

**INFLUENCE OF TRANSFORMATIONAL AND TRANSACTIONAL
LEADERSHIP ON INDIVIDUAL PERFORMANCE IN THE
MALAYSIAN PUBLIC SECTORS**

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Human Resource management.**

**BY
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ABSTRACT

The main purpose of this study is to examine the relationships between transformational and transactional leadership with individual performance that consists of management and non management employees in the public sectors. The data was collected from 102 respondents using a structured questionnaire. The data was analyzed using SPSS 12.0. Three main hypotheses were tested using Pearson product- moment correlation coefficient. Results of the study indicate positive significance relationships exist between transformational and transactional leadership with individual performance.

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frequently aim to improve individual work performance. Despite research into the effectiveness of these interventions, little is known about the process through which HRM interventions influence individual performance. In public sector, employees are the most valuable assets that can enhance the sector in terms of individual performance whereas the issues of good governance that always being highlighted by the media and public concerned. Individual performance includes activities to ensure that goals are consistently being met in an effective and efficient manner. Individual performance can focus on performance of the organization, a department, processes to build a product or service, employees, etc.

In most cases, performance is not one-dimensional, that is, performance cannot be measured along a simple continuum from low performance to high performance. Most jobs have multiple performance dimensions. For example, job (as a professor) has three major performance dimensions: Teaching, research, and service. While one might be able to measure performance on any one of these dimensions using a single continuum, total performance is a combination of performance in each of these three areas. Furthermore, in most cases all performance dimensions are not of equal weight in the eyes superiors. To complicate the issue even further, different stakeholders most likely place different importance (weight) on each of these performance dimensions. For example, the dean might place the greatest weight on the research dimension; students in my classes are likely to view the teaching dimension as the most important, while community members might think of performance to the community (service) as the most important performance dimension.

There is another issue that adds complexity to the conceptualization and measurement of employee performance. Within performance dimensions there are often multiple outcomes desired. These outcomes are often expressed in terms of evaluative criteria. For example,

returning job, what is more important: High quality research publications or a large number of research publications; High levels of student satisfaction measured in terms of SET scores or high levels of student learning? Is it more important that a sales clerk be accurate, fast, or friendly? Is grade on essay questions based more on length or content; Ability to regurgitate theories from the textbook or to demonstrate your analytical skills to apply these theories.

Sales clerks should be fast, accurate, and friendly. Professors should have highly satisfied students that meet all the learning objectives. However, in many cases, employees are faced with trade-offs and it is often the case that individuals cannot achieve perfection on all performance dimensions and/or evaluative criteria.

1.2.1 Jabatan Kerja Raya

Malaysian Public Works Department (PWD) or Jabatan Kerja Raya Malaysia (JKR) is the federal government department in Malaysia under Malaysian Ministry of Works (MOW) which is responsible for construction and maintenance of public infrastructure in Malaysia such as federal and state roads, public government building, electricity, waters and much more. For Malaysia, there are 15 State of Public Work Department which are under the Ministry of Work Malaysia and there are 7 District Public Work Department in Kedah.

The rapid progress made in the country's development and socioeconomic during the 1970s had resulted in the increase of the Ministry's functions and roles. With the addition of the new roles, the Ministry was renamed once more as the Ministry of Works and Public Amenities in 1978. However, in line with the specialization of responsibilities, the Government decided to rename the Ministry as the Ministry of Works Malaysia in the 1980s. The name stays until this day.

The details of the functions of the Jabatan Kerja Raya (JKR) are as follows:

services to be provided (Abdullah, 2004). Thus, it seems that Total Quality Management (TQM), client charters, and MS ISO 9000 as practiced in the public sector are not sufficient to ensure the provision of high-quality services to customers (Wan, 2004).

The Public Sector, sometimes referred to as the state sector, is a part of the state that deals with either the production, delivery and allocation of goods and services by and for the government or its citizens, whether national, regional or local/municipal.

Examples of public sector activity range from delivering social security, administering urban planning and organizing national defenses.

Interview with the Works Minister, Dato' Seri Samy Vellu, Utusan Online, 14 November 2004 Bernama, 22 October 2004 been directed to comply with current procurement policies with the enhanced use of the open tender system which is meant to ensure transparency and accountability in the procurement process. A Treasury circular of 14 December 2004, for example, provides guidelines for the selection of contractors for public infrastructure maintenance.

In November 2004, a New Straits Times, November 2004 local newspaper carried a front-page story on seriously defective buildings and roads. The immediate response of the Minister of Works was that the 2 billion ringgit fiasco was not the fault of the Public Works Department [PWD] but of a group of contractors known as PMC – Project Management Consultant.

The purpose of achieving the objectives set by the government, personnel should be informed or reminded about accepted standards of work ethics and conduct so as prevent any undisciplined behavior that may discredit the customers services. Corruption and disciplinary

problems is serious concern to government, its increasing trend can have a negative impact on their efficiency and effectiveness

This research is justified for firstly, the resolution of the research problem will be a contribution to the existing body of knowledge. The extant literature reviewed covers 3 the broader issues of leadership and individual performance and considers the effects as espoused by Robbins, Millett, Cacioppe and Waters-Marsh (1998, p. 28), individual performance is moderated by the personality, values, attitudes and ability of the individual which, in combination, affect their perceptions and motivation, and ultimately influence individual performance on leadership without focusing on the potential effect on the individual change in a organization.

Secondly, the improvements to the leadership style behavioral characteristics that arise from the findings of this research will have a positive effect on the Malaysian public sectors. With the rapid increase of higher public servants, Malaysian public sectors leaders cannot afford to ignore the growing importance of the leadership style in influencing organizational change.

Finally, research so far has been focused on leadership issues in other countries like the United States, United Kingdom and Australia. This research focuses on how leadership style influences individual performance in a public sectors in Malaysia.

1.4 Research Questions

1.4.1 Is there significant positive relationship between transformational leadership styles and individual performance among employees in public sectors.

1.4.2 Is there significant positive relationship between transactional leadership styles and individual performance among employees in public sectors.

1.4.3 Which of the leadership styles that most contribute on individual performance among employees in public sectors.

1.5 Research Objective

1.5.1 To analyze and examine the relationship between transformational leadership styles and individual performance among employees in public sectors.

1.5.2 To analyze and examine the relationship between transactional leadership styles and individual performance among employees in public sectors.

1.5.3 To determine the leadership factor that contributes most on individual performance among employees in public sectors.

1.6 Scope of the Study

There are several limitations in this study. First, the time sequence of the association between the variables could not be concluded given that cross-sectional data were used. A future study is suggested to conduct a longitudinal research design to present them evidence of causation which cannot be achieved through cross-sectional designs. Second, the study also has a narrow focus on Malaysian firms. Future studies could use the model developed in this study and test it in other developing countries, and conduct a cross-country comparative study. Future studies can also include some of the variables which were not included in this study, such as organizational culture, supply chain structure and supply chain length as proposed by Koh et al. (2007). In order to avoid common method bias, future studies can collect data from multiple respondents from each firm (e.g. manager, engineer and executives in the SCM or logistic department). Lastly, the research only compares service and manufacturing firms.

Future studies can investigate the effect of other organizational attributes, such as the size of company and type of organization (e.g. local, foreign, and joint venture).

1.7 Significance of the Study

The present research study holds two specific areas of significance for scholars involved with the theoretical study of leadership. First, the data obtained through the present research can contribute to the debate involving the validity of transformational leadership as an effective leadership style to be practiced in different kinds and at different levels of organizations.

To simplify, this research will contribute to the theoretical significant by exploring the direct relationship between transformational leadership styles and transactional leadership styles on individual performance among Malaysian public sectors workers and also to contribute for the existing body of knowledge with respect of individual performance to further study. As practically, results from this study will provide the leaders and subordinates more understanding on the transformational leadership and transactional leadership styles factors that influence the individual performance among workers. Thus, the findings should be applicable to most workers in the public sectors, and it can be confident that influence tactic strategies were not just a function of a specific organization's, industry's, or occupation's norms.

Second, the data from the present study holds the potential to enhance the development of leadership training programs by measuring the status of transformational leadership within an organization. According to Monson (1970), "A cardinal principle of industrial management teaches: 'When performance is measured, performance improves. When performance is measured and reported, the rate of improvement accelerates'" (p. 87).

