



**SELINUS UNIVERSITY**  
OF SCIENCES AND LITERATURE

# **Is Transformational Leadership Always an Irrefutable Style for Organizational Success in the NGO (non-governmental organizations) Sector?**

By Mohammed Jemal

## **A DISSERTATION**

Presented to the Department of  
Transformational Leadership  
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for the degree of Doctor of Philosophy  
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## **DECLARATION**

This dissertation entitled “*Is Transformational Leadership Always an Irrefutable Style for Organizational Success in the NGO (non-governmental organizations) Sector?*” presented to the Department of Transformational Leadership Program at Selinus University, Faculty of Business & Media, in fulfillment of the requirements for the degree of Doctor of Philosophy in Transformational Leadership is my original work.

I do hereby attest that I am the sole author of this project/thesis and that its contents are only the result of the readings and research I have done.

July 2024

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## *Abstract*

*The rapidly evolving NGO (non-governmental organizations) contexts and workplace in Addis Ababa is forcing these organizations to re-think and adapt to new and emerging leadership styles. The relatively little researches conducted on the leadership in the NGO sector in Addis Ababa indicate that the leadership in the NGO sector needs to be compatible with the context in which the NGOs are operating. The traditional leadership style needs to change over time and Transformational Leadership seems to be the new strategy to improve creativity and motivate followers to achieve goals in the NGO sector.*

*However, it is crucial for NGO leaders to be mindful of the potential downsides of Transformational Leadership when applying it to the NGO sector. As such, this exploratory study attempted to explore the advantages and disadvantages of Transformational Leadership in the NGO sector, and if it is always an irrefutable or unquestionable style to practice in the NGO sector in Addis Ababa.*

*The study employed a mixed approach of quantitative and qualitative methods to explore the perceptions, attitudes, and experiences of research participants. A non-probability technique of purposive cluster sampling technique has been used in selecting all the 10 international and local NGOs, and a total 188 informants did participate in the quantitative data collection while some 27 of the 55 Senior Management Team or members of the Senior Leadership had taken part in the qualitative data collection which is in-depth interview.*

*Findings of the study have positively verified all the four Hypotheses set at the beginning of the assessment. The study confirmed that Hypothesis 1 holds true in that there is indeed a consistent positive correlation between Transformational Leadership and staff engagement in the NGO sector. Proving Hypothesis 2, findings of the research have also proven that NGOs that embrace and cultivate the four dimensions of Transformational Leadership practices are likely to experience improved staff engagement. Similarly, the study findings have affirmed Hypothesis 3 which states that staff engagement has a significant mediating role in the relationship between Transformational Leadership and job performance leading to organizational success in the NGO sector. In support of Hypothesis 4, evidences from the study have also concluded that NGOs that embrace and cultivate the four dimensions of Transformational Leadership practices are likely to experience improved staff engagement.*

*Moreover, findings of the study have also indicated that, Transformational Leadership style as a whole and its four dimensions [Idealized Influence, Inspirational Motivation, Intellectual Stimulation, and Individualized Consideration] in particular are not being vividly practiced among the sampled NGOs implying that Transformational Leadership style is less likely to be widely practiced among organizations in the NGO sector in the city of Addis Ababa.*

*To encourage the practice of Transformational Leadership style in the NGO sector as well as to give some specific guidance on the practical applicability of this particular leadership style, a more explicit ideas of recommendation have been proposed by the study.*

# Chapter One: Introduction

## 1.1 Background of the problem

Leadership is one of the most significant determinant factors of organizational performance and success. Effective leadership is considered as a strong foundation for management development and sustainable competitive enhancement of employee performance in organizations. In dealing with an increasingly complex and fast-changing environment, leaders need organizational members who, not only invest their full attention and energy in achieving the formal job requests documented in the employment contract, but also who are willing to invest extra effort and exceed formal job expectations.

This holds true in the NGO (*non-governmental organizations*) sector in particular because, these days, leading in increasingly complex NGO landscape is becoming challenging. The challenges of leadership continue to grow with humanitarian leaders working in chaotic, often physically challenging and insecure environments. The demand from the greater complexity of organizations, a more empowered group of followers, and the challenge of being an effective leader makes leadership in the NGO sector almost undefeatable (Wheatley, 2007). NGO leadership is a work in extreme context, with limited support, limited resources, assisting people in distress, which demands leadership with right qualification, skills, character and competence (Wheatley, 2007). The implications of these developments include demand for new leadership, new skills and continuous learning, accelerated work pace and changing workplaces.

Various studies identified overall challenges of leadership in the NGO sector including that of the city of Addis Ababa and Ethiopia. Among the challenges identified is the highly ‘personalized’ nature of leadership in the sector. Leadership in the NGO sector is concentrated in the hands of people said to be the ambassadors or caretakers of the organizations who safeguard their interest. The kind and styles of leadership exhibited is authoritarianism and frustrates other employees who are embodiments of new ideas, initiatives and innovation which are not allowed to be expressed and practiced (Peter & Maxwell, 2009).

The other leadership challenge identified was the lack of qualified, dedicated ethical leadership. Leadership competencies in NGOs determine the quality of programs and service provided by organizations to target population. Leaders in the NGO sector are motivated by organizational vision and by their desire to make a difference, however they lack the right qualification, exposure and experience, the lack of effective talent and performance management systems (Peter & Maxwell, 2009). Few NGOs are also willing or able to invest in training for capacity building, stating that most donors do not provide budget for training and development. Weak capacity affects fundraising ability, governance, leadership, program quality and other facets of the organization. It is very difficult to get trained persons who are either willing or trained to work in the rural and hard to reach contexts where most of NGOs work (Chambers, 2005). With the high expectation of expatriates and due to lack of funds, NGOs are not able to spend more funds for training and development coupled with high turnover rates that allow talent flowing out of the organizations.

Still the other challenge facing NGO leadership is dealing with multicultural teams, differences and dynamics. Given their paternalistic views, limited skills and experience, leadership and management styles, there is a problem in handling diversity issues in organizations. Often there are prejudice from expatriates and opposition from national colleagues. The unwillingness of such leaders to understand and appreciate diversity, difference of judgements, opinions, cultural and contextual understanding and lack of confidence to seize opportunities, have far reaching implications (Fowler, 1997).

Another challenge identified is related to ethical and legal dimensions, which is misuse of organizational resources through fraud, corruption and sexual exploitation and abuse. Fraud and corruption are prevalent in the humanitarian sector with some dishonest and unqualified leaders making fortunes by floating NGOs for their personnel gains. This leads to the local employees also involved in such vices. The lack of qualified leadership and the complex contexts lead to weak internal controls and governance structures, which further compromises accountability to beneficiaries. Data shows the increasing cases of sexual exploitation and abuse in the humanitarian sectors, demonstrating safeguarding lapses and code of conduct breaches, as growing risks to the aid sector's ability to deliver accountable and high impact programs. As well as undermining program effectiveness, these issues also have even more serious potential to compromise the safety and protection of program beneficiaries and erode the trust of the populations being served by aid agencies and the sector as a whole (Peter & Maxwell, 2009).



## 1.2 Statement of the problem

Among all the leadership styles, Transformational Leadership has gained significant attention in the area of organizational behavior and leadership research due to its potential to inspire and motivate employees towards higher levels of commitment and performance. Transformational leaders enhance employee performance by raising their conscious levels on the significance and benefits of elected results and techniques of attaining these results (Shadraconis, 2013). In addition, transformational leaders inspire employees to sacrifice their own interest to serve the mission and vision of their organization (Judge and Piccolo, 2014).

A review of the literature reveals that, although many studies examine the impact of Transformational Leadership among for-profit organizations, there are far fewer studies of Transformational Leadership among non-profit organizations (Judge 2014). Although researchers link Transformational Leadership to increased employee engagement in for-profits (Bass, 1998), few studies examine whether the same relationships exist in non-profit organizations. Despite their huge number and significant roles in the overall development efforts of the country, this is particularly true in the case of NGOs in Addis Ababa.

The purpose of this study is therefore to examine the relationship between Transformational Leadership and organizational success in the NGO sector by closely studying a representative sample of NGOs in Addis Ababa. More specifically, the study will examine the relationships with and implications of Transformational Leadership on staff intrinsic motivation, engagement, and performance for organizational success. Understanding the role of Transformational Leadership in fostering employee motivation, engagement and performance are likely to have significant implications for leadership development and organizational success in the NGO sector in Addis Ababa.

### 1.3 Objectives and Hypotheses of the study

With the overall objective of providing valuable insights into the impact of Transformational Leadership in staff motivation, engagement, and performance for organizational success in the NGO sector, the following are the four specific objectives of the study.

