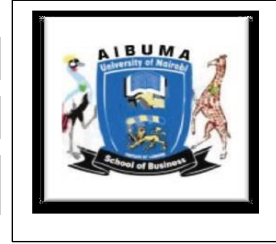




African Journal of Business and Management

(AJBUMA)

ISSN 2079-410X



**TRANSFORMATIVE LEADERSHIP AND OPERATIONAL PERFORMANCE OF
ORGANIZATIONS: PERSPECTIVES FROM THE PUBLIC UNIVERSITIES IN KENYA**

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**Date Received
05/05/2022**

**Date Accepted
11/09/2022**

Abstract

In the world of competition, change of technology and environmental complexity, transformative leadership is inevitable. Despite the vital role of transformative leadership in competitive organization, little has been done by researchers to demystify the association between transformative leadership and operational performance of organizations. Thus, it is on this basis this study sought to investigate the link between transformative leadership and operational performance of selected public universities in Kenya. The specific objective of this study was determining the influence of transformative leadership on the operational performance of selected public universities in Kenya. Dynamic capability as well as transformative leadership theories were used to inform this study. A total of 312 respondents were obtained from a sample frame of 15 universities drawn from 31 public universities operating in Kenya were the sample frame. The respondents were selected using stratified random sampling technique. A sample size of 175 respondents was determined using Israel scientific formula. Only members of the teaching were involved in this study as respondents due to their knowledge and experience of the phenomena investigated. Primary data was collected using structured questionnaires while secondary data was obtained from strategic plans. Data was analysed using both the descriptive and regression methods. A positive and significant link was established between transformative leadership and operational performance of selected public universities in Kenya ($B=0.189$; $Sig=0.031$). The study concluded that transformative leadership can effectively explain operational performance of selected public universities if effectively embraced. It was recommended that for enhanced operational performance in public universities, transformative leadership is not an option but a mandatory practice. Findings of this study contributes significantly to theory, managerial practice as well as to policy

Key Words: *Transformative Leadership, Operational Performance and Public Universities*

Introduction

In the contemporary dynamic business ecosystem characterized by stiff competition, transformative leadership conceptualized as a function of operational performance in competitive organizations if effectively embraced (Ade, Namusonge & Sakwa, 2019). Strategic survival of any forward-looking organization is depended on the preparedness of the organization to embrace transformative leadership (Alhadid, 2016). Transforming an organization from the old state to a new state not only needs financial resources but also committed leaders who own the vision of the organization (Nicolaou & Bhattacharya, 2014). Leaders who appreciate employee decisions as well as create an enabling environment for employee growth is a significant step in competitive organizations (Mannie, Niekerk & Adendorf, 2013). Rewarding workers based on performance, delegating duties and recognizing workers are practices embraced by transformative leaders (Shisia, Sang, Matoke & Omwario, 2014).

Shin, Lee, Kim and Rhim (2015) opine that organizations embracing transformative leadership can easily manage to readjust to the changing business environment. Reinventing techniques of actualizing organizational objectives as well as realigning strategies to changing business trends are viewed as efforts of transformative leaders (Queiroz, Tallon, Sharma & Coltman 2018). Globally, scholars have demonstrated that operational performance in competitive is dependent on multiple factors. For instance, Tallon, Queiroz, Coltman and Sharma (2018) in the United States of America observed that firms that embrace transformative leadership can improve profits and volume of sales as well as implement new changes with minimal difficulty. Further, Shin, Lee, Kim and Rhim (2015) in South Korea contend that operational performance in organizations is a function of transformative leadership as well as complemented by technology and financial resources. Regionally, scholars concur that organizations can only circumnavigate in the unpredictable business if leaders are willing to empower workers as well as challenge the status quo.

Ofori (2010) in Ghana advocate that transformative leadership can facilitate new product development, adoption of new technology as well as customer loyalty culture in competitive organizations. Whilst, Mannie, Niekerk and Adendorf (2013) in South Africa concur that transformative leadership can effectively explain operational performance of organizations.

On the other hand, Abbasi and Zamani-Miandashti (2013) in Iran portray that operational performance in competitive organizations can be explained using transformative leadership, technological initiatives and market research. Locally, scholars have demonstrated that transformative leadership is the driver of competitive organizations. For instance, Angela (2015); Jebet and Rotich (2018) in Kenya recognise that inability of the organization to minimize costs operations and implement new strategies is attributed to poor leadership. Similarly, Shisia, Sang, Matoke and Omwario (2014) opine that efficiency and effectiveness of any system is a result of good leadership.

