

# **ANALYSIS OF LEADERSHIP TAXONOMIES AND ORGANIZATIONAL OUTCOMES: EMPIRICAL EVIDENCE FROM MEDIA INDUSTRY OF PAKISTAN**

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## **Abstract**

This study was conducted to investigate various leadership taxonomies in media industry of Pakistan and their impact on certain organizational outcomes. The importance of and need for leadership in corporate is ever increasing. Various industries, now a day, are in a constant state of flux, and leaders in its constituting organizations are liable to alter the work settings in order to ensure compatibility with the changes. Furthermore, the recent layers of global recession have also necessitated a reshaping of organizational strategies. In these testing times, the organizations need leaders who can effectively deal with the situation as well as keep their workforce dedicated and motivated. Although there have been numerous international studies on leadership behaviours and organizational outcomes by using Multifactor Leadership Questionnaire, yet such comprehensive studies in the local corporate context have been missing. This was a pure quantitative research aimed at analyzing leadership styles and organizational outcomes through survey research design. For this purpose a questionnaire was designed and data was collected from a sample of 120 respondents. Four hypotheses were developed and tested through regression analysis. Various other statistical techniques including demographical analysis, reliability analysis and correlations were also employed for data analysis. The survey findings show strong correlations between some particular leadership styles and the organizational outcomes. The research significantly highlights the true fit between leadership taxonomies and the organizational outcomes. The research concludes with various ways of devising strategies which can enhance organizational outcomes by adopting appropriate leadership style.

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**Keywords:** Leadership taxonomies, organizational outcomes, Multifactor leadership questionnaire

## **Introduction**

### **Background of Study**

Leadership has been a fundamental and extensively researched part of management literature. No other aspect has received much attention in management than the leadership.

Various leadership theories have evolved with changing technologies and environments. With the passage of time, the importance of and need for effective leadership in almost every organizational setting has been increased. The organizations, now a day, are in a constant state of flux, and leaders in its constituting organizations are liable to alter the work settings in order to ensure compatibility with the changes. Furthermore, the recent layers of global recession have also necessitated a reshaping of organizational strategies. In these testing times, the organizations need leaders who can effectively deal with the situation as well as keep their workforce dedicated and motivated.

These current and future challenges that are faced by organizations today require effective leadership if these is to remain vital enclaves of productivity, effectiveness, and service. The recent researches have expressed the concern that leaders in various fields are not sufficiently utilizing the dynamic leadership styles needed to maintain and enhance the organizational outcomes in today's increasingly complex internal and external environments. This study has been conducted to analyze leadership taxonomies among leaders in media sector of Pakistan as how different leadership styles adopted by bosses contribute towards organizational outcomes. Although there have been numerous international studies on leadership behaviours and organizational outcomes by using multifactor leadership questionnaire, yet such comprehensive studies in the local corporate context have been missing. This research significantly highlights how various leadership taxonomies impact certain organizational outcomes and also brings forth a comprehensive view of adopting appropriate leadership style with regards to a particular situation and organizational settings.

### **Research Objectives**

#### **The objective of this research is to understand**

- Various leadership styles displayed by the bosses
- The organizational outcomes related to the leadership style
- Which leadership styles are frequently displayed in the local media sector
- The suitable leadership style adopted by bosses as per organizational settings
- The impact of leadership taxonomies on organizational outcomes with a focus on effectiveness, extra effort and satisfaction

### **Problem Statement**

The problem statement is as follows:

Different leadership taxonomies prevail in the corporate media sector with the objective of enhancing outputs. What are the desired leadership taxonomies which can be exploited for improved outputs and how do these behaviors affect certain organizational outcomes?

### **Research Methodology**

Leadership taxonomies and their related organizational outcomes have rarely been studied in the local context. A pure quantitative approach has been used in this research to measure the leadership styles and organizational outcomes. Bass and avolio's multifactor leadership questionnaire form has been used for collecting data and information from the sample of population. This tool proved extremely helpful in obtaining information as it permitted employees to express their feelings anonymously and safely. The research aimed to bring forth different leadership styles displayed in the local corporate sector and how these styles affect certain organizational outcomes. The research was limited to the media organizations operating in the city of Karachi.