1. to explore the **relationships** between and among Transformational Leadership, staff motivation, engagement, and performance in the NGO sector.
2. to examine the **implications** of the four dimensions of Transformational Leadership on staff motivation, engagement, and performance in the NGO sector. [*the four dimensions are: Idealized Influence, Inspirational Motivation, Individualized Consideration, and Intellectual Stimulation*].
3. to assess the **impact** of Transformational Leadership on the overall organizational success in the NGO sector. Based on literatures reviewed, the study aims to test the following interrelated hypotheses.
4. to scrutinize if Transformational Leadership is always an irrefutable or unquestionable style to practice in the NGO sector in Addis Ababa.

In line with the aforementioned general and specific objectives, the study intends to test the following Hypotheses.

**Hypothesis 1 [H<sub>1</sub>].** *There is a consistent positive correlation between Transformational Leadership and staff engagement in the NGO sector.*

**Hypothesis 2 [H<sub>2</sub>].** *NGOs that embrace and cultivate the four dimensions of Transformational Leadership practices are likely to experience improved staff engagement.*

**Hypothesis 3 [H<sub>3</sub>].** *Staff engagement has a significant mediating role in the relationship between Transformational Leadership and job performance leading to organizational success in the NGO sector.*

**Hypothesis 4 [H<sub>4</sub>].** *Only when symbiotically combined with other leadership styles does Transformational Leadership create a meaningful and long-term staff engagement for organizational success.*

## 1.4 Significance of the study

Several challenges confront today's leaders of non-governmental humanitarian organizations both at personal and organizational levels and the need for effective leaders who understand the complexities of the rapidly changing environment is urgent (Judge et al, 2014). The common challenges NGOs globally face include lack of funds, poor or ineffective leadership, capacity issues, poor governance, lack of investment in local leadership and capacity, political interference and changing trends (Judge et al, 2014). NGOs in Addis Ababa are not any exception to this and if they do not work on attracting, maintaining, and developing their leaders now, they are at risk of not having effective leaders to deliver effective programs.

This study has the significance of inspiring greater attention to leadership in the NGO sector in Addis Ababa, attempts to promote learning across them and draw attention to good practice. Today's leaders must lead differently as they need to acquire the essential practical skills, knowledge, emotional and social intelligence to thrive in the knowledge-driven 21st century organizations. To this end, the study intends to investigate if Transformational Leadership is always unquestionable or irrefutable style for organizational success in the NGO sector in Addis Ababa today. It also examines the relationship between Transformational Leadership and organizational success in the NGO sector.

The more specific research questions the study would like to address are the following.

1. *To what extent is Transformational Leadership style and its 4 dimensions (idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration) being practiced in the NGO sector in Addis Ababa?*
2. *What is the relationship between and among Transformational Leadership, staff intrinsic motivation, engagement, and performance? What are the implications of the four dimensions of Transformational Leadership on staff motivation, engagement, and performance?*
3. *Is there a consistent positive correlation between Transformational Leadership and staff engagement in the NGO sector? Does staff engagement have a significant mediating role in the relationship between Transformational Leadership and job performance leading to organizational success?*
4. *What is the impact of Transformational Leadership on the overall organizational success?*
5. *Could Transformational Leadership create a better, meaningful, and sustainable staff engagement for organizational success when combined with other leadership styles?*
6. *Is Transformational Leadership unquestionably the best style to practice in the NGO sector in Addis Ababa?*

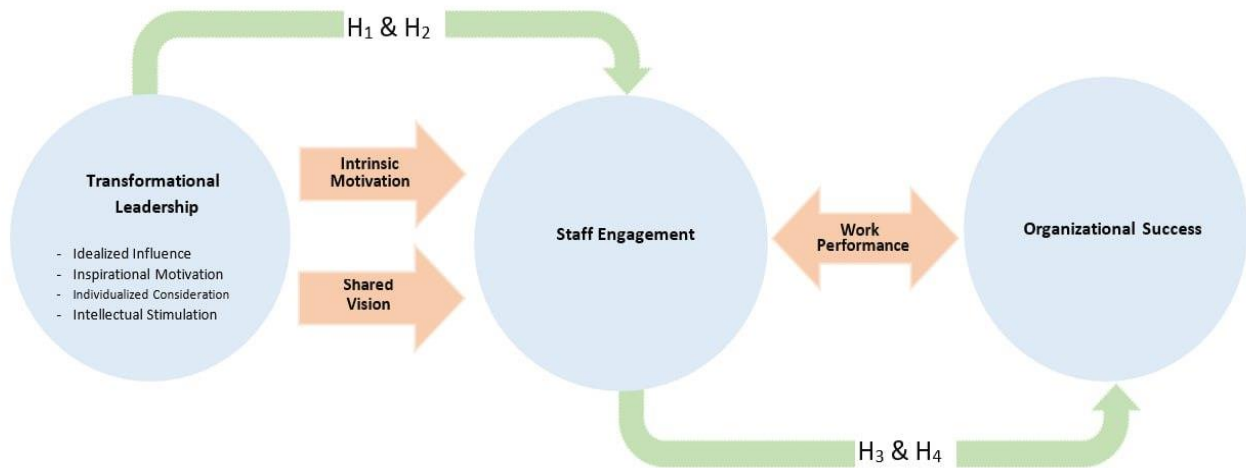
### **1.5 Scope and limitation of the study**

The scope of this study is confined to assessing Transformational Leadership and if this leadership style is always an unquestionable or irrefutable style to practice for organizational success in the NGO sector within the city of Addis Ababa. It is focused on studying a total of 10 purposely and meticulously selected multifaceted representative international and local NGOs operating in various development works such as education, health, child protection, economic empowerment, emergency response, and peacebuilding. The study findings are limited to these organizations where a sample of staff member who have been with the organization for no less than one year have been surveyed or interviewed.

Major limitation of the study has to do with the fact that, due to their limited accessibility and peculiar nature of organizational structures, multilateral and bilateral organizations such as the UN Agencies have not been included in or covered by the study. The target population has been confined to only international and local NGOs within the city of Addis Ababa. Accordingly, among the accessible NGOs operating within the city of Addis Ababa, a total of 10 [5 International NGOs and 5 Local NGOs] have been purposely and strategically selected as a sample for the study. In an effort never to compromise on the validity and reliability of the findings as well as the overall quality of the study, the scope of the study has been narrowed down to a reasonable and feasible extent.

## 1.6 Conceptual/theoretical framework

Originally developed for this specific study, the following framework portrays the linkages and relationships between and among all the major study variables.



### **Please note:**

- *H<sub>1</sub> stands for Hypothesis 1; H<sub>2</sub> for Hypothesis 2; H<sub>3</sub> for Hypothesis 3; and H<sub>4</sub> for Hypothesis 4.*
- *This is an original conceptual framework designed for this specific study.*

## 1.7 Organization of the study

This thesis is structured as follows: the foregoing **chapter one** provides the research background, statement of the problem, research objectives and hypotheses, significance of the study, scope, limitations encountered, and conceptual framework of the study. **Chapter two** presents literature review on theoretical and empirical reviews of leadership in general and transformational leadership in particular. **Chapter three** deals with the methodology employed in the study. Analysis of the findings and their interpretation is presented in **chapter four**, while **chapter five** has summary of the findings, conclusions, recommendations, and suggestion for future research.

## Chapter Two: Literature review

### 2.1 Introduction

This chapter deals with the major theoretical and empirical reviews of leadership in general and transformational leadership in particular in the global and Addis Ababa contexts to be followed by a short summary of literature and research gaps.

### 2.2 Theoretical review

Leadership theories seek to explain how and why certain people become leaders, focusing on the characteristics of leaders, and attempting to identify the behaviors that people can adopt to improve their leadership abilities and influence their followers. Northouse (2007) states that the leadership theories can be grouped as *trait theories* (theories that propose specific personal characteristics that differentiate leaders from non-leaders), *behavioral theories* (theories that assume specific behaviors that differentiate leaders from non-leaders), and *contingency theories* (theories that assume the situations determines the best style of leadership). Transformational Leadership, transactional, authentic and servant leadership are other contributions to the literature of leadership. To understand the various theories and their application in organizations, a brief perspective is provided below.

