaviors*. Faculty of the Virginia Polytechnic Institute and State University


