CHAPTER 2: LITERATURE REVIEW

This chapter presents a review of the literature concerning definitions and concepts of leadership. The purpose of this review was to identify and discuss research studies and related literature regarding leadership and its practice.

Transformational leadership has been variously labeled as transformational, transformative and visionary. While there are conceptual differences, such as the role played by charisma, each refers to a new view of leadership that emphasizes empowering others, pro-social use of power, creation and communication of vision, and high levels of leader self-efficacy. This new view of leadership also stands in contrast to the more traditional “transactional”, exchange-oriented style of leadership that has, in essence, been the subject of most leadership research prior to 1980.

According to Meindl (1995), transformational leaders concentrate on long term goals and place value on developing a vision and inspiring followers to pursue it. They change and align systems to accommodate their vision, coach followers to perform beyond expectations, and enable followers to assume increasing responsibility for their own development.

Transformational leadership (TL) and performance have been studied by other researchers. In this literature review, TL and the dimensions of TL will be defined. Also, the relationship between TL and employee performance will be discussed. In the first section, the researcher will review TL literature and how TL relates to organizational performance and learning, employee job stress and burnout, personal identification and self efficacy, organizational commitment, and collective efficacy. In the second section, the researcher will look at employee performance. The researcher will review how certain groups affect
performance, how different items are used to judge overall performance, how performance relates to age, and how performance affects overall perceived quality and the value of an operation. The third section contains literature about the relationship between TL and performance.

**Introduction to Leadership**

Leadership has become increasingly important in today's world. The study of leadership has been conducted to prepare future leaders. The term "leadership" is used in two basic ways:

1. to refer to processes of moving a group of people in the same direction through noncoercive means; and  
2. to refer to people who are in roles from which leadership is expected.

Formal research on leadership has been conducted for more than 60 years. According to Hansen (2009), there are many different definitions of leadership, but all appear to have three things in common:

1. Leadership is a process about influencing;  
2. There are at least two people involved, the leader and the follower; and  
3. Leadership happens where implied or even unconscious goals or objectives are established.

**Definitions and Concepts of Leadership**

The success of an organization depends on many factors, none more important than the impact of its leaders. The successful organization has one major attribute that sets it apart from unsuccessful organizations: dynamic and effective leadership. Podsakoff, MacKenzie, Moorman
& Fetter (1990) pointed out that managers (business leaders) are the basic and scarcest resource of any business enterprise. Antonakis & Atwater (2002) made this point more evident: "Of every 100 new business establishments started, approximately 50, or one half, go out of business within 2 years. By the end of 5 years, only one-third of the original 100 will still be in business." Most of these failures can be attributed to ineffective leadership.

According to Avolio (2010) “Leadership is the activity of influencing people to strive willingly for group objectives” (p. 209). Conger, Kanungo, & Meno (2000) defined leadership as "interpersonal influence exercised in a situation and directed, through the communication process, toward the attainment of a specialized goal or goals"(p. 245). Podsakoff, MacKenzie, Moorman & Fetter (1990) stated that "leadership is influencing people to follow in the achievement of a common goal" (p. 46).

The word "leadership" is used in everyday conversation in two basic ways: (1) to refer to the process of moving a group of people in the same direction through noncoercive means, and (2) to refer to people who are in roles in which leadership is expected (Kotter, 1990).

It has been said that management is about doing things right, while leadership is about doing the right things. Ling, Simsek, Lubatkin, Lyon & Veiga (2008) said that being a leader is like "learning how to play the violin in public" (p. 35). Leaders need outside observers who can help them understand their own behaviors. Hansen (2009) also noted that insufficient attention is given to the role of personality and self-understanding in leadership. Koene, Vogelaar, and Soeters (2002) viewed "leadership" as the process of influencing people so that they will strive willingly toward the achievement of group goals.

According to Hansen (2009), world leaders defined leadership as follows:

1. leadership as decision and persuasion;
2. leadership as the implementation of creative imagination;
3. leadership as biological, collective, or class dominance;
4. leadership as influence by example;
5. leadership as satisfaction of followers' needs; and
6. leadership as task performance.

Kark and Shamir (2002) defined "leadership" as interpersonal influence exercised in a situation and directed through the communication process toward the attainment of a specialized goal or goals.

Hansen (2009) stated that leadership is one of the most observed and least understood phenomena on earth. Leadership has also been defined as a social transaction between the leader and his/her followers, a kind of social exchange (Koene, Vogelaar, & Soeters, 2002), an awareness of the forces influencing social change and having some power to affect such change (Hansen, 2009), or a continual creative function involving constant appraisal of the dynamic internal and external environments of the organization (Ling, Simsek, Lubatkin, Lyon & Veiga, 2008).

Kark and Shamir (2002) defined leadership as the process of inducing others to take action toward a common goal. Bandura (1986) argued that leadership is about having a vision and the ability to communicate it effectively.

Furthermore, Castonguay contended that one becomes a leader when put into a position to exert leadership. Avolio (2010) explained leadership in terms of an influence process that can be practiced by anyone, anywhere, toward any end. Ehrhart and Klein, (2001) described leadership as follows:
Leadership is the process in which one person sets the purpose or direction for one or more other persons and gets them to move along together with him or her and with each other in that direction with competence and full commitment. Howell and Avolio (1993) viewed leadership as having three components:

1. Understanding--having realistic awareness of what is happening in the work environment;
2. Envisioning--recognizing and developing subordinates' skills, seeing the entire corporate picture, forecasting the future, and interpreting situations to revise forecasts as changes occur; and
3. Acting--being action-oriented, risk-taking, flexible, and experimental.

Floyd and Wooldridge (1997) commented that leadership is an endless subject and endlessly interesting. They claimed that the most significant contributions leaders make are not to today's bottom line, but to the long-term development of people and institutions who prosper and grow.

Even among these definitions of leadership, all appear to have three things in common: (1) leadership involves influencing; (2) at least two people are involved, the leader and the follower; and (3) leadership happens when even unconscious goals or objectives are established Erkutlu and Chafra (2006).

**Leadership Models: Theory and Research**

Ehrhart and Klein (2001) developed a learning system for managers that is centered on analysis of leadership contexts and is known as situational leadership. The major premise of Antonakis and Atwater (2002)’s situational leadership theory is that leader effectiveness is
strongly related to leadership style adaptability and to the subordinate's occupational maturity level. This model envisions a manager developing leadership skills in understanding, diagnosing, and influencing human behavior at work. The purpose of this approach is to develop personnel who contribute to achieving organizational results and success, by building on employees' current mastery of necessary skills and possession of willing accicudes.

Path-goal, or expectancy, theory offers insight into key leadership processes. In the Bono and Anderson (2005) formulation of leadership referred to as path-goal theory, the effective leader is one who helps subordinates recognize and understand what their respective task and role requirements are, so that they can achieve desired outcomes. Erkutlu and Chafra (2006) indicated that the effectiveness of leaders depends to a certain extent on their personality and charisma, not solely on their control over organizational structures.

Recent developments in formal thought about leadership have moved beyond the foundational theories of the trait, functional, and situational approaches, with leadership studies for the past decade focusing on the transformational/transactional approach. Transformational leadership as a theoretical approach was initially identified by Hansen (2009), who labeled traditional leadership as transactional and a more patient, complex type of leadership as transformational. The definition and concept of transformational leadership were later refined and extended by Conger, Kanungo and Meno (2000). Burns perceived transactional and transformational leadership as existing at opposite ends of a continuum, whereas (Koene, Vogelaar and Soeters (2002) suggested that leaders exhibit a variety of patterns of transactional and transformational leadership, and further, that transformational and transactional leadership behaviors are both necessary in effective leadership (Kark, Shamir and Chen, 2003).
Ling, Simsek, Lubatkin, Lyon and Veiga (2008) identified five main components of transformational leadership: charisma, inspirational leadership, intellectual stimulation, individualized consideration, and extra effort.

(Kouzes and Posner (2002) believed that leadership can be taught, that it is not an exclusive club for those who were born with leadership potential. The traits that are the raw materials of leadership can be acquired, and when linked with desire, nothing can keep one from becoming a leader. Leaders are often characterized as intelligent and conceptually skilled people, but not necessarily as brilliant.

Leaders possess the following essential qualities (Bono, Anderson, 2005): loyalty, courage, desire, emotional stamina, physical stamina, empathy, decisiveness, anticipation, timing, competitiveness, self-confidence, accountability, responsibility, credibility, tenacity, dependability, and stewardship. The qualities underlying effective leadership are: energy and stamina, vision, intelligence, assertiveness and dominance, integrity, creativity and imagination, tolerance of stress, and adaptability and flexibility.

Bono and Judge (2003) noted that leadership within a complex organization is achieved through three sub-processes:

1. Establishing direction: developing a vision of the future, often the distant future, along with strategies for producing the changes needed to achieve that vision;

2. Aligning people: communicating direction to those whose cooperation may be needed to create coalitions that understand the vision and are committed to its achievement; and

3. Motivating and inspiring: keeping people moving in the right direction, despite major political, bureaucratic, and resource barriers to change, by appealing to very basic, but often untapped, human needs, values, and emotions.
(Kark and Shamir (2002) defined TL as the ability to motivate followers to perform beyond what he/she would normally expect. TL consists of four dimensions including: idealized influence, inspirational motivation, individualized consideration, and intellectual stimulation. Idealized influence is exhibited when followers respect and trust their leaders and want to be like them, also the leader tends to put his/her followers’ needs over their own. Inspirational motivation is when a leader acts in a way that causes people around him/her to be motivated to work better, usually caused by the leader instilling a sense of meaning in the work for the follower. Individualized consideration is shown when a leader gives attention to each employee and is concerned with his/her individual needs; also the leader is generally seen as a coach or a mentor. Intellectual stimulation is demonstrated when a leader asks questions to try and increase productivity and innovation ((Erkutlu and Chafra, 2006). TL has since been a heavily studied topic in areas other than hospitality.

Aragón-Correa et al. (2007) studied 408 companies in Spain; service companies were part of the sample. CEOs of each company (45% response) completed a questionnaire on company information and his/her own TL behaviors. The authors used five questions from a previously published tool to measure TL behaviors and a self-developed tool to measure organizational performance. The authors found TL behaviors to be correlated with organizational learning and organizational learning to be correlated with organizational performance. The authors also found an indirect relationship between TL behaviors and organizational performance, mediated through organizational learning. Based on their findings, the authors believe TL is important for improving financial performance. Judge and Piccolo (2004) surveyed 137 customer-contact service employees (33% from hotels and 67% from restaurants). TL behaviors were measured using a published twelve-item tolerance-of-freedom questionnaire. The
authors found if employees perceived their manager exhibited TL behaviors, the employees had lower job stress, compared to employees without TL managers. The authors also found higher levels of job stress to be related to higher levels of burnout. The authors offered suggestions on how to implement TL in hospitality operations.

Employees and 76 managers in a large Israeli banking organization were studied by Kark et al. (2003). Complete data were available for 888 employees (89% response). TL was measured using items from the Multifactor Leadership Questionnaire (MLQ) Form 5X. The authors found TL behaviors to be significantly related to personal identification, defined as identification with the leader, and social identification, defined as identification with the work group. The authors found personal identification to be significantly related to dependence and social identification to be significantly related to self efficacy, organization- based self-esteem, and collective efficacy.

(Podsakoff, MacKenzie, Moorman and Fetter (1990) studied 2,864 employees (63% response) at an Australian public organization. An employee attitude questionnaire was used and included scales for supportive and developmental leadership. Supportive and developmental leadership are constructs of TL within the individualized consideration dimension. The authors found significant evidence that these two constructs are distinct and affect followers in different ways. The authors also found the two constructs to have a high correlation. The authors suggested researchers are not studying developmental leadership because they are treating the two constructs as one.

Hansen (2009) researched 402 employees from Chinese and Indian financial firms. The authors measured TL behaviors using 20 questions adopted from the MLQ. The authors found TL behaviors to be significantly related to organizational commitment and inversely related to
job and work withdrawal. The authors also found TL behaviors to be related to collective
efficacy, an employee’s judgment of his/her group being able to perform a task. The authors
suggest if an employee develops collective efficacy through TL then withdrawal behaviors will
go down.

(Koene, Vogelaar and Soeters (2002) used a snowballing technique to survey 264
participants. Participants were employed in the hospitality industry. The researchers used the
MLQ Form 5X to measure leadership behaviors, effectiveness, satisfaction, and extra effort.
Both male and female participants agreed that a mix of TL and transactional leadership was
needed. Small differences between genders were noted, whereby males perceived inspirational
motivation and intellectual stimulation as important factors in receiving satisfaction and extra
effort. Females tended to lean towards contingent rewards, part of transactional leadership. (Kark
and Shamir (2002) looked at the relationship between TL behaviors and leader satisfaction and
effectiveness by studying 141 hospitality employees, including corporate employees (75%
response) and general managers (84% response). TL behaviors were measured using the MLQ
Form 5X. The authors found TL behaviors to predict leader satisfaction and effectiveness. The
authors also found TL behaviors to have a positive effect on mission clarity, role clarity and
perceptions of open communication.

Later, (Judge and Piccolo (2004) studied 77 (56% response) lower and middle level
managers from different lodging properties in the US. The authors used the MLQ Form 5X to
measure the TL behaviors of the participants’ supervisor. The authors found TL had a direct
effect, as well as mediated through mission clarity and role clarity, on perceptions of leader
satisfaction and effectiveness. The authors suggested TL be used as a way to keep up with the
ever-changing hospitality industry.
Consequences of Transformational Leadership

As (Antonakis and Atwater (2002) highlighted, one salient point that distinguishes the "visionary and inspirational models of executive leadership" from other theoretical models (Bandura, 1986) is the emphasis on employee outcomes such as satisfaction, motivation and performance as the criteria of leadership effectiveness, in addition to the overall organizational outcomes. Most other executive leadership studies focus on the impacts of executive leaders on organizational outcomes.

Although the influence of chief executives is exaggerated as a result of biased attributions that discount the importance of other variables such as economic situations and industry performance (Kouzes & Posner, 2002), (Conger, Kanungo, & Meno, 2000) proposed that top management leadership (executive leadership) as a type of human capital resource in the organization could be a determinant of sustainable competitive advantage.

Empirical findings also showed that leaders have substantial influence on organizational performance (Ehrhart & Klein, 2001; Kark, Shamir, & Chen, 2003; Floyd & Wooldridge 1997; Erkutlu, & Chafra, 2006). For example, studies by Hooijberg and Quinn and their colleagues found that behavioral complexity is related to organizational performance (e.g. Judge & Piccolo, 2004). House et al. (1991) found that personality and charisma predicted the US presidential performance. Besides organizational outcomes, visionary and inspirational leaders seek to change subordinate attitudes and behaviors (Koene, Vogelaar, & Soeters, 2002).

Most empirical studies adopting visionary and inspirational leadership models focus on the impacts of transformational leadership, transactional leadership, and charismatic leadership on individual outcomes, using leader samples at lower organizational levels. Hansen (2009) (Hansen, 2009) developed the Multifactor Leadership Questionnaire (MLQ) to measure both
transactional and transformational leader behaviors and to investigate the relationship of these two leadership styles with work unit effectiveness and satisfaction. Kark & Shamir (2002) used MLQ and applied meta-analysis to review 39 studies. They showed that there is a statistically significant relationship between leadership effectiveness and the transformational scales of Charisma, Individualized Consideration, and Intellectual Stimulation. Transformational leadership had higher correlations with leadership effectiveness than did transactional leadership (Koene, Vogelaar, & Soeters, 2002). Meindl (1995) carried out meta-analyses and expanded the findings to the impacts of charismatic leadership on subordinate effectiveness and commitment. In Floyd & Wooldridge (1997) study, the results were quite promising that charismatic leadership correlates significantly with subordinate commitment and performance. However, Floyd & Wooldridge (1997) agreed that the small number of the studies on the charisma-subordinate commitment linkage is a limitation and suggested that more research should be conducted to test this relationship.

Ehrhart & Klein (2001) pointed out the weaknesses of research on transformational leadership. One prominent issue is the lack of research on the underlying influence processes between transformational leadership and employee outcomes. Some studies have tried to illustrate this process, such as Judge & Piccolo (2004) structural model in which charismatic leadership relates to the followers' feelings of reverence and leads to a sense of task group solidarity or cohesion and to a sense of task efficacy. Howell & Avolio (1993) went further to point out that "it seems that instrumental compliance is most important for transactional leadership, internalization is most important for transformational leadership, and personal identification is most important for charismatic leadership. However, the relevance of these and other influence processes for each type of leadership is still largely a matter of speculation". In
response, in this dissertation, I propose hypotheses to examine the underlying influence processes between transformational leadership and employee outcomes.