The data gained from the present research can be useful as groundwork to support further research in defining practical training programs to enable leaders to enhance their leadership skills. Covey (1990) claimed that organizations become more effective and profitable when individuals perform their tasks without continually being monitored, evaluated, corrected, or controlled by superiors. He further claimed that providing training in the principles embodied in transformational leadership could assist in establishing this type of an environment.

The study will not only contribute to academic research on indirect in the public sector in more general but also would bring significant benefits to policy makers at the Ministry level in Malaysia because it may bring some changes or modification to the existing policy for the betterment of the public sector.

1.10 Definition of key terms

1.10.1 Transformational leadership.

In this study refer to a leader's behavior that transforms followers into leaders by increasing their awareness of the importance and value of the task and job performance

1.10.2 Transactional leadership.

In this study refer to a leader's behavior that involves rewarding or disciplining a follower based on the adequacy of the follower's performance.

1.10.3 Individual Performance

In this study, refer to personality of an individual is closely linked with the process of job or work performance which are related to organizational success or failure

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This section reviews the past research on transformational leadership styles, transactional leadership styles and individual performance. The first section deals with definitions, theories, perspectives and empirical studies of transformational leadership styles, Following this, the transactional leadership and individual performance.

2.2 Transformational leadership styles

Transformational leadership is defined as a leadership approach that causes change in individuals and social systems. In its ideal form, it creates valuable and positive change in the followers with the end goal of developing followers into leaders. Enacted in its authentic form, transformational leadership enhances the motivation, morale and performance of his followers through a variety of mechanisms.

By focusing to transformational leadership that influence the individual to define leadership on what it means to be the head of a group, so it's important to looked at a very distorted picture of leadership.

Regarding to leadership styles, its appears that people respond on how the leaderships influence others people with feeling, fear and rejection. The researchers found that most individual performance are related to transformational leadership, according to M. Birasnav, S. Rangnekar, A. Dalpati, (2011) transformational leaders have potential to affect their employees' perceptions of human capital benefits. They also have the greatest potential to

leadership can be defined based on the impact that it has on followers. Bass defined transformational leadership in terms of how the leader affects followers, who are intended to trust, admire and respect the transformational leader. Transformational leaders, Bass suggested, garner trust, respect and admiration from their followers.

Bass also suggested that there were four different components of transformational leadership.

- Intellectual Stimulation – Transformational leaders not only challenge the status quo; they also encourage creativity among followers. The leader encourages followers to explore new ways of doing things and new opportunities to learn.
- Individualized Consideration – Transformational leadership also involves offering support and encouragement to individual followers. In order to foster supportive relationships, transformational leaders keep lines of communication open so that followers feel free to share ideas and so that leaders can offer direct recognition of each followers unique contributions.
- Inspirational Motivation – Transformational leaders have a clear vision that they are able to articulate to followers. These leaders are also able to help followers experience the same passion and motivation to fulfill these goals.
- Idealized Influence – The transformational leaders serves as a role model for followers. Because followers trust and respect the leader, they emulate the leader and internalize his or her ideals

Leaders exhibiting these behaviors may actively monitor for deviances from standards, mistakes, and errors in the follower's assignments and take corrective actions, or passively wait for problems to occur before taking any corrective action.

2.2.1.2 Relationship Theories

Relationship theories, also known as transformational theories, focus upon the connections formed between leaders and followers. Transformational leaders motivate and inspire people by helping group members see the importance and higher good of the task. These leaders are focused on the performance of group members, but also want each person to fulfill his or her potential. Leaders with this style often have high ethical and moral standards

2.3 Transactional leadership styles

Transactional leadership refers to the transactions that play out between the leader and the follower. This mindset supports leaders in motivating followers by appealing to their own self-interest. Its principles are to motivate by the exchange process. Transactional behavior focuses on the accomplishment of tasks and good worker relationships in exchange for desirable rewards. Barber and Warn (2005) argued that transactional leadership only achieves performance levels that meet “status quo expectations” (p. 1034). Bass (1990) described transactional leadership as a prescription for mediocrity, especially if the leader relies heavily on passive management-by-exception practices. To use the promise of rewards or the avoidance of penalties to motivate followers, the leader must have control over the rewards and penalties.

Leaders using transactional processes are most likely to adapt their style and behavior to that of their followers. Some researchers suggest that transactional leadership encompasses four types of behavior.

1. Contingent reward—The leader uses rewards or incentives to achieve results when expectations are met

2. Passive management by exception—The leader uses correction or punishment as a response to unacceptable performance
3. Active management by exception—The leader actively monitors work and uses corrective methods
4. Laissez-faire leadership—The leader is indifferent and has a "hands-off" approach, often ignoring the needs of others

Transactional leadership behavior is used to one degree or another by most leaders. Using transactional leadership behavior as a singular tool to motivate others can create a few common problems. For instance, it can place too much emphasis on the "bottom line" and by its very nature is short-term oriented, with the goal of simply maximizing efficiency and profits. Kuhnert and Lewis (1987) defined higher and lower levels of transactional leadership. Higher order transactions rely on the exchange of non-concrete rewards to maintain followers' performance. Lower order transactions depend on leaders' control of resources.

The leader can pressure others to engage in unethical or amoral practices by offering strong rewards or punishments. Transactional leaders seek to influence others by exchanging work for wages, but this does not build on the worker's need for meaningful work. In addition, transactional leadership may lead to an environment permeated by position, power, and politics. This is why transformational leadership is seen as a more productive way to long-term success.

2.3.1 Theories related to transactional leadership styles

2.3.1.2 Path-goal Theory

Transactional leadership occurs when the leader rewards or disciplines the follower depending on the adequacy of the follower's performance (Bass and Riggio, 2006). There is an assumption in transactional leadership theory that people are motivated by reward and punishment and social systems work best with a clear chain of command. In his path-goal theory, House's (1971) posited that an effective leader impacts subordinates' motivation, satisfaction, and ability to perform effectively. House suggested that a leader's behavior would be motivating or satisfying to the extent that it increases subordinates' goal attainment and clarifies the transactional exchanges and paths to these goals. Bass and Riggio (2006) suggested that effective transactional leadership depends on contingent reinforcement. According to the authors, contingent reward is a constructive transaction that has been found to be reasonably effective in motivating others to achieve higher levels of development and performance. Leaders exhibiting transactional contingent reward behavior assign or obtain follower agreement on the task to be accomplished. They offer rewards in exchange for satisfactorily completing the assignment.

2.3.1.2 Trait theories – What type of person makes a good leader?

Trait theories argue that leaders share a number of common personality traits and characteristics, and that leadership emerges from these traits. Early trait theories promoted the idea that leadership is an innate, instinctive quality that you either have or don't have. Thankfully, we've moved on from this approach, and we're learning more about what we can do as individuals to develop leadership qualities within ourselves and others.

organization hires one to do, and do well” (Campbell et al., 1993, p. 40). Thus, performance is not defined by the action itself but by judgmental and evaluative processes (cf. Ilgen & Schneider, 1991; Motowidlo, Borman, & Schmit, 1997). Moreover, only actions which can be scaled, i.e., measured, are considered to constitute performance (Campbell et al., 1993).

Individual performance is a core concept within work and organizational psychology.

During the past 10 or 15 years, researchers have made progress in clarifying and extending the performance concept (Campbell, 1990). Moreover, advances have been made in specifying major predictors and processes associated with individual performance. With the ongoing changes that we are witnessing within organizations today, the performance concepts and performance requirements are undergoing changes as well (Ilgen & Pulakos, 1999).

Touched on the dependent variable of individual performance in discussing problem occurred in the public sectors is important to explore how individual behavior affected work achievement. There are a number of other important points to consider with respect to employee performance. Here's a summary of these important points.

In most cases, performance is not one-dimensional, that is, performance cannot be measured along a simple continuum from low performance to high performance. Most jobs have multiple performance dimensions. For example, job (as a professor) has three major performance dimensions: Teaching, research, and service. While one might be able to measure performance on any one of these dimensions using a single continuum, total performance is a combination of performance in each of these three areas. Furthermore, in most cases all performance dimensions are not of equal weight in the eyes of your superiors. To complicate the issue even further, different stakeholders most likely place different importance (weight) on each of these performance dimensions. For example, the dean might

tasks. Likewise, your effort in this class is unlikely to yield high performance (measured in terms of high grades on the various assignments) if you don't have the requisite set of computer, analytical, writing, and conceptual skills required to complete the assignments successfully.

2.5.3 Role Perception

In order to meet someone else's (e.g., your boss, your professor) performance expectations, you have to have a clear idea of what these expectations are. All the effort and ability in the world that is applied in the wrong direction will not yield high performance.