*The Trait theory* conceptualizes leadership with respect to the traits and focus on attributes and characteristics that differentiate leaders from the others. Old leadership paradigms focused on the study of the trait leadership theories and the common phrase ‘*he is born a leader*’ indicate to Traits theory. The traits theory argue that effective leaders have some common personality characteristics and have leadership advantage with evidence of traits as height, integrity, likability, intelligence, honesty, self-confidence and appearance (Northouse, 2016; Geddes & Grosset, 1998; Robbins, Judge, & Sanghi, 2007)

*Behavioral theory* of leadership focus on the behavior of the leader stating that what makes the leader successful and effective is the way the leader behaves rather than the traits that the leader has. The theory claims that people can learn to become leaders through teaching, observation and learning. The behavioral leadership theory emphasizes the behavior of leaders from a task and relationship dimensions suggesting that effective leadership is dependent on the right

behavior (Northouse, 2016; Robbins, Judge, & Sanghi, 2007). Northouse (2016) further states, 'Behavioral approach focuses on what leaders do and how they act. In shifting the study of leadership to leader behaviors, the behavioral approach expanded the research of leadership to include the actions of leaders toward followers in various contexts' (Northouse, 2016). In other words, behavior theory emphasizes the second variable of the leadership function (behaviors) more than the other variables. (Robbins, Judge, & Sanghi, 2007).

*Contingency theory* focuses on the effectiveness of the leader, based on the leadership style and the situation. Gill (2011) suggests that effective leaders must adapt to the different situations implying leaders require cognitive ability to adapt different leadership styles for a given situation. The theory demonstrates further that effective leaders should adjust to the job, task and function as well as the people that needs influencing (Praszkier, 2017). Kirkpatrick and Locke (1991) state that traits do not universally resonate with effective leadership and argue that situational factors play a great role in influencing effective leadership. While there are some born leaders, others become leaders through commitment and honing their leadership skills through extensive practice (Hill, 2009).

*Contingency/situational theories* hypothesize that leaders choose the best course of action based upon situational variables and different leadership styles may be appropriate for different contexts and certain types of decision-making. According to Northouse (2016), the situational approach focuses on leadership in situations and that different situations demand different kinds of leadership. From this perspective, to be an effective leader requires adapting styles to the demands of different situations. To determine what is needed in a particular situation, a leader must evaluate the situation and assess how competent and committed the followers are to perform a given goal in given context. Based on the assumption that 'followers' skills and motivation vary over time, situational leadership suggests that leaders should change the degree to which they are directive or supportive to meet the changing needs of followers' (Northouse, 2016).

NGO leadership in practice appears closer to the contingency approach as opposed to the view that there is a best way of leading. According to this approach, leadership 'depends' on the respective context, the past and current status, and future goals of the NGO. Many NGOs depend on resources from donors and Governments and this high resource dependency leads to

their vulnerability to external control and change. To cope with such dependencies, NGO leaders need to have a contingency approach. Further, effective leadership requires not only the right people in the right place, but also an environment that enables leaders to lead. This is particularly relevant for humanitarian leaders, who lack experience in fragile contexts and therefore rely heavily on a conducive environment in order to deliver on their mandate (Northouse, 2016)

Other contemporary leadership theories such as transformational, transactional, authentic and servant leadership have gained attention and are shaping the leadership discourse. These leadership paradigms consider leadership as a function of the leader, follower and the context and looks at the styles and qualities of the leaders (Northouse, 2016; Ellman & Kaufmann, 2018).

## **2.3 Empirical Review**

### **Leadership Defined**

There are a wide range of definitions of the concept of leadership and the role of a leader. Because no one definition captures all the facets of leadership, one must accept the wide range of different interpretations and perceptions of leadership and what leaders do. For instance, a guru in leadership, Bennis (2004) in his article on '*The leadership advantage*', concluded that leadership is the key to realise the full potential of the intellectual capital of any organization in the future to have a competitive advantage. Also, according to Weinfurter (2013) in his article '*The keys to effective leadership*' defined leadership as the capacity to translate vision into reality.

John Maxwell, an award winner of Horatio Alger and one of the global leading minds in leadership, defined leadership in the perceptive of influence and cited that 'leadership is influencing, nothing more, nothing less'. This means that leadership can influence one's attitude either positively or negatively. When a leader has a positive attitude, it can change the energy of the entire organization likewise a negative attitude (Maxwell 2019).



Bass accepted the view that leadership is basically doing what the leader wants done. It is mentioned in his book, *Bass and Stodgill's Handbook of Leadership (1990)*, that leadership is an interaction between two or more members of a group, and leaders are agents of change, persons whose acts affect other people more than other people's acts affect them. Bass argued that leadership occurs when one group member modifies the motivation or competencies of others in the group, and he seemed to equate leadership with a leader who gets 'performance beyond expectations. According to Bass (1985), the leader transforms and motivates followers by: (1) making them more aware of the importance of task outcomes, (2) inducing them to transcend their own self-interest for the sake of the organization or team, and (3) activating their higher order needs.

Although Kotter did not use the word influence, but he put the concept of influence in his definition. Kotter (1988) defines leadership as "the process of moving a group or groups in some direction through (mostly) non-coercive means". Kotter's definition of leadership also refers to "a process that helps direct and mobilise people and/or their ideas" (Kotter 1990). According to Kotter, the function of leadership is constructive or adaptive change, and leadership achieves this function through three sub processes: establishing direction, aligning people, and motivating and inspiring.

Rost (1993) defines leadership as "an influence relationship among leaders and followers who intend real changes that reflect their mutual purposes". According to Rost, there are four essential elements that must be present if leadership exist: the relationship is based on influence, leaders and followers are the people in this relationship, leaders and followers intend real change, and leaders and followers develop mutual purposes. All that people need to do to establish if leadership is happening is to determine if these four essential elements are present. If they are present, the phenomenon is leadership (Rost, 1993). Bass (1990), Kotter (1988), and Rost (1993) definitions of leadership give an understanding of what leadership is. However, among these definitions, Rost's definition (1993) is the most promising definition in terms of practical application as well as providing guiding principles for leadership development.

## Leadership Styles

Leadership style represents what people are 'doing' and 'behaving.' Leadership has many aspects and there are many ways to describe leadership styles such as dictatorial, bureaucratic, charismatic, and participative. According to Bhargavi and Yaseen (2016), the most common and major styles can be categorized into three broad categories: *Autocratic*, *Democratic*, and *Laissez faire*.

*An autocratic leader* is often seen as someone that is aware of his/her status and has little faith or trust in the subordinates. Autocratic rulers in nature are classic and bossy. Those leaders need their subordinates to function as they dictate (Al Khajeh, 2018). The autocratic ruler believes that an employee's advanced salary for work performed is a fair exchange and an employee can only be motivated by the bonus. This leadership style is characterized by personal control over all team members' decisions and little feedback. These leaders emphasize loyalty and devotion and are characterized as those who decide by themselves and require strict compliance to regulations. According to Longe, the decision-making process is centralized, autocratic rulers accept full responsibility for decision-making and controlling the performance of their followers (Longe, 2014). Followers' praise and critique play an important role in autocratic governance. Usually, autocratic leaders' base decisions on their own opinions and perceptions and never consider followers' advice (Longe, 2014). Autocratic leadership requires a group's complete authoritarian control.

*Democratic leadership*, also known as participatory leadership, is a kind of leadership style in which members of the group play a more participatory part in the decision-making process. Success and people are the subjects of this leadership style (Bhargavi & Yaseen, 2016). Style of democratic leadership encourages staff to engage in the organization's decision-making process (Nwokocha & Iheriohanma, 2015). The democratic leader helps the leader and the team to share decision-making. Arguments and compliments are offered critically and within the community a sense of responsibility is created. Until issuing general or specific orders through which subordinates feel free to act, the leader communicates with subordinates (Bhargavi & Yaseen, 2016). The superior encourages the subordinates to take advantage of their initiative and continue to contribute. The leaders even offer guidance in performing the role to the subordinates. Democratic leadership characteristics typically involve: the idea

which team members are able to exchange thoughts and opinions, while the leader has the final authority on decisions, group members feel more involved in the process, and creativity is promoted and rewarded. A lot of benefits come from democratic leadership. Subordinates are encouraged to post their experiences, which can result in better ideas and more innovative problem solving (Sadia & Aman, 2018).

*Laissez faire* is a French term that means ‘let it be’ and is also referred to as ‘hands off style’ (Nwokocha & Iheriohanma, 2015). It means putting fellow employees throughout the manner they like without compliance to any strict rules or protocols to complete projects and jobs. The laissez-faire leader avoids managing his staff, according to Puni et al. (2014), and therefore depends only on the few available staff that are committed to the job. Laissez faire leaders were argued not to invest in the advancement of staff as they assume that staff should take good care of themselves (Puni et al., 2014). This style of leadership has not been shown to be functional in the Non-Governmental Organizations which allow both the leader and subordinates to contribute to the decision- making process and complete tasks to ensure the organization's performance.

### **Transformational Leadership Style and the 4 Dimensions**

Hughes (2018) defined Transformational Leadership as a unique style that encourages team members to take ownership of tasks, enhancing employee motivation, morale, and productivity. Managers embracing Transformational Leadership inspire, support, and drive staff to innovate and drive changes that positively impact the organization's future success (Maqbool et al., 2017). Serin and Akkaya (2020) outlined the key attributes essential for transformational leaders, focusing on entrepreneurial, deliberative, motivating, inspiring, guiding, and change-oriented capabilities, alongside adeptly navigating challenges and directing audiences. Raziq et al. (2018) described Transformational Leadership as pivotal for subordinates to have positive change, emphasizing the leader's role as a primary source of inspiration and encouragement.