### **Research Tool**

This was a survey design research in which questionnaires were administered to a pool of respondents. Multifactor leadership questionnaire (MLQ) developed by Boss and Avolio has been utilized as data collection tool in this study. The MLQ measures certain leadership taxonomies which include transformational leadership, transactional leadership and laissez faire leadership. The MLQ also measures certain organizational outcomes related to leadership styles of bosses. These organizational outcomes include effectiveness, extra effort and satisfaction.

## **Research Variables**

The leadership factors (transformational, transactional and laissez faire) are taken as the independent variables for this research while organizational outcomes are taken as dependent variables. The independent variables (leadership factors) have been categorized as;

- Idealized influence (attributed)
- Idealized influence (behavior)
- Inspirational motivation
- Intellectual stimulation
- Individual consideration
- Contingent reward
- Management by exception (active)
- Management by exception (passive)
- Laissez faire

As per the conceptual framework of the study, the organizational outcomes are dependent on certain leadership factors. These dependent variables of organizational outcomes have been classified as follows:

- Effectiveness
- Extra effort
- Satisfaction

## **Hypothesis**

Following are the hypotheses of this study:

H1–transformational leadership is positively and significantly related to organizational outcomes

H2–contingent reward is positively and significantly related to organizational outcomes

H3–management by exception is positively and significantly related to organizational outcomes

H4- laissez faire leadership is positively and significantly related to organizational outcomes

## **Respondents**

The respondents were middle management; managers, front-line managers, assistant managers, young executives and junior officers. Their bosses were mostly general managers, team/project leaders, assistant vice presidents etc. The sample included a total of 120 respondents.

## **Sampling**

Non probability sampling was designated for this research under which convenience sampling was utilized.

## **Leadership**

When one individual attempts to affect the behavior of others in a group without using the coercive form of power, we describe the effort as leadership (Gibson, Ivancevich & Donnelly, 1991). The literature of leadership has progressed along several paths, with most of the earlier definitions and writings focused on the use of power and authority. Later research shifts attention to the traits of leaders and their behavioral styles, e.g. Autocratic, participative. Another path emphasized the situation and how the leaders, followers, and situation interact and work. Other parameters that have been considered in the development of leadership theories include the organization's governance structure, such as bureaucratic, collegial, or

political; leadership styles, such as democratic, laissez-faire, or political; functions of leadership, describing what leaders do; organizational task analysis, such as management by objectives (drucker, 1954); types of people, such as theory x and theory y leadership (mcgregor, 1960); and relationships between tasks and people (fleishman, 1953; likert, 1961).

## **Theories of Leadership**

### **Trait Theory**

In the middle of the twentieth century, discussion and research was focused on identifying certain traits associated with effective leadership. Finding valid ways to measure personality traits has been a problem for researchers (gibson et al, 1991). Trait theories of leadership have attempted to correlate effective leadership with physical characteristics, such as age, height, weight, and appearance. These studies have produced contradictory results (stogdill, 1948). The traits most associated with leadership effectiveness in studies conducted in the mid 1900's were: intelligence, judgment, creativity, integrity, independence, cooperation, self confidence, emotional balance and diplomacy (stogdill, 1974, argyris, 1955) however, leadership success is neither primarily nor completely a function of these or other traits, and many contradictory research findings still exist.

### **Personal-Behavioral Theories**

In the late 1940's the studies which were conducted were focused on evaluating the behavior of individuals and relating that to leadership impact. Rather than searching for personality traits, these studies endeavored to analyze the behavioral manifestations of a person exhibiting leadership. This resulted in a number of well-known personal-behavioral leadership theories. These two-facto theories isolated characteristics of leaders who focused on human concerns from leaders whose main focus was the task, or getting the job done. This person-task dichotomy led to the development of the employee-centered and job- centered leadership styles identified by Likert (1961) and his colleagues at the University of Michigan. The principle subjects in their research were formal leaders and followers in public utilities, banks, hospitals, manufacturing, food, and government agencies. The university of Michigan studies concluded that although employee-centered and job-centered styles resulted in production improvement, after a brief period of time the job-centered style created pressure that was resisted through absenteeism, turnover, grievances, and poor attitudes. Although it appeared that the best style of leadership was employee-centered, the studies did not clearly show that one particular style of leadership was always the most effective.