2.5.4 Resources

The final ingredient to high performance is access to the tools, information, equipment, and people necessary to get the job done correctly. For example, those of you that are highly motivated, have the requisite skills, and have a clear idea of what is expected, still will not perform well if you do not have access to an adequate computer.

Attracting and retaining high-quality employees is another important managerial objective. This is especially true for organizations that require highly skilled and motivated employees. The cost of turnover can be high for companies that have high recruiting costs and long and complex training programs.

Since employee absenteeism and turnover often have a negative affect on the performance of organizations and work groups, we will develop a diagnostic model for employee membership in the Motivation & Behavioral Change Topics. It should be noted that not all turnover is negative. Many organizations develop strategies to create turnover among poor performing employees.

Obviously, all of these *potential* benefits are dependent on *who* is leaving. For example, URI is encouraging senior faculty to retire early by providing incentives to retire. While this strategy has been effective, in some cases it is more expensive to hire a newcomer (salaries have escalated in Business) and in other cases highly respected and valued professors have retire.

2.6 Theories related to individual performance

2.6.1 Goal-setting theory

The main theory informing individual performance management is Locke & Latham's (2002) goal-setting theory, one of the most effective motivational theories. It was formulated inductively based on empirical research conducted over nearly four decades. Its roots are based on the premise that conscious goals affect action (where goals are considered the object or aim or an action) (Locke & Latham, 2002).

While goal setting theory is generally analyzed at individual level, its principles are considered relevant at organizational level, too. Locke (2004) further argues that goal-setting is effective for any task where people have control over their performance. Research in this field currently explores goal setting theory at both individual and organizational level. In organizational context, personal empirical observations highlight that the goals of individuals, teams and the entity as a whole can be in conflict. Goal conflict can motivate incompatible actions and this has the potential to impact performance. Thus, alignment between individual goals and group goals is important for maximizing performance. This links goals setting theory to principal agent theory, also called agency theory.

2.6.2 Expectancy theory

Expectancy theory is about choice. It explains the processes that an individual undergoes to make choices. In organizational behavior study, expectancy theory is a motivation theory first proposed by Victor Vroom of the Yale School of Management

Vroom's theory assumes that behavior results from conscious choices among alternatives whose purpose it is to maximize pleasure and to minimize pain. Together with Edward Lawler and Lyman Porter, Vroom suggested that the relationship between people's behavior at work and their goals was not as simple as was first imagined by other scientists. Vroom realized that an employee's performance is based on individual factors such as personality, skills, knowledge, experience and abilities.

Vroom's model is based on three concepts:

1. Valence – Strength of an individual's preference for a particular outcome. For the valence to be positive, the person must prefer attaining the outcome to not attaining it.
2. Instrumentality – Means of the first level outcome in obtaining the desired second level outcome; the degree to which a first level outcome will lead to the second level outcome.
3. Expectancy – Probability or strength of belief that a particular action will lead to a particular first level outcome.

Vroom says the product of these variables is the motivation.

In order to enhance the performance-outcome tie managers should use systems that tie rewards very closely to performance. In order to improve the effort-performance tie, managers should engage in training to improve their capabilities and improve their belief that added effort will in fact lead to better performance.

2.7 Empirical studies of individual performance

Researchers have adopted various perspectives for studying performance. On the most general level one can differentiate between three different perspectives: (1) an individual differences perspective which searches for individual characteristics (e.g., general mental ability, personality) as sources for variation in performance, (2) a situational perspective which focuses on situational aspects as facilitators and impediments for performance, and (3) a performance regulation perspective which describes the performance process. These perspectives are not mutually exclusive but approach the performance phenomenon from different angles which complement one another

2.7.1 The relationship between individual performance and skill based pay schemes

Additional remuneration on top of base salary in skill based pay schemes is provided to employees who undertake training and up-skilling activities. In a skill based pay scheme it is not necessary for the employee to use the increased skills in their daily work environments.

Research in the field of nursing found that implementation of a skill based pay schemes led to initial dissatisfaction from nurses who had not undertaken additional skills training however when this dissatisfaction was removed when the characteristics of skill based pay schemes were fully explained (Thompson, 2005).

Performance related pay schemes provide increased remuneration for employees whose productivity exceeds defined targets. Such schemes include merit based pay, incentive pay, employee share schemes and skill based pay. Performance related pay schemes have been found to improve employee productivity in various employment settings.

2.7.2 The relationship between individual performance and incentive pay schemes

Incentive pay schemes take the form of monetary bonuses for going above personal productivity targets or reaching pre-determined financial objectives for the organization, these bonuses are additional to the employee's base salary.

Predominately used where targets can be easily measured, incentive pay schemes can be applied to manufacturing settings and executive performance. Research has found that productivity improvements of 20% to 50% can be obtained through the implementation of an incentive pay scheme (Lazear, 2000; Bandiera, Barankuy and Rasul, 2007).

2.7.3 The relationship between individual performance and job satisfaction

The correlation literature concerning the relationship between individual job satisfaction and individual performance was analyzed using the meta-analysis techniques of Hunter, Schmidt, and Jackson (1982). Higher and more consistent correlations between overall job satisfaction and performance were indicated than those previously reported. Relationships between job satisfaction and individual performance were not as high or as consistent as those found between job satisfaction and individual performance.

2.7.3 The relationship between individual performance and task conflict

Some recent studies have considered the possibility that individuals within the same group may differ in their perception of conflict severity due to different demographic profiles or degrees of involvement (Jehn and Chatman, 2000; Jehn et al., 2006; Pelled, 1996; Rispens et al., 2007). The emergence of such individual-level conflict research raises the possibility that conflict's influence on team-level outcomes may deviate from its influence on individual-level outcomes. For instance, Kurtzberg and Mueller (2005) found a positive relationship

between task conflict and individual creativity, but failed to find a similar relationship at the group level. Clearly, it may be problematic to apply findings from one level of analysis to another. Because the majority of extant research focuses on the group level of analysis, the question of how task and relationship conflicts may influence diverse workplace behaviors at the individual level remains unanswered. The few individual-level studies we identified do not provide clear answers to this question because of either a different research focus (Hobman et al., 2003; Pelled, 1996; Pelled et al., 2001; Putnam, 1994) or a focus on group-level conflict in predicting individual outcomes (Jehn, 1995).

2.8 Summary

Organizations depend upon capable leadership to guide them through unprecedented changes. Yet, there is ample evidence in the news and in recent research reports that even some of the best and most venerable organizations are failing to adapt to change, implement their strategic plans successfully or prepare for a more uncertain future. We believe the turmoil we are currently observing has something to do with leadership, and that if we don't change our current approach to leadership development, we will see even more of the same.

Leadership is commonly viewed as an influence process, but this is a myth for senior executives. They may influence their immediate teams to make an acquisition but it is then presented as a decision to the rest of the organization. So, either executives don't show leadership to the rest of the organization or leadership is not in fact an influence process in their case.

Prospective political leaders influence the electorate to get elected but once in power we judge them to be effective as long as they make sound decisions. In short, conventional leadership is really about making sound decisions by those we entrust with this responsibility.

As well-known companies disappear or are taken over (think of Lucent, Chrysler, Lehman Brothers, Northern Rock, Merrill Lynch) and new forces like the economies of China and India rise, surveys of CEOs show that they believe the one factor that will determine their fate is the quality of their leadership talent. Yet many top executives bemoan the lack of leadership bench strength in their companies and wonder what will happen once the baby-boomer generation of leaders finally steps aside. Can we count on the next generation of leaders to step up once they are in position? Or are we seeing evidence of a talent gap that cannot be closed and will result in even greater numbers of high-profile failures? What can your organization do to avoid the risks associated with inadequate leadership and better prepare its current and future leaders for changes that are yet unforeseen?

We say that Newtonian physics is good enough for understanding everyday reality, like apples falling out of trees. Similarly, positional leadership is still a workable idea for simple groups. But a more general theory of leadership, as in physics, demands that we use a broader concept such as action leadership. This is the only way we can account for disparate acts of leadership that do not entail being in a position of authority over people. Leadership shown by people in charge of groups is also occasional action, but being in charge of people is only a special case of leadership. It cannot be our model for defining leadership in general. But the only way we can limit leadership to promoting new directions is if we upgrade management to take care of everything to do with getting things done through people. Being in a position of authority over others, formal or informal, means being a manager. Leadership can only be shown; it isn't something someone can be or become. In other words, both leadership and management are group functions but only management is a group role. Caution should be exercised when considering what style of leadership is best. Research suggests that no single

leadership style can be generalized as being most effective. Organizational situations are so complex that one particular leadership style may be successful in one situation but totally ineffective in another. Should leaders be more task or relationship (people) oriented, basically, leaders must have a dominant style, one they use in a wide variety of situations. No one best style - leaders must adjust their leadership style to the situation as well as to the people being led. Many different aspects to being a great leader - a role requiring one to play many different leadership styles to be successful.

