

**EFFECT OF LEADERSHIP STYLE TOWARD  
ORGANIZATIONAL PERFORMANCE:  
A CASE STUDY OF ROYAL MALYSIAN NAVY**

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**As thesis submitted to College of Business in partial fulfilment of the requirement for  
the degree of Master of Science in Management (MSc. Management)**

**By:**

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## **ABSTRACT**

National security is one of the important aspects that Malaysian's government was extremely concerned. Each year, certain amount of budget is allocated for national defence security purposes either for purchasing new equipments or providing training and development for the military. Many of the officers in military are sent to higher education learning institution to gain knowledge for themselves in order for them to build up their personal characteristic and better manage their followers. As a result, this research will provide depth insight to the importance and effects of transactional and transformational leadership style to the organizational performance. Primary data are collected through semi structured interviews with randomly chosen ship commanding officers. Meanwhile secondary data are collected from various sources such as from Royal Malaysian Navy Inspection Team's report regarding the performance score of each chosen ship commanding officer. Results obtained shows that the combination of transactional and transformational leadership style's characteristic achieved higher performance scores. Therefore, Royal Malaysian Navy (RMN) should recognize the leadership style which best fit for ship commanding officers in order to improve the organizational effectiveness, efficiency and performance.

**Keywords:** Leadership Style, Transactional, Transformational, Organizational Performance

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CDR ISMAIL BIN OTHMAN RMN

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## LIST OF ABBREVIATIONS

EEZ	=	Exclusive Economic Zone
EQ	=	Emotional Intelligence Quotient
FOC	=	Fleet Operational Command
IQ	=	Intelligent Quotient
MBJ	=	Malaysian Base Jetty
MNF	=	Malayan Naval Forces
QDA	=	Qualitative Data Analysis
RMN	=	Royal Malaysian Navy
SSVNR	=	Straits Settlement Volunteer Naval Reserve
WWW	=	World Wide Web

# **CHAPTER ONE**

## **CASE BACKGROUND**

### **1.0 Background of Royal Malaysian Navy (RMN)**

The Royal Malaysian Navy began with the establishment of the Straits Settlement Volunteer Naval Reserve (SSVNR) which was established by the British colonial government in Malaya on 27 April 1934 in Singapore. SSVNR established to assist the Royal Navy to defend the Malayan maritime due to growth and political turbulence in Asia due to the Japanese Empire expanding its power and influence.

When World War II broke out in Europe, SSVNR increased recruitment to strengthen the defense of Malaya as the assets of the Royal Navy needed in field operations in Europe. SSVNR was also been mobilized for active service as a unit of The Royal Navy Malay Section with a total strength of 400 members. This group was trained in HMS PELANDOK training camps. Membership of The Malay Navy subsequently increased to 1450 people when the war broke out in Southeast Asia.

During World War II, The Malay Navy served in the Allied Forces which is under the flag of the British Royal Navy. The Malay Navy served with the Royal Navy in the field operations at the Indian Ocean and the Pacific. When the war ended with Japan's surrender in 1945, there were only 600 members reported back to headquarters. In 1947, The Malay Navy was disbanded due to economic recession.

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