According to Burns, Transformational Leadership is the act of cooperating in pursuit of a common goal through an intention exchange between a leader and followers (Burns, 1978a). Transformational Leadership encourages followers to progress in their job and achieve preternatural goals and self-realization that can be used to progress at job levels or for alternative work during interpersonal exchanges between the leader and the follower (Bass, Avolio & Goodheim, 1987). A transformational leader refers to an individual who stresses self-forfeit for

the long-term benefit of the organization (Bass, 1985, 1997, 1998; Howell & Avolio, 1992). Such leader prioritizes change and innovation, focusing on the visual sense and quality of transformation in the organization (Tichy & Devanna, 1986).

Prabowo on his part defined Transformational Leadership as a type of leadership that is able to integrate creative insight, perseverance, energy, intuition, and sensitivity to employees and get many goals or desires on the organization and has an extraordinary impact on employees (Prabowo et al., 2018). Atmojo (2012) argued that a Transformational Leadership is leadership that nurtures with personal development needs of followers, stimulates, and inspires them to offer their best efforts in achieving organizational goals. Bass and Avolio (2003) in Atmojo (2012) discussed that Transformational Leadership is change-oriented leadership, where organizational vision is not only formulated, but also implemented through idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration.

The study is in full agreement with the consensus among researchers that Transformational Leadership can best be defined in terms of the Four Dimensions of Transformational Leadership: *idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration* (Ali et al., 2021). Each of these four dimensions is briefly discussed below.

### ***Idealized Influence***

Dionne et al. (2004) defined idealized influence behavior as exhibited by charismatic leaders. Ogola et al. (2017) added that a leader's idealized influence behavior is recognized through charismatic personalities by subordinates who aspire to resemble these leaders. Antonakis et al. (2003) further highlighted that leaders exhibiting idealized influence behavior tend to emphasize values and the significance of the mission.

Essentially, idealized influence observed leadership qualities emphasizing the value of possessing a strong sense of purpose surpassing self-interest for the collective welfare. This dimension found support mainly from Bass's (1985) model, affirmed by Bass and Avolio's (2000) study, along with the dimension of providing an appropriate model (Podsakoff et al., 1996; Liu & Li, 2018), and leading by example (Carless et al., 2000). Several studies have found a correlation between idealized influence and employee engagement in various sectors including in the non-governmental organizations.

### ***Inspirational Motivation***

Inspirational motivation is all about a leader transmitting a captivating vision and assigning challenging duties with high expectations to motivate employees, thereby enhancing performance (Ali et al., 2021; Bass, 1985). Inspirational motivation also explored leadership qualities articulating a compelling future vision and expressing confidence in goal achievement. This dimension resonated with articulating a vision (Podsakoff et al., 1996), shared a similar dimension with other authors (Liu & Li, 2018; Rafferty & Griffin, 2004), and vision articulation (Conger & Kanungo, 1994).

Multiple studies have highlighted a correlation between inspirational motivation and employee engagement such as the study from Abdul Ghani and Shuhada (2018) specifically studying the inspirational motivation dimension on employees where the result showed significance towards employee engagement. Mufeed (2018) also found significance in the study on teaching and research institutions, whereas Fransiska et al. (2021) found positive effects in the context of Indonesia as well. Wibawa and Takahashi (2021) added that leaders that were able to provide followers with appropriate motivation and inspiration tend to further enhance the engagement of employees, regardless of employees with low or high self-efficacy.

### ***Intellectual Stimulation***

Ali et al. (2021) defined intellectual stimulation as a leader's encouragement that sparked followers' creativity, prompting employees to devise innovative or resourceful solutions to problems. This behavior encourages employees to question assumptions, reframe problems, and approach old situations in new ways (Bass, 1985).

Intellectual stimulation assessed leadership traits involving objective issue analysis from diverse perspectives, fostering creativity, and offering unconventional problem-solving approaches. This dimension received additional support from Bass's (1985) primary model while reaffirmed in Bass and Avolio's (2000) research. It aligned with similar intellectual stimulation dimensions by various authors (Conger & Kanungo, 1994; Liu & Li, 2018; Podsakoff et al., 1996; Rafferty & Griffin, 2004), and intellectual arousal (Al-Matroushi & Alkiyumi, 2022). Previous studies have shown the significance between intellectual stimulation and employee engagement as well, including the study by Bezuidenhout and Schultz (2013) specifically studying on intellectual stimulation of employees.

### ***Individualized Consideration***

Bass (1985) defined individualized consideration as leaders fostering a considerate relationship with each employee, acting as coaches or mentors to support and develop employees to their maximum potential. Individualized consideration was also referred to as attending to individual followers' unique requirements and providing them with support, encouragement, and coaching (Ali et al., 2021; Avolio et al., 2004; Lindgren & Packendorff, 2009).

Individualized consideration stemmed from Bass's (1985) primary model was reinforced in Bass and Avolio's (2000) study. It resonated with individualized support (Podsakoff et al., 1996), supportive leadership (Rafferty & Griffin, 2004), sensitivity to members' needs (Conger and Kanungo, 1994), providing support (Saboe et al., 2015), and offering supportive leadership (Carless et al., 2000). Numerous studies have demonstrated an association between individualized consideration and employee engagement, including the study by Herminingsih (2020) and Tonvongval (2013), specifically collecting data from branch managers of organizations.

### ***Transformational Leadership and intrinsic motivation***

Intrinsic motivation may be defined as “the doing of an activity for its inherent satisfactions rather than for some separable consequence but it is rare for employees to experience intrinsic motivation in all of their tasks” (Shin et al. 2019). It is highly associated with the work performance, and is generated for self-developing attributes that refers to make an individual ready to be the part of learning procedure without having interests of extrinsic rewards (Tanneberg et al., 2019). Intrinsic motivation is basically the degree of an individual’s interest in a task completion and how he engages himself in work (Ambrose et al., 1999). It describes the psychological development process with an employee’s performance (Thomas & Velthouse, 1990).

According to recent operational settings, enhancing the employees’ motivation has become one of most impactful human resources strategy. Most of the organizations are tending to build up, sustain and grow their HR strategies just to motivate their employees so that short-term and long-term goals and objectives can be achieved. In recent researches, there are numerous variables which can be influenced by employees’ intrinsic motivation like performance, creativity, and relevant outcomes. For example, it has been stated that behavior of an individual

influences the work outcomes which are performance and quality as well (Barrick et al., 2005). It is strongly evidenced that motivation has a most important role between cognitive abilities and work performance.

Gist (1987) suggested that short term goals can be achieved through self-interest of an individual. Also, a research indicates that there is a significant and direct relationship of intrinsic motivation and job performance (Joo & Park, 2010). Furthermore, an employee's intrinsic motivation illustrates an important contribution in organizational progress and growth (Gumusluoglu, 2009). The work performance indices are constructed for the degree of performance, not only for the individual level always; it also includes group and organizational performances (Aleksynka, 2018). In most employment situations, where intrinsic motivation of an employee is supposed to be high, the employee usually tries to acquire continual employment, and he/she develops interpersonal associations with his subordinates, perform better at job as they take pleasure in the process of finishing their tasks effectively (Gant, 2008). Conversely, if the worker feels demotivated, it can be resulted in low performance of work. Thus, intrinsic motivation may be concluded with better performance of work while meeting organizational targets and goals (Arnulf et al., 2018). As the direct relationship of intrinsic motivation and performance is proposed, it may be stated that the intrinsic motivation can actively influence the performance of work as a significant workplace outcome (Cetin & Askun, 2018).

In this study, it is suggested that intrinsic motivation is one of the main mechanisms by which transformational leaders influence employees' job performance. Transformational leaders may help to ensure individual's inner motivation to perform a task efficiently which in turn increases their work performance. These leadership approaches are advantageous for both individual and organizational growth (Gillet et al., 2013). In fact, it is justified to examine how leaders motivate their employees and this motivation enhances their performance (Bass, 1985). In line with the previous literature (Charbonneau et al., 2001; Conchie, 2013), it is expected that Transformational Leadership enhances individuals' intrinsic motivation which in turn will significantly predict employee job performance. Intrinsic motivation is known as self-directed type of motivation and represents the highest commitment and stability with the self (Cox et al., 2019). A variety of researches indicate that higher intrinsic motivation result in better performance (Vanstraelen, 2019) as intrinsic motivation inspires and encourages employees to work more efficiently.