Early research on leadership sought to identify a list of personal characteristics that set effective leaders apart from other people. No single list has been found to hold true for every leader in every context. As a result leadership research moved on in a different direction – focusing instead on what effective leaders do.

For those seriously interested in developing leadership, it is important to appreciate the impact of personality. Greek philosopher, Aristotle once said that “we are the sum of our behaviors; excellence therefore is not an act but a habit.”

CHAPTER 3

RESEARCH METHODOLOGY

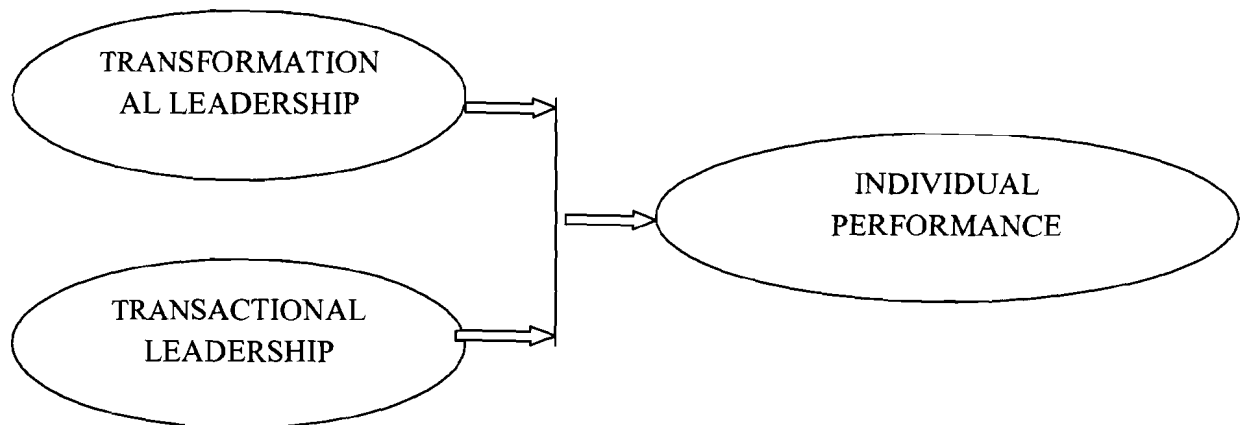
3.1 Introduction

The results of this dissertation study could potentially add to the body of knowledge regarding the relationship between the presence of transformational leadership and individual performance. The purpose of this proposed mixed-methods study is to analyze employee perceptions about transformational leadership and individual performance in a selected sample of empirical study that have been done by others researchers.. The previous two chapters presented the essence of the study, the importance of the study to leadership, as well as a review of related literature. This chapter further describes the methodology employed in conducting this research.

3.2 Theoretical framework

The potential of the present dissertation is that the present study could contribute to the empirical data in current leadership theories and research. The literature review centers around two main topics. These areas of focus include an overview of the understanding of leadership styles, how leadership styles influence others and basic principles of transformational leadership, and elements such as personality, life styles, ability, environment and family contributing to individual performance.

FIGURE 3.1 : THEORETICAL FRAMEWORK



3.3 Research Hypothesis

Hypothesis was developed based on the theoretical framework.

- H 1 : Do transformational leadership will influence the intention of the potential individual towards performance.
- H 2 : Do transactional leadership will influence the intention of the potential individual towards performance.

3.4 Research Design

The research design is co relational in nature. It tries to examine the relative importance of the independent variables as the factors that contributing to the successful towards influence the individual performance regarding to transformational leadership view. There are at least 7 Jabatan Kerja Raya situated in Kedah and probability sample will be taken from one of the Jabatan Kerja Raya in Kedah whereas the employees selected to participate in the survey through simple random sampling. Simple random sampling used to obtain desired information from specific target group. Each individual was asked to complete a self-administered questionnaire survey. There are two sections in the questionnaire, Section 1 used to collect information from the subordinate such as gender, ethnic, age, education level, and profession.

Meanwhile in Section 2, respondents were asked to rate their opinion using 5-point Likert scale (strongly disagree to strongly agree) will be a separate questionnaire among supervisors and subordinate. Thus 32-item scale Multifactor Leadership Questionnaire (MLQ) 5X developed by Avolio and Bass (1984) were adopted, and 8 item for individual performance instrument by Ittner (2003)

3.4.1 Appropriateness of design

The purpose of mixed-methods studies is to discover the strength of the relationship between two or more variables (Leedy & Ormrod, 2001). This research sought to detail the relationship between the two variables of transformational leadership and individual performance in a selected sample of empirical study. A quantitative non-experimental method was determined to be an appropriate first step in the research process. In describing the nature of data gleaned through correlation analysis, Leedy and Ormrod (2001) stated, "Finding a coefficient of correlation is equivalent to discovering a signpost. That signpost points unerringly to the fact that two things are related, and it reveals the nature of the relationship" (p. 272). While the data gathered through correlation analysis provides information regarding both the direction and strength of the relationship between variables, Leedy and Ormrod (2001) emphasized, "Correlation does not necessarily indicate causation" (p. 272).

3.5 Measures and Instrumentation

The original questionnaire was prepared in English. However, because the conventional language of Kedah residents is Malay, we translated the surveys distributed in Kedah into Malay using the standard method of back-translation (Brislin, 1980). The translated version was pretested with 10 employees in the same Jabatan Kerja Raya. They were asked to

one-way analysis of variance (ANOVA) using firm affiliation as the independent variable was performed on each item as a means to determine if there was greater variability in the ratings between Jabatan Kerja Raya. A multidimensional performance instrument measured with items modified taken from Snell and Dean (1992).

The instrument to measure this variable is adopted from Ittner et al. (2003). They identified possible categories of measures used in performance measurement systems based on value driver discussion in the balanced scorecard, intangible asset, intellectual capital, and value-based management approaches.

The above procedure led to the development of an instrument with eight categories, as shown in the Appendix. Whilst Ittner et al. (2003) used the instrument to assess the importance of the eight categories for firms' long-term organizational success, the study is concerned with employees performance evaluation. We therefore amended the wording along the lines of Hopwood (1972), asking how much importance respondents thought their supervisors attach to the various performance evaluation categories when evaluating their performance, using a five-point Likert scale, anchored 1 (strongly not agree) and 5 (strongly agree). followed by relations with employees (c.g. employee satisfaction and employee turnover), We do not perform factor analysis for this variable as the items represent various different categories of performance measures

3.7.4 Analysis of variances

ANOVA is one of the analyses that will test the hypothesis developed in this study. Based on Awang, Sinnadurai, Safari and Kunjambu (2008), the Anova can be defined as the process of interpreting the sample variances on more than three population means. This analysis will identify which factor that contributes the most on the dependent variable of individual performances.

3.8. Pilot Test

Pilot testing also called pre-testing means small scale trial run of a particular component; here we are referring to pilot testing of the questionnaire. Before the questionnaire is distributed to the respondents, the questionnaire is pre-tested to ensure its reliability and validity. One of the advantages of conducting a pilot test is that it might give advance warning about where the main research project could fail, where research protocols may not be followed, or whether proposed methods or instruments are inappropriate or too complicated. In the words of DeVaus (1993: 54) "Do not take the risk. Pilot test first." These are important reasons for undertaking a pilot test, but there are additional reasons, for example convincing funding bodies that your research proposal for the main study is worth funding. Furthermore, the purpose of the pre-testing to ensure the questionnaire meets the researcher's expectations in term of the information to be obtained.