The Middle manager

In the hierarchy of an organization's structure, middle managers reside below the small group of top strategic executives and above front line workers. Middle managers supervise front line staff (Zhang, Tsui, Song, Li and Jia, 2008; Yukl, 1989). They are accountable for their own performance and the performance of the employees reporting to them. They are familiar with the internal and external contexts of the organization's functions and can evaluate new information in the context of their organization's strategy, operations, and markets. As noted by Wooldridge, Schmid and Floyd (2008) and reinforced by Beatty and Lee (1992), the middle manager is "both a delegator and a doer, both a strategist and an operator, or, to use another analogy, both a coach and a player" (Giberson, Resick and Dickson, 2005). Both Embertson (2006) and Haneberg (2005), note that the middle manager defines the nature, the meaning, and the practice of work at the front-line employee level. Bartlett and Ghoshal (1993) classic study confirmed the importance of the manager's role in an organization when he stated that:

No job is more vital to our society than that of the manager. It is the manager who determines whether our social institutions serve us well or whether they squander our talents and resources. It is time to strip away the folklore about managerial work, and time to study it realistically so that we can begin the difficult task of making significant improvements in its performance (Floyd & Wooldridge 1997).

While the middle manager assumes responsibility for the day-to-day transmission and integration of the organization's culture to front line staff, there is agreement in the literature
when an organization starts up (Zhang, Tsui, Song, Li and Jia, 2008; Yukl, 1989; Wooldridge, Schmid and Floyd 2008; Beatty and Lee 1992; Giberson, Resick and Dickson, 2005), the organizational leader sets the cultural agenda. Middle managers exert downward influence by synthesizing, transmitting, interpreting, integrating, evaluating information Embertson (2006) and then passing it on. This management of meaning (Haneberg, 2005; Delmestri and Walgenbach, 2005) allows the middle manager to control the process of modifying the existing organization's culture to align it with the organization's strategic plan. Through a process of cultural change, symbol construction, and value adjustments, the middle manager creates legitimacy for upper management demands.

In her case study of the middle manager's influence in the business planning process of the British National Health System, Bartlett and Ghoshal (1993) argues that the middle manager uses interventions to modify the implementation of a deliberate strategy. The manager does so by challenging the performance indicators which form the basis of the business planning framework. As described by Bono & Judge (2003) middle managers at the Florence Hospital exerted upward influence by "synthesizing information via the business planning process" and passing it up the managerial hierarchy, which in turn influenced resource allocation decisions. Although Currie's findings are context specific, she suggests the need for further research to gain richer more in-depth understanding of the role of the middle manager in the transmission and integration of an organization's culture. Bono & Judge (2003) argues that when we view strategy as a process involving a stream of decisions, then the middle manager's role as change agent clearly influences the outcomes of new strategy implementation.

Investigation into the organizational milieu and the cultural themes transmitted by the middle manager suggests that, for the most part, it is a passive and salient process that occurs
over time to organizational members. Zhang, Tsui, Song, Li and Jia (2008), Yukl (1989), Wooldridge, Schmid and Floyd (2008), and Conger & Kanungo (1987), note that the role played by the middle manager in the transmission and integration of an organization's culture is through actions, deeds, and behaviors, which facilitate the employee's adaptability to changing work routines (Beatty and Lee 1992). Hence, a complete in-depth investigation into the role of the middle manager as an integrator of an organization's culture needs to include a research methodology that elucidates for the reader the tacit assumptions that guide the middle manager's actions and behaviors. At the same time, the research methodology must expose the values, assumptions, and themes that the middle manager uses to make the organization's culture real to the front line staff (Giberson, Resick and Dickson, 2005).

Delmestri and Walgenbach (2005) argue that investment in human capital is an important source of economic growth. Employees with good health and skills are more productive, then employees with reduced skills and medical capacity. Firms and government invests in human capital differently. The government in general prefers programs, job training or education, while firms in higher degree invest through on-the-job training. Bartlett and Ghoshal (1993) express that improved personnel management and implements of technologies and the like can reduce costs, make the production more efficient and increase the measured productivity. Delmestri and Walgenbach (2005) illustrate that despite this fundamental statements have middle managers earlier when a top-down approach was more usual, faced difficulties. Senior managers who used this approach often viewed middle managers as barriers for future success, instead of a resource.

In the literature today middle managers are viewed as important for the organizational performance. Haneberg (2005) and Giberson, Resick and Dickson (2005) argue that they actually play a key role in translating strategic change into operations. They are in their actual position a
bridge between the organizations employees, who are located in upper and lower levels. Further do they have crucial insights in management and vital sources for the organizations achievement. This provides them with unique skills that become useful when both senior management and subordinates are in need for advice (Jaques, 1990). Further do they have daily contacts with vital elements in the organizations performance i.e. personnel, customers, suppliers etc.

**Evolution of Middle Management**

Working with upper management, other middle managers, and supervisors, middle managers are “…the core of organizational competence” (Bono & Anderson 2005, p.309). Middle management is the management group “two levels below the CEO and one level above the line workers and professionals” (Conger, Kanungo, & Meno 2000, p. 406). Middle management is a key position, making middle manager leadership skills development crucial to organizational success (Bono & Anderson 2005; Kouzes & Posner, 2002; Bono & Judge, 2003; Conger, Kanungo & Meno, 2000).

As organizations adapted to changing environments, re-structuring reduced the number of management layers in the middle (Antonakus & Atwater, 2002); Aragón-Correa, García-Morales & Cordón-Pozo, 2007; Bono & Judge, 2003). Larger and more complex leadership tasks moved deeper into the organization, increasing the leadership span of control (Ehrhart & Klein, 2001). Middle management roles became more challenging and complex. Middle managers had to gain workforce commitment where mutual loyalty was no longer an organizational value and where there was a demand to produce more with fewer resources (Erkutlu, & Chafra, 2006). Middle managers became responsible for internal and external relationships, and in the most successful organizations, middle managers had to integrate individual knowledge and skill with
organizational knowledge and skill (Floyd & Wooldridge 1997; Howell & Avolio, 1993). The difficulty was that middle managers promoted into middle management roles as reward for technical competence, productivity, and dedication and had minimal leadership experience (Kark & Shamir, 2002; Hansen, 2009).

From the Past

Middle management is the result of organizational growth and expansion (Kark & Shamir, 2002). As proprietorships grew, owners could not manage the businesses effectively so the owners separated the organizations into units based on products, geography, function, or other categories and created a managerial position with the authority to control specific unit operations. Unit managers reported to the owner, who maintained ultimate control. More growth created more units, and more units created more managerial control layers (Podsakoff, MacKenzie, Moorman & Fetter, 1990).

Middle managers were important to organizational success. The managers used experience and skill to supplement top management initiatives while simultaneously creating an actionable framework for supervisors (Hansen, 2009). Working across departments and functions to manage organizational change, middle managers controlled operations and managed unforeseen situations. Once the proving ground for leaders moving into top managerial positions (Howell & Avolio, 1993), knowledge and technology began to overshadow skill and reduce the need for multiple management layers (Ehrhart & Klein, 2001; Bono & Judge, 2003).
Into the Future

New organizational structures began to emerge (Bono & Anderson 2005; Kouzes & Posner, 2002; Bono & Judge, 2003). Hierarchical designs gave way to flatter structures that removed multiple management layers. Middle manager numbers dwindled, but rather than disappearing, the role evolved to meet organizational needs (Bandura, 1986; Conger, & Kanungo, 1987). Reorganization, technology, and staff empowerment affected the middle manager role, as did inconsistency, uncertainty, and increased responsibilities that required internal and external influences (Conger, Kanungo & Meno, 2000). Middle managers needed characteristics that moved experts into management (knowledge, skill, and specialized intelligence) and new skills to manage in the paradoxical situations that represented current and future business states (Conger, & Kanungo, 1987; Bono & Anderson, 2005; Conger, Kanungo, & Meno, 2000).

Skill and Perspective

Middle managers possessed requisite skills, yet needed to learn to use the skills differently (Kouzes & Posner, 2002). Even the way in which middle managers interacted required new skills and altered perspectives. Flatter organizations were extending middle management responsibility beyond functional expertise, requiring that middle managers learn to operate from a personal rather than positional power base (Bono & Judge, 2003). Decision-making in ambiguous situations is a skill for which middle managers had minimal reference (Avolio, 2010); yet increased responsibility for business policy and relationships demanded the skill development (Meindl, 1995; Ling, Simsek, Lubatkin, Lyon & Veiga, 2008; Hansen, 2009).
The amount of information available required that middle managers knew how to extract information that was necessary (Koene, Vogelaar, & Soeters, 2002).

As change agents, middle managers required varying skills, forcing the managers to learn and employ new skills, and to signal an acceptance of change through flexibility and risk taking (Kark, Shamir, & Chen, 2003). Middle managers aided change implementation by transforming traditional director and controller roles into facilitator roles. To deal with the change effects and to manage the resistance and conflict created by change, business knowledge and expertise in problem solving, managing ambiguity, empowering others, building teams, and learning from others became essential. Middle management not only created the organizational capacity to support change (Judge & Piccolo, 2004; Howell & Avolio, 1993), but was ironically accountable for executing the change to which middle management was also subject (Kark, Shamir, & Chen, 2003). Despite the need to champion change, there was a persistent notion that middle management was resistant to change (Kark & Shamir, 2002; Howell & Avolio, 1993). Empirical evidence does suggest that the resistance was real in many cases and recognized as a detriment to organizational success, yet anecdotal evidence provides conflicting reasons for the resistance, ranging from bitterness to apathy to incompetence (Floyd & Wooldridge, 1997).

**Strategic Role**

Personal power was important to middle managers, who were required to view situations from multiple perspectives and influence forward-looking leaders and on-the-job workers (Howell & Avolio, 1993). Middle management was the place where individual and unit knowledge converged to create new organizational knowledge and an associated competitive advantage.
As environments changed, organizational strategies required adjustment and each individual or group subjected to the changing environment perceived the environment differently (Erkutlu, & Chafra 2006; Ehrhart & Klein, 2001). Top management provided knowledge input from a broad industry and market view, transmitted as vision through middle management. Employees and supervisors provided knowledge input based on a more focused view acquired from the information received during daily activities, transmitted through middle management. Middle managers converted the macro and micro views into a single strategy based on the direction provided by upper management vision and the business realities provided by daily interaction. The differing perspectives were essential to new knowledge creation and became part of the strategic equation toward competitive advantage. As facilitators in the social interaction imperative to strategic renewal, middle managers played a key role in successful organizational strategy development (Bono & Anderson 2005).

Agents of Change

Organizations do not exist in a vacuum. Organizations are dynamic environments that demand change to survive. Change is a leadership area where the literature seems to depict conflicting views. While portrayed as change resistant, middle management takes the lead and pulls senior management into the future. In fact, both positions are correct (Ehrhart & Klein, 2001). Middle management, by the unique position it maintains within the organization, is the point at which change and continuity are balanced. Middle managers direct the pace to ensure forward progress without derailment. Middle manager actions often determine the radical change cost—in money and personnel. In essence, middle managers determine the change success or failure of (Erkutlu, & Chafra, 2006).
While some middle managers resist change due to the power and existence threat change represents or the roles and skills uncertainty change creates, some perceived resistance is instead an organizational factor manifestation incorrectly identified as resistance (Giberson, Resick and Dickson, 2005; Emberton, 2006; Haneberg, 2005). In either case, middle management engages both upper management and employees simultaneously in both integrative and divergent activities that promote opportunity and growth through change (Delmestri and Walgenbach, 2005; Bartlett and Ghoshal, 1993). Change champions and facilitators, middle managers assess information within applicable contexts and share the contextualized information to help shape and implement strategy and to facilitate the schemata shift necessary to create a shared organizational perspective (Zhang, Tsui, Song, Li and Jia, 2008; Yukl, 1989; Wooldridge, Schmid and Floyd 2008). As organizations adjust to meet changing environment demands, middle management is one resource that continually evolves in response (Beatty and Lee 1992).

**Middle Managers as a Leader**

In the literature, the middle manager has often been singled out as the main reason for resistance to organizational change (Wooldridge, Schmid and Floyd 2008). However, increasingly, research and practice have shown that middle managers’ roles do not only center on the planning, controlling and monitoring of their units’ activities, but they also can influence strategy in both upward and downward directions (Giberson, Resick and Dickson, 2005). This is also true for middle managers in USA. There are three primary reasons why today’s middle managers in USA need to play the role of leader; the critical position of the middle manager, leadership continuity, and motivation issues.
First, middle managers are serving in critical positions in today’s organizations in USA. The external environments for USA’s organizations are characterized by incredible competitiveness and complexity. It is often middle managers rather than the top managers who have their hands on the “pulse of the organization” and are closer to customers and other stakeholders (Wooldridge, Schmid and Floyd 2008). Middle managers play a pivotal role in detecting new ideas, mobilizing resources, championing issues, and communicating information about important strategic agendas (Beatty and Lee 1992). Middle managers also play an important role in leading people and retaining employees because they manage, motivate and communicate with supervisors and front line employees every day. To meet the requirements of their roles, middle managers need to be aware of organization strategy, have a keen sense of the environmental context, remain extremely sensitive to the nature and demands of other members, develop cooperation, and get people to work together to reach a common (Giberson, Resick and Dickson, 2005). An organization’s competitive advantage will increasingly depend on the degree to which it allows middle managers to enjoy an enhanced role that involves greater input into the strategy and policy arena (Delmestri and Walgenbach, 2005).

In conclusion, the critical nature of the position and the leadership continuum require middle managers take on the role of leader. At the same time, the middle managers themselves also have strong motivations to be more engaged in leadership. Although there are also other related issues, these three are the most influential reasons for the leadership competencies of middle managers to be an important topic with social and academic significance.

As structures shifted, middle managers eased the tension through functional expertise and an ability to influence others (Kouzes & Posner, 2002; Bandura, 1986; Avolio, 2010). Middle managers provided balance and stability and were able to adjust the strategy implementation
pace based on factors with which top leaders may not have been in tune. Middle managers had an informal network and knew how to use it (Bono & Judge, 2003). The middle echelon understood employee needs and desires and were close enough to operations to know what was going on, while far enough away to see the big picture. Middle managers had credibility brought about by having more years on the job than most senior executives. The middle management group was more diverse and had better insight and ideas than senior management (Bono & Judge, 2003).

While middle management’s impact on organizational results outweighed senior management’s impact, the perception was that leadership deficiencies were greatest at the middle management level, suggesting that preparation for middle management roles was insufficient (Bono & Anderson 2005; Avolio, 2010; Erkutlu, & Chafra, 2006). As the mid-level leadership group faced ever-changing work environment demands and increased scrutiny, middle managers’ self-confidence regarding professional knowledge and skill decreased.

Since 1999, leadership priorities have changed, yet leadership competencies remain unchanged (Bono & Judge, 2003). The requisite skills and knowledge essential for middle management success in 1964 remains intact and has grown to include competencies necessary for middle management success in the 21st century (Bono & Anderson 2005; Bandura, 1986; Kark & Shamir, 2002; Judge & Piccolo, 2004; Hansen, 2009). The new competencies are required as middle managers assume responsibility for activities once considered senior management domain. In 1964, middle management development focused on preparation to assume senior management roles, and middle management competency development was deficient (Koene, Vogelaar, & Soeters, 2002). Today, middle management competency development is still deficient and while mid-level manager development is critical to
organizational success, the biggest competence gap is at the middle management level (Ling, Simsek, Lubatkin, Lyon & Veiga, 2008; Koene, Vogelaar & Soeters, 2002). Companies are once again looking internally to find good leaders, and a recent emphasis on middle manager development highlights the perspective that such organizational talent significantly influences organizational performance (Hansen, 2009; Kark & Shamir, 2002; Koene, Vogelaar, & Soeters, 2002). Still, about one-third of organizations indicate that identifying leaders is not an organizational strength (Ling, Simsek, Lubatkin, Lyon & Veiga, 2008). Leadership succession management through talent identification and leadership development can help to secure organizational futures and strategic success.

Leadership talent management is most effective when talent development includes managers at or below middle management roles (Hansen, 2009; Kark, Shamir, & Chen, 2003; Meindl, 1995; Kouzes & Posner, 2002; Bandura, 1986). Despite the influence middle managers have on organizational success Antonakis & Atwater, 2002); Aragón-Correa, García-Morales & Cordón-Pozo, 2007), promotion into leadership roles within the middle echelon continues to occur as reward for achievement in technical roles, leaving technical experts unprepared to meet management challenges (Kouzes & Posner, 2002; Bandura, 1986; Conger, & Kanungo, 1987; Conger, Kanungo, & Meno, 2000).

**Frontline Employees**

Frontline employees hold a unique position in the organization in that they continually observe customer reaction to the firm’s service product and prescribed delivery process. Their constant interaction with customers should give them over time a strong sense of what customers like and don’t like about the firm’s core product attributes and support services. As a result,
frontline employees should be a good source of ideas for product improvements, and occasionally, radical product innovations (Bartlett and Ghoshal, 1993). Their frontline exposure and essential role in the service delivery process qualify them to contribute to the development and testing of service, process and marketing program designs. Their effective participation in the full launch phase is as important as proper operation of technology systems and back-of-the-house support operations. Frontline employee participation in NSD design, development and full launch improves service marketability (i.e., product advantage and quality of the service experience) and service deliverability (i.e., fit of new service with existing human resources and expertise in the functional areas of sales, operations and customer service) (Zhang, Tsui, Song, Li and Jia, 2008).