Transformative leadership involves the extent to which leaders in an organization create an enabling environment where workers can apply their knowledge and skills (Rothermel & Lamarsh, 2012). Further it entails the ability of leaders to motivate workers, accept critique as well as nurture talents. Riwo., Lily and Ochieng (2012) regard transformative leadership as the ability of leaders institutionalize the vision among workers. Scholars have described operational performance from different perspectives despite debates in academic discourse to find its specific meaning. Al-Romeedy (2019) describes operational performance as the degree to which an organization can achieve its objectives a more efficient and effective manner by using the limited resources available such as people, technology, time, information, money and materials. This position is supported by Oyedijo (2012) whom contend that operational performance can be evaluated using antecedents such as quality of products, timeliness, cycle time and system flexibility. Public universities in Kenya are entities established under the provisions of the Universities Act of 1986. Public universities are controlled by the government and their key mandates involve training, research and education. The number of public universities in Kenya has continued to increase since independence due to the increased demand of higher education services among the Kenyan population. New quality assurance regulatory agencies such as Commission for University Education has been established to oversee the quality of education provided by both private and public universities in Kenya (Waithaka, 2012). Despite existence of private and foreign universities in Kenya, currently there are 31 public universities registered by the Commission for University Education. Regardless the vital role of higher education in developed and developing countries, public universities in Kenya have continued to underperform due to a number of challenges thus the motivation of this study

Reduced capitation by the government and increased number of student enrolment is not only a concern to the government and parents but also to the students (CUE, 2018).

Research Problem

Investment in higher education is considered vital in the development of any country. Many factors and more specifically transformative leadership can enhance performance of organizations if effectively embraced (Queiroz et al., 2018 & Shin et al. 2015). Despite the vital role of transformative leadership in organizational performance, transformative leadership research and more specifically in the university context is scanty. Globally, scholars have revealed a positive link between transformative leadership and performance of organizations (Doz & Kosonen, 2010; Kale, Aknar & Başar, 2019 & Kumkale, 2016). Similarly, in the local context, some scholars have established a significant link between transformative leadership and organizational performance (Murugi, 2015; Shisia, Sang, Matoke, Omwario, 2014; Ogolla, 2020; Wangasa, 2018; Rotich and Chebet 2018).

Despite the positions of these scholars, there is little understanding on the link between transformative leadership and performance of public universities. Performance of public universities in Kenya has continued to be an issue of concern to the government, parents and students (Commission for University Education Report, 2018). More than 50% of the public universities are experiencing constraints of reduced capitation (Shisia et al., 2014) as well as slow pace of implementing policies of the quality assurance regulatory bodies such as Commission for University Education, rethinking transformative is inevitable. Actualization of Kenya's Vision is unlikely if the current situation continues. Due to controversial findings from previous empirical studies (Murugi, 2015; Shisia, Sang, Matoke, Omwario, 2014; Ogolla, 2020; Wangasa, 2018; Rotich and Chebet 2018), it was vital to conduct a study in public universities in Kenya, to unearth the association between transformative leadership and operational performance to verify convergence and divergence of the findings. The main objective of this study was to determine the role of transformative leadership on operational performance of the public universities in Kenya.

Theoretical and Empirical Review

This study was anchored on dynamic capability theory and transformative leadership theory. Dynamic capability theory was established by Teece (1997) while transformational leadership theory was founded by Downton (1970). Dynamic capability theory contends that, in the changing business environment, adoption of strategic agility practices such as technology as well as transformative leadership are inevitable for any strategic organization. Change is not only a constant in the business environment but also a necessary practice of forward-looking organizations (Abu Bakar, Yusof, Tufail, & Virgiyanti, 2016). The theory suggests that organizations can realized enhanced productivity in terms of profits and reduced cycle time as well as reduced costs of operation if they are flexible to realign their strategies with the changing business trends. On the other hand, transformational leadership theory is used in this study based on the notion that public universities can realize operational efficiency and effectiveness in service delivery if they embrace transformative leadership appropriately. Public universities can only circumnavigate in the dynamic business environment as well as actualize their vision through transformative leadership. Team work among workers, adoption of technology and implementation of change are practices promoted by transformative leadership and vice versa.

