

Transformational Leadership: Towards Effective Governance in Nigeria

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Abstract

This quantitative research study examined the relationship between the Nigerian public administrators perceived leadership effectiveness and transformational leadership factors based on the Full Range Leadership Theory. Survey questionnaires were randomly administered to 240 local administrators in the 30 local governments in Osun State, Nigeria. Regression result shows a statistically significant relationship between the local administrators perceived leadership effectiveness and transformational leadership factors ($p < 0.05$), but the model only accounts for 28% of the variance in perceived local administrators leadership effectiveness, which means there are other factors affecting leadership effectiveness other than their weak alignment with transformational leadership factors. The implication for positive social change is that transformational leadership practices may be the solution to some of the challenges facing public institutions in Nigeria. Transformation leadership could reduce the problem of corruption and make public institutions responsive to public needs.

Keywords: Effective Leadership, Governance, Leadership, Local Government, Public Administration, Transformational Leadership, Transactional Leadership

Introduction

The role of nation-states in modern world is to deliver essential political goods to their citizenry. These political goods include but not limited to safety and security, rule of law and protection of fundamental human rights, human development and creating the environment for sustainable economic opportunities (Rotberg, 2004). According to Rotberg, no one, whether looking at her village, municipality, province, state, state or nation willingly wants to be victimized by crime or to live in a society without laws, freedom, a chance to prosper, or access to decent schools, well-run hospitals, and carefully maintained roads. The capacity and

ability to use the instruments of government in the delivery of these political goods is referred to as governance.

Governance is defined as the process by which nation state exercises political, economic and social authority to regulate human activities for the wellbeing of the society (Adebisi, 2012). According to Rotberg (2004) "governance is a term used to describe the tension-filled interaction between citizens and the rulers and the various means by which governments can either help or hinder their constituents' ability to achieve satisfaction and material prosperity" (p.71). Good governance however, "amounts to transparency, accountability, enforcement of the rule of law; effective and efficient delivery of public services, widening of democratic space or political participation" (Adebisi, 2012, p. 115). For local governments, good governance means the "capability and capacity to discharge constitutionally assigned functions effectively and efficiently; the level of transparency and accountability in responsiveness of the mandated local authorities to local needs and issues and the degree of popular participation in local matters" (Adebisi, 2012, p. 115).

Nigeria's experience with contemporary local government dates back to the colonial rule, and has since gone through multiple reforms yet has proven to be ineffective (Oviasuyi, Idaba & Isiraojie, 2010). According to Oviasuyi, Idaba and Isiraojie (2010), the 1976 local government reform provided a uniform local governmental administration in Nigeria and the recommendations from the reform were incorporated into the 1979 and 1999 constitutions, both of which gave the constitutional and legal backing for Nigerian local government system. Currently, there are 744 local governments in Nigeria (Adeyemi, Akindele, Aluko, & Agesin, 2012), but they have been perceived as inefficient and ineffective partly due to their structural and functional ties to state governments, corruption, and lack transparency and accountability in the conduct of governance (Adeyemi, 2012; Lawal & Oladunjoye, 2010; Oviasuyi, Idaba & Isiraojie, 2010). According to Aderonmu (2010), "strong and vibrant local governments are crucial for improving local services, enhancing economic governance, and tackling poverty related concerns such as illiteracy, crime, urban and rural decay, youth delinquency, homelessness among others" (p. 207). Aderonmu (2010) noted that the success of Nigerian local governments depend on strong and sustained political and operational leadership, adequate technical and financial resources, and active citizen participation.

The purpose of this study is to examine the extent to which Nigerian public administrators' exhibits transformational leadership factors. The study attempts to answer the question "Is there a statistically significant relationship between Nigerian public administrators' perceived leadership effectiveness and the transformational leadership factors? This study is significant because it help identify how Nigerian local administrators might improve their leadership capacity and be more effective in responding to public needs. The study contributes to professional development and enhances transformational leadership theory. Studies such as Toor and Ofori (2009) have shown that transformational leadership is ethical leadership. This study could bring positive social change if local administrators could incorporate transformational leadership factor into their personal and professional leadership styles.

