

## **Transformational Leadership as the Predictor of Decision-Making Styles: A Survey of Local Government District DI Khan Khyber Pakhtunkhwa Pakistan**

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### **Abstract**

*Transformational leadership style is said to be attached with people-oriented decision-making styles while task-oriented decision makers are not transformation rather transactional. Current study is about the leaders and their decision-making styles in 'Local Government Bodies' Khyber Pakhtunkhwa. Data have been collected from the 'Elected-Members' and 'Government-Officers' working in local government departments and district administration. The results reveal that transformational leadership style is more linked with people-oriented decision-making styles and task-oriented decision making is not connected. There is positive relationship as well as strong prediction of criterion variable (PDMS) with TRFLS. Likewise, TDMS is negatively related with TRFLS in both correlations and regression analysis. Finally, qualification has changed the response on TRFLS and PDMS while experience has affected PDMS only in terms of difference of subjects' opinion. Overall, the hypotheses of study have been substantiated significantly.*

**Keywords:** transformational leadership style, people-oriented decision making style, task-oriented decision making style

### **Introduction**

Digital revolution has changed the lifestyle all over the planet by providing international 24/7 connectivity thereby a global-village, which obviously needs new creed of leadership in both public and private sectors. Leaders of 21<sup>st</sup> century have to command advanced time management that is compatible with digital workplace (Saaty, 2008). Participative organizational behavior is more effective leadership instead of centralized and directive models (Laurence & Kenneth, 2015). Transformational leadership is the style which became popular along with the progress of digitally networked working conditions (Malliaris & Guder, 2015).

Every developing country needs macro-level change at all levels of organizational structures and operations particularly, the leadership style. In Pakistan, at the moment, traditional leadership styles are in vogue but it requires change because performance of the organization largely depends on leadership (Robbins & Coulter, 2007; Saaty, 2008). A contemporary leader should adopt the current international trends of

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public and private sector management and transformations in leadership styles which are already in practice of advanced countries (Rainey, 2009). The experience of developed states proves that their adaptation to the new trends was fruitful, which brought them better outcomes (Christopher, 2012). Now a popular leader is one who inspires, encourages and motivates his/her followers to achieve modern targets successfully (Al-Omari, 2013). Elsass & Graves (1997) noted that "leadership is all about decision making." There are multiple sources of power which a leader can exploit to get his policies/decisions followed in letter and spirit. Leaders try to use those sources which best suit their style of leadership and decision making. Difference in leadership style changes the perception of the followers' contribution in decision making (Christopher, 2012). It implies that every leadership style needs to adopt a unique style for decision making, which is compatible to the leader's requirements (Gopinath, 2015).

James Mac Gregor (1978) coined the transformational leadership style, in which "leaders and followers help each other to advance to a higher level of morale and motivation." A transformational leader encourages and inspires his followers for the achievement of incredible results (Robbins & Coulter, 2007). Transformational leaders use human resources more skillfully and effectively, while transactional leadership style uses stick and carrot rule (Odumeru et al. 2013). This study is about the leadership and decision making styles of elected members and officers in local government system in Khyber Pakhtunkhwa. Districts are responsible for providing elementary and secondary education along with primary and secondary health care. They also have responsibilities to build dispensaries, strengthen agriculture and intra district roads. At Tehsil level responsibilities are confined to Tehsil only which includes local streets and roads and services like Tehsil's water supply system, lighting sewers and sanitation. Village/Neighborhood councils are entrusted with maintaining libraries, streets, wells, ponds and grazing areas and providing related services.