In conducting the pilot test, 10 sets of questionnaires were distributed to the employees in Jabatan Kerja Raya Kubang Pasu located in Jitra. The respondents were selected randomly based on their convenience of time. The questionnaire were written in English language, however the employees demanding the Malay questionnaire to understanding the question that been asked. Therefore, the Malay questionnaires were distributed to the employees in the

pilot test. The language of the questions is thoroughly checked for its appropriateness and grammar usage. These weaknesses and mistakes then identified and being improved in actual questionnaires to avoid errors

3.9 Summary

The purpose of this study was to provide data to enrich the body of knowledge surrounding the correlation between the transformational leadership and individual employee contribute to performance. The conclusions drawn from the research empirical data regarding each of the research questions and hypothesis of the study. This mixed-methods approach was proposed to study the correlation between perceptions of transformational leadership and employee individual performance of empirical study. This chapter detailed the research design, reviewed the research questions and hypotheses, described the proposed of based on empirical study, explained the plans for review of empirical research collection and analysis, and established the validity and reliability of the proposed study. The following chapters will present an analysis of the data gained from the study and the interpretation and recommendations based on the results

CHAPTER 4

FINDINGS

4.1 Introduction

Chapter reports the results of the study. In the early part of this chapter, discussed slightly on the responses from the respondent. Next is the discussion on respondents' background followed by discussion about the reliability measurement for the independent variables and dependent variables. The fourth part is the discussion on the hypothesis testing and the last part is the discussion regarding regression analysis.

4.2 Survey Responses

The respondents for this study are employees and supervisors from Jabatan Kerja Raya, Kubang Pasu, Jitra, Kedah which represented 7 District of Jabatan Kerja Raya in Kedah and the sample is drawn from multiple division of working and come from wide range of expertise. 102 sets of questionnaires are distributed to the respondents to be completed in the given time. From the 102 sets returned, only 100 were analyzed using Statistical Package for Social Science (SPSS) software version 12 and the other two are rejected due to incomplete responses. Table 4.1 shows the percentage of survey responses.

Table 4.1 Percentage of Survey Responses

No	Surveys Responses	N	Percentages(%)
1	Distributed Questionnaires	102	100
2	Collected Questionnaires	102	100
3	Uncompleted Responses	2	1.96
4	Completed Responses	100	98.04
5	Uncollected Questionnaires	0	0

4.3 Respondent's Background

The analysis of respondent background determined the distribution and frequencies of gender, age, race, marital status, duration of service and educational level of the respondents.

Table 4.2 Profile of respondents

Demographic Variables

No	Demographic factors		N	n	Frequency Percentage (%)
1.	Gender	Male	100	77	77.0
		Female		23	23.0
2.	Age	18 – 25	100	7	7.0
		26 – 30		14	14.0
		31 – 35		9	9.0
		36 – 40		19	19.0
		others		51	51.0

Table 4.2 continued

No	Demographic		N	n	Frequency
					Percentage (%)
3.	Race	Malay	100	96	96.0
		Chinese		2	2.0
		Indian		1	1.0
		Others		1	1.0
4.	Status	Married	100	14	14.0
		Single		85	85.0
		Others		1	1.0
5.	Duration Of Service	Below than 1 year	100	4	4.0
		1 to 3 years		9	9.0
		4 to 6 years		14	14.0
		Above than 7 years		73	73.0
6.	Educational Level	Primary	100	9	9.0
		Secondary		59	59.0
		Diploma		15	15.0
		Others		17	17.0

Table 4.2 summarized the results for the respondents' background analysis. Based on the result, 77 (77%) of the respondents are male and 23 (23%) are female. From all the 100 respondents, 51 (51%) come from others category followed by respondent aged 36 to 40 years which is 19 (19%), respondents aged 26 to 30 years which is 14 (14%) and respondents aged 31 to 35 which is 9 (9%). The least number of respondents come from those who aged 18 to 25 which is only 7 (7%) person. Most of the respondents are Malay with the frequencies of 96 (96%) followed by Chinese, 2 (2%) respondent and 1 (1%) respectively comes from Indian

respondent and others category. 85 (85%) of the respondent are married and 14 (14%) are single whereas only 1 (1%) comes from others category. Result also shows that 4 (4%) respondent have been working for less than 1 year in the organization, 9 (9%) respondents have been working for 1 to 3 years, 14 (14%) respondents have been working for 4 to 6 years and 73 (73%) of the total respondents have been working for more than 7 years. The last item in the demographic analysis is educational level of the respondents. More than half of the respondents come from secondary school level which is 59 (59%) followed by respondents from others level, 17 (17%). Respondents from diploma level are 15 (15%) and the least are respondents from primary school level which is 9 (9%) person.

4.4 Reliability Measurement

Table 4.3 Reliability Variables

No	Variables	No of items	Cronbach' s Alpha
1	Transformational Leadership	20	0.867
2	Transactional Leadership	12	0.742
3	Overall Leadership Styles	32	0.899
4	Individual Performance	8	0.744

Table 4.4 shows the results for the reliability measurement. The alpha value for transformational leadership is 0.867 which is “very good”. It means that the all 20 items can be combined together to measure the transformational leadership. Even

though, the alpha value for transactional leadership is only 0.742, the value is still “good” and the 12 items also can be used to measure the transactional leadership. For the overall leadership style, which is the combination of the items for the transformational leadership and transactional leadership, the alpha value is 0.899 in which it is “very good” and the overall 32 items can be used to define the leadership styles. The alpha value for the dependent variable which is individual performance is 0.744. The value is “good” without any item been deleted. As for whole, the alpha value for both dependent variable and independent variables are good and this can be concluded that, the items in the instrument can be combined together to be used to measure the leadership styles towards individual performance

4.5 Hypothesis Testing

Hypothesis is tested using Pearson correlation to determine the relationship between independent variables which are transformational leadership and transactional leadership and dependent variable which is individual performance. The Pearson correlation also used to determine the direction of the relationship either it is a positive relationship or negative relationship.

4.5.1 Correlation Coefficient Size

The correlation coefficient size is used to determine the strength association between independent variable and dependent variable. The rule of thumb of coefficient range and the strength of association are simplified as in the table 4.5.

4.5.2 Transformational Leadership and Individual Performance

Below is the output for Pearson Correlation between transformational leadership and individual leadership.

Table 4.5 Correlation analysis for hypothesis testing

Transformational Leadership		Individual Performance
Transformational	Pearson Correlation	.36 (**)
	Sig. (2-tailed)	.000
	N	100
Individual Performance	Pearson Correlation	.36 (**)
	Sig. (2-tailed)	.000
	N	100

** Correlation is significant at the 0.01 level (2-tailed)

Ho: The transformational leadership will not influence the intention of the potential individual towards performance.

The result shows that there is a relationship between transformational leadership and individual performance. The correlation that exists between the transformational and individual performance is positive, small but definite relationship. Using the statistical formula $r(100) = 0.366$, $p < 0.01$. The significant value is 0.000 where it is smaller than stated significant level 0.01. So, hypothesis null is failed to be accepted. Thus, it

can be concluded that transformational leadership practices will influence the intention of the potential individual towards performance in the organization.

4.5.3 Transactional Leadership and Individual Performance

Below is the output for Pearson Correlation between transformational leadership and individual performance.

Table 4.6 Correlation analysis for hypothesis testing

Transactional Leadership		Individual Performance
Transactional	Pearson Correlation	.53 (**)
	Sig. (2-tailed)	.000
	N	100
Individual Performance	Pearson Correlation	.53 (**)
	Sig. (2-tailed)	.000
	N	100

**** Correlation is significant at the 0.01 level (2-tailed)**

Ho: The transactional leadership will not influence the intention of the potential individual towards performance.

Result shows that there is a relationship between transactional leadership and individual performance. The correlation that exists between the transactional leadership and individual performance is positive and moderate relationship. Using the statistical formula $r(100) = 0.534$, $p < 0.01$. The significant value is 0.000 where it

is smaller than stated significant level which is 0.01. So, hypothesis null is failed to be accepted. Hence, it can be said that the transactional leadership styles give influence to the intention of the potential individual towards performance.

H1: There is significant positive relationship between transformational and individual performance.

Based on the table 4.5, there is 99% that the more influence of transformational leadership on the JKR employees, the more satisfaction they gain at $r = 0.36$, $p < 0.01$ for the employees. As more employees have freedom in completing the task, they can make own decision. Then they will feel appreciated and satisfy when doing the job. Therefore, transformational leadership highly contribute to individual performance. Thus, the hypothesis is strongly supported by the data.

H2: There is significant positive relationship between transactional leadership and individual performance.

The above hypothesis is strongly supported by the data and 99% confidence that the more transactional leadership influence the employees, the more positive impact to the employees and increasing their performance of task given at $r = 0.53$, $p < 0.01$. They hoped to have direct and clear information regarding on their work activities. Thus, this hypothesis strongly supported by the data.