### **The Path-Goal Leadership Theory**

This theory was originally presented by house in 1971. According to this theory, leaders should increase the number and kinds of rewards available to subordinates, and should provide guidance and counsel to clarify the manner in which these rewards can be attained. The leader works at making the path to goals as clear as possible for subordinates. Although the path-goal model is an improvement over the trait and personal-behavior theories, the predictive power of the model is questionable. Hersey and Blanchard (1982) developed a third situational leadership model called the tri-dimensional leader effectiveness model. In this model, the leadership behavior is classified as task behavior and relationship behavior. The third dimension of the tri-dimensional model is the environment in which the leader is operating. The effectiveness of the leader depends on how personal leadership style interrelates with the environment in which he or she operates. Leadership behaviors in the tri-dimensional model have been studied using the leader effectiveness and adaptability description instrument (lead) (heresy & Blanchard, 1974). Researchers have concluded that no leadership style can be regarded as the ultimate option, and the leaders who are able to

modify their leadership style with regards to a particular situation or external environment can be termed as the effective leader.

### **Transformational Leadership Theory**

Many of the leadership theories discussed thus far have implied that leadership is an exchange process and that leaders reward followers when they accomplish agreed-upon objectives. A special case of transactional leadership, but one in which an employee's reward is internal, is referred to as transformational. Since the 1980's, much of the discussion on leadership has focused on transformational characteristics. A theory of leadership proposed by Burns (1978) and elaborated by Bass (1985) identifies the transformational leader as one who motivates followers to work for transcendental goals and for higher level self-actualizing needs instead of working through simple exchange relationships with followers (Bass, Avolio, & Goodheim, 1987). Transformational leader provides a vision and then inspires the followers to dedicate themselves for achievement of envisioned objectives. While transactional leaders clarify routines, give directions and adjust work settings, transformational leaders make major changes in the mission, business methodologies and workforce management, in order to achieve the envisioned philosophies. The transformational leader may change the entire philosophy, systems, and culture of an organization.

### **Leadership Factors**

#### **Transformational Leadership Factors**

**Idealized influence (attributed):** The employees perceive their leaders as influential, charismatic and dedicated to attainment of higher objectives.

**Idealized influence (behavior):** The steps taken by the leader are based upon certain ethics, values and achievement of mission.

**Inspirational motivation:** Leaders effectively present a roadmap for life cycle of the organization, and motivate the subordinates to subordinate their personal agendas in favor of organizational preferences.

**Intellectual stimulation:** Leaders foster a learning and adaptive culture where freedom of expression of ideas exist. People are willing to take risks and innovation & creativity is encouraged by the superiors.

**Individual consideration:** Leaders deal with their subordinates individually; boost their confidence personally and groom them to the fullest of their potential.

#### **Transactional Leadership Factors**

**Contingent reward:** Leaders give certain reward to the subordinates who are able to complete the assigned job meticulously.

**Management-by-exception (Active):** The leaders actively check the subordinates and take immediate remedial measures when some mistakes are being done.

**Management-by-exception (Passive):** The leaders provide freedom to subordinates to perform their routine tasks and take action only in case of emergence of certain problems or deteriorating of established standards.

### **Studies in Leadership using the MLQ**

Research using the MLQ to study leaders in a wide variety of fields has consistently shown stronger relationships to organizational outcomes for transformational leadership than between organizational outcomes and transactional leadership (Seltzer & Bass, 1990). The relationship between transformational leadership behaviors and various organizational outcomes has been a prime aspect of research, and studies have indicated that job satisfaction

of subordinates is enhanced by transformational leadership behaviors. Yusof (1998) investigated the relationship between coaches' job satisfaction and transformational leadership behaviors of athletic directors and found that subordinates' job satisfaction is enhanced by transformational leadership behaviors. Thus, coaches who evaluated their superiors as low in transformational leadership behaviors were less likely to be satisfied with their job than their counterparts who viewed their athletic directors as highly transformational.

Another important question in leadership research is the relationship between transformational leadership and learning, particularly where learning is transformed into useable knowledge to accomplish objectives or solve problems. Ash (1997) studied the influence of leadership style on work teams and found that transformational leadership behaviors and actions often do influence individual and group learning. Transformational leaders created a climate for learning by encouragement, establishing cooperation and the identifying and using team talent. These leaders enabled team members to learn how their actions and decisions affect larger systems and provided team members with opportunities to become their own leader.