Performance of Organization

The topic of performance is not a straightforward one. An organization is judged by its performance. The word “performance” is utilized extensively in all fields of management. Despite the frequency of the use of the word, its precise meaning is rarely explicitly defined by authors even when the main focus of the article or book is on performance. The correct interpretation of the word performance is important and must never be misread in the context of its use. Often performance is identified or equated with effectiveness and efficiency. Performance is a relative concept defined in terms of some referent employing a complex set of time-based measurements of generating future results (Walumbwa, Avolio and Zhu, 2008).

For more than a decade, organizational environments have experienced radical changes. As a result of greater competition in the global marketplace the majority of organizations have greatly streamlined their operations (Walumba, Wange, Lawler and Shi, 2004). Every moment
presents a diverse set of challenges and obstacles: laws and regulations are evolving, the economy is altering, and, most importantly, no one is aware of what problems or obstacles will arise. Furthermore, organizations can also perform well or poorly due to external forces, such as interest rates and taxation. To remain competitive in such an environment, an organization needs to get the most out of its assets, especially the human assets (Beatty and Lee 1992).

Tsui, Pearce, Porter and Tripoli (1997) wanted to see if there were differences in self ratings and ratings by supervisors. They surveyed general managers and departmental managers of 66 (40% response) four or five star hotels and resorts in Australia. The questionnaires were distributed and returned via mail. The researchers used a nine item instrument to measure performance. The general managers rated the departmental managers and the departmental managers rated themselves. The researchers found departmental managers rated their own performance higher than the general manager did. When the researchers compared female and male departmental managers self ratings to general managers’ ratings, the researchers noted a difference. The researchers concluded the disparity in ratings were due to male departmental managers’ over inflation of self-ratings.

Tracey and Hinkin (1996) studied three sections of an organizational behavior class (77 students total); each section contained six teams. Each team was assigned a semester long project. In the first section, leaders were allowed to emerge, in the second leaders rotated, and in the third the instructor asked for a volunteer to be team leader. The leaders went through training sessions where they learned about effective leadership and teamwork. At the end of the semester, all students were asked to complete a questionnaire focusing on conflict, perceived leadership, group effectiveness, and communication. The authors found the groups with team leadership to have no significant effect on performance. The authors found the groups with an emerging leader
to score lower on perceived leadership, group effectiveness, and communication but scored higher on conflict. The authors noted emerging leadership should be avoided as it created a leaderless group without direction, thus causing tension and conflict. The authors also found students wanted a chance to lead sometime during their undergraduate degree and so the authors supported use of rotational leadership.

Spreitzer, Perttula and Xin (2005) looked at the performance of 1,136 U.S. Air Force mechanics. Overall performance was measured with a supervisor questionnaire consisting of three questions rated on a 7-point scale. The questions included whether the mechanic exceeded performance standards, how the mechanic performed relative to others, and how much the mechanic contributed to unit effectiveness. Six questions were answered by the supervisor and used to measure task performance. Interpersonal facilitation, such as helpfulness, consideration, and cooperation, was measured using seven questions. Job dedication was measured using eight questions, measuring effort, self-discipline, and persistence. The authors found task performance, interpersonal facilitation, and job dedication to be important when measuring subordinates’ overall performance level.

Schneider (1987) developed the Role-Based Performance Scale, a theory based scale used to measure performance. The authors developed and pilot tested the tool. The researchers collected information from employees and managers at six companies. There were 700 employees available, and 90 employees were selected randomly for the pilot test. The authors found the Role-Based Performance Scale to be reliable and valid. Managers of one company changed their performance appraisal system after participating in the study. The authors described tool advantages such as short length, reliability, and validity. This tool has since been used by other researchers (Schaubroeck, Lam, and Cha, 2007; Piccolo and Colquitt, 2006). Ne,
Hollenbeck, Gerhart and Wright (2007) surveyed 599 employees (70% response) from restaurant and lodging companies in Hong Kong. Questionnaires were distributed to the employees and their supervisors. Employees answered questions about job satisfaction and organizational commitment. The supervisors answered questions about the employees’ performance and organizational citizenship behavior. Performance was measured using a previously published three-item tool developed by Hartline and Jones (1996). The authors found age to have a significant negative effect on performance scores. However, the authors noted older employees had performance scores that were lower than younger employees only when emotional attachment to the company was low.

Dvir, Avolio and Shamir (2002) studied 1,351 hotel customers of 279 hotels. Questionnaires were used to measure performance and each customer was asked to rate the employees’ performance on a 5-point scale. The customers were asked to base their performance evaluation on friendliness and service. The authors found performance ratings of front desk, housekeeping, and parking employees to have a significant relationship with overall perceived quality. Performance ratings of the front desk staff had the strongest effect on overall quality ratings. Performance ratings of front desk and room service employees had a significant relationship with overall perceived value. The authors suggested training efforts should focus on hotel front desk employees, as their performance had the biggest impact on overall quality and value ratings.

Many organizations feel that their people can provide a competitive advantage, and therefore their people contribute to the organization’s performance. Employees play a pivotal role in organizational success (Bass, Waldman, Avolio and Bebb, 1987). Employee performance has been shown to have a significant positive effect on organizational performance (Collis and
Montgomery, 1995). One of the major pitfalls in an organization occurs when managers believe their organizations are constantly operating at the highest level of efficiency, or that they do not require input from their employees (Bass, Avolio, Jung and Berson, 2003).

Nevertheless, the principal influence on the organization’s performance is the quality of the workforce at all levels of the organization. The function that human resources can play in gaining a competitive advantage for an organization is empirically well documented (Ne, Hollenbeck, Gerhart and Wright, 2007). For organizations to accomplish their goals, they must continually look for better ways to organize and manage their work. There is a growing recognition that the primary source of competitive advantage is derived from an organization’s human resources. This was not always the case, as human resources were traditionally seen as a cost (Hartline and Jones, 1996).

Due to the realization that people are the most valuable assets in an organization, the importance of performance management has been pushed to the fore (Dvir, Avolio and Shamir, 2002). The complexity of managing organizations today requires managers to view performance in several areas simultaneously. The performance measurement system employed in a organization must therefore measure the performance of all assets including the human ones. The Balance Scorecard of Bass, Waldman, Avolio and Bebb (1987) is a mechanism which provides a holistic measure of organizational performance. It is a set of measures that provide managers a fast but comprehensive view of the business. The Balanced Scorecard is not only a measurement system but also a management system, which enables organizations to clarify their vision and strategy and translate them into action (Bass, Avolio, Jung and Berson, 2003). It provides feedback around both the internal business processes and external outcomes in order to continuously improve strategic performance and results. When fully deployed, the Balance
Scorecard transforms strategic planning from an academic exercise into the nerve centre of an enterprise (Bass, 1985). The Balance Scorecard includes both financial measures that tell the results of actions already taken, and operational measures that are the drivers of future financial performance (Walumbwa, Avolio and Zhu, 2008).

It can be seen that the individual’s performance has an impact on the organization’s wider objectives, and it is thus imperative that every employee’s performance should be managed. This process of performance management includes group assessments and peer reviews, as well as written reports (Walumbwa, Avolio and Zhu, 2008). In recent years performance management systems have become more important because managers are under constant pressure to improve the performance of their organizations (Walumba, Wange, Lawler and Shi, 2004). As the performance of organizations influence the organization’s continued existence, it is therefore necessary to discuss the notion of managing this performance.

**Performance Management**

Performance is important to us as people and organizations. In fact, most of us believe that we can, and will, improve at what we do, and we expect others to improve over time as well (Tsui, Pearce, Porter and Tripoli, 1997). People are an organization’s greatest assets: individuals and organizations have learned about the importance of the role of people in an organization, and how the success of an organization depends on its people (Tracey and Hinkin, 1996). The role of human resources is absolutely critical in raising performance in an organization (Spreitzer, Perttula and Xin, 2005). Ultimately it is the performance of many individuals which culminates in the performance of an organization, or the achievement of goals in an organizational context (Schneider, 1987).
Performance management is an integral part of effective human resource management and development strategy (Schaubroeck, Lam, and Cha, 2007). Performance management is an ongoing and joint process where the employee, with the assistance of the employer, “strives to improve the employee’s individual performance and his contribution to the organization’s wider objectives” (Piccolo and Colquitt, 2006, p. 394). Ne, Hollenbeck, Gerhart and Wright (2007, p.403) define performance management as “the process that begins with translating the overall strategic objectives of the organization into clear objectives for each individual employee”.

Performance management can also be seen to incorporate all of those aspects of human resource management that are designed to progress and/or develop the effectiveness and efficiency of both the individual and the organization (Ne, Hollenbeck, Gerhart and Wright, 2007). First-class performance management begins and develops with the employee's lucid understanding of the organization’s expectations (Hartline and Jones, 1996).

To elevate and sustain the level of work performance, managers must look past individual or team performance to a larger arena of play: the performance management system (Dvir, Avolio and Shamir, 2002). The success of a performance management system is reliant on the commitment/support of an organization’s management. Performance management systems must be seen to reward personal development and achievement (Bass, Waldman, Avolio and Bebb, 1987). Within the performance management field itself, it is important that targets are viewed to be fair and equitable across all groups. It is imperative that employees have confidence in their work and recognize that management supports them (Bass, Avolio, Jung and Berson, 2003). A good performance management system motivates employees to better their own performance, promotes self-motivation, and builds and strengthens relationships via open communication between employees and managers (Bass, 1985).
There are two main purposes driving performance management. Firstly, there are the operational reasons, which lead and control the system (Bass, 1985). Secondly, on the cultural side, the system can feature as part of the overall drive to build a more open relationship with employees (Bass, 1985). The performance management system sets out to communicate the link between an organization’s mission, strategic direction and the required employee performance (Walumbwa, Avolio and Zhu, 2008).

A successful performance management system is one that requires full participation between employees and managers through effective communication and goal agreement, resulting in complete common understanding and not unfounded expectations (Walumba, Wange, Lawler and Shi, 2004). A well-executed performance management system is a medium for managers and employees to develop an understanding of what work the mission of the organization requires, the manner in which this work should be accomplished, and to what extent it has been achieved. Employees should be empowered and receive support from their manager without removing any of the employee’s responsibility (Tsui, Pearce, Porter and Tripoli, 1997). As the performance of an organization is dependent on the quality of the workforce at all levels of the organization (Tracey and Hinkin, 1996), it is essential to discuss the concept of individual performance.

**Job Performance**

An employee's job performance contributes to organizational effectiveness (Spreitzer, Perttula and Xin, 2005). Job performance is essentially the degree to which an individual helps the organization to reach its goals (Schneider, 1987). This definition fits in the aim of organizational control which is to achieve organizational goals. Piccolo and Colquitt (2006)
further pointed out that employees could either help or hinder efforts to accomplish organizational goals through fulfilling task requirements or contributing to the organizational, social and psychological context that facilitates the task operations in the organization (Ne, Hollenbeck, Gerhart and Wright, 2007). Hartline and Jones (1996) assumed that job performance, by nature, is behavioral, episodic, evaluative, and multidimensional, and either contributes or detracts from organizational goal accomplishment. Such definitions and the nature of job performance show that job performance reflects the accomplishment of organizational goals and the effects of organizational control.

Classification of Job Performance

Job performance classifications converge on the distinction between performance contributing to the job-specific behaviors and those non-job-specific behaviors or contextual activities (Dvir, Avolio and Shamir, 2002). There are four kinds of classifications of job performance:

The first classification was described by Bass, Waldman, Avolio and Bebb (1987). They partitioned the performance domain into three dimensions: (1) joining and staying in the organization, (2) dependably meeting or exceeding standards of performance prescribed by organizational roles, and (3) innovatively and spontaneously going beyond prescribed roles to perform such actions as cooperating with other members, protecting the organization from harm, offering suggestions for improvement, undertaking self-development, and representing the organization favorably to outsiders. Behaviors that belong to the third category are discretionary and not prescribed in job descriptions.
The second classification built upon the works by Bass, Avolio, Jung and Berson (2003), Schneider (1987), (Bass (1985), and Dvir, Avolio and Shamir (2002). The studies done by Organ and his colleagues (Ne, Hollenbeck, Gerhart and Wright (2007) defined organizational citizenship behavior (OCB) as extra-role, discretionary behaviors that help other organization members perform their jobs or that show support for and conscientiousness towards the organization. Other constructs similar to OCB include pro-social organizational behavior (Dvir, Avolio and Shamir, 2002), organizational spontaneity (Bass, Waldman, Avolio and Bebb, 1987), and extra-role behavior ((Bass, Avolio, Jung and Berson, 2003).

Dvir, Avolio and Shamir (2002) broadened the performance measurement and introduced the idea of contextual performance to contrast it with task performance and thereby introduced the third classification of job performance. Task performance "bears a direct relation to the organization's technical core, either by executing its technical processes or by maintaining and servicing its technical requirements" (Bass, Avolio, Jung and Berson, 2003, p. 342). In contrast, contextual performance maintains the broader organizational, social, and psychological environment in which the technical core must function. It includes activities that promote the viability of the social and organization network and enhance the psychological climate in which the technical core is embedded (Hartline and Jones, 1996).

Finally, in the fourth classification, Dvir, Avolio and Shamir (2002) formulated a model based on Project A research. His model includes behaviors that involve task proficiency and behaviors that do not involve task proficiency. The former set of behaviors is much more consistent with behaviors described by the organization, and the latter set of behaviors is consistent with OCB or contextual performance.
These four classifications of job performance make a common distinction between task performance and contextual performance. Since contextual performance and OCB are similar and all highlight behaviors that involve cooperation and helping others in the organization (Ne, Hollenbeck, Gerhart and Wright, 2007), they are considered as very similar classifications in this dissertation. I thus focus on both task performance and OCB (contextual performance) to investigate the influences of organizational control mechanisms on employee outcomes.

**Theoretical Framework**

*Leadership*

The theoretical framework for the present study is based on Podsakoff, MacKenzie, Moorman & Fetter (1990) leadership practices, which they had found to be common among successful leaders. The basic assumption underlying the present study is this: “These practices are not the private property of the leaders ... they are available to anyone” (Meindl, 1995).

Many studies conducted in the U.S. have used the Leadership Practices Inventory (Ling, Simsek, Lubatkin, Lyon & Veiga, 2008). In one such study, Koene, Vogelaar, & Soeters (2002) attempted to determine whether traditional leadership practices differed from nontraditional leadership practices, in relation to the gender of the leader. In Hansen (2009) study, the LPI was used to identify leadership characteristics of Community Development Corporation (CDC) executive directors. The effective leadership practices incorporated into the LPI were listed by Kark, Shamir, & Chen (2003) as the following:

1. Communicating the Vision
2. Being a Role Model to Subordinates
3. Intellectual Stimulation
4. Individualized Consideration

5. Mentoring

6. Motivating the employees

7. Achieving Group Goals

Kark & Shamir (2002) states transformational leaders are leaders who through their behavior and actions can gain the cooperation of others in the organization to work collaboratively towards one common goal. The leader, through his or her behavior and action can increase the interest of subordinates to pursue organizational goals and objectives as a team (Judge & Piccolo, 2004). This type of leadership promotes the opportunity for seamless operation and higher accomplishment throughout the organization (Howell & Avolio, 1993). Higher accomplishment can translate to operational excellence and organizational effectiveness. Floyd & Wooldridge (1997) identified four important elements of transformational leadership: idealized influence, intellectual stimulation, inspirational motivation, and individualized consideration.

Communicating the Vision

Good communication skill is a major requirement for a middle manager. Since middle manager lies between the top management and the frontline employees, a middle manager needs to communicate the goals, objectives, policies from top management to the frontline employee and communicate any queries of the frontline employees to the top management. Although this process of communication may appear simple, it is quite complex in practice. The core components of communication involve sending, receiving, and interpreting messages. The sender delivers the message and the receiver interprets the message based on his or her
background, education, and experience. Chen and Aryee (2007) indicated a receiver's comprehension directly relates to the effectiveness of the sender's communication. Messages are verbal, written, or nonverbal. Vocal inflection, tone, pronunciation, accent, pitch, and timbre influence verbal messages. Similarly, email, text, and memos are influenced by word choice, font style, type size, and syntax. Nonverbal cues, communicated with body language, eye contact, and facial expression, also transmit information. Using Spreitzer, Perttula and Xin (2005) identified ineffective 'red zone' leaders as individuals possessing poor verbal and nonverbal communication skills. In contrast, 'green zone' communicators used effective nonverbal communication by making eye contact and using positive physical gestures to transmit messages. Receivers tend to judge the character, ethics, and intent of a sender through his or her messages. The vocabulary, tone, and intent of the sender can create a perception of credibility, respect, and integrity. Bass (1985) suggested the effectiveness of communication ultimately lies with the comprehension of the receiver. The inflection, tone, and volume of the speaker can strengthen or distract from the intended message. In the workplace, a casual conversation may reflect personal or political undercurrents influencing the climate of the organization. Rumor and gossip, reflective of a negative climate, can weaken leadership, undermining a middle manager's message (Bass, Waldman, Avolio and Bebb, 1987).