4.6 Summary of the Result

Table 4.7 Summary of the hypothesis testing and key findings

Hypothesis		Finding
H1: The influence of transformational leadership on individual performance.		
Ho:	There is no significant relationship between transformational leadership and individual performance	Rejected
H ₁ :	There is a relationship between transformational leadership and individual performance.	Supported
H2: The influence of transactional leadership on individual performance.		
Ho:	There is no significant relationship between transactional leadership and individual performance	Rejected
H ₁ :	There is a relationship between transactional leadership and individual performance.	Supported

Table 4.5 shows the summary of the hypothesis testing. The results indicated that there is a significant relationship for both transformational leadership and transactional leadership and individual performance. Thus, it can be concluded that for JKR staff, both leadership styles do influence the intention of the potential individual towards performance.

4.7 Regression Analysis

Table 4.8 : Regression result of transformational leadership and individual performance

Construct	Standardized β value
Transformational leadership	0.63**
R^2	.28
Adjusted R^2	.27
F-value	19.532

Note: ** $p < 0.1$

Table 4.9 : Regression result of transactional leadership and individual performance

Construct	Standardized β value
Transactional leadership	0.58**
R^2	.28
Adjusted R^2	.27
F-value	19.532

Note: ** $p < 0.1$

From the regression results, the R^2 of the model is 0.287 as shown in the model summary table. Thus approximate 28.7% of the total variation can be predicted by transformational and

transactional leadership. The regression model is significant, with probability level of 0.000 as revealed in the ANOVA table.

The coefficient table reveals that transactional leadership is a significant and moderately strong predictor of individual performance with beta coefficient of 0.580 (probability of 0.000) whereas the other predictor which is transformational cannot be used as the predictor of individual performance. This study revealed that, there is an increase of 0.580 in the individual performance for every unit increase in the transformational leadership, keeping the other variable constant. The regression analysis of the data shows that, the coefficient of determination R^2 equal to 0.287, so, it can be concluded that 28.7 percent of variability in individual performance is accounted for by the variables in this model.

4.8 Conclusion

As for the conclusion, this chapter discussed about the finding of the study. The hypothesis testing revealed that both transformational leadership and transactional leadership styles will influence the intention of the potential individual towards performance. The regression analysis indicated that transactional leadership style is the best predictor of the individual performance.

The following chapter 5 provides the discussions and conclusions of the study.

CHAPTER 5

DISCUSSION, SUMMARY AND RECOMMENDATION

5.1 Introduction

The paper was designed to identify whether there is any correlation between transformational leadership and transactional leadership with individual performance in public sectors among employees. To achieve the objective, the paper will investigate three specific research question and research objective which are :

- (1) Is there significant positive relationship between transformational leadership styles and individual performance among employees in public sectors.
- (2) Is there significant positive relationship between transactional leadership styles and individual performance among employees in public sectors.
- (3) Which of the leadership styles that most contribute on individual performance among employees in public sectors.

This chapter presents a discussion of the findings in perspectives, the recommendations derived from the findings and the conclusions.

5.2 Discussion of the Research Findings.

In chapter 2 and chapter 4, the relationship of transformational and transactional leadership on individual performance being analyzed and discussed from the perspective of Bass transformational theory.

This is one of the most prominent theory that predict transformational leadership which are correlated to the study.

As there are a lot of issues have to be discussed regarding on this finding, the researcher had categorized the discussion into three parts which are perspective correlated to the study.

5.2.1 Is there significant positive relationship between transformational leadership styles and individual performance among employees in public sectors.

This study sought to find the extent to leadership styles contribute to individual performance, implement specific principles of transformational leadership through perspectives of Bass theory. The transformational leadership style is said to occur when one or more persons engage in such a way that leaders and followers raise one another to higher levels of motivation and morality. This is almost like a synergy that might exist, whereby everyone gets raised to a higher level of performance. However, the finding showed there is strong significant between transformational leadership and individual performance which related to satisfaction and motivation on every workers. Thus, the previous researcher finding showed the correlation of transformational leadership on individual performance whereby Bass and Avolio (1993) characterized transformational leadership through the dimensions of (a) idealized influence, (b) inspirational motivation, (c) intellectual stimulation, and (d) individualized consideration. The components of the transformational leadership model have evolved somewhat since Bass's (1985) original work, but these changes have been fairly limited. The researchers also reported that transformational leadership behavior and mentoring functions received were negatively correlated with job-related stress among protégés. This theory states that the most important determinants such as motivate and inspire

followers through meaningful and challenging work that correlated to individual performance and these theory was well supported by the findings with the strong significant relationship.

5.2.2 Is there significant positive relationship between transactional leadership styles and individual performance among employees in public sectors.

A transactional leader may adopt management-by-exception practices which are less effective than contingent reward or transformational leadership (Avolio & Bass, 2004). A management-by-exception style may be active or passive.

Result from the findings provide strongly support that transactional leadership positively and significantly influence individual performance. This findings also showed the influence of transactional leadership in public sector positively attributes of services provided to customers, especially in terms of reliability, promptness and assurance, and but that it is not related to the tangible or the empathy-related aspects of services. The theory of Bass related to transactional leadership are found to be quite effective in guiding efficiency decisions which are aimed at cutting costs and improving productivity. The transactional leaders tend to be highly directive and action oriented and their relationship with the followers tends to be transitory and not based on emotional bonds.

The theory assumes that subordinates can be motivated by simple rewards. The only 'transaction' between the leader and the followers is the money which the followers receive for their compliance and effort. The theory of Bass transactional leadership was not supported by the findings. The study findings showed that workers was not really motivated by rewards. People value different things – rather than assuming all employees are looking for more

money or promotional opportunities. Some people are ambitious and want to achieve goals or increase their sphere of influence and responsibility, others are driven by the desire for self-development, job security, social interaction, peer approval, and/or the need to have meaningful work.

5.2.3 Which of the leadership styles that most contribute on individual performance among employees in public sectors.

In comparing transformational and transactional leadership, previous study indicated that in transformational leadership have more influence to individual performance than transactional leadership. The authors found that mentoring functions received were more positively related to transformational leadership styles than they were to transactional contingent reward behavior. Moreover, both meta-analytic regression and relative importance analyses consistently showed that transformational leadership had an augmentation effect over transactional leadership (contingent reward) in predicting individual-level contextual performance and team-level performance. Researchers found that transformational leadership has an augmenting effect when controlling for the effects of transactional leadership (Seltzer & Bass, 1990; Waldman, Bass, & Yammarino, 1990).

Contrary to the expectation, however, augmentation effect of transactional leadership over contingent reward was found in predicting individual-level task performance. Instead, contingent reward explained incremental variance in individual-level task performance beyond that explained by transactional leadership. However, previous study was not supported by the findings whereby it showed that transactional leadership was more influence

than transformational leadership with a strong significant relationship with individual performance.

More specifically, the result highlight transactional leadership have more influenced than transformational leadership to individual potency and, consequently, individual performance to a greater extent among public workers that were high in power distance and, separately, high in individualism. So at one end of the spectrum we have transactional leaders that are making many "deals" with those being led. On the other end of the spectrum we have transformational leaders that are looking to satisfy a greater need of an individual.

This theory states that most important determinants of individual performance are believing that the relationship between people's behavior at work and their goals was not as simple as was first imagined by other scientists and realized that an employee's performance is based on individual factors such as personality, skills, knowledge, experience and abilities.

The data further revealed a strongly positive significantly relationship correlation between employee performance with transactional leadership. Finally, these findings did not supported the previous study that transformational do contribute most than transactional leadership on individual performance.

This suggests that the Malaysian public sectors are more concern about quality of leadership styles when such characteristics are manifested especially involving principles transactional leadership. These principles are customer focus, leadership, involvement of people, process management, system approach to management, continuous improvement, factual approach to decision making, and mutually beneficial supplier relationships. These principles stress the importance of leadership as a key driver for quality improvement.

5.3 Implication

Importance of individual performance. The findings draw attention to the importance of individual performance. Prior research has focused primarily on values at higher levels of analysis (i.e., societal and organizational), although there are several exceptions (e.g., Wagner & Moch, 1986). In both Hong Kong and the United States, the interaction between transformational leadership and individual performance exerted similar effects, which suggests that individual performance moderate the effect of transformational and transactional leadership on individual performance finding suggests that ambitious leaders may wish to instill respect for their authority while still attending to followers' needs and suggestions. This prescription is consistent with the idea that leaders should maintain some distance from their subordinates to promote subordinate respect and compliance (Rosenfeld, Giacalone, & Riordan, 2001). However, it is premature to conclude that leaders should actively promote a high level of power distance among subordinates. Unwillingness on the part of subordinates to disagree with leaders may impact individual performance.