## Data Analysis and Findings

### Transformational Leadership & Organizational Outcome

#### Statistical Analysis:

Summary output

| Regression statistics |          |
|-----------------------|----------|
| Multiple r            | 0.831822 |
| R square              | 0.691928 |
| Adjusted r square     | 0.688785 |
| Standard error        | 0.587981 |
| Observations          | 120      |

  

| Anova      |     |          |          |          |                |
|------------|-----|----------|----------|----------|----------------|
|            | Df  | Ss       | Ms       | F        | Significance f |
| Regression | 1   | 76.09599 | 76.09599 | 220.1079 | 8.46e-27       |
| Residual   | 118 | 33.88068 | 0.345721 |          |                |
| Total      | 119 | 109.9767 |          |          |                |

  

|               | Coefficients | Standard error | T stat   | P-value  |
|---------------|--------------|----------------|----------|----------|
| Intercept     | -0.0613      | 0.174107       | -0.3521  | 0.725517 |
| Tf leadership | 1.010886     | 0.068137       | 14.83604 | 8.46e-27 |

Table 4.4: regression analysis between transformational leadership and organizational outcomes

#### Explanation

From the table we can see that

F test value is 220 meaning that the model is highly significant

T value is 14.83, showing high significance of the variables

The result of this regression test is given below in form of an equation:

$$O.O = -0.0613 + 1.011 TF$$

$$\text{Organizational Outcome} = -0.0613 + 1.011 \text{ Transformational Leadership}$$

This equation mathematically shows that if transformational leadership at workplace increase by 1 then organizational outcome would increase by 0.95 (-0.0613 + 1.011 \* 1). This shows that whenever there is an increase/decrease in transformational leadership at workplace then organizational outcome would increase/decrease in the same direction to almost the same degree. Hence our following hypothesis is Accepted:

H1: Transformational leadership is positively and significantly related to organizational outcomes.

## Contingent Reward (factor of Transactional Leadership) and Organizational Outcomes Statistical Analysis:

Summary output

| Regression statistics |              |                |          |          |                |
|-----------------------|--------------|----------------|----------|----------|----------------|
| Multiple r            |              | 0.904979       |          |          |                |
| R square              |              | 0.818986       |          |          |                |
| Adjusted r square     |              | 0.817139       |          |          |                |
| Standard error        |              | 0.392736       |          |          |                |
| Observations          |              | 120            |          |          |                |
| Anova                 |              |                |          |          |                |
|                       | Df           | Ss             | Ms       | F        | Significance f |
| Regression            | 1            | 68.39014       | 68.39014 | 443.3957 | 3.76e-38       |
| Residual              | 118          | 15.11569       | 0.154242 |          |                |
| Total                 | 119          | 83.50583       |          |          |                |
|                       | Coefficients | Standard error | T stat   | P-value  |                |
| Intercept             | 0.240084     | 0.116293       | 2.064472 | 0.041615 |                |
| Contingent reward     | 0.958337     | 0.045512       | 21.05696 | 3.76e-38 |                |

Table 4.5: regression analysis between contingent reward and organizational outcomes

### Explanation

From the table we can see that

F test value is 443.4 meaning that the model is highly significant

T value is 21.06, showing high significance of the variables

The result of this regression test is given below in form of an equation:

$$O.O = 0.24 + 0.96 CR$$

$$\text{Organizational Outcome} = 0.24 + 0.96 CR$$

This equation mathematically shows if contingent reward increase by 1 then organizational outcome would increase by 1.2 ( $0.24 + 0.96 * 1$ ). This shows that whenever there is an increase/decrease in contingent reward at workplace then organizational outcome would increase/decrease in the same direction to almost the same degree. Hence our following hypothesis is Accepted:

H2: Contingent Reward is positively and significantly related to Organizational Outcomes

## Management by Exception (factor of Transactional Leadership) and Organizational Outcomes

### Statistical Analysis:

Summary output

| Regression statistics |     |          |          |          |                |
|-----------------------|-----|----------|----------|----------|----------------|
| Multiple r            |     | 0.838744 |          |          |                |
| R square              |     | 0.703491 |          |          |                |
| Adjusted r square     |     | 0.700465 |          |          |                |
| Standard error        |     | 0.502403 |          |          |                |
| Observations          |     | 120      |          |          |                |
| Anova                 |     |          |          |          |                |
|                       | Df  | Ss       | Ms       | F        | Significance f |
| Regression            | 1   | 58.68824 | 58.68824 | 232.5128 | 1.29e-27       |
| Residual              | 118 | 24.73605 | 0.252409 |          |                |
| Total                 | 119 | 83.42429 |          |          |                |

|                         | Coefficients | Standard error | T stat   | P-value  |
|-------------------------|--------------|----------------|----------|----------|
| Intercept               | 0.166252     | 0.148767       | 1.117533 | 0.266499 |
| Management by exception | 0.887763     | 0.05822        | 15.24837 | 1.29e-27 |