### **Transformational Leadership and staff engagement**

Employee engagement has been defined in different ways depending upon the context. The definition of engagement revolves around specific attributes of the employee attitude (involvement, loyalty, and commitment) and employee behavior (such as taking initiatives and productivity levels) (Young et al., 2018). Many researchers identified employee engagement as a “psychological condition in work with three features including emotional, cognitive, and behavior vigor” (Albrecht et al., 2018; Kwon and Kim, 2020). Prior scholars argued that employee engagement is a positive indicator that impacts job performance (Gupta, 2015; Nazir and Islam, 2017). Engaged employees are very much attached to their work duties and subordinate that ultimately bring employee performance (Sahu et al., 2018).

Employees are capable enough to perform in the extra role when they are engaged. Albrecht et al. (2018) provided a comprehensive definition of employee engagement “as a positive, fulfilling work-related state of mind and is characterized by vigor, dedication, and absorption.” Vigor is described as a high level of energy, while dedication is described as a mental resilience that involves being strongly involved in one’s work and to experience a sense of significance, enthusiasm, and absorption is depicted as bringing a concentrated and engrossed self in employees’ performance (Le and Lei, 2017). Employee engagement at work is a better predictor of their cognitive, emotional, and behavior output, as it depicts their efforts toward the organization’s objectives by making them engage in a better way (Reilly, 2018; Alagarsamy et al., 2020).

To maintain high levels of productivity and functional effectiveness, organizations must ensure that their employees are focused and invest their full energy into accomplishing tasks. Kahn (1990) proposed the concept of work engagement to assess the extent of an employee’s psychological presence or absence at work. Work engagement refers to “the simultaneous employment and expression of a person’s ‘preferred self’ in task behaviors that promote connections to work and to others, personal presence (physical, cognitive, and emotional), and active, full performances” (Kahn, 1990). For example, employees who display a high level of work engagement are psychologically present; fully there; and employ and present themselves physically, cognitively, and emotionally throughout their role performance. In contrast, disengaged employees demonstrate withdrawal and defensiveness during role performance.



Furthermore, engaged employees are attentive, connected, integrated, and focused on their task performance. They are more open to others, willing to make connections with others at work, and more likely to bring their whole selves to execute their work roles (Kahn, 1992). Moreover, work engagement determines the levels of investment employees are willing to endow during work role performance (Kahn, 1990).

Kahn further argues that work engagement comprises three components: psychological meaningfulness, psychological safety, and psychological availability. Psychological meaningfulness refers to how employees perceive the return on their physical, cognitive, and emotional energy investment in work role performance (Kahn, 1990). When employees feel worthwhile, useful, and valuable in their current work role, they experience meaningfulness (Kahn, 1990). Psychological safety refers to a safe and trusted situation in which employees can freely express themselves without fears of negative outcomes to their self-image, status, or career (Kahn, 1990). When situations are unsafe or risky, such as by being unpredictable or threatening, employees' work engagement suffers. Psychological availability refers to employees' sense of having enough physical, emotional, or psychological resources to effectively deal with a specific situation (Kahn, 1990).

Voon et al., (2011) shown that a Transformational Leadership style has a positive relationship with job satisfaction and engagement, while the transactional leadership style has a negative relationship with job satisfaction and engagement. This implies that Transformational Leadership has been considered suitable for managing non-governmental organizations. Boamah et al. (2017) also stated that there was a positive and significant effect of Transformational Leadership on job satisfaction and engagement. Prabowo et al. (2018) also argued that job satisfaction fully mediates an effect between Transformational Leadership and employee engagement and performance. Prior researches suggest that transformational leaders enhance members' work engagement through the four dimensions of the Transformational Leadership style.

This study assumes that transformational leaders provide holistic and collective goals for followers and convince them that these goals are meaningful. Furthermore, acts of individualized consideration support members who fear possible negative outcomes if they present their genuine selves at work. Moreover, the provision of tangible and intangible

resources enhances members' desire to be psychologically present at work. In short, this study expects that transformational leaders can stimulate their members into becoming more engaged in their takes.

### **Transformational Leadership and staff performance**

The relationship between Transformational Leadership and job performance was examined by prior researchers (Darvishmotevali and Ali, 2020). To enhance employee performance, Transformational Leadership support employees for persistence and sympathy in work duties (Schwarz, 2017). Transformational leaders help to satisfy employees at work psychologically and keep them happy, resultantly enhancing employees' job performance (Lai et al., 2020). Transformational leader is a leader who can inspire, motivate, and give a great influence to his followers to do more work than expected and put aside personal interests for the benefit of the organization (Eliyana et al., 2019).

Other recent studies also have indicated that Transformational Leadership has positive effects on group effectiveness, such as increasing group motivation, efficiency, and performance (Walumbwa, Wang, Lawler & Shi, 2004). Studies have also demonstrated that the positive influences of Transformational Leadership can apply to various types of organizations, including NGOs (Podsakoff & Rich, 2000). Among various indicators of effective Transformational Leadership, organizational commitment, or loyalty, is the most important. The primary goal of Transformational Leadership is to communicate the organization's vision to subordinates and to encourage them to devote extra effort to achieving organizational goals. Nevertheless, organizational commitment, or the loyalty of subordinates, is the most direct indicator of effective Transformational Leadership for staff performance (Avolio, Zhu, Koh & Bhatia, 2004).

Transformational Leadership emphasizes the promotion of personal changes in the interests of facilitating organizational transformation. Recent studies indicate that the relationship between Transformational Leadership and affective organizational commitment is strong and positive (Avolio et al. 2004; Spreitzer, Perttula & Xin, 2005). In addition, studies have indicated that subordinates' trust in supervisor is also a critical indicator of effective Transformational Leadership (Gillespie & Mann, 2004). A transformational leader may ask subordinates to make substantial changes and, support is also needed when subordinates are faced with a challenging environment.

### **Transformational Leadership vis-à-vis Transactional Leadership Style**

Transformational and transactional leadership styles are the two most successful management and leadership approaches in the 21st-century. The origins of Transformational Leadership stem from James MacGregor Burns, who pioneered the concept of transformation in his book titled 'Leadership'. The idea of transformation was further developed by Bass who pioneered the term transformational, which is found throughout academic literature (Breevaart et al., 2014). Burns (1978) stated that great leaders could transform employees by tapping into their needs to increase motivation. In contrast, transactional leadership focuses on a framework of appealing to the interests of employees. Both approaches appeal to the follower's needs, but Transformational Leadership moves beyond transaction by incorporating a degree of role modeling that benefits the organization (Bass & Bass, 2009).

Transactional leadership occurs when there is an exchange of resources, resources can be anything of value to both parties but are not necessarily monetary and could be praise or recognition. Kuhnert and Lewis (1987) concisely defined transactional leadership as the substitution of one goal for another to increase organizational performance. Transformational Leadership gets defined as stimulation and elevation that has outreaching effects that transform followers into ethical leaders by teaching employees how to recognize organizational complexities by being situationally aware (Kuhnert & Lewis, 1987). An examination of both terms reveals a relationship that appeals to employee needs to increase staff performance and organizational success.

Transformational Leadership is the process of stimulating and elevating employees while moving beyond personal gain or needs to demonstrate awareness of organizational issues. Transactional leadership on the other hand is the process of appealing to employee needs to increase motivation. One of the most critical sides of transactional leadership seeks to maintain the status quo; the approach does not promote organizational change that leads to more committed employees (Acar, 2012; Breevaart et al., 2014).

According to Breevaart, transactional leadership is built upon four dimensions: contingent reward, active management by exception, passive management by exception, and laissez-faire. Contingent rewards are incentives and material that is earned after the completion of a task to

stimulate motivation (Breevaart et al., 2014). Both active and passive management by exception occurs when managers intervene when organizational performance is subpar (Breevaart et al., 2014). Laissez-faire is a behavior in which the leader abdicates, which empowers employees to make decisions beyond their scope (Breevaart et al., 2014).

Transformational Leadership is a process in which leaders and followers increase their motivation and morality while inspiring organizational change through awareness and vision. Transformational Leadership gets characterized in four different dimensions: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. As already described in the previous sections, idealized influence involves charisma and gaining the followers trust in order to get followers to identify with them, inspirational motivation is the degree to which leaders articulate their vision to followers, intellectual stimulation is when leaders challenge the status quo and promulgate followers' ideas and individualized consideration is the degree to which leaders appeal to followers needs (Piccolo & Colquitt, 2006).

The association of how transactional and Transformational Leadership affects organizational performance has been examined and debated throughout academia; most research supports that there is a correlation between leadership style and organizational performance, which makes the examination of these approaches a critical issue (Ojokuku, Odetayo & Sajuyigbe, 2012). Transactional and Transformational Leadership can positively or negatively affect the organizations' performance; however, the context in which the approaches get applied surfaces. Since Transformational Leadership seeks to enhance vision and awareness, and transactional leadership aims to reward or punish based upon performance, it is recognized that both styles can be effective at increasing performance depending on the situation.

