Leadership Styles, Organizational Culture and Organization Performance: A Conceptual Study on Public Sector in Abu Dhabi

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Abstract

The purpose of this paper is to determine the leadership styles, organizational culture and organization performance in Abu Dhabi public sector. This is a conceptual study, so no qualitative or quantitative approach was adopted to find the result discussion. To appreciate the manager’s role in establishing and maintaining a positive culture, the actions and behaviours of the manager must be identified, and then connected to the positive result in culture, performance or both. A review of relevant literature affirms that instinct for this study. Furthermore, the most important aspects of organisation culture seem to include shared values and beliefs of the organisation, collaboration, collegial support, leader regard, professional development, strong leadership, parent and community involvement, organisation centeredness, and academic focus.

Keywords: Leadership styles, Organizational culture, Organization performance, Public sector, Abu Dhabi

Introduction

The economic performance of the UAE has been noteworthy particularly amid the last few decades (Ali, 1989; Abdulkhaleq, 2006). The UAE is typically considered as a fruitful economic illustration. There are many explanations for this noteworthy achievement. The political and economic security of the nation in a generally unpredictable district joined with a decent control framework, which makes the leaders to apply the law; can be said as the fundamental reasons. The government has additionally been dynamic in actualizing approaches that can advance economic growth without an excessive amount of dependence on the primary wellspring of income which is oil. Among these expansion strategies, the principle one has been exchange advancement and openness to the world market. Behind this, the leadership style and management controls play an important role for the government organizations.

Fundamentally, a leader is the person who does not only set the organisational vision but at the same time guides his or her followers’ direction toward achieving it. Effective planning is a result of excellent leadership skills. An effective leader is the one who is able to nurture relationships with subordinates in order to integrate individual and group objectives. Related to this, leadership refers to the capability of an individual to influence the thoughts, behaviours as well as actions of a substantially large group of individuals. It is a process that enables an individual to inspire others to carry out the tasks and responsibilities that have been given to them with the ultimate objective of attaining a shared goal. One of the major factors that drive organisational success is effective leadership.

The influence of leadership style and management controls include a wide variety of tools/mechanisms designed to ensure that budgetary and other policy decisions are executed properly; resources are utilized appropriately; mismanagement, waste, and fraud are minimized (if not eliminated); and up-to-date information is obtained, maintained, and used for decision making. It has been traditionally considered to be the formal feedback and control systems that monitor organizational outcomes and used to correct deviations from standard performance (Anthony, 1965). However, in recent times, leadership style and management control systems have been recognized as
important tools supporting organization, organizational learning, and innovation (Bisbe and Otley, 2004; Chenhall, 2003; Simons, 1990). This is because the essential idea of leadership style entails ensuring that an organization achieves its goals (Otley 2003), it is mostly applicable to the public sector.

Likewise, leadership has a strong theoretical basis as many theories have been developed over the years in order to understand the aspect of leadership. Miller and Dalglish (2011) and Achua and Lussier (2013) have described some of the most renowned theories in leadership. According to them one of the first theories of leadership is known as the “great man theory” which was developed in the early 1900s. This respective theory has been created based on the notion that fundamental differences take place between a leader and a follower. Henceforth, in line with this particular theory, it is believed that leaders and followers are personally distinct from one another. At the same time, they also act in different manners due to the reason that leaders are not created rather born. Later on, the “big five model” was developed. Based on this model, leadership has been related to several personality traits of individuals whereby, it is believed that the possessions of certain skills are beneficial for leaders. According to this model, the traits that must be possessed by leaders are dominance and extraversion, followed by sociability and warmth, and it is also important for leaders to be achievement oriented and have high degree of self-acceptance as well as self-control.

Historically, according to Hallinger (1992) during 1960s and 1970s managerial leadership was generally popularized among scholars. The mid 1980s instructional leadership of principals’ was attracted the concern of the studies in the field. Moreover, during 1990s transformational leadership became prominent in the field of organizational leadership due to various tendencies. The leading two models such as instructional and transformational leadership were tested by numerous empirical research studies all over the world (Heck and Hallinger, 1999, Casimir, 2001; James et al., 2007). The managerial leadership of organization principals’ became popular during 1960s and 1970s among organizational researchers (Hallinger, 1992). In the managerial leadership context the organization manager's role was limited and he or she had to implement the decisions which were taken from the top level of the government. Besides, the transformational leadership has emerged as a theory from the general leadership literature during the 1970s and 1980s’ (Bass, 1997; Hallinger, 2003). Despite the fact that these particular traits were consistently found to be highly associated to leadership, it has also been mentioned that the possession of such traits alone does not guarantee success. Later on, a transition took place which gave more importance to what a leader does on his or her job rather than the traits that are needed to lead. This gave rise to the theory that is known as the “behavioural leadership theory”. Under this theory much effort was given by researchers in finding the underlying dissimilarities that take places between an effective and ineffective leader. It focused on identifying one ideal leadership study that is suitable for all situations (Achua and Lussier, 2013). However, there was no consensus among researchers about one best approach of leadership which can be universally applied to all situation, rather it was claimed that both the task as well as relationship approaches are required for effective leadership (Achua and Lussier, 2013) and this lead to the development of the contingency leadership theories.