Literature Review

Leadership behaviors and traits associated with transformational leaders include visionary, interpersonal skills, focus on organizational change, a high degree of risk-taking, tendency to be pro-active, and more planning and innovative problem solving skills. Transformational leaders are those that motivate followers and get them to go beyond what

they would ordinarily have done while transactional leaders are those that emphasize tasks more than empowering followers. Transactional leadership style focuses on making resources available to meet organizational tasks and goals typical of any managerial assignment (Fitzgerald & Schutte, 2010). Both transformational leadership and transactional leadership have been found to be effective leadership styles, depending on the situation, and both have been found to be ethical in orientation (Babcock-Roberson & Strickland, 2010; Boga & Ensari, 2009; and Michel, Lyons & Cho, 2011, and Toor & Ofori, 2009). According to Bass, Avolio, Jung, and Berson (2003), before the introduction of charismatic-transformational leadership theory, transactional leadership was regarded as the most effective leadership. Transactional leadership assumes an exchange between leader and follower and rewards were contingent upon fulfillment of a task. The leader sets the organizational goals and objectives and provides resources for follower to perform organizational tasks. The follower is then recognized and rewarded upon the satisfactory completion of the tasks. The emergence of transformational leadership depends on the social context in which the leaders and followers interact but transformational leadership is more likely to emerge in the times of distress and change while transactional leadership is observed at a time of stability.

Van Eeden, Colliers, and van Deventer (2008) examined the personality traits of managers exercising different leadership styles using three different types of questionnaires and models to measure personality traits associated with different style of leadership. They found that there is a direct correlation between the character of transformational leadership style and the personality traits of managers who use a transformational style. Some of the personality traits or behaviors associated with transformational leadership style include strategic, innovative, analytical thinking; critical information evaluation: a high sense of responsibility; perseverance; visionary, ambition; and a motivational and assertive disposition that allows for participation and involves others in the decision making process.

Transformational leadership engages others through a social process of change and involving the relationship of shared purpose between the leader and the followers to accomplish a shared goal (Allix, 2000). Citing Burns (1978), Allix (2000) noted that "leadership over human beings is exercised when persons with certain motives and purposes mobilise in competition or conflict with others, institutional, political, psychological, and other resources so as to arouse, engage, and satisfy the motives of followers" (p.9). According to Allix (2000), Burns sees leadership as being indivisible from the needs and goals of followers; a transformational leader articulates and motivates followers towards a common purpose and shared goals.

Transformational leadership style exercises influence rather than power or authority over followers and motivates followers to achieve beyond what they could have done by themselves without the influence and motivation of the leader (Bhat, Rangnekar, & Barua, 2013; Boga & Ensari, 2009). According to Bhat, Rangnekar and Barua (2013), transformational leaders are those who motivate and inspire followers to both achieve extraordinary outcomes and in the process, develop their own leadership capacity. Transformational leaders help followers grow and develop into leaders by responding to individual followers' needs by empowering them and by aligning the objectives and goals of the individual followers, the leader, the group, and the larger organization. Transformational leaders have the ability to influence the behavior of their subordinates and get them into foregoing self-interest for the good of their group. Transformational leaders build trust and instill confidence in their subordinates; they stimulate subordinates by questioning status quo, assumptions, and

traditions; they encourage organization learning and risk taking, and innovation (Boga & Ensari, 2009).

Belias and Koustelios (2014) provided a critical review of the relationship between transformational leadership and employee job satisfaction in the banking sector. They noted the various leadership styles that have been examined in the literature and affirm that transformational leadership is the most studied and widely accepted leadership style. The paper identified various types of tools that have been developed to measure leadership effectiveness and employee's satisfaction. Transactional leadership is effective in some cases but transformational leadership is most likely to be more effective in most situations because they motivate others to go beyond what they had originally intended and empower others to achieve individual and organizational goals, thereby creating more committed and loyal employees, a better working environment, and employees' job satisfaction (Boga & Ensari, 2009; Bhat, Rangnekar, & Barua, 2013).