The use of transactional or Transformational Leadership to increase organizational performance is contingent upon the situation they are applied because leadership does not occur in a vacuum and different styles may be applicable at different times (Liden & Antonakis, 2009). Chaganti et al. (2002) stated that each style can be useful, but the conditions in which the methods get applied are essential to consider before implementation. In organizations where tasks are routine and can be measured consistently through the use of transactional leadership may be more appropriate than the use of Transformational Leadership (Breevaart et al., 2014; Chaganti et al., 2002).

The emergence of culture in organizations has been a controversial topic due to the consideration of how leadership styles get used to shape the organizational culture. Leadership and organizational culture is highly debated in academia because the nature of how leadership affects culture is not a straightforward process (Acar, 2012). For example, transactional leaders do not usually deviate from the status quo of the current culture, while transformational leaders seek to transform the organization through their shared vision. However, the success of the organization is dependent on the leadership capability of the leader. The academic literature has revealed that there is a level of interchangeability between leadership approaches and the situations in which they are applied (Bass & Avolio, 2003). This interchangeability is also found in transactional and Transformational Leadership styles, which makes contrasting them challenging, as they are different in theory but can have the same organizational effects.

The selection of transactional or Transformational Leadership style is contingent upon the situation (Liden & Antonakis, 2009). The results of both transactional and Transformational Leadership directly affect employee motivation and job satisfaction, which directly impacts the firm's performance (Acar, 2012; Breevaart et al., 2014).

After reviewing the relevant literatures, this study tried to analyze what the perceptions of the informants are with regard to the application of transactional and Transformational Leadership styles for better staff performance and organizational success in the NGO sector.

### **Leadership in the NGO sector and the Addis Ababa context**

The rapidly evolving NGO contexts and workplace in Addis Ababa is forcing these organizations to re-think and adapt to new and emerging ways of leadership styles. Apparently, many NGOs are globally having hard time to attract the right candidates with right skills and experience to operate in hard to reach and evolving contexts, making leadership attraction and development a bigger challenge (Neha, 2012). Although there are relatively little researches conducted on the leadership in the NGO sector in Addis Ababa, there are concerns that the current NGO leaders in the country are not prepared for the type of contexts in which the NGOs are currently operating raising further concerns about the availability of leaders with the required competence. Some of the competencies required in the senior management of NGOs is the ability to develop strategy, communicate the vision, inspire and motivate teams, develop managers and other leaders deliver the mission. With emerging developments, NGO leaders

need to become global citizens with an expanded field of vision and values to achieve competitive advantage and be capable of understanding and leading their organizations.

The uncertain times are putting undue pressures on leaders and managers to adopt practical approach to leadership and management to motivate their followers to enhance their performance, share the visions and missions of the organizations and solve problems in order to realize their set objectives (Trilling & Fadel, 2009). Those who occupy leadership positions are expected to become conversant with leadership and management theories, principles and practices, as they are component parts of social and economic development process (Drucker, 2006).

Leadership in the non-profit organizations in Addis Ababa can be significantly different than leadership among for-profit organizations. Differences may include a focus on cause rather than profits, reliance on voluntary workforce, functions, and forms of governing boards, and requirements of external agents as a prerequisite for funding. Reviewing the literature, one can but conclude that the challenges are demanding, and distinct from those faced by governments or the for-profit sector. NGO leaders are often isolated and unsupported. There is talk of a leadership deficit, because of the shortage of talented leaders and the growth of the non-profit sector generally. As a result, there is some urgency in attempts to develop a new generation of leaders, and to provide relevant support to existing and future leaders. (James et al., 2005).

The question is, what does leadership look like in the context of the complex and challenging environments within which NGO workers operate? What are the leadership problems in such contexts and what leadership competencies are important and can they be developed? (Gabaudan, 2012). To tackle humanitarian challenges such as displacement (refugees and internally displaced persons) crisis effectively, NGOs must improve their leadership-related talent and performance management processes (David, 2014). Over the next decade, a new breed of highly effective leaders will be required, and without doubt, effective leadership in the NGO context is critical, and the role of NGO leaders requires special consideration (Hailey and James, 2004).

## **2.4 Summary of literature and Research Gaps**

To summarize, in the context of NGOs, the environment includes the staff, processes, systems, security and operational contexts, donors, Government, clients and beneficiaries and competitors within and outside the sector. To remain relevant, competitive and survive, NGO leaders must bring their talent, identify needs and risks and improve interacting processes that have to be balanced internally and in relation to the environment. Today's NGO environment is undergoing profound and far-reaching change, and most of these organizations operate in a disruptive, unstable and unpredictable environment and in multi-layered kinds of structures and therefore in finding a best fit in terms relevance of programs, service or even hiring talent, the leaders must do review of strengthens and weakness internally as well as opportunities in the external environment.

What is clear from research is that not only do NGO leaders play a critical role in shaping the strategic direction of the organizations, but their role and effectiveness is largely affected and determined by the operating context. The leadership of humanitarian NGOs face extraordinary challenges given the limited resources in uncertain and volatile political and humanitarian circumstances to help the disadvantaged members of communities. The growing deficit in leadership in NGOs results in programmatic dysfunctionality and even organizational collapse.

## Chapter Three: Methodology

### 3.1 Introduction

This chapter presents the explanation and description of the methods and procedures used in conducting the study. It presents the research design used, defines the target population and sampling design. The chapter also examines the data collection methods, the research procedures as well as the data analysis methods that was used in the study.

### 3.2 Research design

Research design refers to the overall strategy used to integrate the different components of the study in a coherent and logical way. It effectively addresses the research problem and constitutes the blueprint for the collection, measurement, and analysis of data (Namada, 2017) The research design specifies the sources from which the study will collect data, how the data will be collected and analyzed, as well as the ethical issues and constraints the study is expected to encounter (Saunders, Lewis and Thornhill, 2015). The research design provides answers to issues such as techniques to use to gather data, the kind of sampling strategies and tools to be used and how time and cost constraints will be dealt with (Healey, Boli, Babbie and Halley, 2010).

In the case of this exploratory study, a mixed approach of quantitative and qualitative methods was employed to explore the perceptions, attitudes, and experiences of participants. For the quantitative component of the study, a self-administered questionnaire was employed by all the informants while for the qualitative sub-component, an in-depth interview was conducted only with selected members of the Senior Management Team or Senior Leadership members of the NGOs.

The study adopted a simple correlational research design to analyze causal relationships between independent and dependent variables. This research design was deemed significant for this study because it enabled the researcher to measure the two study variables and assess their statistical relationship (that is, the correlation) between them, with little or no effort to control the variables. Both the independent variable (Transformational Leadership) and the major dependent variable (employee performance) in this study had numerical values and were therefore subjected to correlation to determine the significance, strength and direction of the relationship between Transformational Leadership style and employee performance.



### 3.2.1 Research Philosophy and approach

The research philosophy of the researcher is the major determinant factor in choosing which research approaches to use (Altinay & Paraskevas 2008). There are two major types of research approaches: deductive and inductive.

The deductive approach, as described by Altinay and Paraskevas (2008) builds studies by searching through relevant literature, followed by forming or setting theories or hypotheses, and then designing the studies to test the theories or hypotheses. Saunders and Lewis (2012) also stated that deductive approach is a type of research approach that comprises the testing of theoretical hypotheses which uses a well-defined research strategy design with the aim of executing its testing.

In contrast, the induction approach uses the literature to design the study, and this helps in analyzing the data collection which leads to the formation of the theory (Altinay & Paraskevas 2008). On the other hand, Saunders and Lewis (2012) also cited that the induction approach is ‘a research approach which involves the development of theory as a result of analyzing data already collected.’ They stated that the induction is the opposite of deduction, which means it is ‘bottom-up’ of the theory formation. Therefore, the inductive approach ‘moves from specific observations to broader generalizations and theories. Induction is more flexible than the deduction because it allows changes to be made during the development stages of the research Saunders and Lewis (2012).

In this research work, the inductive approach is applied with the aim of conducting surveys and in-depth interviews to find common behavior of the respondents based on the theory of the data collection findings. The data derived from the surveys and interviews mostly has been about the respondents’ subjective opinions, feelings, and behaviors, and all that has been correlated with the findings of the theoretical literature previously reviewed.

### 3.2.2 Operationalization and measurement of Variables

The following tabular summary presents the operationalization and measurement of the key independent and dependent variables of the study.