Creating a positive climate of open communication and trust builds effective internal and external relationships producing high quality products and services. For instance, sharing information among workers at an organization can improve processes, utility, and climate. Schneider (1987) identified how sharing best practices among health care organizations improved daily processes and employees' ability to adjust rapidly to changing environments. A
transformational climate supports continual improvement, encourages worker innovation and builds a culture focused on efficient processes and procedures (Hartline and Jones, 1996).

Negative middle manager communication creates an environment of mistrust and cynicism. Employees are afraid to communicate openly for fear of ridicule, retribution, or job loss. Employees fearful of job loss are not willing to risk personal exposure and negative consequences, eliminating new ideas, creativity, and innovation. Piccolo and Colquitt (2006) identified how employees use a climate of mistrust as reason to protect their individual interests and reduce personal anxiety and stress. A negative organizational climate fosters mistrust as leaders provide employees with incomplete or inaccurate information. Dvir, Avolio and Shamir (2002) stated that ineffective organizational leaders create a hostile work environment by limiting or keeping information secret encouraging gossip, rumors, and innuendo. Such negative communication and climate create a downward spiral of employee performance Bono and Judge (2003). Poor middle manager communication is particularly problematic in an organization’s environment. Autocratic middle managers are individuals who communicate in a ‘my way or the highway’ environment, expecting employees to follow directives without questions or resistance (Ne, Hollenbeck, Gerhart and Wright, 2007). Middle managers use demoted and fired employees as organizational examples of what happens to workers who disobey a Middle manager’s directives. Employees forego meaningful participation to distance themselves from potential blame. In such situations, employee mistrust and cynicism grow, creating a climate of apathy (Walumbwa, Avolio and Zhu, 2008).
Individualized Consideration

Individualized consideration is an important quality in a leader, where the leader pays careful attention to the personal and professional needs and development of employees. The leader finds time to listen and ensure that task assignments are within the scope, experience, and capability of the employee. According to Erkutlu, & Chafra (2006), individualized consideration is an important characteristic of transformational leadership, where the leader takes the time to know and understand employees. The leader allows time in their busy work schedule for idea and knowledge sharing, thereby demonstrating to employees their importance and value to the organization.

Intellectual Stimulation

This is a key characteristic of transformational leadership where the leader allows independent problem solving and decision-making (Ehrhart & Klein, 2001). The leader promotes challenging work opportunities for employees, encouraging them to think about how to solve the problem or issue. The leader may provide some sort of lead, but employees are the ultimate ones to determine what resources they may need and what method they may use to accomplish certain task and projects in the organization. A leader who possess the intellectual stimulation qualities tends to stimulate the thinking and views of employees to come up with new or different ways to get work done in a more effective and efficient manner. Employees under this style of leadership behavior tend to support collaboration and are more willing to ask questions and share ideas to improve outcomes in the organization (Conger, Kanungo, & Meno, 2000).
Leadership is responsible for identifying problems, solving complex problems, and making effective decisions. Effective decision making is one of the most important roles of leaders in organizations. Many factors can adversely influence decision making in organizations, and not following the steps in the decision-making process can affect decision making at all levels in an organization. The decision-making process has steps, and the steps are important to effective decision making. The steps in the process identified by Bono & Judge (2003) are classification of the problem, definition of the problem, decision as to what is “right” rather than what is “acceptable,” building into the decision of the action to carry it out, and feedback. According to Bono & Anderson (2005), classification helps to identify the priority of problems in organization. Defining the problem helps leaders understand how big or small the problem is and the possible impact the problem will have on the organization and its members. Specification helps to determine the steps that will be necessary to address the problem. Building into the decision of the action helps to determine who in the organization is best suited to handle a problem and determine the course of actions necessary to eliminate or solve the problem. The final step in the problem-solving process is feedback and evaluation. The leader looks at what types of action were taken and the results, and the benefits associated with the outcome (Kouzes & Posner, 2002).

EI has been attracting greater attention over the past several years. The framework for EI that Bandura (1986) described includes five elements. The first three are related to personal competence or self-management: (a) self-awareness— knowing one’s internal states, (b) self-regulation—managing one’s internal states, and (c) motivation—emotional tendencies that guide the attainment of goals. The last two elements are related to social competence or how we handle
relationships: (a) empathy— awareness of others’ feelings, needs, and concerns; and (b) social
skills—adeptness at inducing desirable responses in others.

Although the term emotional intelligence was not always labeled as such in all cases, the
building blocks of EI such as self-awareness and the ability to work effectively with others recur
throughout the literature. Aragón-Correa, García-Morales & Cordón-Pozo (2007) of the Center
for Creative Leadership (CCL), a world-class leader in the area of leadership development (LD)
and winner of the “Business Week” Award for Best Leadership Services offerings, noted that
CCL’s LDPs are constructed with three main areas that they viewed as essential to a leader’s
ability to lead effectively: self-management, social capabilities, and work-facilitation capabilities.
The first two areas are almost entirely related to EI. For example, self-management
encompasses self-awareness, which is the cornerstone of EI as defined above; and social
capability encompasses the ability to build and maintain relationships and to build effective
workgroups and communication skills. Thus, suffice it to say that CCL, one of the foremost
providers of leadership effectiveness training and development, believes that the keys to its
programs are anchored in building the competency of EI.

Antonakis & Atwater (2002) highlighted 10 strategies for effective leadership that also
contain elements of EI. The very first commitment they described as the leader’s finding his or
her voice through clarifying personal values and becoming more self-aware. They encouraged
leaders to “find some way to become better acquainted with who they are and how others see
them” (p. 64). Much of this section describes the ways in which leaders might become more in
touch with who they are, such as taking time for contemplation. Evident here is the personal
mastery that is suggested as a key building block of EI.
The spotlight has also shone on different perspectives regarding the emphasis of EI in leadership effectiveness. Podsakoff, MacKenzie, Moorman & Fetter (1990) provided compelling data to suggest that even if leaders have high EI in the form of strong interpersonal relationships, it is still not enough to classify them as effective leaders. In fact, the data suggest that leaders with this strength alone have a fairly low probability of being in the top 10% of all effective leaders in a firm.

In conclusion, it appears that the majority of the literature pointed to EI as a competency that fosters leadership effectiveness, but there was some disagreement over whether or not EI alone will lead to effective leadership. This potentially further bolsters the leadership competency of maintaining balance: EI alone cannot result in effective leadership without the accompaniment of other essential competencies to balance it out.

Motivating the Employees

An inspirational and motivational leader is a leader who can convince others that their leadership is right for the organization and best for everyone in the organization (Meindl, 1995). This type of leader can communicate with others using the right tone of voice, relate to others in a mutually respectful manner, and say and do things that everyone in the organization supports. The leader can push employees to accomplish more for the benefit of everyone in the organization. Through the behavior and action of the leader, employees are willing to do more than their share in order to gain more for the organization, individually and as a group.

Since all companies are engaged in producing more and better in a globalized and competitive world, senior management of organizations must resort to all means available to meet your goals. These media are referred to: strategic planning, capital raising, technology,
appropriate logistics, personnel policies, appropriate use of resources, etc. Obviously, management strategies and staff development are established as the most important factor that will help achieve business objectives and personal development of employees (Ling, Simsek, Lubatkin, Lyon & Veiga, 2008).

To the extent that we integrate in the positive motivation extent we generate, the results are very positive, not only for the modern manager, but for all those members who are fully identified as a working group committed to driving the company towards success. Just because you have stopped to assess how motivated towards meeting all the goals, objectives that have been proposed to achieve, is not surprised what is the best way to take a job with a high level of motivation, allowing to use their energy properly (Koene, Vogelaar, & Soeters, 2002).

Not surprised how they interrelate, how to invite the group to participate in actions that have been set for achieving the proposed objectives. Not surprising that es very common to hear in organizations: "We must motivate our staff to work harder and produce better." All managers face a huge challenge: to motivate workers to produce the desired results with efficiency, quality and innovation, as well as satisfaction and commitment. But what do it? That's commitment, effective job to be played a good leader (Kark, Shamir, & Chen, 2003).

Definitely, to maintain this level of commitment and effort, organizations need to properly assess the cooperation of its members, establishing mechanisms to have a workforce sufficiently motivated to perform efficiently and effectively, leading to the achievement of the objectives and goals of the organization and at the same time achieve the expectations and aspirations of its members. These premises lead inevitably to focus automatically the subject of motivation as an important element to generate, maintain, modify or change attitudes and behavior in the desired direction (Kark & Shamir, 2002).
Indeed, the motivation is related to the impulse, because it provides effective collective effort aimed at achieving the objectives of the company, and pushes the individual to the continuing search for better situations to be professionally and personally, thereby integrating the community where its action has a meaning. Motivation is both objective and action. Be motivated means to identify and, conversely, feel unmotivated represents the loss of interest and meaning of the objective or what is, the impossibility of achieving it (Judge & Piccolo, 2004).

The strongest impetus is survival in its purest form when the struggle for life, followed by the motivations that derive from the satisfaction of primary and secondary needs (hunger, thirst, shelter, sex, security, protection, etc...) Motivation is a result of the interaction between the individual situation. So when analyzing the concept of motivation has to be noted that the level varies both between individuals and within the same individuals at different times (Howell & Avolio, 1993).

Motivation is a factor that should matter to every manager: without it would be impossible to try to achieve the correct operation of your organization and, thus meeting the objectives. Systems theory suggests that there are attempts to understand the why of human behavior. No theory should be taken without a comprehensive review of empirical research has been done and, above all, its implementation within work organizations (Floyd & Wooldridge, 1997).

Being a Role Model to Subordinates

Leaders who exhibit idealized influence portray some important qualities that others view as great qualities and express or display admiration for those qualities (Meindl, 1995). The leader may see celebration of organizational accomplishments and personal and professional
accomplishments as important qualities that improve performance and outcomes in the organization, and as such, plan to celebrate such accomplishments with employees. Employees may view those celebrations as important leader qualities and develop a positive attitude towards the leader resulting in higher performance and better outcomes in the organization. Employees may pick up on some things the leader is doing, which other leaders are not doing and are beneficial to everyone in the organization, and associate it with the leadership competency of the leader.

Ling, Simsek, Lubatkin, Lyon & Veiga (2008) state that a transformational leader can create an organizational environment with positive results stemming from high employee morale, satisfaction with work conditions, and willingness to work along with others to achieve the desirable outcomes. Similarly, as cited by Koene, Vogelaar, & Soeters (2002), transformational leadership in an organization can lead to a high-performing organization because through the supportive, delegative, participative, collaborative leader-follower relationship that evolves in an organization, employees are empowered and feel obligated and committed to assist in achieving the goals and objectives of the organization (Hansen, 2009). According to Kark, Shamir, & Chen (2003), commitment to an organization can lead employees to accept and comply with the employment contract and standards within organization. This could translate to improved work habits and behaviors such as compliance with performance standards, organizational standards, organizational culture, and loyalty.

Kark & Shamir (2002) stated that leaders who exhibit leadership style that is associated with the transformational framework encourage and foster collaborative decision-making and problem solving. Similarly, Gillespie and Mann (2004) state that leaders who foster growth and development, set high expectations, provide emotional support and direction, identify and work
with subordinates individually and as a group to improve their abilities and capabilities can gain the cooperation necessary in an organization to achieve the goals and objectives. It is believed that the behavior of the leader can improve job performance and enhance job satisfaction since the focus of the leader is on the development of employees, concern for the work environment, and communicating in a manner that is trustworthy, thereby making employees believe in their abilities and gaining their cooperation. The ability of transformational leaders to communicate, support, understand, and develop followers helps foster the trusting relationship that organizations need to improve (Judge & Piccolo, 2004). Howell & Avolio (1993) states, transformational leaders lead people based on their own value system, such as “justice and integrity” (p. 247). They advocate ethical conduct inside and outside the organization. Likewise, Floyd & Wooldridge (1997) agrees with Bono & Judge (2003) that leaders who are transformational usually display ethical behaviors at all times. They do everything in their power to discourage unethical business practices. Transformational leaders understand the needs of subordinates and make every effort to help subordinates achieve their personal and professional goals (Bono & Anderson 2005). 

Kouzes & Posner (2002) states that transformational leaders tend to advocate and support empowerment and the development of employees for optimal effectiveness. Leaders can promote empowerment in the organization using reassurance and encouragement, by promoting growth and development of employees, and through fostering and supporting open communication in the organization. According to Aragón-Correa, García-Morales & Cordón-Pozo (2007), in order to develop employees in an organization, leaders must provide the necessary support, education, and guidance, and act as positive role models. A qualitative study on effective nursing management searching for a solution to nurse job dissatisfaction and low retention rates revealed
that nurse managers lack knowledge and understanding about transformational leadership, which makes it difficult for them to apply it effectively in promoting job satisfaction and retention. The author of this study, which used focus groups, also felt that nurse leaders lack the competency of cultural diversity making it difficult to form the strong leader-subordinate relationships that are essential for effective leadership ((Antonakis & Atwater, 2002).

According to Podsakoff, MacKenzie, Moorman & Fetter (1990), female leaders tend to use the transformational framework more than male leaders. The authors felt that this style of leadership was more compatible and favorable for women because they are accustomed to talking with other people, getting opinions from others, sharing ideas, involving others in decision making, and engaging in socialization more than male leaders. Women are more willing to engage others in a conversation on a topic or solicit responses and direction in order to better understand and solve a problem than men. Hence, the transformational style of leadership may not be the ultimate leadership style or framework of choice for men.

A study conducted to evaluate leadership patterns and satisfaction of small business owners revealed that leaders in small organizations tend to favor transformational leadership style over other types of leadership style because it creates an environment with a high level of job satisfaction (Meindl, 1995). This signifies that if nurse leaders in hospital settings use transformational style of leadership, it can create a climate of commitment and loyalty, and increase job satisfaction, which can translate to lower turnover, increased cost savings, and higher performance.

The notion of balance was woven throughout the literature. It was discussed in various contexts as it relates to effective leaders—balance between personal and professional lives, balance between heart and head, balance between managing and leading, just to name a few.
Although balance may appear to be a nebulous term, I believe that it is worth exploring further because of its unmistakable prevalence. Balance in leadership appears to be stemmed from the belief that there is no final answer to a situation or a right answer and that leadership is a constant metamorphosis. Ling, Simsek, Lubatkin, Lyon & Veiga (2008) suggested that leadership is a never-ending struggle to balance the constant and never-abating demands of those with different objectives (p. 47). Leadership is not built in a vacuum. Instead it acknowledges the differences that exist in their environment calls for a never-ending journey to balance the needs and wants of all concerned.

Balance was probably most prominent in Koene, Vogelaar & Soeters (2002) research, which established that over time the focus of effective leadership has changed from an “either-or” mentality to describe the key competencies necessary for effective leadership to “both-and” (p. 177). He argued that it is not enough for managers, for example, to be clear on what needs to be done to get things done. They must be flexible and open to ideas from others with regard to the means to the end. The basic tenet of Koene, Vogelaar, & Soeters (2002) work is that an effective leader must have continuous, keen, and intuitive judgment in balancing the dualities evident in any situation. He examined seven different dualities, each of which emphasizes the ability of the leader to embrace the uncertainty in every situation and commit to actions that are grounded in what is best for the collective. This often means setting aside the leader’s own predispositions to a certain type of behavior. To that end, if managers are predisposed to being very task oriented and receive a great deal of ego boost from being micro managers, they need to learn to put aside their own needs in order to meet the needs of their team most effectively. This might call the leader to go outside their comfort zone and become less of a micro manager. For example, consider the scenario in which team members suffer from poor performance because
they are not connected with or do not see the overall purpose or meaning of their responsibilities in the overall context of the organization. In such a case it is much more productive and effective for the manager to stop and spend some time reconnecting these team members with the big picture to enable them to feel that their simple tasks are contributing to the overall company goals. A less effective alternative would be for the manager to continue to impress upon the team members the need to accomplish certain tasks. Thus, knowing when to put aside one’s own predispositions and tendencies for the benefit of the team is critical.

Hansen (2009) concurred that the key to effective leadership is a combination of competencies. In their research, which is grounded on defining effective leadership based on the feedback of those who are being led, they discovered that it is not enough to excel in one area, but that a combination of competencies is necessary to be truly effective (p. 27). For example, an effective manager needs to be able to flex the competency of pushing the team forward towards a goal while empowering the team towards the desired direction. In essence, it is achieving the balance between management and leadership. Kark, Shamir, & Chen (2003) described effective leadership as being like rowing a boat: Both oars (pushing and empowering) are required; otherwise the boat will go in circles (p. 36).