## Literature Review

### *Transformational Leadership-Style*

The state-of-the-art paradigm within leadership is the theory of transformational-transactional leadership proposed by Burns (Burns, 1978) and further developed by Bass & Avolio (Bass & Avolio, 2000). Leaders are everywhere working in multiple capacities as family-leader, religious leader, and leaders in every organization, public or private. The

charisma as well as personality plays role in leadership however leaders are expected to function within the domain of their followers and executives (Chipunza & Gwarinda, 2010). In bureaucracy, individuals with common personalities sometimes exhibit effective leadership however evidence shows that sometimes incompetent persons are also elevated as leaders (Odumeru & Ifeanyi, 2013). In TFLS, performance of employees, their moral and motivation to work is promoted by applying different techniques. In participatory approach they feel linked with organization, leader plays important role as a role model in inspiring employees to take their work seriously (Odumeru & Ifeanyi, 2013). Organizational success largely depends upon the effective managerial ability of a leader; therefore, transformational leadership is important (Mokgolo et al. 2012). Transformational leader is charismatic who utilizes his charisma in communicating and sharing organizational vision and mission with the employees. He inspires them and transmits them high hopes (Mokgolo et al., 2012). Odumeru & Ifeanyi (2013) mentioned four components of transformational leadership style:

- Charisma or idealized influence: Leaders become the role models for the team members who idealize them for leadership.
- Inspirational motivation: Leader is inspiring and encourages the group members to make contributions and innovations.
- Intellectual stimulation: They are creative and prepare team for creative involvement in decision making and performance.
- Personal and individual attention: Every team member is given attention by leader who understands and accommodates the personal and individual needs of the team members.

#### *People-oriented Decision-Making Style*

##### Conceptual Decision Making

The decision makers who do PDMS their cognitive abilities are complex and are characterized by people orientation. It means they will keep people on priority when they make decisions and understanding complex relationships is not difficult for them. They are mostly idealistic, thinkers and do less (Einhorn & Hogarth, 1981). Their commitment towards organization remains very high. They cannot work under strict circumstances rather prefers lose control (Jamian et al, 2013). They are creative and can easily share ideas with their subordinates because they have no trust issues in their relations. As thinking is their strong suit so for every problem they try to come up with many solutions

by using data gathered from several sources and consider many alternatives (Al-Omari, 2013).

#### *Behavioral Decision Makers*

Decision makers of this style are less intricate thinkers but people oriented. Therefore, their focus and concern are for colleagues, subordinates and organization (Einhorn & Hogarth, 1981). The attention of behavioral decision makers is always on the good and bad behavioral patterns of their team members including superiors, colleagues and subordinates. They always stay in contact with team members through multiple communication channels to inspire and motivate the workforce in changing their behavior. Thus, they are inspiring, communicative, and accommodative and hold frequent meeting for short term plans (Jamian et al. 2013). They are extrovert because they keep contact with team members, listen to their concerns and make all out efforts to resolve them.

#### *Task-oriented Decision Making Style*

##### *Analytical Decision Making*

The analytical style of decision making has the characteristic of inclination towards autocratic style (Triantaphyllou & Mann, 1995). The managers having this style of decision making largely focus on technical decisions therefore, they need to have sufficient information about alternatives (Jamian et al, 2013). These leaders have the capacity to tolerate ambiguity. The individuals of this style have the ability to achieve the maximum, to present a better solution of a problem and to handle a new situation more effectively (Malliaris & Guder, 2015).

##### *Directive Decision Makers*

These are autocratic with internal orientation. As compared to the managers of analytical DM they have no tolerance for ambiguity and are with low cognitive complexity. They emphasize technical decisions but prefer efficiency. Contrary to analytical leaders, they avoid detailed information and also prefer verbal information and dominate in this regard (Triantaphyllou & Mann, 1995). They are achievement-oriented and exercise strict organizational control. Directive decision makers always focus on results but not at the cost of status, rigidity and security in aggressive and rule-based behavior. They prefer to remain in contact with their immediate subordinates and colleagues (Jamian et al, 2013).

*Demographic Impacts on Users' Responses*

In social research the role of demographic attributes of respondents are very critical. In this study 'Qualification' and 'Experience' has been used to examine their impact on the responses of subjects on all three research variables. The results show that qualification has affected two variables (TRFLS & PDMS) while experience has changed opinion on PDMS.

**Research Design***Philosophy of Research*

Research depends on the philosophy of research followed. Theory of research is the 'beliefs' about 'knowledge' and 'the way it is acquired and communicated.' In social sciences, 'Positivism' is used, which suggests that knowledge is what is 'verifiable' through observation and recorded and communicated objectively. The researcher therefore extracted the model from existing knowledge and verified through field survey.