**Table 1. Operationalization and measurement of variables**

<i>Variable</i>	<i>Type</i>	<i>Operationalization</i>	<i>Measurement</i>	<i>Hypothesized direction</i>
Transformational Leadership	Independent	Five-point Likert Scale	Scales 1-5	Yes
Intrinsic Motivation	Dependent	Five-point Likert Scale	Scales 1-5	Yes
Staff Engagement	Dependent	Five-point Likert Scale	Scales 1-5	Yes
Staff Performance	Dependent	Five-point Likert Scale	Scales 1-5	Yes
Organizational Success	Dependent	Five-point Likert Scale	Scales 1-5	Yes

### 3.3 Target Population and sampling design

The study population is defined as the full set of cases or elements from which a sample is taken (Saunders *et al.*, 2015). Target population on the other hand refers to the subset of the study population which the researcher defines and which is the actual focus or target of the research inquiry (Saunders *et al.*, 2015). A sample frame refers to a list of all those elements within a study population that can be sampled and the actual set of units from which a sample has been drawn. Primarily, the target population of the study are all international and local NGOs in the city of Addis Ababa, and the study focused on five Local NGOs and another five International NGOs, and the sample frame was the official list of employees obtained from the respective human resource departments of each of the ten NGOs.

A non-probability technique of purposive cluster sampling technique has been used in selecting all the 10 international and local NGOs. Maximum possible care has been taken to avoid bias in selecting the organizations. Cardinal and Burton (2015) state that 20% - 75% selection of a total population selected gives an adequate representation for a study to be conducted. When selecting the sample size for this study, the researcher targeted at least 75% of respondents from each targeted organization to ensure that all the organizations were adequately represented.

After purposely and carefully selecting the 10 NGOs, some 75% of the staff members in all the 10 organizations with one year or more tenure period with the organization have been taken as informants of the study. As such, the total number of informants has been 188, and all the 188 participants did participate in the quantitative data collection while some 27 of the 55 Senior Management Team members participated in the qualitative data collection, which is *in-depth interview*. Distributions of the sample size was as summarized in Table 2 below.

**Table 2. Sample Size Distribution**

Organization	Sample Distribution	
	Number	Percentage
Local NGO 1	16	8.51 %
Local NGO 2	16	8.51 %
Local NGO 3	18	9.57 %
Local NGO 4	21	11.17 %
Local NGO 5	14	7.45 %
International NGO 1	23	12.23 %
International NGO 2	28	14.89 %
International NGO 3	19	10.11 %
International NGO 4	19	10.11 %
International NGO 5	14	7.45 %
<b>Total</b>	<b>188</b>	<b>100%</b>

### 3.4 Data collection instruments, data collection, analysis and presentation

The primary data collected using a self-administered questionnaire and in-depth interviews contained statements on each variable of Transformational Leadership and its influence on employee motivation, engagement, performance, and organizational success. The questionnaire applied the use of a five-point Likert Scale that allowed respondents to rate their perceptions and opinions with each statement using the scale provided.

Reliability analysis for this study was done through a pilot test that was conducted to check for the consistency of the research instrument. The pilot test was conducted by circulating the questionnaire to 10 respondents in the Addis Ababa area. The pilot test was used to measure the reliability and validity of the questionnaire before being administered to the target population.

In the context of research, ethics refers to the standards of behavior that guide a researchers' work, or are affected by it (Saunders *et al.*, 2015). Ethical considerations in this study included interviewing only those respondents who willingly consented (informed consent) to participate in the study, assuring them of confidentiality of their responses and not identifying respondents by name when presenting the findings. The cover page to each respondent explained the purpose of the study as well as assurance of confidentiality. The study also ensured to comply with all legal requirements that applied to studies of this nature.

Data analysis is the systematic organization and synthesis of the research data and the testing of research hypotheses using collected data (Creswell & Plano, 2010). The main reason for data or information analysis is to reduce aggregated information to a sensible size, creating synopses and applying statistical techniques (Creswell & Plano, 2010). The data collected has been carefully analyzed using descriptive measures of central tendencies with the help of SPSS, Ver. 26, and presented in the form of tables and figures with brief descriptions to explain the findings. Data and information from the in-depth interviews have also been categorized and presented in combination with the quantitative figures to further justify and analyze the findings.

## Chapter Four: Research Findings

### 4.1 Introduction

This section of the study presents the major findings with brief discussion of each. Starting with the profile of the respondents, the findings on the perceptions of the informants regarding the level of practice of Transformational Leadership in the NGO sector are presented in light of the 4 dimensions of Transformational Leadership. Perceptions of the informants on the favorable and unfavorable qualities of Transformational Leadership in the NGO sector as well as the applicability of Transactional Leadership style in the NGO sector are also presented.

Based on the quantitative and qualitative data collected, frequencies, percentages, weighted averages have been presented in a systematized and simple way to comprehend. Due to the sensitive nature of some of the questions and also upon the request of the informants, names of the sampled NGOs are kept confidential and not mentioned in any of the study paper.

### 4.2 Analysis of response rate and descriptive statistics

#### Profile of the Respondents

**Table 3. Gender composition and age category of informants**

	<i>Frequency</i>	<i>Percent</i>
<b><i>Gender Composition:</i></b>		
Male	115	61.2
Female	73	38.8
<b>Total</b>	<b>188</b>	<b>100</b>
<b><i>Age Category:</i></b>		
Under 25 Years	34	18.1
25 to 35 Years	85	45.2
36 to 45 Years	47	25.0
46 and above	22	11.7
<b>Total</b>	<b>188</b>	<b>100</b>

As depicted under Table 3, the gender of the respondents was comprised of 73 (39.85) females and 115 (61.2%) males. The age category also varied with some 34 (18.1%) of them under the age of 25, the majority 85 (45.2%) of them between the age category of 25 to 35 years, the other 47 (25.0%) of them between 36 to 45, and the remaining 22 (11.7%) with the age category of 46 and above.

**Table 4. Type of NGO, duration of stay, and management level of informants**

	<i>Frequency</i>	<i>Percent</i>
<b><i>Type of NGO:</i></b>		
National/Local NGO	85	45.2
International NGO	103	54.8
<b>Total</b>	<b>188</b>	<b>100</b>
<b><i>Duration of Stay with the Organization:</i></b>		
Less than 3 years	28	14.9
3.1 to 7 years	80	42.5
7.1 to 10 years	47	25.1
More than 10 years	33	17.6
<b>Total</b>	<b>188</b>	<b>100</b>
<b><i>Management Level:</i></b>		
Lower-Level Management	43	22.9
Middle-Level Management	90	47.9
Higher-Level Management	55	29.3
<b>Total</b>	<b>188</b>	<b>100</b>

Table 4 portrays that, among the sampled NGOs, 85 (45.2%) of them were National/Local NGOs and the remaining 103 (54.8%) were International NGOs. The duration of stay with the organization of the informants also varied from lower-level management, middle-level management, and higher-level management categories with a proportion of 43 (22.9%), 90 (47.9%), and 55 (29.3%), respectively.

It is important to note here that, all the informants participated in the quantitative data collection but only the ones in the *Higher-Level Management* category did participate in the in-depth interview for the qualitative aspect of the study.

### **The practice of Transformational Leadership in the NGO sector**

The study attempted to assess to what extent Transformational Leadership is being practiced in the NGO sector. It tried to see this by measuring the perceptions of the informants in light of the practice of the 4 dimensions of Transformational Leadership in their respective organizations. The 4 dimensions of Transformational Leadership are Idealized Influence, Inspirational Motivation, Intellectual Stimulation, and Individualized Consideration.

Literatures reviewed indicate that *Idealized Influence* is one of the four dimensions of Transformational Leadership that denotes the leader’s function as an ideal role model for followers. Studies show that a transformative leader exemplifies the characteristics that they seek in their team, and in this instance, the followers regard the leader as a role model to imitate,

and also, leaders who have developed idealized influence are trusted and respected by employees to make good decisions, and not just “for the good of the organization,” but for the good of the team and for them as individuals. With this trust, employees become followers who want to follow their leaders and internalize their ideals.

To find out the perceptions of the employees regarding the practice of idealized influence in their respective organizations, informants were specifically asked if their leaders were enthusiastic about organizational change and if they had professional integrity. They were also asked if their supervisors were trustworthy and role models to them. Table 5 below indicates the summary of the findings.