Kark & Shamir (2002) described their very compelling perspective on the composition of effective leadership, much of which is related to balance. The secret to a manager’s ability to sustain high performance, which is vital to leadership within an organization such as QMM, is the ability to manage one’s energy effectively (p. 13). The key to effective energy management is maintaining a balance in one’s life in multiple realms—the physical, emotional, mental, and spiritual. They suggested that oscillating between challenging and expending energy and replenishing it in each of the four realms is essential. After studying what is unique about the top
echelon of world-class athletes, Judge & Piccolo (2004) concluded that the most successful athletes take the time during competition (high-energy expenditure) to replenish their energy by engaging in calming activities such as meditation. Even in between match points—as with tennis players—this oscillation occurs, allowing the batteries to recharge to enable greater effectiveness on the court when it is called for.

This research is directly related to the organizational context where managers are required to load each day with meetings and deadlines and be in a constant state of energy expenditure. It is leaders who can find a ritual or routine for reenergizing and calming activities that renew their energy that are able to sustain high performance (Howell & Avolio, 1993). Otherwise, leaders find themselves burnt out and far from being effective.

Floyd & Wooldridge (1997) spoke about the importance of balance in effective leadership through the lens of EI. They found evidence to suggest that balancing leading with the head and the heart instead of allowing one to dominate the other is essential in effective leadership (p. 25). Balance appears to be a key competency in and of itself that arguably provides the canvas upon which all of the other leadership competencies are painted.

Effective leaders are in touch with the realities and truth of their situations; they are honest about what is really going on and dig beneath the surface to reveal such nuggets. Effective leadership reveals this honesty at three different levels of the organization: the individual, the team, and the organization overall. Hand in hand with this acknowledgement of the truth and openness is the effective leader’s willingness to take this information and act within the best interests of the greater good.

Honesty and openness begin with uncovering the truth that shapes who a person is. One aspect of this learning process can be described as operating from the inside out. Here the
individual becomes cognizant of how his or her internal state drives external responses (Erkutlu, & Chafra, 2006). With this self-understanding leaders are better equipped to set aside their personal biases and agendas to focus on the needs of others. Bringing the best out of a team requires that leaders uncover each member’s “truth”—which includes his or her fears, aspirations, and limitations—and leverage that information to empower the members.

Ehrhart & Klein (2001) agreed and suggested that the higher in positional power leaders become, the more quarantined they are from hearing the truth about how others feel about their surroundings, including the leadership provided. Effectiveness as leaders requires breaking through this quarantine and getting to the truth about themselves (p. 147).

Truth seeking at the organizational level is paramount to organizational prosperity. Conger, Kanungo, & Meno (2000) studied the unique characteristics of organizations he termed the “good to great” (p. 213) companies that have sustained industry-leader status for a considerably longer duration than their competitors have. One distinction that allows this to happen is the organization’s relationship with the truth:

Start with an honest and diligent effort to determine the truth of the situation and the right decisions often become self-evident. . . . You absolutely cannot make a series of good decisions without confronting the brutal facts. The good-to-great companies operate in accordance with this principle, and the comparison companies generally did not. (p. 59)

This idea of openness and honesty is the cornerstone of Bono & Judge (2003) research on effective leadership. He maintained that the foundation of effective leadership is not in our thinking, behavior, techniques, or position, but rather in who and what we are. He referred to this state as the foundational state of leadership which he characterized as honesty and openness to feedback from the external environment. Bono & Judge (2003) believed that the key to effective
leadership is overcoming entropy—a dissipation of energy or a slow death that is inevitable if a leader is not open to feedback from the environment (p. 45). He described this as being externally open—possessing an adaptive confidence to become genuinely open to all forms of feedback and embracing the truth (p57).

As noted in Bono & Anderson (2005) work earlier, it is very important for a leader to balance the inspirational side of the leadership equation with the ability to obtain desired results. One cannot have one without the other. Kouzes & Posner (2002) encapsulated this balance between the strategic vision setting and the tactical task completion to reach the vision very well. He believed that it is the role of the leader to set the vision for where the organization is heading and to balance it by painting a clear picture of the strategy for how the organization will work together to achieve it. It is the challenge of great leaders to articulate and inspire others towards a vision by clearly translating how they expect them to achieve it. This enables employees to see even the most tactical of endeavors as a purposeful means to an end rather than just a menial task.

Bandura (1986) echoed the notion of purposefulness in suggesting that effective leadership maintains what he referred to as “grounded vision” to ensure that organizational efforts are channeled in a common direction for effectiveness. Purposefulness ensures that although the vision is inspirational, it is also grounded, credible, and embedded in language that helps others to see how it can become reality. Furthermore, people become inspired and respond to a vision because it touches them deeply within their reality, hopes, and dreams. Many leaders are caught in the trap of problem solving instead of deeply clarifying the sense of purpose behind their obstacles. Being well connected to the purpose of any challenge keeps everyone’s eyes on the ball and empowered to see the challenge through to completion. The literature also
highlighted the importance of entrepreneurs to inspire others. Often entrepreneurs become caught up in too much of the minutiae and day-to-day tasks related to running a business and too focused on working in the business instead of on the business (Avolio, 2010). As a result of this tendency, the founder of the organization somewhat blends into the background and becomes isolated and relegated to acting as the figurehead of the company, offering only inspiration and guidance rather than focused direction. Aragón-Correa, García-Morales & Cordón-Pozo (2007) argued that this inclination is death to a thriving smaller organization.

Mentoring

Mentoring is an interpersonal relationship support, exchange and learning, in which an experienced person, the mentor is investing his acquired wisdom and expertise to promote the development of another person, the mentee, who acquire skills and career goals to be achieved. The assistance provided by the mentor is usually paid and is paid as part of a professional relationship that meets the needs of the mentee in terms of objectives related to his personal and professional development (Antonakis & Atwater, 2002).

Leaders must be willing to create a climate that will encourage development. Some of the difficult decisions related to your organization giving people the freedom of action, but there is also a need to take hard decisions in the development process. A person who grows up, will stay at one of six levels of development:

Level 1: Some Growth

Some people grow very slowly, and their growth is not enough direction. They are improving almost imperceptibly. They may be competent professionals, but never clearly not shine in their work.
Level 2: Growth which makes a person capable of work

Many people mistakenly believe that a simple qualitative performance of the ultimate goal of development. It is not. People who do not have a good mentor or the desire for personal growth, stop at this level of growth (Podsakoff, MacKenzie, Moorman & Fetter, 1990).

Level 3: Growth, which makes a person able to reproduce themselves in their work

At this level, people begin to feel more important, so they are able to train others in their sphere of competence. It is able to do as people, strong on the technical side, but having little leadership skills, and those who are strong in leadership, but has little technical ability. Those workers who are strong in both areas on the right pass to the next level (Podsakoff, MacKenzie, Moorman & Fetter, 1990).

Level 4: Growth, which raises it to a higher level of activity

The jump from level 3 to level 4 is difficult. This requires that people wanted to devote himself to both personal and professional growth. When they will be able to expand their thinking and experience, they become more capable and more valuable to their organizations and leaders (Podsakoff, MacKenzie, Moorman & Fetter, 1990).

Level 5: Growth, which allows him to rise above the others

At this level there are great leaders. These people are the true teachers of others, and they do not add value to their leaders and organizations - they multiply (Podsakoff, MacKenzie, Moorman & Fetter, 1990).

Level 6: Growth, which allows a person to cope with any work

People who develop to this level are rare. If you want to help people achieve this level of contact with them with utmost love and respect. They are leaders who could work in any field.
They have the skills and abilities that are superior to any particular field of activity. If the Lord will bless you with one or more of these people during your life together you'll have a great potential for your organization, far superior to your own individual abilities (Podsakoff, MacKenzie, Moorman & Fetter, 1990).

If you are a teacher, then meet everyone at a level where it find, usually at the level 1 and then begin your journey. Your job is to walk side by side with this person and help him as long as he does not want to move on and grow. When he stops growing, that's when you have to do something rather difficult - you need to leave it behind. Your relationship can last, but do you stop the development of this man. Here is one of the most difficult sides in the guide. We give people as much time, attention and love, what to leave behind one of them - let's like one of their children out of control. But you cannot force the person to continue to grow to a higher level. You have to take a firm decision - to give the man himself. It is difficult, but such is the price worth paying in order to develop others (Meindl, 1995).

Achieving Group Goals

Effective leadership is achieved when a leader is able to mobilize others to produce desired results and ensure that morale is not compromised in the process (Erkutlu, & Chafra, 2006). Ehrhart & Klein (2001) reported that a distinction in the “great” companies was their chief executive officers’ (CEOs’) demonstration of being “fanatically driven to produce results.” Also worth noting is that these CEOs focused on the results but not at all costs. Instead, they did so responsibly with the primary goal of doing what was best for the company. As a result, their fanaticism with driving results was not at the cost of alienating others or to feed their egos or their need for power and recognition. Attaining results without it being at all costs speaks to the
balance between leadership and management that was described above. Although the management side of the equation was established by ensuring that things got done, it was not done at the cost of leaving people feeling disempowered, uninspired, or unsupported.

The notion of balance will be spoken to in greater detail in the next section, but it is evident in the work of Conger, Kanungo, & Meno (2000), who introduced four pillars of effective leadership, including one related directly to results called purpose centered. This idea reinforces the importance of leaders’ focusing on the desired outcomes instead of basing their decisions and actions on a personal need or desire. Quinn noted that many of us, when we are in the thick of challenges as leaders, can be easily swayed and preoccupied with our own selfish needs (i.e., ego, recognition). He argued that truly effective leaders are able to keep their eyes on the ball and remain focused on the outcomes or results that they have set out to achieve.

Consequently, leaders are not entangled with personal “baggage” or biases. Conger, & Kanungo (1987) stressed the importance of leaders of smaller, growing companies to be able to scale from being strategic and big-picture in their thinking, while at the same time being task oriented in the sense that they can extract three to four high-level goals from the longer, more strategic list of action items and focus the team accordingly. Consequently, although it is important to be results oriented and have laser focus on the tactics that need to be accomplished, it behooves the entrepreneurial leader to lose the perspective that the tactics must all align with the overall strategy.

Bono & Judge (2003) drew an analogy to describe the relationship between leadership and results. His comparison of the importance of the two distinct roles of leadership, the leader and the manager, were described earlier. He also compared leadership and management to a ladder resting against a wall. Leadership determines the direction of the ladder in which one
would climb and management refers to the speed at which one could climb up the ladder. Doubling one’s speed is of no use if the ladder is placed in the wrong direction (Bono & Anderson 2005).

Kouzes & Posner (2002) suggested that the quality of exchange relationships affect subordinates’ commitment and good will. Since LMX is negatively related to employee turnover (Bandura, 1986), support for innovation (Avolio, 2010), performance (Aragón-Correa, García-Morales & Cordón-Pozo, 2007), and productivity (Antonakis & Atwater, 2002), it is important for organizations to build relationships in order to attain business success. It is important because it has been found that the degree of interdependence in a relationship is a function of the degree to which both parties are dependent on each other to achieve their desired outcomes (Ling, Simsek, Lubatkin, Lyon & Veiga, 2008; Koene, Vogelaar & Soeters, 2002; Hansen, 2009; Kark, Shamir, & Chen, 2003).

The primary effect of relationship-focused leadership is on human relations and human resources Kark & Shamir (2002). Judge & Piccolo (2004) warned that service-oriented managers often cause problems because they do not know their responsibilities concerning human resources. Howell & Avolio (1993) emphasized that a friendly atmosphere between coworkers, resulting in honesty, trust, respect, and interaction, helps in the promotion of work productivity. The result of efficient human relations behavior is higher employee job satisfaction that is likely to result in less absenteeism and turnover (Floyd & Wooldridge 1997). These two results are of special concern to most organizations, which requires competence staffing, sometimes on an around-the-clock basis, in order to function properly. Service-oriented managers who exhibit efficient human relations characteristics are more likely to retain a workforce that can satisfy the customer and operate organizations more efficiently (Erkutlu, & Chafra, 2006).
Researchers have proposed that trust is essential for understanding interpersonal and group behavior, managerial effectiveness, economic exchange, and social or political stability; yet, according to a majority of these scholars, this concept has never been precisely defined. For example, moral philosophers have argued that people can trust foolishly. The theory is that excessive trusting can be culpable and saintly trust (i.e., trust without suspicion). It can be dangerous and exacerbate abusive behavior. Trusting too much, including not monitoring, can enable opportunists to steal from the firm with relative impunity (Conger, Kanungo, & Meno, 2000). Rational prediction is important because it helps prevent agents from trusting blindly or foolishly. From a philosophical perspective, Conger, & Kanungo (1987) found that the definitions of trust seem to be based, at least in part, upon an underlying assumption of moral duty with a strong ethical component. Affect-based trust is the belief that moral character is critical for developing and sustaining mutually trusting relationships, as well as realizing the benefits that flow from trust (Bono & Judge, 2003). People who feel supportive of organizational authorities are likely to be satisfied with their relationship with the authorities, committed to the organization, and willing to behave in ways that help to further the upper management goals and, through extension, the goals of the organization (Kouzes & Posner, 2002). This concept is known as OCB. OCB is work-related activity performed by employees; such behavior increases organizational effectiveness but is beyond the scope of job descriptions and formal, contractual sanctions or incentives (Aragón-Correa, García-Morales & Cordón-Pozo, 2007). OCB is beneficial and desirable from an organizational perspective, but managers have difficulty eliciting their occurrence or punishing their absence through contractual arrangements and formal rewards because the behavior is voluntary (Antonakis & Atwater, 2002).
The performance of OCB requires trusting others to fulfill their obligations (Podsakoff, MacKenzie, Moorman & Fetter, 1990). From a contract perspective, interactions between an employee and specific organization agents such as direct superiors result in psychological contracts between the employee and the organization (Meindl, 1995). As an agent of the organization, the supervisor discharges the organization's legal, moral, and financial responsibilities (Ling, Simsek, Lubatkin, Lyon & Veiga, 2008). Therefore, how the supervisor upholds the psychological employee–employer contract significantly influences the elicitation and maintenance of OCB (Koene, Vogelaar, & Soeters, 2002). As Kark, Shamir, & Chen (2003) noted, one party's failing to fulfill a contractual agreement will undermine the good faith and trust that helped create the contract in the first place. Any uncertainty over the reciprocation of the unspecified role contributions would compel the violated party to be less bound to the relationship and less likely to perform OCB (Kark & Shamir, 2002).

Observational studies of managers by Judge & Piccolo (2004) and Howell & Avolio (1993) found that monitoring is a distinct and meaningful behavior; While others found that leaders who did more monitoring were more effective (Floyd & Wooldridge 1997; Erkutlu, & Chafra 2006; Ehrhart & Klein, 2001; Conger, Kanungo, & Meno, 2000). Service-oriented managers are more likely to be able to identify potential problems at an early stage and make timely corrective actions if they retain a good feel for the pulse of the operation through efficient monitoring. Conger, & Kanungo (1987) and Bono & Judge (2003) found evidence that effective managers take a more active role in guiding subordinates and understand that they must continue to do so. For example, service-oriented employee dedication is the relative strength of an individual’s identification with the organization. There is an exchange relationship that exists between the service-oriented employee and the organization in that dedication is exchanged for
desirable outcomes (Bono & Anderson 2005). That is, if the LMX (i.e., input from the leader) is
designed to assist employees with meeting with success, then they are likely to repay the
organization with increased dedication (i.e., input from frontline employees). A leadership plan
that includes clear direction and guidance has a strong and positive effect on employee
dedication (Kouzes & Posner, 2002). Essentially, the higher level of dedication is linked with the
desire of service-oriented employees (FLEs) to remain with the organization. Thus, from an
organizational perspective, it is clear that the outcome is the positive attitudes of service-oriented
employees toward organizational dedication, which is ultimately beneficial for the organization.

The primary effect of task leadership is on efficiency and reliability. Efficiency involves
the manner in which resources are used in order to continue operations and minimize costs
(Bandura, 1986). Leadership effectiveness is similar to organization effectiveness in that it is
effective if those under the direction of a particular leader realize their purpose and accomplish
their goals (Avolio, 2010). This concept of accomplishing goals is what was known as the human
potential movement Podsakoff, MacKenzie, Moorman & Fetter (1990) and was originally seen
as being able to help a person make full use of his or her personal capacities, which can lead to
self-actualization (Meindl, 1995). For example, the efficient use of the resources under the
control of a service-oriented manager, both material and human, has a direct effect on the
operating cost of the organization’s operations and the potential for sales revenue.