5.4 Summary

The purpose of this study was to provide data to enrich the body of knowledge surrounding the correlation between the transformational and transactional leadership with individual employee contribute to performance. The conclusions drawn from the research empirical data regarding each of the research questions and hypothesis of the study. This mixed-methods approach was proposed to study the correlation between perceptions of transformational and transactional leadership with employee individual performance of empirical study. This chapter detailed the research design, reviewed the research questions and hypotheses,

described the proposed of based on empirical study, explained the plans for review of empirical research collection and analysis, and established the validity and reliability of the proposed study.

The data obtained from the research potentially will be applicable to other organizations and perhaps other groups within society.

5.5 Limitation to the Study

1.9.1 Insufficient of time

Time is the major limitation in completing the study, as there only three months given to complete all requirements of this project paper. The time is not sufficient for collecting and analyzing the data because this project paper involves many respondents and comes from many sections in the Jabatan Kerja Raya.

1.9.2 Procedure and rules

Due to the procedures and rules of Jabatan Kerja Raya, the researcher faced limitation in getting data from all the respondent because the researcher have to follow all the procedures and rules. Some of the questionnaires given to them has delay returned.

Future studies should ideally include individual from multiple units and examine additional types of performance, such as uncertainty avoidance (Hofstede, 1980) and tradition (Schwartz, 1992), to understand more fully how leadership styles affect the relationship between leadership behavior and individual performance. The leaders were first-line supervisors and thus they were not subject to all the challenges faced by senior leaders, who

must lead teams of others employees in communicating vision, implementing strategy, and building strong public sectors among a broad base of employees. Future researchers may wish to test the model with more senior leaders from others sectors to see whether individual workers response to transformational leadership is also shaped by individual values. Furthermore, analyses of longitudinal data on leadership behavior, team processes, and individual performance will afford greater confidence in causal inferences.

5.6 Recommendations for future research

This study contains research that yielded empirical data regarding the correlation between employee perceptions principles of transformational and transactional leadership with their level of performance. However, transactional leadership approach was more significant to the public servants. These future studies could provide data to demonstrate that effective transactional leadership is not limited merely to practicing limited to individual, but to the group or team performance that active followers of other faiths can effectively implement the principles of transactional leadership in their lives.

Further research is also recommended among populations of different places, including differences based on others background. These additional studies could potentially demonstrate other factors not related to study preference that positively effect the implementation of principles of transactional leadership and provide data to enhance study.

5.7 Conclusion

The extent to which the leadership styles method is being practiced in Malaysian public organizations is moderate. However, this study found that the extent of transformational and transactional leadership is positively related to service provision. Thus, this study justifies the public reform of individual performance in public sectors as achieving its objective in terms of providing high-quality service to the public.

It has been observed that many public sectors have gone to great lengths to upgrade and renovate their physical appearance, and that such efforts have positive and significant relationship to the extent of transformational and transactional leadership as found in this study, due to the moderate extent of leadership practices. Thus, similar investments should also be made to enhance and reward the competencies associated with firms' human capital to the highest extent possible by using the performance based scheme that is currently in practice. In this way, quality services will be consistently provided to the public and this will assure customer satisfaction and loyalty to the government.

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Appendices



“KEDAH SEJAHTERA”

Tuan/Puan

**KAJIAN SOAL SELIDIK TERHADAP PRESTASI INDIVIDU DIKALANGAN
PENJAWAT AWAM DI DALAM PERKHIDMATAN AWAM.**

Saya Che Mahir Bin Ariffin, merupakan pelajar Ijazah Sarjana di Universiti Utara Malaysia, Sintok, Kedah. Kaji selidik ini disediakan sebagai memenuhi syarat pengijazahan sarjana. Tujuan kajian ini adalah untuk mengenal pasti prestasi setiap individu penjawat awam terhadap pekerjaan. Kaji selidik ini terbahagi kepada 3 bahagian . bahagian A adalah berkaitan dengan demografi , bahagian B berkenaan dengan gaya kepimpinan dan bahagian C adalah berkaitan dengan prestasi individu.

Sila baca soalan yang diberikan dengan berhati-hati sebelum menjawab. Anda adalah diharapkan menjawab segala soalan yang diberikan dengan sejujurnya. Kaji selidik ini hanya mengambil masa selama 10 – 15 minit untuk dijawab. Tiada jawapan benar atau salah. Untuk maklumat anda, segala jawapan anda akan dirahsiakan. Data yang diberikan, hanyalah tujuan akademik sahaja.

Terima kasih kerana telah meluangkan masa untuk menjawab kaji selidik ini dan kerjasama anda amatlah dihargai.

Yang benar,

(CHE MAHIR BIN ARIFFIN)

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BAHAGIAN A: LATAR BELAKANG RESPONDEN

Sila tandakan (v) pada jawapan yang paling sesuai.

1. Jantina

Lelaki

Perempuan

2. Umur

18 hingga 25

26 hingga 30

31 hingga 35

36 hingga 40

Lainlain (sila nyatakan)

3. Kaum

Melayu

Cina

India

Lain-lain (sila nyatakan)

4. Status Perkahwinan

Bujang

Berkahwin

Lain-lain (sila nyatakan)

5. Tempoh Perkhidmatan

1 tahun ke bawah

1 – 3 tahun

4 – 6 tahun

7 tahun dan ke atas

6. Tahap Pendidikan

Tiada pendidikan formal

Rendah

Menengah

Lain-lain (sila nyatakan)

BAHAGIAN B: GAYA KEMPIMPINAN

Sila bulatkan pada jawapan yang paling sesuai bagi setiap soalan berdasarkan skala di bawah.

1	2	3	4	5
Sangat tidak setuju	Tidak setuju	Antara Tidak setuju / Setuju	Setuju	Sangat setuju

1. Ketua saya menyediakan bantuan/ganjaran sebagai balasan di atas usaha saya. .	1	2	3	4	5
2. Ketua saya akan menilai semula terhadap andaian-andaian kritikal kepada soalan samada ianya sesuai ataupun tidak.	1	2	3	4	5
3. Ketua saya gagal untuk campurtangan sehingga masalah menjadi lebih serius.	1	2	3	4	5
4. Ketua saya memberi tumpuan ke atas penyelewengan, kesilapan, pengecualian dan penyimpangan daripada piawaian yang ditetapkan.	1	2	3	4	5
5. Ketua saya menerangkan tentang nilai dan kepercayaannya yang paling penting	1	2	3	4	5
6. Ketua saya mencari perspektif yang berbeza dalam menyelesaikan masalah.	1	2	3	4	5
7. Ketua saya bercakap secara optimis mengenai masa hadapan.	1	2	3	4	5
8. Ketua saya menyemai kebanggaan dalam diri saya apabila saya dapat bekerjasama dengannya.	1	2	3	4	5
9. Ketua saya berbincang dalam terma-terma yang spesifik terhadap siapa yang bertanggungjawab untuk mencapai sasaran prestasi.	1	2	3	4	5
10. Ketua saya menunggu sehingga sesuatu menjadi masalah sebelum mengambil tindakan.	1	2	3	4	5
11. Ketua saya bercakap dengan bersemangat mengenai apa yang perlu dicapai .	1	2	3	4	5
12. Ketua saya menjelaskan pentingnya untuk mempunyai kepekaan yang tinggi terhadap tujuan.	1	2	3	4	5
13. Ketua saya meluangkan masa untuk mengajar dan melatih.	1	2	3	4	5
14. Ketua saya menjelaskan mengenai jangkaan bagi penerimaan sekiranya matlamat prestasi tercapai.	1	2	3	4	5
15. Ketua saya mempamerkan kepercayaan yang teguh terhadap "jangan diperbetulkan ,sekiranya tidak rosak".	1	2	3	4	5

Sila bulatkan pada jawapan yang paling sesuai bagi setiap soalan berdasarkan skala di bawah.