**Literature Review**

The theoretical basis for this study focuses on the transformational leadership model and theory. Initially, the theory of transformational leadership emerged against to the top-down nature of instructional leadership and leadership policies in organisations as the creation of valuable and positive change in the followers with the end goal of turning followers into leaders. However, the theory gained the most traction when James MacGregor Burns first introduced the concept of transformational leadership in his seminal work Leadership in 1978. He argued that the unique capacity to lead charismatically while raising awareness of the followers regarding important issues and successfully directing them toward desired outcomes are defining characteristics highly associated with transformational leadership. In addition, Burns suggested that transformational leaders must focus on values, moral purpose, and higher-order intrinsic needs of followers.
Burns’ transformational leadership model was influenced by Maslow’s Theory of Human Needs because this theory recognizes that human beings have a range of needs, and the degree to which followers perform in the workplace will naturally be affected by the extent to which these needs are being satisfied. The transformational leadership model can be linked to the higher levels of human needs as it requires the transformational leader to develop the followers’ self-esteem and self-actualization.

In 1985, Bass revised the Burns model arguing that the qualities related to transformational and transactional leadership shape the effectiveness of the leader. Bass characterized his revised model of transformational leadership into four qualities: idealized influence, inspirational motivation, individual consideration, and intellectual stimulation. Most recently it was from Bass’s conceptualization that the transformational leadership theory in relation to the organisation setting through identification of specific factors that comprised his own version of transformational leadership, which focused on vision, goal setting, individual support, behaviour modelling, and high expectations.

As like other concepts in the field of public sector there is no agreement among scholars regarding the definition of organisation culture, it may vary the time period and the context, however, there are several commonalities among those definitions. Among them, organisation culture has been defined as “an inner reality”. Further, what organisational members care about, what they are willing to spend time doing, what and how they celebrate, and what they talk about.

Fundamentally, organisation culture is defined as “the basic assumptions, norms and values, and cultural artefacts that are shared by organisation members, which influence their functioning at organisation” contribute to enhance the organisation outcome. According to the above study the role of manager is very important to ensure the healthy organisation culture and it will lead to enhance the organisation performance. Therefore, the present study is considered that it’s very important to discuss in relation to organisation culture while studying the impact of manager leadership and organisation culture on organisation performance.

In a broad perspective organisation culture has linked with organisation vision, mission and goals (short-term targets) of an organisation. Moreover, an organisation culture has been referred to as how the organisation acts and feels in accomplishing the mission to fulfil the vision of the organisation. The organisation culture reflects the vision of the manager and is the way of life in terms of how things are done in the organisation. In fact, culture is taught and learned and that the key element to culture is brought about by the structure of the organisation. Finally, a positive organisation culture is associated with higher organisation performance as organisations are more motivated to perform.

In practice managers do not directly affect organisation performance. Managers do not deliver instruction to organisations, as do leaders, who have a direct impact on organisation performance. Leaders contribute to organisation learning indirectly, through their influence on other people and or through features of their organisations. Besides, the manager have an indirect impact and influences on organisation performance through such means as formulating organisation goals, setting and communicating high expectations, organizing classrooms for instruction, allocating necessary resources, supervising leader performance, monitoring organisation progress and promoting a positive, orderly learning environment.

Leadership is a social process of influence in which one person can provide vision to his members in accomplishing a common task with an extraordinary style. Further, the culture in the organisation means the shared beliefs, values, norms, standards, expectations, curriculum policies, co-curricular activities, curricula focus, leadership policy, rituals and decision making processes among the members of that organisation.