*Qualitative-Data: Developing a Research Model*

Thematic analysis has been used for both data collection and analysis. Analysis included the 'Argumentation' model by Toulmin (1958) to connect themes together thereby forming, supporting the research hypotheses.'

*Quantitative-Data: Application/Testing of the Model Reliability Statistics*

	Variables	Items	Alpha
1	Transformational Leadership Style	8	0.920
2	People-oriented Decision Making	8	0.949
3	Task-oriented Decision Making	8	0.923
4	Questionnaire	24	0.849

*Validity Tests*

The Kaiser-Meyer-Olkin [KMO] measures sampling adequacy between 0 and 1 and .6 is min. Sphericity Test checks correlation matrix has an identity matrix. If  $0 < KMO < 1$ ; If  $KMO > 0.5$ , the sample is considered adequate. If significance level is  $< 0.05$ , it validates the use of Factor Analysis. Required factor loading is 0.4 (Field, 2009; Khattak et al., 2017).

*Validating Transformational Leadership Style*

KMO and Bartlett's Test		Component Matrix	
		Items	Loadings
KMO Sampling Adequacy.	.852	Trfls1	.979

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Bartlett's Test of Sphericity	Chi-Square	1102.429	Trfls2	.797
	Df	28	Trfls3	.793
	Sig.	.000	Trfls4	.812
<i>Required Statistics</i>		<i>Computed Statistics</i>		Trfls5
KMO = 0.6		>0.6		Trfls6
Barlett's test = 0.05		<0.05		Trfls7
Factor Loading = 0.4		>0.4		Trfls8

*People-oriented Decision Making*

KMO and Bartlett's Test			Component Matrix	
			Items	Loadings
KMO Sampling Adequacy.		.950	Pdms1	.953
Bartlett's Test of Sphericity	Chi-Square	1335.64	Pdms2	.868
	Df	28	Pdms3	.760
	Sig.	.000	Pdms4	.861
<i>Required Statistics</i>		<i>Computed Statistics</i>		Pdms5
KMO = 0.6		> 0.6		Pdms6
Barlett's test = 0.05		< 0.05		Pdms7
Loading = 0.4		> 0.4		Pdms8

*Task-oriented Decision Making*

KMO and Bartlett's Test			Component Matrix	
			Items	Loadings
KMO Sampling Adequacy.		.893	Tdms1	.971
Bartlett's Test of Sphericity	Chi-Square	1157.99	Tdms2	.776
	Df	28	Tdms3	.672
	Sig.	.000	Tdms4	.896
<i>Required Statistics</i>		<i>Computed Statistics</i>		Tdms5
KMO 0.6		> 0.6		Tdms6
Bartlett's test 0.05		< 0.05		Tdms7
Factor Loading 0.4		> 0.4		Tdms8

**Findings of the Study**

*5.1 Descriptive Results*

	N	Min	Max	Mean	Std. D
TFLS	183	2.63	7.00	6.1605	.80846
PDMS	183	3.00	5.13	4.3504	.57543
TDMS	183	2.00	6.50	2.8279	.78659
Experience	183	1	14	8.13	2.251

*Testing of Hypotheses*

*H1 Correlations (n=183) Correlations*

		TRFLS	PDMS
PDMS	Pearson Correlation	.484**	1

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	Sig. (2-tailed)	.000	
TDMS	Pearson Correlation	-.423**	.119
	Sig. (2-tailed)	.000	.109

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

*Analysis:* PDMS is +ively and TDMS is -ively connected with TFLS; TDMS is not associated with PDMS; and Hypothesis 1 is therefore substantiated.

*H2: Greater the TRFLS, Higher will be the PDMS*

*Model Summary*

Model	R	R2	Adj- R2	Std. E	F	Sig.
1	.484 <sup>a</sup>	.234	.230	.505	55.290	.000 <sup>b</sup>

a. Predictors: (Constant), TRFLS; a. Dependent Variable: PDMS

*Coefficients*

Model		U-Coefficients		S-Coefficients	t	Sig.
		B	Std. E	Beta		
1	(Constant)	2.229	.288		7.7	.00
	TFLS	.344	.046	.484	7.4	.00

*Analysis:* F-value 55.290, far greater than critical value of 10, thereby verifying the *model-fitness*.23% of variation in PDMS is explained by TRFLS. Predictor is significant with = 0.000 and *Beta-weight* of 0.344. Thus greater the User-satisfaction, higher are prospects: H<sub>2</sub> is accepted.