1	2	3	4	5
Sangat tidak setuju	Tidak setuju	Antara Tidak setuju / Setuju	Setuju	Sangat setuju

16. Ketua saya membelakangkan kepentingan dirinya demi kebaikan kumpulan.	1	2	3	4	5
17. Ketua saya menganggap saya sebagai seorang individual dan bukan hanya sebagai anggota sesebuah kumpulan.	1	2	3	4	5
18. Ketua saya menunjukkan bahawa masalah perlulah menjadi kronik/sukar sebelum mengambil tindakan.	1	2	3	4	5
19. Ketua saya mempamerkan tindakan yang dapat membina rasa hormat terhadap dirinya.	1	2	3	4	5
20. Ketua saya memberikan sepenuh tumpuan ketika berhadapan dengan kesilapan, aduan dan kegagalan.	1	2	3	4	5
21. Ketua saya mempertimbangkan kesan moral dan etika dalam keputusannya.	1	2	3	4	5
22. Ketua saya merekod semua kesilapan yang telah saya lakukan. .	1	2	3	4	5
23. Ketua saya mempamerkan kekuatan dan keyakinan.	1	2	3	4	5
24. Ketua saya menjelaskan secara terperinci mengenai visi yang menarik pada masa hadapan.	1	2	3	4	5
25. Ketua saya menarik perhatian saya terhadap kegagalan dalam mencapai piawaian.	1	2	3	4	5
26. Ketua saya menganggap kami mempunyai kemahuan, kebolehan dan harapan yang berbeza.	1	2	3	4	5
27. Ketua saya membolehkan saya melihat sesuatu masalah dari pelbagai sudut yang berbeza.	1	2	3	4	5
28. Ketua saya membantu dalam membentuk kekuatan diri saya.	1	2	3	4	5
29. Ketua saya mencadangkan beberapa cara baru dalam menyiapkan tugas.	1	2	3	4	5
30. Ketua saya menekankan pentingnya untuk peka terhadap misi secara kolektif.	1	2	3	4	5
31. Ketua saya mempamerkan kepuasannya apabila saya memenuhi jangkaan.	1	2	3	4	5
32. Ketua saya mempamerkan keyakinan bahawa matlamat pasti akan tercapai.	1	2	3	4	5

BAHAGIAN C: PRESTASI INDIVIDU

Sila bulatkan pada jawapan yang paling sesuai bagi setiap soalan berdasarkan skala dibawah.

1	2	3	4	5
Sangat tidak setuju	Tidak setuju	Antara Tidak setuju / setuju	Setuju	Sangat setuju

1. Memberi bayaran atau imbuhan kepada pekerja boleh meningkatkan prestasi individu atau kumpulan.	1	2	3	4	5
2. Daya usaha yang telah dilakukan oleh Jabatan didalam pengukuran prestasi pekerja adalah yang terbaik.	1	2	3	4	5
3. Pemberian ganjaran oleh Jabatan adalah wajar berdasarkan kepada kekananan perkhidmatan (seniority) (tahun berkhidmat).	1	2	3	4	5
4. Penglibatan perbincangan bersama pekerja adalah wajar didalam penetapan matlamat dan penilaian prestasi dalam Jabatan.	1	2	3	4	5
5. Didalam perbincangan berkaitan dengan penilaian prestasi, Jabatan perlu mengutamakan ketegasan untuk mencari kaedah pembangunan untuk individu.	1	2	3	4	5
6. Perbincangan yang berkisar mengenai prestasi pekerja umumnya memfokuskan kepada mencari penyelesaian masalah berkaitan penilaian prestasi.	1	2	3	4	5
7. Pembayaran pendapatan (gaji) yang diperolehi oleh pekerja adalah melebihi kadar pembayaran pasaran semasa.	1	2	3	4	5
8. Kekerapan diadakan perbincangan mengenai prestasi individu adalah wajar dibincangkan bersama pekerja di dalam Jabatan.	1	2	3	4	5

Section	Variables	No of Items
Section A	Personal Background	6
	<ul style="list-style-type: none"> • Gender • Age • Race • Marital Status • Length Of Service • Education Level 	
Section B	Transformational Leaders Styles	
	Spends time teaching and coaching	
	Item 1. Treats me as an individual rather than just as a member of a group	
	Item 2. Considers me as having different needs, abilities, and aspirations from others	
	Item 3. Helps me to develop my strengths	
	Provides me with assistance in exchange for my efforts	
	Item 4. Discusses in specific terms who is responsible for achieving performance targets	
	Item 5. Makes clear what one can expect to receive when performance goals are achieved	
	Item 6. Expresses satisfaction when I meet expectations	
	Focuses on irregularities, mistakes, exceptions, and deviations from standards	
	Item 7. Keeps track of all mistakes	
	Item 8. Directs my attention toward failures to meet standards	
	Re-examines critical assumptions to question whether they are appropriate	
	Item 9. Seeks differing perspectives when solving problems	
	Item 10. Gets me to look at problems from many different angles	
	Item 11. Suggests new ways of looking at how to complete assignments	
	Talks optimistically about the future	
	Item 12. Talks enthusiastically about what needs to be accomplished	
	Item 13. Articulates a compelling vision of the future	
	Item 14. Expresses confidence that goals will be achieved	

Talks about his/her most important values and beliefs

Item 15. Specifies the importance of having a strong sense of purpose

Item 16. Considers the moral and ethical consequences of decisions

Item 17 Emphasizes the importance of having a collective sense of mission

Instills pride in me for being associated with him/her

Item 18 Goes beyond self-interest for the good of the group

Item 19 Acts in a way that builds my respect

Item 20 Displays a sense of power and confidence

Section C Transactional Leadership Styles

a. Contingent Reward

Item 1. My leader provides me with assistance in exchange for my efforts.

Item 2. My leader discusses in specific terms for who is responsible for achieving performance targets.

Item 3. My leader makes clear what one can expect to receive when performance goals are achieved.

Item 4. My leader expresses satisfaction when I meet expectations.

b. Active Management by-exception

Item 5. My leader focuses on irregularities, mistakes, exception, and deviations from standards.

Item 6. My leader concentrates his/her full attention on dealing with mistakes, complaints, and failures.

Item 7. My leader keeps track of all mistakes.

Item 8. My leader directs my attention toward failures to meet standards.

c. Passive Management by-Exception

Item 9. My leader fails to interfere until problems become serious.

Item 10. My leader waits for things to go wrong before taking action.

Item 11. My leader shows that he/she is a firm believer in “ *if it ain't broke don't fix it*”

Item 12. My leader demonstrates that problems must be chronic taking action.

Section C Individual Performance

(1) Pay for employees is closely tied to individual or group performance.

(2) There is a great deal of effort to measure employee performance.

(3) Reward practices are based on seniority (years of service).

(4) There is a great deal of participation by employees in goal setting and appraisal in the organization.

(5) When performance is discussed, there is a place of great deal emphasis on finding avenues of personal development.

(6) Discussion about employee performance generally focuses on resolving performance related problems.

(7) Pay levels are above the market rate industry.

(8) How often is performance discussed with employees in the organization

Reliability Analysis – Transformational leadership**Descriptive Statistics**

	Mean	Std. Deviation	N
transformational	74.1900	11.62347	100
indiv_performance	31.5100	4.33798	100

Correlations

		transformational	indiv_performance
transformational	Pearson Correlation	1	.366**
	Sig. (2-tailed)	.	.000
	N	100	100
indiv_performance	Pearson Correlation	.366**	1
	Sig. (2-tailed)	.000	.
	N	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

Reliability Analysis – Transactional leadership**Descriptive Statistics**

	Mean	Std. Deviation	N
transactional	40.5100	5.84565	100
indiv_performance	31.5100	4.33798	100

Correlations

		transactional	indiv_performance
transactional	Pearson Correlation	1	.534**
	Sig. (2-tailed)	.	.000
	N	100	100
indiv_performance	Pearson Correlation	.534**	1
	Sig. (2-tailed)	.000	.
	N	100	100

** . Correlation is significant at the 0.01 level (2-tailed).

Regression Analysis - Transformational leadership and Transactional leadership

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.536 ^a	.287	.272	3.70027

a. Predictors: (Constant), transactional, transformational

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	15.794	2.695		5.861	.000
	transformational	-.023	.048	-.063	-.492	.624
	transactional	.431	.094	.580	4.560	.000

a. Dependent Variable: indiv_performance

ANOVA(b)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	534.866	2	267.433	19.532	.000(a)
	Residual	1328.124	97	13.692		
	Total	1862.990	99			

a Predictors: (Constant), transactional, transformational

b Dependent Variable: indiv_performance