Table 4.6: regression analysis between management by exception and organizational outcomes

### Explanation

From the table we can see that

F test value is 232.5 meaning that the model is highly significant

T value is 15.2, showing high significance of the variables

The result of this regression test is given below in form of an equation:

$$O.O = 0.17 + 0.89 \text{ MBE}$$

$$(\text{Decline in}) \text{ Organizational Outcomes} = 0.17 + 0.89 \text{ Management by Exception}$$

This equation mathematically shows that if management by exception increases by 1 then decline in organizational outcome would increase by 1.06 ( $0.17 + 0.89 * 1$ ). This means that decline in organizational outcome is directly proportional to or positively dependent on management by exception i.e. An increase in overall management by exception means a decline in organizational outcomes. Hence our following hypothesis is Rejected:

H3: Management by exception is positively and significantly related to Organizational Outcome

### Laissez Faire Leadership and Organizational Outcomes:

#### Statistical Analysis:

Summary output

| Regression statistics |          |
|-----------------------|----------|
| Multiple r            | 0.823858 |
| R square              | 0.678742 |
| Adjusted r square     | 0.675464 |
| Standard error        | 0.514112 |
| Observations          | 120      |

| Anova      |     |          |          |          |                |
|------------|-----|----------|----------|----------|----------------|
|            | Df  | Ss       | Ms       | F        | Significance f |
| Regression | 1   | 54.72591 | 54.72591 | 207.0511 | 6.66e-26       |
| Residual   | 118 | 25.90249 | 0.264311 |          |                |
| Total      | 119 | 80.6284  |          |          |                |

|                          | Coefficients | Standard error | T stat   | P-value  |
|--------------------------|--------------|----------------|----------|----------|
| Intercept                | 0.384161     | 0.152234       | 2.52349  | 0.013228 |
| Laissez faire leadership | 0.857271     | 0.059577       | 14.38927 | 6.66e-26 |

table 4.7.: regression analysis between laissez faire leadership and organizational outcomes

### Explanation

From the table we can see that

F test value is 207 meaning that the model is highly significant

T value is 14.4, showing high significance of the variables

The result of this regression test is given below in form of an equation:

$$O.O = 0.384 + 0.857 \text{ LF}$$

$$(\text{Lack of}) \text{ Organizational Outcome} = 0.384 + 0.857 \text{ Laissez Faire Leadership}$$

This equation mathematically shows that if laissez faire leadership increase by 1 then organizational outcome would decline by 1.24 ( $0.38 + 0.86 * 1$ ). This means that lack of organizational outcome is directly proportional to or positively dependent on laissez faire

leadership i.e. An increase in overall laissez faire leadership at workplace means an increase in lack of organizational outcome. Hence our following hypothesis is Rejected:

H4: Laissez Faire Leadership is positively and significantly related to Organizational Outcomes

## Discussion

Leadership involves the use of power and acceptance of the leader by the followers. This ability to influence followers is related to followers' need satisfaction. The trait approach has attempted to predict leadership effectiveness from physical, sociological, and psychological traits. Personal- behavioral descriptions of what the leader does use terms such as employee-centered, job-centered, initiating structure, and consideration, resulting in a great deal of semantic confusion and overlap in the definition of leadership behavior. The personal-behavioral approach suggests that leaders should consider situational variables, and they can do little to improve effectiveness unless they can properly modify these variables or change their leadership style. The situational approach emphasizes the importance of forces within the leader, subordinates, and the organization. To achieve effectiveness, the interaction of these forces must be properly diagnosed. Transformational leadership theory describes the leader who motivates others by subordinating personal self interest in the favor of self actualization and achievement of organizational objectives. This study clearly shows that leadership style is a major determinant of organizational outcomes and is the most vital force in making and shaping organizational contributions and achievements. It is clear that employees' output and satisfaction resonates strongly with the leadership style of their bosses. There is a very strong emotional and behavioural contagion at work in the workplace where the juniors are greatly and deeply influenced by the leadership behaviour of their superiors. The survey shows that an effective leadership style adopted by the boss eventually makes his subordinates perform better and efficiently. This in turn phenomenally enhances the certain organizational outcomes.