Reliability is a measure of the ability of a system to perform as intended under a
prescribed set of conditions (Ling, Simsek, Lubatkin, Lyon & Veiga, 2008). Koene, Vogelaar, &
Soeters (2002 believed that an organization’s internal processes were used to ensure that
reliability is designed into a product or service. By planning, clarifying service-oriented
employee roles and responsibilities, and mentoring the results, a service-oriented manager will
be developing service-oriented employees to operate in such a way as to assure a high degree of reliability in the products and services offered. In addition, it may be encouraging repeat business from an otherwise largely uncommitted customer base. For example, mentoring can be viewed as a means by which to monitor progress. Mentoring between experienced and inexperienced employees can facilitate employee engagement in the organization’s mission while at the same time monitoring the results and allowing for immediate feedback. To formalize mentoring, one organization implemented a buddy-for-a-week system. An experienced employee—one with high job knowledge and a good attitude about the vision of the organization—spent 1 week with a new hire—working together, having lunch, and so forth (Hansen, 2009). This process helped to pass on job-specific knowledge, provided hands-on training, and improved rapport between newer and older employees. It was also found that the organization’s culture improved because of this effort (Hansen, 2009).

As mentioned above, there is a large body of research that substantiates how LMX theory is related to positive organizational outcomes such as job performance, organizational commitment, job climate, innovation, organizational citizenship behavior, empowerment, procedural and distributive justice, and career progress (Kark, Shamir, & Chen, 2003). For example, performance information is data on organizational outcomes collected via methods such as benchmarking studies, evaluations by independent external organizations, customer surveys, and internal audits (Kark & Shamir, 2002). Performance information may be collected to assess individual as well as group outcomes. There are activities that an employee is expected to perform to meet the prescribed requirements of the job. These activities are known as in-role performance activities. On the other hand, there are activities that are not found in the employee’s job description but are performed by the employee because the employee finds it
necessary to do so in order to meet an internal self-commitment that will often be of benefit to the organization. This is what has become known as extra role performance or OCB. Task-oriented leadership behavior will have a positive effect on both in-role and extra role employee behavior.

In-role work performance is defined as those fundamental responsibilities that employees are hired to perform in exchange for their compensation package. However, if employees believe the organization is unfair, they may respond in a variety of forms, for example, by reducing their level of performance in an effort to restore personal feelings of equity regarding the work exchange relationship (Judge & Piccolo, 2004). Thus, perceptions of justice represent the quality or the fairness of the exchange relationship as perceived by the employees. When these perceptions are higher, higher levels of in-role performance or extrarole performance can be expected (Podsakoff, MacKenzie, Moorman & Fetter, 1990).

Kark & Shamir (2002) found that psychological contracts are caused by anything an employee perceives to be a contribution on his or her part that obligates the organization to reciprocate the treatment in kind. The theory proposed that any number of individual and organizational processes impact the creation of a psychological contract (Judge & Piccolo, 2004) and that two sets of factors form a psychological contract: individual predispositions and interpretations and organizational messages and social cues (Judge & Piccolo, 2004). One element that contributes toward differing perceptions in organizations is uncertainty. Howell & Avolio (1993) argued that uncertainty leads to considerable ambiguity in organizations (Floyd & Wooldridge 1997). The dominant view is that role ambiguity is negatively related to motivation, job performance (e.g., Erkutlu, & Chafra, 2006), employees’ job satisfaction, and organizational commitment (Ehrhart & Klein, 2001). Therefore, if an employee is not motivated and
dissatisfied with the job because he or she is unclear about his or her performance expectations, then the employee will be less likely to meet the required expectations or perform any extrarole behaviors that are related to the job assigned. By monitoring the outcome of an assigned task, the leader will have the opportunity to see where corrections must be made, share valuable knowledge with the employee, and, as a result, provide feedback that will help to keep the employee on the desired course.

According to Conger, Kanungo & Meno (2000), role ambiguity is the perception that one lacks information necessary to perform a job or task, leading the perceiver to feel helpless. Role ambiguity has been found to be an antecedent of perception of organizational politics (Conger & Kanungo, 1987). It is the degree of equivocality in a job environment. High role ambiguity exists when there is a lack of clarity about work objectives, roles, and what needs to be done to be rewarded (Aragón-Correa, García-Morales & Cordón-Pozo, 2007). Bandura (1986) and Avolio (2010) pointed out that such ambiguity can lead to conflicting demands in the workplace and become particularly problematic when individuals are torn between the different expectations held by those in a higher position. This conflict will lead to a feeling of injustice if the different expectations lead to unfair performance appraisal and determination of reward. One primary driver of employee departure may be role ambiguity: individuals who feel uncertain about their future begin to consider other opportunities (Antonakis & Atwater, 2002). Job ambiguity also creates a condition where inconsistent treatment of employees may arise. Meindl (1995) argued that when the job situation is more formalized, it reduces ambiguity, fosters consistent treatment, and eliminates uncertainty. They also found evidence that formalization has a positive relationship with organizational justice. According to his experience with the PeopleSoft Inc. acquisition, Oracle Corp. CEO, Larry Ellison (as cited in Miles & Bennett) was quick to point
out that merger-and-acquisition companies must do what they can to control which employees leave and which remain. This is necessary because many of the potential ship jumpers are vital to both the team and the organization. Ling, Simsek, Lubatkin, Lyon & Veiga (2008) stated that it is important to immediately remove all employee-related ambiguity so people know what is ahead and can get to work.

The constraints of bounded rationality and imperfect information limit the ability of organizations to develop a complete set of rules and procedures to guide and govern employee actions and behavior. Thus, individuals often find themselves having to rely on informal and unsanctioned means in making decisions (Koene, Vogelaar, & Soeters, 2002). According Hansen (2009), responsibilities of all employees and positions at work should be defined. Only under these circumstances, managers can direct employees; in turn, employees can report on their work and responsibilities. If employees are unclear how much authority they have and what is expected from them, they will refrain from decision making and exhibiting behavior that is relevant to the organization’s aims (Kark, Shamir, & Chen, 2003). On the other hand, clearly defined job roles can strengthen employees’ feelings related to the efficiency of their abilities. In this case, employees know what is to be done and what is expected from them. Judge & Piccolo (2004) suggested that role clarification is critical. It is a dyadic exchange or intervention process that is provided in a formal context wherein the supervisor (i.e., role sender) states his or her expectations to the direct report subordinate and together the two parties discuss means by which the direct report’s obligations can be managed effectively. These discussions could also help to promote creative thinking on the part of the employee, which will lead to performance behavior that could benefit the organization. The facets of the subordinate's role are then defined both in terms of content (i.e., what the duties are) and process (i.e., how effective performance on the
duties should be achieved). Therefore, task-oriented behaviors such as monitoring, knowledge sharing, and providing feedback on the part of leadership would clear up employee misinterpretations and leader implications and decrease or eliminate unwanted psychological contracts that employees may have conjured up in their mind, thereby eliminating or decreasing ambiguity while promoting creativity.

A service-oriented manager’s task-oriented leader behaviors (i.e., monitoring, knowledge sharing, and providing feedback) are positively related to employees’ organizational citizenship behavior over and above the effects of transformational leadership and leader–member exchange.

*Frontline Employee’s Performance*

Walumbwa, Avolio and Zhu (2008) state that, “the effective management of individual performance is critical to the execution of strategy and the organization achieving its strategic objectives.” Performance cannot be left in anticipation that it will develop naturally, despite the employee’s natural desire to perform and be rewarded for it. This desire needs to be accommodated, facilitated and cultivated (Walumba, Wange, Lawler and Shi, 2004). In return for this performance, organizations extend themselves in various forms of acknowledgement (Tsui, Pearce, Porter and Tripoli, 1997). Individual performance has become a topical issue in today’s business environment, so much so that organizations go to great lengths to appraise and manage it (Tracey and Hinkin, 1996).

In addition to the level of individual performance variability, the location of the individual performance variability within the organizational structure has important implications for system performance. Specifically, the earlier in an interdependent system that variability occurs the larger the effect down the line. This is particularly evident in front-line positions,
characterized in this dissertation as those that have direct interaction with either the products or services offered by the organization (e.g., manufacturing line workers, bank tellers, hair stylists), or have direct interaction with the customer (e.g., customer service representatives).

Therefore, front-line positions have a significant, and arguably primary, influence on the health of an organization. Spreitzer, Perttula and Xin (2005) point out that, though distal in their relationship to a general metric of organizational performance, the role of front-line employees is pivotal to organizational success. This impact is primarily due to the role of the front-line in producing core products or fulfilling core services for the organization and its customers. That is, performance variability in quality or speed on the front-line can be felt at the organizational level in terms of productivity and service.

Performance disruptions, in the form of mean performance levels, as well as variability in performance (e.g., quality/speed of output, absenteeism, turnover), can have critical consequences for an organization (e.g., quality problems, dissatisfied customers, lost business). For example, customer service representatives (CSR) may take 10 minutes on average to resolve customer complaints. When within person variance on that metric is low, managers can easily plan the number of CSRs to have staffed in order to meet demand. However, if that 10-minute average varies dramatically (e.g., 50% of the time it takes 5 minutes, the other 50% of the time it takes 15 minutes) then managers have more difficulty determining the appropriate staffing count. Understaffing could have significant consequences as customers may be queued for lengthy waits, while overstaffing would result in unnecessarily high labor costs, as well as bored or underworked employees. Given that front-line employees usually make up a large proportion of an organization’s workforce, the potential for significant detriment as a result of performance problems at this level is high. The findings of Schneider (1987) articulate this direct relationship
between the number of employees in a system and the system’s production variability. Therefore, this particular level of the organization should be a primary target for HR initiatives focused on elevating both mean performance and reducing variance in performance.

Just as middle manager’s leadership and communication influence worker behavior, employee performance significantly influences the quality of organizational outcomes. Consistent with Schaubroeck, Lam, and Cha (2007) stoplight performance model, researchers describe how red, yellow, and green leadership approaches influence worker morale, trust, engagement, and satisfaction. High levels of employee trust and engagement are key indicators of organizational morale, job satisfaction, and performance.

Organizational performance often depends on employee morale. Specifically how workers value and view their positions within the organization. Researchers reported that self-motivated employees who engage mind, body, heart, and spirit attain higher levels of productivity and job satisfaction (Piccolo and Colquitt, 2006). Ne, Hollenbeck, Gerhart and Wright (2007) characterized green zone workers as self-motivated employees, open to change, self-directed, and willing to help others reach higher levels of performance. Green zone employees value working with coworkers and look forward to going to work each day. They take pride in high-level performance, metaphorically stamping goods and services with a personal signature. Described as effective listeners and agile change agents, green zone workers create an entrepreneurial spirit that decreases absenteeism and increases employee morale (Piccolo and Colquitt, 2006). Schneider (1987) similarly recognized that organizational change requires innovation and creativity; characteristics typically provided by personally and professionally fulfilled individuals.
Organizational teamwork also has been found to affect the morale, performance, and retention of employees (Walumbwa, Avolio and Zhu, 2008). Walumba, Wange, Lawler and Shi (2004) indicated successful organizations build a positive work environment by fostering collaboration, encouraging employee decision-making, and providing constructive feedback to increase employee motivation, performance, and morale. Tsui, Pearce, Porter and Tripoli (1997) similarly found positive employee morale reduced employee anxiety when facing organizational problems. Employees who experience negative organizational relationships tend to develop cynicism and mistrust, lowering performance and morale Tracey and Hinkin (1996).

Employees often discern how other employees value an organization based on a perceived level of trust. Spreitzer, Perttula and Xin (2005) identified a positive correlation between trust and leadership effectiveness. Schneider (1987) identified effective leaders as those who build trust with coworkers and create a climate of innovation, teamwork and commitment necessary for adapting to challenging personnel and organizational complexities. Leaders who foster open communication build trust by providing employees with opportunities to express creative ideas. Schaubroeck, Lam, and Cha (2007) noted that strong alignment between innovation and organizational goals generated synergy when developing new products and services. In such an environment, employees freely discussed sensitive organizational issues without fear of retribution. Piccolo and Colquitt (2006) stressed the importance of developing a safe environment for team collaboration built on mutual trust and respect. Trust allows employees to discuss unpopular issues and concerns with middle managers in a positive, safe climate of discovery. The process is synergistic, with trust between employees and managers increasing trust among coworkers. When employees observed a positive relationship between managers and employees, they were more likely to exhibit trust, confidence, and camaraderie.
Hartline and Jones (1996) identified superintendent empowerment and trust as a method of building employee loyalty.

Consistent and ethical communication between the administrative office and school employees builds a climate of trust within a school district. Bass (1985) observed that bridging the communication gap between the district's administrative office and schools was vital for successful collaboration and implementation of strategic initiatives. Employees often use communication as the basis for conclusions about the values and integrity of their leaders. Inconsistent and ambiguous messages tended to lead to a climate of mistrust, increasing doubt about subsequent messages (Walumbwa, Avolio and Zhu, 2008).

Superintendents typically create an environment of trust through consistent messages and information. The superintendent's messages provide inspiration for parents, employees, and the community. Employees often rely on the superintendent's leadership as an educational and spiritual guide (Walumba, Wange, Lawler and Shi, 2004). The message from the superintendent must be consistent, honest, objective, and project integrity (Tsui, Pearce, Porter and Tripoli, 1997). A superintendent's message builds trust assuring employees and parents that the welfare and education of students is the paramount objective of the district. With clear and consistent communication, superintendents can create a climate of trust (Tracey and Hinkin, 1996).

A manager or employee who violates trust undermines the credibility of subsequent communication and information. Compromising the truth reduces trust and camaraderie among coworkers. Unethical managers may have trouble restoring the trust and confidence of colleagues and subordinates (Spreitzer, Perttula and Xin, 2005). A school leader who consistently does not 'walk the talk' may be perceived by employees as dishonest and/or unethical (Schneider, 1987).
Schaubroeck, Lam, and Cha (2007) identified an engaged employee as a worker who knows the goals and vision of an organization and actively communicates with coworkers and leaders to ensure objectives are met. Tracey and Hinkin (1996) characterized engaged employees as energetic, committed, and engrossed with projects until completed. Engaged employees demonstrate a positive attitude, tenacious determination, and personal pride to complete difficult tasks and projects. An engaged employee is also more attentive and performs better at work. With better safety records and less time away from work, engaged employees have better concentration when performing organizational tasks and are committed to work longer hours to complete projects (Spreitzer, Perttula and Xin, 2005). Unfortunately, researchers identified less than 30% of the American workforce as engaged, citing poor work habits, higher incidents of sickness, injury, and less productivity.

Engaged teachers receive support from administrators and colleagues through professional recognition and effective leader communication. Piccolo and Colquitt (2006) reported teachers were better able to cope and engage with disruptive students and negative work conditions when they felt supported and appreciated by administrative leaders. Effective communication helped identify specific roles and responsibilities to further engage employees, creating a climate of trust and organizational excellence. Effective leaders have been found to engage employees through open and clear communication (Ne, Hollenbeck, Gerhart and Wright, 2007). Specific and candid messages define organizational goals, expectations, and deliverables to engage workers with opportunities for self-assessment and personal growth.

Howell and Shamir (2005) stated that individual performance is the product of ability multiplied by motivation. Furthermore, Howell, and Avolio (1993) concur with the belief that performance is ultimately an individual phenomenon with environmental factors influencing
performance primarily through their effect on the individual determinants of performance – ability and motivation. The diagram below, adapted from Cummings and Schwab (1973), illustrates individual performance determinants.

Figure 1: Individual Performance Determinants

The above mentioned determinants of performance also develop from other leadership styles such as, Transactional Leadership and Laissez Faire. Since this study is solely based on the performance determinants that are generated or developed through transformational leadership, we have to ignore the determinants developed through other leadership styles. The frontline employees performance determinants attributed to transformational leadership are identified by Howell and Shamir (2005). These variables are:

1. Attitude towards work
2. Attitude towards supervisor and coworkers
3. Attendance punctuality
4. Dependability
5. Quality of work
6. Job knowledge and skills
7. Productivity
8. Responsibility

Attitude towards work

Taking responsibility: Unfortunately, many (if not most) employees do just enough work to get by—just enough to justify receiving a wage. This can be seen in today’s mass-produced products, which do not reflect the quality and care of individual craftsmanship.

Taking initiative: Generally, there are two types of workers—those who wait to be told what to do, and those who think things through and keep busy by constantly finding tasks that need performing. In an age when most workers—both teens and adults—do as little as possible, and then only when told, a self-motivated employee automatically sets himself apart from the crowd. He has a reputation for looking out for the employer’s best interests and putting customers first.

There is a saying that goes like this: “Give a busy man more work, as it is likely to be done efficiently.” Those who show initiative—who hunt for ways to solve problems, to improve things, and to be more efficient—are most likely to be given more responsibility—even a promotion.

Performing your duties cheerfully: Some people are naturally upbeat, positive and easy to be around. On the job, such individuals are usually well liked by their peers and acquaintances. Do you know why? It is because no one wants to work around someone who maintains a surly or
negative attitude. Pessimism breeds more pessimism. Likewise, positive, cheerful attitudes can also be “contagious.”

Becoming self-disciplined: Society offers plenty of things to attract our attention—the Internet, television, cell phones, etc. But a good employee is one who stays on track. He doesn’t allow things outside the job to creep in and steal his time, attention and energy from doing what he has been hired to do. He remains focused.