The five factors of transformational leadership are: (a) idealized influence (attributed), (b) idealized influence (behavior), (c) inspirational motivation, (d) intellectual stimulation, and (e) individualized consideration. According to Babcock-Roberson and Strickland (2010), the idealized influence (charisma) component of transformational leadership "consists of providing subordinates with a role model of ethical conduct and clear sense of purpose that is energizing, and building identification with the leader and his or her articulated vision" (p. 314). Idealized influence occurs when a leader shows consistent ethical conduct and personal principles and values that inspire subordinates; the leader builds respect, trust, and admiration of the followers to the point that followers would want to emulate the leader. The leaders develop this relationship by putting the interest of the followers above their own needs or interests (Bass, Avolio, Jung and Berson, 2003; Bhat, Rangnekar, & Barua, 2013).

Intellectual stimulation occurs when a leader challenges the underlying assumptions behind follower's effort; encourages taking risks, and finding new solutions to organizational problems; intellectually challenge subordinates and encourages them to be more creative and innovative; part of this goes with organizational learning, which is developed through communication and coordination. A leader that shows individualized consideration is the leader that pays attention to the individual needs and empowers individuals to maximize their potential. The leader serves as coach and mentors followers to develop to their maximum potential. The leader creates opportunities for individual and organizational learning (Bass, Avolio, Jung and Berson, 2003; Bhat, Rangnekar, & Barua, 2013). Inspirational motivation consists of leader behaviors that motivate and inspire followers through articulation of vision and task outcome. Inspirational motivation occurs when a leader provides meaning and challenge the follower's work; when leaders give their supporters hope and a picture of a brighter future which they can eventually see themselves. (Babcock-Roberson & Strickland, 2010).

Transformational leadership has been shown to have a positive correlation with subordinate outcome of intrinsic motivation, self-efficacy, creativity, justice perceptions, work engagement, job performance, positive psychological capital, organizational performance, organization citizenship, and leader effectiveness (Michel, Lyons, & Cho, 2011; Babcock-Roberson & Strickland, 2010). Studies have also shown that organizations with transformational leadership styles are perceived to be effective organizations (van Eeden, Colliers & van Deventer, 2008). Boga and Ensari (2009) examined transformational and transactional leadership styles and their influence on workforce, and concluded that organizations managed by transformational leaders are perceived as more successful under

situations of high organizational change in comparison to low organizational change. They suggested that an organization's well-being depends on the employees' perceptions rather than financial data, citing examples of how corporations like Enron misrepresented the financial well-being of the organization. Toor and Ofori (2009) revealed that there is significant relationship between ethical leadership attributes and transformational leadership attributes and effective leadership, employee commitment, and job satisfaction.

Lee (2012) examined the role of transformational leadership style in the home healthcare industry by finding a link between transformational leadership style and workplace performance among home health aides. The quantitative research study used secondary data from the 2007 National Home Health Aides survey using binary analysis and multivariate regression analysis. Findings from the study revealed that there is a positive relationship between transformational leadership styles and employee outcome. Employee outcome was measured by reduced injury, increasing career satisfaction, and choosing the same career if they have to choose again. Lee (2012) showed that transformational leadership styles play an important role in improving workplace performance and financial implications because reduced absenteeism and injury could result in cost savings. Irshad and Hashmi (2014) in their examination of the relationship between transformational leadership, organizational citizenship behavior, and the mediating role of emotional intelligence revealed that there is a relationship between transformational leadership style and organizational citizen behavior and that emotional intelligence plays a mediating role in the relationship.