The Relationship between Organisation Culture and Organisation Performance

The correlation between organisation culture and organisation performance has long been assumed to be positive. A Place Called Organisation, details his research and analysis of one of the largest studies of American organisations ever conducted. In his book, he noted, “leaders both condition and are conditioned by the circumstances of their organisation” (pp. 29-30). Goodlad (1984)
asserted that each organisation has a culture, which suggests that the culture must be understood if change is to be, “more than cosmetic” (p. 16). Likewise, Marzano (2003) in his Balanced Leadership meta-analysis claimed that the culture of an organisation has a significant impact on organisation performance.

In order to understand the association between an organisation’s culture and its performance, organisation culture and organisation performance must be defined. To understand the manager’s role in establishing and maintaining a positive culture, the actions and behaviours of the manager must be identified, and then connected to the positive result in culture, performance or both. It is an intuitively satisfying idea that organisations with a positive culture and climate will have fewer discipline issues, more responsible organisations, a cohesive staff, a visionary leader and, therefore, higher levels of organisation performance. A review of relevant literature affirms that intuition.

In summary, the major aspects of organisation culture seem to include shared values and beliefs of the organisation, collaboration, collegial support, leader regard, professional development, strong leadership, parent and community involvement, organisation centeredness, and academic focus.

Concluding Remark

The study found that leaders in improving and non-improving organisations had minimal differences in how they perceived their managers’ leadership styles. All three leadership styles were statistically significant predictors of organisation performance. Organisation status was not significant in predicting organisation performance indicating no difference in organisation performance between improving and non-improving organisations. Transactional leadership had a negative relationship while transformational and passive-avoidant leadership style had a positive relationship with organisation performance.

Regression analysis of the MLQ subscales for each leadership style as perceived by the leaders and the organisation status with organisation performance found that transformational subscale intellectual stimulation and organisation status had a statistically significant positive relationship with organisation performance. Likewise, the transactional subscale management by exception-active was a significant predictor with organisation performance but had a negative relationship. Passive avoidant style also had a positive relationship with organisation performance.

Leader demographics of gender, age, years as a leader, years at current organisation, and level of organisation (elementary, middle, high) were examined in relation to perceived leadership style and organisation status. Multiple regression analysis found that only years at current organisation that was significant in how they perceived their manager’s transformational or passive avoidant leadership style. No demographic variables were significant for transactional style or organisation status.

Overall, leaders were satisfied with the manager’s leadership style and effectiveness. Leaders most often cited organisation culture as having an influence on organisation performance in both improving and non-improving organisations.

Limitations of the study included self-reported leader perceptions of manager leadership style from 16 organisations in one organisation district which limits generalizability; no controls for leader classroom performance and no verification of respondents actually observing manager behaviours; time of year survey was given; and, the use of one instrument to measure leadership style may not reflect the actual leadership style of the manager.

Louis et al. (2010) studied how leadership affects organisation performance in the United States (US). Using survey responses from a national sample of US leaders, this study provides insight into two questions: (1) Do three specific attributes of leadership behaviour the sharing of leadership with leaders, the development of trust relationship among professionals, and the provision of support for instructional improvement affect leaders’ work with each other and their classroom practices? (2) Do the behaviours of organisation leaders contribute to organisation performance? The authors of the above paper tie this investigation of organisation leader behaviours to two additional factors that have also received increasing attention in research because they have been shown to be related to organisation performance: professional community and the quality of classroom instruction. The analysis provides an empirical test of the notion that leadership variables are positively related to
organisation learning. It also suggests that both shared and instructionally focused leadership are complementary approaches for improving organisations.

Krishnakumar (2010), conducted a study on the influence of instructional leadership of managers’ on the performance level of organisations in primary mathematics in public setting in Abu Dhabi. The researcher considered independent variables such as academic emphasis for learning, affiliation of leaders, family support and instructional leadership of managers. A sample of 6 managers and leaders, and 120 organisations of public organisations were participated in this study.

The main objective of the study was to explore the extent of relationship between organisation performance and instructional leadership of managers, leader affiliation, academic emphasis and family support. Furthermore, questionnaire for organisations, interview schedule for leaders and managers, observation schedule and performance test for primary organisations were used to collect data in this study. After collecting the data were converted into numerical form and analysed through SPSS package. Mainly the regression analysis technique was used to analyse the data.

The findings of the study revealed that, family support and instructional leadership of managers have had very less importance (no significant correlations) on organisation performance compared to other three organisations related factors. Therefore, he recommended that further studies should be carried out in public settings to find out the reason for the less correlation of managers’ leadership on organisations performance.

References