Exceeding expectations: Too many workers do only what they are required to do, and nothing more. You can instantly increase your value to the company by going above and beyond what is expected of you, such as being willing to take on duties that others refuse to do.

Attitude towards supervisor and coworkers

In any type of job, you have to be able to get along with fellow employees. You must realize that not all people are the same as you might be or want them to be. Employees must work together in order for the company to be successful and to solve problems that may arise. A good relationship with your boss and co-workers can make for a healthy career. However, this is not always easy. As a matter of fact it can be very difficult at times. These resources will show you how to improve interpersonal office relationships.

In many offices working as a team player is considered a positive quality - the ability to work as a team. Candidates emphasize that, when being interviewed. Impression that everything - team players. But teamwork undermines accountability. As they say, the success has many fathers and defeat - is an orphan. Therefore, all who ever stood next to a successful project, considers himself a member of a successful team. If the project failed - appointed by the executive, who was unable to justify the confidence of the team. Who could it be? Or the most
scored by a team member or on the contrary, the brightest, which crawls everywhere and wants to fix something.

Thus, the task team player - well wriggle and fall under the distribution. Often, it is this skill is called "be a team player." But this is not the skills that are needed for this work. Many of the team players plucked from the team itself is nothing special of no interest. They swallow air like a fish on the sand, they want something, but they sure need assistants and colleagues, which can be something to discuss, to agree (although by themselves can be team players and smart and very competent). But they do not have the courage to do something. Especially in defiance of the team.

Consider this quote from positive thinking proponent Zig Ziglar: "You will get everything in life that you want if you just help enough other people get what they want." We live in a world of communications is to say a world where it is increasingly easy to say things and be understood. The word communication has the same etymological root as the word community, share, share with others. We can share what we know and especially what we feel.

The biggest concern about hiring older workers expressed by employers is that conflicts would result when they are managed by invariably younger supervisors. An incredible 88 percent of employers worry about hiring older workers because of such conflicts. The heart of the difficulty of getting older workers into successful work relationships lies with the challenge of having younger managers supervise employees who are older than they are.

Research suggests conclusively that both younger managers and their older subordinates distrust each other and that negative attributions on both sides are common — although frankly much more common among younger supervisors than older subordinates. The cause appears to
have less to do with the age differences per se and more to do with the difference in experience and the way in which younger managers try to supervise their more experienced subordinate.

A good employee would always respect the old age workers in the workplace and will make sure that he does not take any step or make any comment that would hurt the old age workers in any way.

**Attendance/punctuality**

For an organization must be organized properly functions work. To do with effectiveness needs to be developed through posts. The posts are used to establish the obligations, responsibilities and relationships of employees who will play the position. The divide the work through to management positions to help put people with skills necessary to accomplish the job. When a company wants to achieve its objectives, the organization must perform a myriad of jobs. These vary from sweeping work areas, filing, assembling parts or invent new products to make vital management decisions affecting the survival of the organization. Only through the implementation of these activities can develop the organization and its functions employees can meet their diverse needs. Work can also be executed by the machines, which are accurate and efficient. However to carry out some work better man because he is more flexible, and there are work the machines cannot perform.

Many people do not have a good relationship with the clock, and despite countless efforts fail to maintain punctuality eventually lengthen the time at work and often forget commitments and celebrations. The delay is related to chronic different reasons sometimes concern events that occurred during childhood psychological aspects to other details.
For some, the urge to delay decisions and commissions, to comply with the timetable, has distant origins. If the family has always attached great importance to punctuality or the parents have imposed increasingly stringent schedules, it is possible that adults take place a sort of counter reaction and seek a way to transgress strict rule that you had to keep small. In this case, you can lighten the days of unnecessary tasks, commitments as a child were considered a burden and focus on the inevitable deadlines without creating a clutter of obligations.

Dependability

An employee’s performance both reflects on and benefits the company that they work for. Dependability is all about delivering what is promised. An employee who is dependable is at work on time, arrives at meetings on time; provide their deliverables on or before their due date. Dependable employees never leave their employer wondering where they are professionally and make scheduling a dream.

Honorable employees are honest in their dealings with co-workers, company and clients. They submit receipts only for expenses that are valid. They maintain client confidentiality and honor all contracts and agreements. They are not responsible for losses, questionable use of company resources or invalid overtime. The honorable employee is one who can be trusted to do the right thing no matter the situation.

Unsurprisingly, the manageable employee makes corporate life easy for their supervisor. The manageable employee does not exhibit hostility to their supervisor’s instructions, questions or comments. They do not rock the boat or rely on insubordination to get their way. The manageable employee addresses any issues or grievances in a rational and respectful manner that not only delivers the message, but leaves it open to conversation and negotiation.
Consistently arrive at work on time when you are scheduled to be there. Nothing will make you appear less dependable to both your coworkers and boss than continuously calling in or showing up late.

Complete your work as instructed and apply all of your effort. If your boss asks you to hand in a report by Tuesday, hand it in by Tuesday but also make sure that it's better than just average. Putting all of your effort into each task gives the impression that you care about your work and that your boss can rely on you to get things done.

Solve problems without being asked to do so. If you've been at your job for more than two months, you should be able to identify problems and fix them accordingly. If you work in a restaurant and you see that the floor is dirty, don't wait until your boss asks you to clean it; take the initiative and do so before you're asked.

Listen when your boss speaks. If your boss gives you and instructions and you don't follow them because you weren't fully listening, it shows that you're not dependable because you don't care enough to listen.

Return phone calls and emails. Returning an email three days after it was sent shows that people can't depend on you to get back in a timely manner.

Quality of work

The total quality is based on the fact that the obligation to achieve quality rests largely with people who produce it. Hence the responsibility for achieving high quality standards, start at the top of the organization (managers or leaders), but falls primarily on people who are closer to production (workers operating levels).

They are managers or leaders who plan to improve the quality, define quality policies, establish rules or standards of quality assurance or choose responsible for quality control,
implement quality systems, and establish quality control measures, but are workers in the operational levels that ensure or guarantee compliance with specifications, requirements, rules or standards.

Good employees generate 60% more performance than those without an incentive in his job. That is, a person working eight hours a day in an adverse work environment is more likely to lose performance. The key to keeping employees comply is to allow a balance between work and everyday life, and a good internal organization, and to have some flexibility, for example, make personal arrangements. There is evidence that an employee who has a nursery in the company or can "accommodate" their schedules to pick up their children from school will be more focused and better at their tasks.

Job knowledge and skills

Employees who do not have a clear understanding of how their jobs fit into the overall work picture of their organization are more likely to exhibit carelessness and the inability to make clear distinctions on which aspects of their job are most important. This is according to a study conducted by two DePaul University industrial-organizational psychologists.

“This study clearly shows that employees vary greatly with regard to how accurately they understand the critical function of their jobs,” say Erich C. Dierdorff and Robert S. Rubin, both professors in the Kellstadt Graduate School of Business at DePaul.

Their findings were published in the fall issue of Personnel Psychology. How workers perceive the requirements associated with their jobs and the value of performing those jobs can provide key information to human resource practitioners. Such knowledge can aid in several
human resource functions, including job redesign, job evaluation, training needs and performance management.

“This is information that can help in analyzing jobs so that the right kinds of people can be hired to fill those positions. Job information is important, not only in recruiting and hiring, but also in setting compensation rates and conducting performance reviews,” said Dierdorff. It is incumbent upon the organization to assure that job and personnel-related decisions are being made on high quality information, he added.

Not only is an understanding of work role requirements useful to human resource managers, but clarity of one’s role and responsibilities can greatly impact work motivation, satisfaction and performance of individual workers, as well.

“We looked at how people perceived their jobs, not how well they performed them. If two individuals with the same job had a clear understanding of their roles and responsibilities but performed them slightly differently, that is acceptable as long as they both know what is expected of them,” said Dierdorff.

In their study, they focused on two aspects of how employees rated their jobs. The first was carelessness, which is when employees are more likely to think certain aspects of their jobs are more important than others, when in fact they are not. For example, a person whose work does not provide the opportunity to have much interaction with co-workers and little, if any, with customers, lists interpersonal skills as highly important to the job. By doing so, that person is being careless in providing an accurate judgment, noted Dierdorff.

The second is being able to discriminate as to which job requirements are more important. “If, for example, there are 15 key skills required for a job, can the person make the fine-grain distinctions between those requirements?” the authors write. “If asked if oral or
written communication skills are more important to that position, can the employee make an accurate distinction between these two different skills?"

The researchers also wanted to determine whether role ambiguity had an influence on how people viewed their work. They concluded that it did. They found there can be a wide variance in work role ratings, and not all of it is due to differences in jobs. Much of it comes from the different perceptions people have about their jobs, even if they perform similar work, when making their ratings. “People who perform a job often do not agree with others on what is important or what is needed to perform the job,” said Dierdorff. These kinds of variables in job ratings are an indication that employees are not on the same page when understanding their work roles. “That’s a clear signal that management needs to clarify work roles and provide training to minimize the differences and impact the quality of decisions based upon factors important to the organization,” Dierdorff noted. Surprisingly, the person performing the job may not provide the best quality information about that job. “I know that’s contrary to logic, but studies have found that professional analysts can delineate the most important attributes and provide more accurate job-related information that management can use when making important personnel decisions,” said Dierdorff. Dierdorff and Rubin based their findings on ratings from 203 employees from 73 different occupations about their jobs.

Productivity

There is no doubt that the improvement and increased productivity in the public sector lead to provide excellent services to the public beneficiaries, and this consequently leads to the use of human energies and material resources efficiently, and there are many factors affecting the improvement and increased productivity, for example: the number of hours of work, planning and development powers workforce, and the use of modern technology, and effective
supervision, etc., and measuring productivity is not an easy process, as that comes to mind, because the lack of clear standards and specific for measuring productivity in the public sector to make productivity depends largely on the assessment of the employee himself, and may be the nature of the functions exercised by the employee or the working relationship with a strong measure productivity, as there are works can be measured in productivity have precisely such acts of administrative communication, printing, copying, etc., as there are acts can not be measured productivity has accurately such as secretarial, public relations and work related to thought, etc., and the most important indicators to measure productivity the employee performance evaluation report, which is by the direct supervisor at the end of each Hijri year, and an indicator to measure productivity, it is not a criterion, and if the employee is demanding high productivity administration is also required to create the conditions for that employee productivity to be high.

Another point crucial to the success of a production company is the link established with the company workers and their tasks. For example, salespeople who rely on their corporation and also believe in the products we offer are more likely to increase turnover. They tend to retain more impetus to better understand customers and their needs.

But the compromise does not only affect the economic growth of the corporation, but also provides a more stable workforce. The study of the international consulting firm "Right Management", a specialist in human resources management and corporate solutions, reveals that 70% of employees feel committed to their work remain in the state at least five years. In contrast, those who do not carry this sense of belonging and satisfaction wish to leave the company two years ago.
An effective superintendent creates an organizational environment committed to increasing teacher productivity and student achievement through staff development and teacher support. Hartline and Jones (1996) identified how effective leaders communicate change with a goal of increasing student achievement and teacher productivity. The principal receives clear administrative directives executing instructional programs approved by the superintendent. In turn, effective principals provide teachers with directives and measurable benchmarks increasing student achievement.

Using a sound communication process, the superintendent creates a positive district climate by supporting teacher training and staff development. Teachers align new skills and techniques with directives and deliverables, enhancing instruction, and increasing student achievement (Dvir, Avolio and Shamir, 2002). Over time, employees and students are assessed based on predefined benchmarks using clear and measurable goals defining productivity and instruction. Effective teachers create a safe learning environment in which students are eager to learn and attend school reducing the probability of classroom disruptions, violence, and dropouts (Bass, Waldman, Avolio and Bebb, 1987). These findings suggest a strong correlation between principal effectiveness, teacher performance, and student outcomes.

Responsibility

Personal responsibility is defined as a state in which an individual feels a sense of obligation to a situation or event (Cummings & Anton, 1990; Dose & Klimoski, 1995). Behaviors performed due to personal responsibility are performed for internal as opposed to external reasons. Such behaviors are considered self-directed in the behavior management literature (Watson & Tharp, 1993). As an example, consider two hypothetical employees,
Employee A and Employee B. Both employees have perfect attendance at their respective organizations. However, their reasons for perfect attendance are different. Employee A reports to work every day because he knows perfect attendance is rewarded at the end of each year with a substantial monetary bonus. In contrast, while no such reward is available at Employee B’s organization, this individual feels that consistent work attendance is simply the right thing to do. In the scenario just described, Employee A is being influenced by the external contingencies put into place by management. In contrast, Employee B is attending regularly because of feelings of personal responsibility.

Responsible behaviors are self-directed and not driven by an external accountability system (Geller, 1998a). Such behavior is proposed to be more reliable (Cummings & Anton, 1990). In other words, it is expected that employees who feel personal responsibility for organizational processes will perform behaviors to facilitate the process in the absence of external motivators or directives. Additional research indicates employees who feel personal responsibility for organizational processes are also more concerned about output quality (Hackman & Oldham, 1976). Given the definition of personal responsibility and its accompanying benefits, the identification of variables that can potentially facilitate such feelings is a meaningful endeavor (Cummings & Anton, 1990; Dose & Klimoski, 1995). Empirical investigation of the personal responsibility construct, however, has not been extensive. Thus, many questions remain regarding the determinants of personal responsibility. For example, research has not addressed the role of individual characteristics in the development of personal responsibility. It may be that some employees, due to a personality characteristic, are more likely to feel personal responsibility for their work processes and become self-directed in their work assignments. The identification of individual factors related to personal responsibility could lead
to a better understanding of underlying psychological mechanisms. Plus, increased understanding of person factors contributing to personal responsibility could suggest ways to develop, increase, or support this desirable state. The identification of environmental variables related to feelings of personal responsibility could also be useful. For example, given that some form of accountability or control system must be present in any complex organization, what steps can be taken to maximize employees’ feelings of personal responsibility? Many accountability systems do not increase personal responsibility for completing a work process. Instead, they focus employee attention on external reasons for task performance. In these situations behaviors are performed essentially to gain a reward or avoid a penalty, not because of internal feelings of personal obligation or responsibility.

The need to facilitate feelings of personal responsibility to participate in organizational processes may be even more critical when one considers behaviors not mandated by the organization, or work processes comprised of voluntary behaviors. Such behaviors have been studied in organizational settings under a variety of labels. For example, Organ (1988) called this class of behaviors organizational citizenship behavior (OCB). Borman and Motowidlo (1993) referred to such activities as contextual performance. Other names used to identify this type of behavior include organizational spontaneity (George & Brief, 1992), prosocial organizational behavior (Brief & Motowidlo, 1986), discretionary organizational behaviors (Katz & Kahn, 1978), and actively caring (Geller, 1996).

Each conceptual label generally denotes behavior that goes beyond specified role requirements. These are typically behaviors employees are not formally required to perform, nor do they necessarily expect to receive tangible rewards for engaging in them. Specific examples of this type of behavior could include volunteering to do extra work assignments, helping
coworkers with personal problems, suggesting procedural or administrative improvements, completing a “near miss” incident report, following rules and procedures even when inconvenient and unsupervised, and openly espousing and defending an organization’s objectives. Often performance of these behaviors is hypothesized to be integral to effective organizational functioning (Brief & Motowidlo, 1986; Katz, 1964; Katz & Kahn, 1978). Support for the separation of this class of behaviors from task performance can be found in the research literature (e.g., Borman, White, & Dorsey, 1995; Conway, 1999; Motowidlo & Van Scotter, 1994). In a study performed by Motowidlo and Van Scotter (1994), supervisors at an U.S. Air Force base were asked to rate 421 mechanics on their task performance, contextual performance, and overall performance. The findings obtained from this investigation indicated that task performance and contextual performance contributed independently to overall performance. Moreover experience was more highly correlated with task than contextual performance, and personality variables were more highly correlated with contextual than task performance. These results were interpreted by the authors as support for a distinction between task performance and contextual performance.

A meta-analysis across 14 studies conducted by Conway (1999) also supports the notion that contextual performance contributes uniquely to performance ratings. Unlike the Motowidlo and Van Scotter (1994) investigation this study focused on the impact of contextual performance on job evaluations for individuals in managerial jobs. It was found that job dedication (a facet of contextual performance) contributed uniquely to evaluations of overall performance. Also, the job dedication - performance evaluation was stronger when peers were doing the performance ratings. Supervisors paid more attention to task performance.
Transformational Leadership and Performance

There is a substantial body of research linking transformational leadership to performance. Much of the early work was conducted by Bass and associates. Avolio and Bass (1988) found that managers who were rated as high potential by their managers were also rated significantly higher on transformational leadership dimensions than were those managers who were rated as having less potential. Walumbwa, Avolio and Zhu (2008) study revealed that managers assessed as transformational by subordinates were also more often assessed by superiors as top performers. In another study, Bass (1985) discovered that managers who rated high on transformational leadership had subordinates who reported greater satisfaction, put in extra work effort, and reported greater organizational effectiveness. Walumba, Wange, Lawler and Shi (2004) found in their study of MBA students, who were involved in a longitudinal management simulation game that teams with team leaders rated as transformational had significantly better financial performance than did teams with leaders rated as more transactional. Indeed, in various other studies (Tracey and Hinkin, 1996), Bass and associates have found that high transformational leadership ratings correlated significantly with high manager performance appraisal ratings, better organizational financial results, and early promotion recommendations for Naval officers.