Transformative leadership research has been extensively conducted in literature. Riwo, Lily & Ochieng (2012) describe transformative leadership as the ability of leaders to transform an organization from the old state to a new state. It involves institutionalization of the vision among workers and creating an enabling environment that facilitate employee career development and participation in decision (Brown & Arendt, 2011; Juma & Ndisya, 2016). A positive and significant link has been established between transformative leadership and organizational performance in the United States of America (Brown & Arendt, 2011). The study concluded that a insignificant link cannot be ignored if the study is replicated in different contexts. Juma and Ndisya (2016) studies that the link between transformative leadership and employee performance. A positive link was established between the variables. However, it was concluded the findings cannot be generalized in the university set up due to differences between telecommunication companies and institutions of higher learning.

Abbasi and Zamani (2013) in Iran disclosed that performance of Agricultural firms was a function of transformative leadership but moderated by firm culture and learning. The current study addressed the research gaps by testing a direct relationship contrary to the indirect relationship of the previous study. Another study in State owned enterprises by Ngaithe, K'Aol, Lewa and Ndwiga (2016) found out that transformative leadership can help to explain performance of an enterprise. It was revealed that employee training, recognition and independence positively enhanced performance of an enterprise. Although, it was noted that the study was limited to State owned enterprises in Kenya contrary to public universities of the current study. Mutahar, Rasli and Al-Ghazali (2015) disclosed that organizational learning and transformative leadership positively enhance performance of an organization. Further, Mbithi, K'Obonyo and Awino, (2016) identified that performance of an organization is a function of multiple factors. The study established that transformative leadership mediated by employee outcomes positively influence organizational performance. The current study addressed the research gaps by examining the direct role of transformative leadership on operational performance of selected universities in Kenya. In conclusion, findings of the previous empirical studies (Riwo et al., 2012; Tarus et al., 2015; Brown & Arendt, 2011; Juma & Ndisya, 2016; Abbasi & Zamani, 2013; Ngaithe et al., 2016; Mbithi et al., 2016; & Mutahar et al., 2015) demonstrates controversial positions thus the foundation against which the current study was carried out to clear the controversies in the results.

Conceptual Framework

Figure 1.1 depicts the relationship between predictor variable (transformative leadership,) and the dependent variable (operational performance). The predictor variable (transformative leadership) is evaluated using three antecedents namely; rewards, delegation and recognition while the dependent variable (operational performance) is assessed using three indicators namely; revenue maximization, product/service cost and customer satisfaction

Conceptual Framework

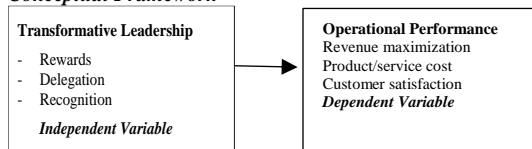


Figure 1.1: Conceptual Framework (Source: Current Researcher)

Methodology

Since the study was geared towards advancing knowledge in transformative literature, descriptive research design was adopted. The population comprised of 31 public universities. Considering the large number of public universities, 312 respondents were selected from 15 public universities which were considered to be appropriate to yield accurate results. Stratified random sampling technique was used in selecting respondents of this study. A sample size of 175 respondents was determined using Israel (2009) formula. Primary data was collected using structured questionnaires. Validity of the research instrument was measured using scholars at Kenyatta university while the reliability was determined using Cronbach Alpha coefficients. Data was analyzed using a simple linear regression as well as presented in form of Tables. The response rate for this study was 82%. This response rate was considered appropriate as recommended by Black (2010).

Results

In this section, descriptive and regression analysis results are presented and discussed. The study objective was to determine the role of transformative leadership on operational performance of the public universities in Kenya.

Descriptive Statistics for Transformative Leadership

Table 1.1 depicts the summary of results descriptive results generated after the respondents were asked to evaluate the extent of transformative leadership and operational performance in their respective universities

Table 1.1: Transformative Leadership

Transformative Leadership	N	Mean	Standard Deviation	CV (%)
My university has leaders who own the strategic vision	175	2.79	.695	18.3
I am motivated effectively in my university	175	2.77	.777	20.6
I always participate in the decision-making process	175	2.67	.806	22.0
My leaders are friendly to me	175	3.62	.747	20.6
My decisions are supported by my immediate supervisors	175	2.59	.715	19.9
Teamwork is encouraged by my leaders in my university	175	2.59	.715	19.9
I own the vision of the organization	175	3.38	.711	21.0
I am provided with feedback on my performance periodically for improvement	175	2.38	.611	18.0
Status quo is challenges by my leaders	175	2.18	.611	19.0
Leaders in my university are role models	175	2.38	.411	17.0
Grand Mean Score		2.735	0.68	19.632

Source: Research Data (2022)

Table 1.1 findings disclose that most of the respondents disagreed with the level of adoption of transformative leadership in relation to operational performance in their respective universities a cumulative mean of 2.74 and coefficient of variation (CV) =19.63% while a few agreed with a cumulative mean of above 3.00. These findings generally depict that most of the public universities were not embracing transformative leadership to a larger extent despite the benefits attributed to it such as efficiency and effectiveness in service delivery.