The first hypothesis of this study is that transformational leadership is positively and significantly related to organizational outcomes. This study advocates that there is a strong positive correlation between transformational behaviors and three organizational outcomes. All correlations were statistically significant. This hypothesis was accepted (table 4.3). This positive relationship has been strongly supported in the literature, including, but not limited to, studies of world leaders, clergy, business managers, naval officers, and financial executives. Yusof (1998) found that transformational behaviors in athletic coaches resulted in the job satisfaction of their employees. Ash (1997) found that transformational leaders had the knowledge and skills to accomplish organizational objectives and solve problems. Research on leadership in health care has also supported the positive relationship between transformational behaviors and organizational effectiveness (arends, 1997; opeil, 1998). The education literature also supports the positive relationship between transformational leadership and organizational outcomes. In a study of K-12 school administrators, stone (1992) observed that transformational styles were related to long term development and change, produced higher levels of effort and satisfaction of teachers, and greater productivity and outcomes for the organization. Leadership behaviors of leaders in local corporate sector have not previously been studied using the MLQ. The findings in this study on the positive relation among transformational behaviors and organizational outcomes are consistent with the leadership research in other fields and contribute to the available literature on transformational leadership.

The second hypothesis of this study is that contingent reward is positively and significantly related to organizational outcomes. As long as the transactional leadership is concerned, contingent reward was the one transactional leadership factor which was found to

have strong positive correlations with all three organizational outcomes. This hypothesis was also accepted (table 4.4). While transformational behaviors define the charismatic, enthusiastic leader who inspires others with a vision, encourages creativity, and gives personal attention to all individuals, transactional behaviors describe a leader who gives individuals a clear understanding of what is expected of them and “intervenes only if standards are not being met or if something goes wrong.” While transactional behaviors relate to lower order managerial objectives and rewards for effort, with transformational leadership the employee’s reward is internal. In repeated investigations leaders have emerged as following both transformational and transactional leadership styles for employee management (avolio, bass & jung, 1995). The finding that contingent reward (CR) did not have a negative correlation with organizational outcomes was consistent with transformational leadership theory. When a factor analysis of relationships among all the scales on the MLQ was done in various leadership researches, the transactional behavior (contingent reward) was highly correlated with the transformational behaviors (avolio, bass & jung, 1995). The rigorous following of transactional leadership fosters a culture of managerial trust, compatibility and consistency, which acts as a foundation for transformational leadership. These findings have been supported in the literature on leaders in public administration, where contingent reward was related to job satisfaction (correli, 2004). In the higher education literature, archie (1997) also found that the transactional behavior, contingent reward, was related to the department chair’s effectiveness, faculty satisfaction, and extra effort.

The third hypothesis of this study is that Management by Exception is positively and significantly related to organizational outcomes. The finding in this study that was not frequently addressed in the leadership literature was the significant negative correlation between one of the transactional leadership behaviors (management by exception-passive) and the three perceived organizational outcome scales. Another transactional leadership behavior (management by exception-active) was found to have weak correlations with all three organizational outcomes. This hypothesis was rejected (table 4.5). A study of community college administrators also reported a negative correlation between management by exception-active and faculty satisfaction (archie, 1997). The last hypothesis of this study is that laissez faire leadership is positively and significantly related to organizational outcomes. The finding of this study which is consistent with all the previous researches and literature is that laissez faire leadership has significant negative correlation with all the three perceived organizational outcomes. This hypothesis was also rejected (table 4.6). Laissez faire has been characterized as a non leadership factor. A leader is characterized by his/her ability to mobilize people and guide towards collective achievements. Once a leader becomes indifference to what all is happening around, he falls into the category of laissez faire. Keeping in view the present era of rapidly changing environments and fluctuations, the leadership demands continuous presence of mind and appropriate decision makings. Contrary to this, laissez faire leadership believes in taking no action when required. Hence it is understandable that it is negatively related to organizational outcomes.

One of the major findings of this study was that demographic characteristics of leaders have a mixed relationship with leader behaviors. No significant relationships were found between transformational leadership behaviors and the leader’s gender. Several studies have supported the hypothesis that female leadership styles are more transformational than males (young, 1990; padde, 1995; daughtry& finch, 1997; maher, 1997). Although this finding was not supported in this study, there was a significant relationship between gender of the leader and the transactional behavior (management by exception-passive), and laissez-faire leadership, with males scoring higher than females. The age of the leader was found significantly related to transformational behavior (inspirational motivation) but the

relationship was not linear. One possible explanation for this finding may be that age is related to years of experience in the key managerial position.