Hansen and Villadsen (2010) noted that while there has been a significant amount of studies on leadership, there is only a few studies of leadership in public administration. They compared public and private managers' leadership styles within the framework of their jobs. The study was based on a survey of Danish public and private managers. It examined the impact of the sector within the managerial job context on leadership behavior and suggested that the difference between public and private leadership practices is due to the context of the jobs. The study shows that managers in public and private sector use different leadership styles because they are bound by structural settings of their jobs, role clarity, and perceived job autonomy. According to Hansen and Villadsen (2010), public managers seek to achieve their task through a participative leadership style while private managers use a more directive and task oriented leadership style.

A recent study of the relationship between Nigerian local government administrative leadership styles and organizational outcomes (Adanri, 2016; Adanri & Thakkar, 2016) revealed that the Nigerian public sector leadership styles play small role in the local government outcomes and the perceived leadership effectiveness and employees' satisfaction. The studies show that leadership styles only account for a small variability in the local government outcomes and perceived employees' job satisfaction. Others have identified the high level of institutional corruption and the structural ties of local governments to the state governments especially the political and fiscal control of local governments by the state governments as impediments to effective local government operations and outcomes in Nigeria.

Research Methodology

The purpose of this quantitative research study is to examine the relationship between Nigerian public administrators perceived leadership effectiveness and transformational leadership factors. The study uses survey design to observe and measure Nigerian local administrators' leadership practices. The study used existing structured instrument known as

Multi-Factor Leadership Questionnaire (MLQ-5X) for data collection. MLQ is the standard instrument used to collect data related to transformational, transactional, and laissez-faire leadership, and it has been found to be valid for understanding executive leadership at the local government level (Hemsworth, Mutera, & Baregheh, 2013). Many of the published empirical studies on leadership have used the MLQ as preferred instrument (Hemsworth, Muterera, & Baregheh, 2013; Hinkin & Schriesheim, 2008). The MLQ-5X questionnaire is a self-administered survey instrument which uses the five point Likert scale: (4) frequently if not always, (3) fairly often, (2) sometimes, (1) once in a while, (0) not at all, to rate how often the participants demonstrate certain leadership behaviors. The self-administered questionnaires were randomly administered to 240 participants in the 30 local governments in Osun State. The return rate for this study was 182 out of 240, which amounts to 76%. Of the 182 questionnaire returned, 12 were completed by officers, supervisors, or managers that were not part of the local government management team, and one questionnaire was returned without response to any of the questions. As a result, I removed 13 questionnaires from the analysis. The useable data were from 169 survey which in effect gave a 70% net return rate. The level of measurements for the variables were Likert Type – Ordinal measurements. Regression analysis were used for the data analysis. The dependent variable is perceived leadership effectiveness while the independent variables are the five factors of the transformational leadership i.e. idealized influence (attributed), idealized influence (behavioral), inspirational motivation, intellectual stimulation, and individualized consideration. The research hypothesis is: There is no statistically significant relationship between Nigerian public administrators perceived leadership effectiveness and transformational leadership factors ($H_0: r = 0$). The hypothesis will be rejected if $p < 0.05$.

Research Findings And Discussion

Regression analysis shows that there is statistically significant correlation between the perceived leadership effectiveness and the transformational leadership factors of the FRLT [$R^2 = .280$, adjusted $R^2 = .258$, $F(5, 163) = 12.70$, $p < .05$]. This model accounted for 28% of variance in leadership effectiveness. Summaries of the regression model are presented in Tables 1, 2, and 3.

Table 1

Model Summary

Model	R	R ²	R ² _{adj}	Std. Error of the Estimate	R ² Chg	F Chg.	p	df ₁	df ₂
1	.529 ^a	.280	.258	.36507	.280	12.690	< .001	5	163

a. Predictors: (Constant), Individualized Consideration, Idealized Influence (Attributed), Inspirational Motivation, Intellectual Stimulation, Idealized Influence (Behavioral)

b. Dependent Variable: Leadership Effectiveness

Table 2

ANOVA Summary

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	8.457	5	1.691	12.690	.000 ^b
Residual	21.725	163	.133		
Total	30.181	168			

a. Dependent Variable: Leadership Effectiveness

b. Predictors: (Constant), Individualized Consideration, Idealized Influence (Attributed), Inspirational Motivation, Intellectual Stimulation, Idealized Influence (Behavioral)