Correlation Analysis

To test the association between the variables of the study, Pearson’s product-moment correlation coefficient (r) was used and significant positive results were disclosed as shown in Table 1.2.

Table 1.2: Correlation Coefficients Matrix

		Operational Performance	Transformative Leadership
Operational Performance	Pearson Correlation Sig. (2-tailed)	1.000	
Transformative Leadership	Pearson Correlation	.631*	1.000

* Correlation is significant at the 0.05 level (2-tailed).
 ** Correlation is significant at the 0.01 level (2-tailed).

Source: Research Data (2022)

Table 1.2 results disclose a significant positive relationship between transformative leadership and operational performance of selected public universities in Kenya ($r=.631$, $p<0.05$).

Table 1.3: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.243	.074	.058	.52293

a. Predictors: (Constant), Transformative Leadership

Source: Research Data (2022)

As shown in Table 1.3, linear regression was conducted to assess the statistical effect of transformative leadership and operational performance of selected public universities in Kenya. A significant positive result was disclosed between the variables. The R value was as well 0.243 as well as R² value had an explanatory power of 0.074. These results implied that 7.4% variation of transformative leadership effectively explained the operational performance of selected public universities in Kenya.

Table 1.4: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.655	1	219	5.335	0.011
	Residual	50.274		.357		
	Total	50.929	220			

Dependent Variable: Operational Performance of selected public universities in Kenya
 Predictors: (Constant), Transformative leadership
 Source: Research Data (2022)

Table 1.4 results disclosed that the overall model was significant F value was 5.335 with P value less than 0.05 level of significance.

Table 1.5: Regression Analysis

	Unstandardized Coefficients	Standardized Coefficients		t	Sig.
		B	Beta		
(Constant)	3.333			14.724	0.00
Transformative Leadership	0.189	0.018	0.023	2.273	0.031

Dependent Variable: Operational Performance

Source: Research Data 2022

Table 1.5 results disclose that a significant positive relationship between transformative leadership and operational performance of selected public universities in Kenya ($Y= 3.333+ 0.189X1$). The model indicate that all factors held constant, transformative leadership can increase operational performance at a magnitude of 3.333 units while 0.189 coefficient imply that a unit increase of transformative leadership will result to an increase in operational performance by 0.189 units. The results revealed that there existed a significant positive relationship between transformative leadership and operational performance of selected public universities in Kenya. Even though public universities in Kenya did not adopt transformative leadership practices to a large extent, it was revealed that transformative leadership in the university context can be measured through the ability of leaders to own the university strategic vision, motivate workers, involve workers in decision making and encourage teamwork. Further, support from supervisors, challenging the status quo, providing timely feedback to teaching staff concerning as well as being role models are some of the aspects that can be used to measure transformative leadership if effectively embraced.

Conclusion and Recommendations of the Study

This study investigated the effect of transformative leadership on operational performance of selected public universities in Kenya. It was concluded that transformative leadership positively influenced performance of selected public universities in Kenya. In this regard, appreciation of the role of transformative leadership in the university setting in key. Despite the vital role of transformative leadership on operational performance of public universities in Kenya, this study recommends that for enhanced operational performance of public universities in Kenya, public universities should emphasize on transformative leadership. Leaders in public universities should reward workers, delegate duties and responsibilities and recognize workers. Further, leaders should as well encourage teamwork among workers, involve employees in decision making process and motivate them.

Areas for Further Research

Limitations in this study were inevitable. However, future studies should seek to examine other factors that can influence operational performance of public universities apart from transformative leadership factor. Future researchers should conduct comparative studies to assess association of the results in public and private universities in Kenya. Indirect relationships can be tested by introducing moderating variables such as employee attitudes. Different methodologies can be adopted as well as different category of respondents in order to evaluate whether there exist convergence and divergence of the results.

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