There was a significant relationship between the transformational behavior (idealized influence- behavior) and years of experience in the position, and like the findings for age, the relationship was not linear. The transformational behavior (intellectual stimulation) was also significantly related to years of experience, but once again, this relationship was not linear. The executives with comparatively lesser years of experience had significantly higher scores for the transactional behavior (management by exception-active). These findings demonstrate the full range of leadership behaviors across the transactional-transformational continuum. The managers who are new to the position may use both transactional and transformational behaviors in the early stages of the job. When they are first becoming acquainted with subordinates, they may choose not to intervene much initially. The fluctuation in their transformational behaviors over time can be attributed to their own career endeavors. During the middle years of the managerial career, the transformational behaviors have been found to be on the decreasing side. A possible explanation to this fact may be that the leaders at this stage may become very much absorbed by promotion and tenure activities, leaving little time to inspire and motivate the subordinates. It is likely that during later years of their career, these leaders could once again be an idealized influence on their subordinates.

## **Conclusion**

This study investigated various leadership behaviors of bosses and their related organizational outcomes as measured by multifactor leadership questionnaire. Since transformational leadership behaviors are related to worker satisfaction and organizational effectiveness, the leaders can use this awareness as a rationale for career decisions and as a basis for personal growth. The awareness of one's leadership style can be used to identify the potential for success or failure in leadership positions in almost all the organizational settings. Transformational leadership theory and its relationship to organizational effectiveness can serve as a basis to form a framework for course content in leadership development. Transformational leadership behaviors can be taught in departmental in- services and training seminars, and promoted through designing organizational cultures to accommodate transformational styles of leadership. Increasing transformational leadership within organizations may help in the recruitment of employees, clients, and students who are likely to be attracted to a department whose leader is charismatic, successful, optimistic, and dynamic.

Every year millions of dollars are spent on employee and management training & development, and team interventions etc. But modifying leadership taxonomies of bosses remain largely ignored and unaffected. It acts as an impediment for any employee training to be internalized and fully utilized to its maximum potential. Organizations need to understand that without first working towards leadership aspect of bosses, none of other trainings would institutionalize the desired changes in the workforce and organizational outcomes. It is evident from the survey findings that adopting appropriate leadership style can significantly enhance the organizational outcomes. Organizations need to include in every training program a module of adopting appropriate leadership behaviour. Multifactor leadership questionnaire can be administered to find out the existing leadership style of bosses and managers. In this regard, an "appropriate leadership style chart" can be introduced which precisely highlight the appropriate leadership would style as per the situation. This indicator can then be called as ALSC, (appropriate leadership style chart). ALSC would then mean;

The degree to which a person or specifically a leader is aware of and acknowledges his/her existing leadership style.

The understanding and recognition of the organizational outcomes related to that leadership style. Understanding, how to regulate his/her leadership style or adopt a specific leadership style as per different situations and organizational settings.

The organizations need to make their professional development programs focus on promoting and developing the sense of adopting appropriate leadership style as per the situation or opportunity.

### **Limitations & scope for future research**

Leadership has numerous characteristics but for this paper, the research has been limited to only nine variables mentioned in multifactor leadership questionnaire. Similarly, only three organizational outcomes are measured by MLQ. The further research can be conducted by taking into consideration all the variables. Leadership styles of bosses can be studied both by psychological testing and survey findings from subordinates. Due to the researcher's little experience of psychological testing and the time constraints, the research has been restricted to conducting a survey by administering multifactor leadership questionnaire to employees in order to find out the existing leadership style of their bosses. The most notable limitation was that of limited available time. Another major hurdle was the lack of literature and studies in the local context. Although there are numerous international researches on such topic but the literature in context with local corporate sector was not available. Due to the nature of research, a notable limitation has been getting honest feedback from people. Although it was clearly specified on the survey questionnaire that the information given would be treated strictly for research purpose, yet a lot of respondents were reluctant to fill the questionnaires regarding their bosses. Another limitation is that the sample size is not sufficient enough to reflect the actual reality of the organizations functioning in Pakistan in context with determining the leadership style and its impact on organizational outcomes. The research was limited due to time and resource constraints. In order to have a more detailed insight, the future research may be carried out by taking greater sample size.

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