These studies validated (Spreitzer, Perttula and Xin, 2005; Schaubroeck, Lam, and Cha, 2007) distinction between transformational and transactional leader behavior and provided research support for the notion that transformational leadership is more often associated with, and predictive of, manager and group performance. A few of the studies also found active transactional behavior, that is, contingent reward leadership, to be related to follower performance (Piccolo and Colquitt, 2006). One key limitation in these studies, however, was the
lack of examination into any potential mediating or intervening factors. That is, follower performance may be influenced directly by leader behavior, or perhaps indirectly through such factors as trust in the leader, satisfaction with work, feelings of control, etc. Another limitation in the early studies is that work context is not considered as a factor in the effectiveness of transformational versus transactional leader behavior. In other words, transformational leader behavior may not be ideal or desirable with all followers in all situations; some groups may require more transactional leader behavior given the nature of their work, the group's needs, etc.

More recent research has explored the roles played by intervening variables and work context in the linkage between transformational leadership and performance. In one study on the effects of transformational leadership, Hartline and Jones (1996) examined the impact of transformational leadership on followers' organizational citizenship behaviors (OCBs) and the potential mediating effect of the followers' satisfaction and trust in the leader. Hartline and Jones (1996) found that transformational leadership had an indirect effect on OCBs, but had a direct and positive effect on followers' satisfaction, and followers' trust in the leader. In turn, trust positively influenced OCBs. Hence, the variable, 'trust in the leader' had a mediating effect on OCBs. The transactional leadership scale, contingent reward behavior, had a direct and positive effect on several of the OCBs, but had no effect at all on trust or satisfaction.

Bass, Avolio, Jung and Berson (2003) longitudinal study of both research groups and development groups found that transformational leadership predicted higher project quality and budget/schedule performance than did transactional leadership. However, Keller also found that members of research teams rated transformational leader behavior as more important in predicting project quality than did members of the development teams. In contrast, initiating structure, a transactional behavior, was rated more important for predicting project quality by
members of the development groups than by members of research groups. Bass (1985) discussion of this unexpected finding suggests that research teams, who perform work requiring major innovations and originality, may find the inspirational, visionary and intellectual stimulation aspects of transformational leadership more effective for their context. In contrast, development teams usually engage in more incremental innovation, making modifications to existing products. Hence, Keller suggests that development groups may find transactional behaviors, such as initiating structure or contingent reward behavior, more effective for their context (Bass, Avolio, Jung and Berson, 2003). Bass, Waldman, Avolio and Bebb (1987) in a study on transformational leadership and unit performance, also found that transformational leaders perform better in environments described by followers as innovative.

These studies suggest that the relationship between transformational leader behavior and follower performance is not direct or simple. As noted, attitudinal variables such as trust in the leader and satisfaction with work have been found to mediate the association between transformational leadership and follower performance (e.g. Piccolo and Colquitt, 2006). The context and nature of work tasks have also been shown to affect how transformational and transactional leader behavior associate with follower performance (Schaubroeck, Lam, and Cha, 2007).

Spreitzer, Perttula and Xin (2005) studied the leadership of platoon sergeants and platoon leaders of 72 platoons, each consisting of approximately 30 light infantry combat soldiers. There were 1,340 soldiers rating platoon leaders, 1,335 rating platoon sergeants, and 1,594 rating unit cohesion and potency. TL behaviors were measured using a modified version of the MLQ Form 5X. Transactional leadership and potency, defined as group confidence when faced with challenges, were measured using published instruments. Cohesion was measured using a tool
developed for this study. The authors found TL behaviors in platoon leaders to have a significantly positive relationship with unit and platoon performance. The authors found TL behaviors in platoon sergeants to have a significantly positive relationship with platoon performance. There was evidence of partial mediation of TL behaviors with platoon performance through potency and cohesion.

Bono and Judge (2003) explored why followers of transformational leaders exhibit higher performance, motivation, job satisfaction, and organizational commitment by studying leaders in service and manufacturing organizations. There were 247 leaders (76% response) who completed the questionnaire. Up to 6 followers for each leader were invited to complete a questionnaire. Of the 1,368 surveyed, 954 followers completed the initial questionnaire, the MLQ. Sixty days after the initial questionnaire, a second set of questionnaires were completed by 243 leaders and 775 followers, giving an overall response rate of 70% for leaders and 57% for followers. For the second set, leaders completed job performance questionnaires on their followers and the followers submitted job attitude questionnaires. A 15-item tool was used to measure followers’ job performance, this tool included items for both task performance and initiative aspects of performance. The tool had items on self directions developed by Stewart, Carson, and Cardy (1996), innovation and task performance adapted from the Role-Base Performance Scale developed by Spreitzer, Perttula and Xin (2005), and personal initiative which were developed for this study. The authors found TL behaviors, as evaluated by followers, to be positively related to followers’ job performance.

Tracey and Hinkin (1996) studied 160 cadets from the Israel Defense Forces. In the first phase of the study, cadets were assigned to a TL workshop or to no workshop. In the second phase, 54 of the 160 cadets (34%) were assigned to lead basic training platoons. These 54 cadets
worked with 90 noncommissioned officers and 724 recruits. The noncommissioned officers’ and recruits’ performances were measured before and after basic training. The authors found the platoons led by the TL trained cadets outperformed those led by the cadets without leadership training. Improved performance measures included: the written light weapons test, the obstacle course, and the practical light weapons test. The authors concluded cadet TL training led to significantly higher levels of follower development and performance compared to the cadets not trained.

Tsui, Pearce, Porter and Tripoli (1997) received usable questionnaires from 449 employees (49% response) and 344 supervisors (77% response) of a recently acquired company. Employees answered questions about the TL behaviors of their immediate supervisor, as well as their own feelings on the acquisition and job satisfaction. Supervisors answered questions one month after the employees and were asked about their employees’ performance. TL behaviors were measured using the MLQ. Performance was measured using two items about employees’ accomplishment of objectives and acceptability of interpersonal behaviors, both were rated relative to other employees. The authors found TL behaviors had a significantly positive relationship with acquisition acceptance and to be positively related to goal clarity, creative thinking, and follower performance. The authors suggested TL be used to face challenges, such as those encountered during an acquisition.

Piccolo and Colquitt (2006) studied 217 full-time employees (15% response). TL were measured using the MLQ Form 5X. Task performance, how an employee completes duties and fulfills responsibilities, was measured using a seven-item scale developed by Williams and Anderson (1991). The authors found TL behaviors to have a significantly positive relationship with task performance. They also found intrinsic motivation and goal commitment to
significantly mediate the relationship between TL behaviors and task performance. The authors gave suggestions for TL training and manager development plans. Purvanova et al. (2006) invited employees from a manufacturing plant and the customer service department of a private company via e-mail to complete web-based questionnaires. The study included 254 employees from the manufacturing company and 258 employees from the service company (79% response). The employees completed questionnaires describing the leadership behaviors of their managers. After two months, the managers, 68 from the manufacturing company and 56 from the service department, responded to questionnaires about the citizenship behaviors of their employees. The MLQ Form 5X was used to measure TL behaviors. The Role-Based Performance Scale, developed by Welbourne, et al. (1998), was used to measure citizenship performance. The authors found if job complexity was controlled, TL behaviors were significantly related to citizenship performance and perceived job characteristics. Perceived job characteristics were significantly related to citizenship performance.

Wang et al. (2005) studied 81 managers enrolled in master of business administration courses at a Chinese university and 162 of their immediate subordinates (68% response). The leader-member exchange multidimensional scale was used to measure the leader-member exchange, the two-way relationship between a leader and follower. TL behaviors and organizational citizenship behavior were measured using Chinese versions of previously developed scales. Task performance was measured using items adopted from a tool developed by Tsui, Pearce, Porter, and Tripoli (1997). Each manager rated task performance and organizational citizenship behavior of his/her followers and each follower rated TL behaviors of the manager and the leader-member exchange between them self and the leader. The authors found TL behaviors and the leader-member exchange to have significant relationships with task
performance and organizational citizenship behavior. The authors also found the leader-member exchange to fully mediate the relationship between TL and task performance. The authors believe TL strategies, especially those that enhance the leader-member exchange, should be included in management training.

Judge and Piccolo (2004) conducted a meta-analysis of 87 studies measuring transformational, transactional, and laissez-faire leadership. The authors included articles that contained comparable measures between the three types of leadership. The authors used previously published methods to determine the correlation and validities of TL and transactional leadership. The authors found TL to show the highest overall validity, while contingent reward leadership was a close second. The authors found more validity with TL than contingent rewards when looking at leader effectiveness. Contingent reward was found to be more valid for leader performance. The authors found the differences in validity were not significant for follower motivation and group performance. The authors found, through their meta-analysis, TL had a positive relationship with follower job satisfaction, follower leader satisfaction, follower motivation, leader job performance, group performance, and rated leader effectiveness.

As previous research has demonstrated (Tracey and Hinkin, 1996; Schneider, 1987; Piccolo and Colquitt, 2006; Hartline and Jones, 1996; Bass, Waldman, Avolio and Bebb (1987), the manager can impact employee in-role job performance. Based on the theories of job performance described above, the manager can play a role in employee job performance by influencing the employee’s motivation and opportunity for performance. Similar to the manager’s role in employee creative performance, the manager must structure the work environment and provide employees with support in order for employees to form strong efficacy beliefs and maintain higher levels of job performance. As with creative behaviors, in-role job
performance is improved when managers are able to structure the work environment in such a way as to reduce employee uncertainty regarding performance roles, thereby increasing employee motivation to perform. In fact, managers able to reduce employee role ambiguity (uncertainty regarding expectations associated with a role) are able to positively influence employee in-role job performance (Bass, Avolio, Jung and Berson, 2003; Bass, 1985). This is due to the fact that in order to form efficacy beliefs regarding a task, employees must first be aware of others’ expectations for their performance (Walumbwa, Avolio and Zhu, 2008; Tracey and Hinkin, 1996). Additionally, an individual’s level of effort is based on outcome expectancies or an understanding of how their own effort will translate into desired outcomes (Schaubroeck, Lam, and Cha, 2007). Structure and direction can be provided through the manager’s clear explanation of his/her vision (Ne, Hollenbeck, Gerhart and Wright, 2007). Moreover, the manager can structure the work environment by providing the employee with appropriate goals (those that are specific and difficult, Schneider (1987) and encouraging employee acceptance of those goals (Schaubroeck, Lam, and Cha, 2007).

Furthermore, feedback, in the form of non-controlling information, can help to boost employee motivation while suggesting improvements for future performance (Ne, Hollenbeck, Gerhart and Wright, 2007). Feedback, when combined with goal setting, can significantly improve job performance more so than when goals are used alone (Schneider, 1987) as feedback provides employees with information on which to form and modify self efficacy beliefs (Bandura, 1986, 1997). Similarly, appropriate and contingent rewards and punishments (MacKenzie, Podsakoff, & Rich, 2001; Podsakoff, Todor, & Skov, 1982; Szilagyi, 1980) also help to structure the work environment in a way that is conducive to in-role job performance by reducing uncertainty in the environment.
In addition to providing structure to the work environment, the manager must also ensure that employees have the opportunity to produce high quality in-role performance (Blumberg & Pringle, 1982). That is, the manager must ensure that employees receive the appropriate resources needed for in-role performance (Hennessey & Amabile, 1988). Much like with creative behavior (Sternberg & Lubart, 1996), employees, despite their willingness and motivation to perform well, will not be able to produce high quality in-role performance without environmental support in the form of resources. Access to appropriate resources affects employee motivation in several ways. For instance, having necessary resources boosts perceptions of self-efficacy (beliefs that one is able to perform a task) (Brown, Jones, & Leigh, 2005). Higher perceptions of self-efficacy are associated with improved job performance levels (Bandura, 1997). Access to appropriate resources can also enhance perceptions of the instrumentality of effort (Vroom, 1964). That is, the effort exerted by the employee is likely to achieve the desired results when the employee is able to utilize appropriate resources.

Similar to creative performance, supportive leader behaviors are important to in-role job performance. For example, manager expectations for behavior have been shown to have a strong influence on employee in-role performance (Piccolo and Colquitt, 2006). According to the Pygmalion effect, the manager’s expectations for performance are transmitted to the employee through interpersonal interaction, and are internalized by the employee who forms self efficacy beliefs based on the cues provided by the manager (Tracey and Hinkin, 1996). Due to these stronger self efficacy beliefs, the employee then begins to perform at the levels expected by the manager.

Walumba, Wange, Lawler and Shi (2004) found that in addition to manager expectations of behavior, manager role modeling of desired behavior also positively affected job performance.
Observing the manager role model appropriate behaviors can help employees build stronger self-efficacy beliefs regarding those tasks and behaviors (Tsui, Pearce, Porter and Tripoli, 1997). In fact, manager expectations for behavior and role modeling of appropriate behavior affect employee job performance above and beyond other leadership behaviors (Spreitzer, Perttula and Xin, 2005). Support and guidance from the manager also have positive relationships with employee in-role job performance (Schaubroeck, Lam, and Cha, 2007).

Overall, as with employee creativity, by providing structure to the work environment and support to the employee, the manager can strengthen the employee’s self-efficacy beliefs and subsequently improve employee performance. Consequently, as will be explained in detail in the following chapters, managerial virtuality is likely to alter the manager’s influence on employee in-role job performance by limiting the manager’s ability to provide structure and support to employees.

Summary

As outlined above, there are a number of directions for future research on leadership styles proposed in both the performance of employees and transformational leadership literatures. The present study incorporates many of these directions. One of the key areas for future this research is to examine the relationship between the individual experience and the organizational aspects of employee performance. Conger and Kanungo (1988) recommend that future research should investigate both the “relational”, that is organizational, and “motivational”, that is psychological, aspects of employee performance. Spreitzer (1995a) also suggests that the research should examine the relationship of contextual variables, “including high-involvement practices such as self-managing teams” (pg. 1461) with perceptions of
psychological involvement of employees. As noted earlier, a limitation in Randolph’s (1995; Blanchard et al., 1996) work would be addressed by an examination of the relationship between leadership style of middle managers and performance of employees. Finally, a common limitation in both Gerstner and Ruddy’s (1998) and Kirkman and Rosen’s (1999) studies was in not measuring and comparing the individual experience of participation with team level perceptions. The present study directly addresses this key area by measuring both the psychological and organizational aspects of employee performance that is the perceptions at individual and group level, and the relationships between middle managers and their employees.

A second important area for future employee performance research, which is addressed by the present study, is to examine the relationship of leadership to the perceptions of individual and organizational performance. Conger and Kanungo (1988), Zimmennan and associates (1988), Vogt and Murrell (1990), as well as Spreitzer (1996), each recommend that future research should investigate the antecedents of the personal experience with the middle managers, including such organizational context factors as leadership. Key limitations found in Keller and Dansereau’s (1995) and Kirkman and Rosen’s (1999) studies would be addressed by such an examination. Further, an investigation of the relationship between leadership and perceptions of individual and organizational performance would also test some central notions in the transformational leadership literature, that is, that how transformational leadership affects the ‘performance’ of subordinates (Sashkin, 1988; 1995; Rosenbach et al. 1996). The present study directly incorporates this investigation, focusing specifically on relationships with visionary leadership (Rosenbach et al., 1996).

Finally, a third area for future research that is included in the present study is to examine more fully the relationship between perceptions of leadership and performance. Vogt and
Murrell (1990), Spreitzer (1995 a) and Randolph (1995) each suggest that this is an important direction for future study in relation with employee performance. Fulford and Enz (1995) and Kirkman and Rosen (1999) did investigate the linkages between individual performance and various outcome measures. However, an important limitation in their studies is the problem of same source bias on the leadership and performance measures. The present study investigates the relationship between perceptions of leadership and its impact on both individual and team performance, and obtains these measures from different sources.

Hence, the present study addresses several gaps in the performance literature. As well as some key limitations found in previous research. As noted earlier, this study examines:

1. The relationship of middle managers leadership to individual and organizational performance;
2. The relationship of individuals to organizational performance;
3. The role played by middle managers in the organizational performance;
4. The relationship of leadership to performance; and
5. If the relationship between leadership and performance is mediated by psychological and/or individual perceptions.

The study further addresses various factors that contribute as change agents and it also explains different characteristics of transformational leadership and its effects on the performance of employees. The leadership style of middle managers can highly contribute in motivating the frontline employees to perform their best. It also explains various determinants that contribute to produce effective performance. The research also defines the attitude of frontline employees towards their work and how they get influenced by the decision taken by the middle managers.