*H3: TRFLS is negatively connected with TDMS*

*Model Summary*

Model	R	R2	Adjusted R2	Std. E	F	Sig.
1	.423 <sup>a</sup>	.179	.175	.71467	39.47	.000 <sup>b</sup>

a. Dependent Variable: TDMS; a. Predictors: (Constant), TRFLS

*Coefficients*

Model		U-Coefficients		S-Coefficients	t	Sig.
		B	Std. E	Beta		
1	Constant	5.36	.407		13.17	.000
	TFLS	-.412	.066	-.423	-6.28	.000

*Analysis* -value 39.477 is greater than required 10 therefore *model-fitness* is confirmed.38%change in Prospects is explained by User-Satisfaction. Predictor is significant with *p-value* of 0.000 and *Beta-weight* of -0.412 showing negative relationship with the TDMS. Thus Greater the TRFLS, Lower will be the favor for TDMS: H<sub>3</sub> is therefore accepted.

*H4: Qualification Changes the Opinion Group Statistics*

	Qualification	N	Mean	Std. D	Std. E
TFLS	Post-Grade	89	6.3132	.80352	.08517

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	Graduate	94	6.0160	.79041	.08152
PDMS	Post-Grade	89	4.4621	.59723	.06331
	Graduate	94	4.2447	.53598	.05528
TDMS	Post-Grade	89	2.8469	.70226	.07444
	Graduate	94	2.8098	.86228	.08894

*Independent Samples Test*

		F	Sig.	t	df	Sig
TFLS	eva	.542	.46	2.52	181	.01
	evna			2.52	180.0	.01
PDMS	eva	6.32	.013	2.594	181	.01
	evna			2.58	176.3	.01
TDMS	eva	4.07	.045	.318	181	.75
	evna			.320	177.0	.75

*H5: Experience creates Group Mean Differences Group Statistics*

	Exp	N	Mean	Std. D	Std. E
Transformational Leadership Style	>8	90	6.2653	.85641	.09027
	<8	93	6.0591	.74991	.07776
People-oriented Decision Making Style	>8	90	4.4583	.56588	.05965
	<8	93	4.2460	.56819	.05892
Task-oriented Decision Making Style	>8	90	2.8556	.72933	.07688
	<8	93	2.8011	.84140	.08725

*Independent Samples Test*

		F	Sig.	t	df	Sig.
Transformational Leadership Style	eva	1.02	.312	1.734	181	.085
	evna			1.730	176	.085
People-oriented Dec-Making Style	eva	2.26	.134	2.533	181	.012
	evna			2.533	180	.012
Task-oriented Dec-Making Style	eva	1.53	.217	.467	181	.641
	evna			.468	178	.640

**Discussion**

Transformational leadership has become popular for being people oriented and flexible in comparison to transactional leaders who follow the rules and downplay the human element (Mokgolo et al. 2012). Current study has verified these notions of close relations between TRFLS and PDMS. TDMS has emerged as being negatively related with the TRFLS meaning that increase in transformational behavior reduces the task orientation of the management and workforce. There is negative

relationship between PDMS and TDMS, which adds on the fact that people orientation and task orientation are the ideas apart with different Beliefs and practices of those holding these contrasting theories about the decision making patterns or styles.

### Conclusion

Following conclusions can be drawn from the analysis performed on the field data of the study: TRFLS is positively associated with the PDMS. PDMS is significantly and positively predicted by TRFLS. The relations between PDMS and TDMS are not significant. The impact of qualification has come up on two variables: TRFLS and PDMS. There is no significant difference of opinion on TDMS. Likewise, the impacts of Experience on the respondents' opinion are significant on PDMS while no effect is visible on rest of the two variables.

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