The various sum of squares and the degree of freedom associated with each sum of squares are presented and the average sum of square (mean squares) is calculated by dividing each of the sum of squares by their corresponding degree of freedom. The F value (*F*-ratio) of 12.69 is significant at $p < .001$ which means there is less than 0.1% chance that the *F*-ratio would happen if the null hypothesis were true; this therefore suggest that the null hypothesis which states that there is no relationship between Nigerian local administrators perceived leadership effectiveness and transformational leadership factors be rejected.

Table 3

Coefficient for Model Variables

	<i>B</i>	<i>Std. Error</i>	β	<i>t</i>	<i>p</i>
(Constant)	1.580	.268		5.898*	.000
Idealized Influence (Attributed)	.022	.046	.036	.467	.641
Idealized Influence (Behavioral)	.049	.069	.057	.714	.476
Inspirational Motivation	.171	.079	.179	2.176**	.031
Intellectual Stimulation	.203	.055	.280	3.684*	.000
Individualized Consideration	.152	.054	.199	2.823**	.005

*Indicates significance at $p < .001$

**Indicates significance at $p < .05$

Idealized influence (attributed) and (behavioral) are not significant; $p > .05$.

The coefficient for model variables (Table 3) shows the model parameter; where the *B* value of 1.580 represents the constant or what to expect if there is lack of transformational leadership practices (i.e. $X = 0$). The other *B* values represent the gradient of the regression line and it means if the predictor (leadership) is increased by one unit, we could expect a corresponding *B* value change in the leadership effectiveness. The regression equation is: Leadership Effectiveness = a (constant) + b_1 (idealized influence - attributed) + b_2 (idealized influence - behavioral), + b_3 (inspirational motivation) + b_4 (intellectual stimulation) + b_5 (individualized consideration)

$$\text{Leadership Effectiveness} = 1.58 + .02 + .05 + .17 + .20 + .15 = 2.17$$

The b -value are the gradient of the regression line and the strength of the relationship between a predictor and the outcome variable. If the b -value is significant at $< .05$ then we could say that the predictor variable significantly predicts the outcome variable (Field, 2009). In this case, the b -values of inspirational motivation, intellectual stimulation and individualized consideration are significant at $p < .05$. The b -values of idealized influence attributed and idealized influence (behavioral) are not significant, $p > .05$. This suggests that Nigerian public administrators' leadership practices is weak in the areas of inspirational motivation, intellectual stimulation and individualized consideration. The local administrators could improve their leadership effectiveness by engaging in practices that stimulate the intellectual capability of their employees; provide inspirations for their employees and create environment where individuals can function to the best of their potentials.

Conclusion

Governance refers to the capacity and capability to use the instruments of the government to deliver public goods. However, effective governance requires visionary and ethical leadership especially with all the challenges of governance in Nigeria. Transformational leadership has been found to be ethical and effective leadership. Transformational leadership is effective especially in the time of organizational crises and uncertainties. Because of its ethical characteristics, transformational leadership can help reduce the problem of corruption and perceived inefficiencies in the Nigerian public institutions. The overall goal of every public institutions is to deliver public goods in the most effective and efficient manner and transformational leadership has been found to be successful in all sectors and across geographical boundaries and culture. Transformational leadership has the capacity to shape the organizational culture and culture. Transformational leaders lead by examples and engage in ethical conducts and personal principles and value that inspires others; they put the needs and interests of their followers above their own needs and interests. Transformational leaders stimulate the intellectual capacity of their followers and allow for organizational learning, creativity and innovation; and support the hope and aspirations of their followers. This study identify the gap between the current public administrators' leadership practices. The study shows that local administrators needs to improve on transformational leadership in order to be effective and responsive to public needs.

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