**Table 5. Idealized Influence**

SN	Elements of Idealized Influence:	SA (%)	A (%)	N (%)	D (%)	SD (%)	Total	Mean	Std Dev.
1.	<i>My supervisor is enthusiastic about organizational change.</i>	27 (14.4%)	35 (18.6%)	14 (7.4%)	89 (47.3%)	23 (12.2%)	188 (100%)	3.24	1.293
2.	<i>My supervisor has professional integrity.</i>	18 (9.6%)	67 (35.6%)	35 (18.6%)	62 (33.0%)	6 (3.2%)	188 (100%)	2.85	1.086
3.	<i>My supervisor is a role model to me.</i>	9 (4.8%)	51 (27.1%)	34 (18.1%)	65 (34.6%)	29 (15.4%)	188 (100%)	3.29	1.262
4.	<i>My supervisor is trustworthy to follow.</i>	11 (5.9%)	39 (20.7%)	22 (11.7%)	66 (35.1%)	50 (26.6%)	188 (100%)	3.56	1.246

**Note:** N= 188; SA – Strongly Agree; A – Agree; N – Neutral; D – Disagree; SD – Strongly Disagree.

As summarized in Table 5, findings from the study indicate that there was a low level of practice of *Idealized Influence*, which is one of the four components of Transformational Leadership, among the sampled NGOs. For instance, the data analysis shows that, majority, 112 (59.5%), of the respondents either disagreed or strongly disagreed when asked if their supervisors were enthusiastic about organizational change. Similarly, some 68 (36.2%) of them either disagreed or strongly disagreed when asked if their supervisors had professional integrity while some 94 (50.0%) of them also either disagreed or strongly disagreed when asked if their supervisors were role models to them. The majority, 116 (61.7%) of them even either disagreed or strongly disagreed when asked if their supervisors were trustworthy to follow. This finding from the sampled NGOs implies that the practice of *Idealized Influence* as a component of Transformational Leadership is likely to be low even among other organizations in the NGO sector whom they represented.

*Inspirational Motivation* is the other dimension of Transformational Leadership and literatures argue that it is the quality of Transformational Leaders to inspire and motivate their followers through a compelling vision and a sense of purpose. Transformational Leaders communicate clear and inspiring goals, encouraging employees to work towards a shared vision. This sense of purpose and direction fosters a higher level of commitment and dedication among employees, leading to improved job performance.

To figure out the perception of the employees regarding the practice of inspirational motivation in their respective organizations, informants were asked if their leaders had clear organizational visions and, if their supervisors did motivate them for organizational success. They were also asked if their supervisors motivated them with a clear organizational vision, and if their leaders clearly communicated that vision to inspire them through clear organizational purpose. Table 6 below indicates the summary of the findings.

**Table 6. Inspirational Motivation**

SN	Inspirational Motivation:	SA (%)	A (%)	N (%)	D (%)	SD (%)	Total	Mean	Std Dev.
5.	My supervisor intrinsically motivates me for organizational success.	15 (8.0%)	21 (11.2%)	7 (3.7%)	74 (39.4%)	71 (37.8%)	188 (100%)	3.88	1.254
6.	My supervisor has a clear organizational vision.	28 (14.9%)	36 (19.1%)	5 (2.7%)	63 (33.5%)	56 (29.8%)	188 (100%)	3.44	1.460
7.	My supervisor clearly communicates organizational vision.	17 (9.0%)	23 (12.2%)	5 (2.7%)	69 (36.7%)	74 (39.4%)	188 (100%)	3.85	1.308
8.	My supervisor inspires me through clear organizational purpose.	7 (3.7%)	21 (11.2%)	8 (4.3%)	94 (50.0%)	58 (30.9%)	188 (100%)	3.93	1.065

**Note:** N= 188; SA – Strongly Agree; A – Agree; N – Neutral; D – Disagree; SD – Strongly Disagree.

As depicted in Table 6, findings from the study indicate that, prevalence of *Inspirational Motivation*, which is another component of Transformational Leadership, is significantly low among the sampled NGOs. The data analysis shows that, majority, 145 (77.2%) of the respondents either disagreed or strongly disagreed when asked if their supervisors intrinsically motivated them for organizational success. Equally, some 119 (63.3%) of them either disagreed or strongly disagreed when asked if their supervisors had a clear organizational vision, while some 143 (76.1%) of them also either disagreed or strongly disagreed when asked if their supervisors clearly communicated any organizational vision. were role models to them. The majority, 152 (80.9%) of them also either disagreed or strongly disagreed when asked if their



supervisors inspired them through clear organizational purpose. This finding from the sampled NGOs implies that the practice of *Inspirational Motivation* as a component of Transformational Leadership is likely to be notably low even among other organizations in the NGO sector whom they represented.

*Intellectual Stimulation* is the third dimension of Transformational Leadership and literature shows that it is all about what transformational leaders do to inspire their team members to think creatively. Such leaders ask hard questions to encourage their team to think deeply about challenges and find solutions themselves rather than telling them what to do. They give each person in the team a voice and encourage them to ask questions and to suggest more efficient and effective ways of working. According to studies, creativity and ‘out of the box thinking’ are highly encouraged by these leaders. Instead of viewing problems as obstacles, they approach them as learning experiences. These leaders encourage an environment of innovative thinking and the practice of intellectual stimulation can lead to innovative solutions and improved performance outcomes.

To assess the perception of the employees regarding the practice of intellectual stimulation in their organizations, informants were asked if their supervisors encouraged them for creative thinking and problem solving. They were also asked if their supervisors encouraged them for new approaches through challenging the status quo. Table 7 below indicates the summary of the findings.

**Table 7. Intellectual Stimulation**

SN	Elements of Intellectual Stimulation:	SA (%)	A (%)	N (%)	D (%)	SD (%)	Total	Mean	Std Dev.
9.	My supervisor encourages me for creative thinking.	11 (5.9%)	24 (12.8%)	9 (4.8%)	98 (52.1%)	46 (24.5%)	188 (100%)	3.77	1.132
10.	My supervisor encourages to solve problems by self.	13 (6.9%)	27 (14.4%)	3 (1.6%)	97 (51.6%)	48 (25.5%)	188 (100%)	3.74	1.188
11.	My supervisor encourages me for new approaches.	9 (4.8%)	21 (11.2%)	17 (9.0%)	101 (53.7%)	40 (21.3%)	188 (100%)	3.76	1.062
12.	My supervisor allows and or encourages me to challenge the status quo.	10 (5.3%)	14 (7.4%)	7 (3.7%)	118 (62.8%)	39 (20.7%)	188 (100%)	3.86	1.004

**Note:** N= 188; SA – Strongly Agree; A – Agree; N – Neutral; D – Disagree; SD – Strongly Disagree.

As portrayed in Table 7, findings from the study indicate that, prevalence of *Intellectual Stimulation*, which is a component of Transformational Leadership, is considerably low among the sampled NGOs. The data analysis shows that, majority, 144 (76.6%) of the respondents either disagreed or strongly disagreed when asked if their supervisors encouraged them for creative thinking. Similarly, some 145 (77.1%) of them either disagreed or strongly disagreed when asked if their supervisors also encouraged them to solve problems by self, while some 141 (75.0%) of them either disagreed or strongly disagreed when asked if their supervisors encouraged them for new approaches. Most, 157 (83.5%) of the participants either disagreed or strongly disagreed when asked if their supervisors allowed and or encouraged them to challenge the status quo. This finding from the sampled NGOs implies that the practice of *Intellectual Stimulation* as a component of Transformational Leadership is likely to be remarkably low among other organizations in the NGO sector whom they represented.

*Individualized Consideration* is the fourth dimension of Transformational Leadership and literatures indicate that it is all about the practice of Transformational Leaders aiming to identify and address the needs of each person following them. By treating employees as individuals, Transformational Leaders create an environment where employees feel valued and motivated to give their best. Transformational Leaders pay attention to the individual needs, strengths, and development of their employees. Studies show that a successful Transformational Leaders consider each of their team members as individuals, and display care and consideration for their team members and also value their inputs. This personalized approach recognizes that each employee has unique strengths, needs, and aspirations, and seeks to align individual professional goals with the overall vision of the organization.

To gauge the perception of employees regarding the practice of individualized consideration in their respective organizations, informants were asked if their leaders paid attention to individual needs and strengths of the employees. They were also asked if their leaders treated employees as individuals for development and growth. Table 8 below indicates the summary of the findings.

**Table 8. Individualized Consideration**

SN	Elements of Individualized Consideration:	SA (%)	A (%)	N (%)	D (%)	SD (%)	Total	Mean	Std Dev.
13.	My supervisor pays attention to individual needs of employees.	11 (5.9%)	19 (10.9%)	9 (4.8%)	115 (61.2%)	34 (18.1%)	188 (100%)	3.76	1.051
14.	My supervisor pays attention to individual strengths of employees.	13 (6.9%)	27 (14.4%)	13 (6.9%)	109 (58.0%)	26 (13.8%)	188 (100%)	3.57	1.109
15.	My supervisor treats employees as individuals.	15 (8.0%)	23 (12.2%)	10 (5.3%)	113 (60.1%)	27 (14.4%)	188 (100%)	3.61	1.121
16.	My supervisor encourages employee development and growth.	10 (5.3%)	21 (11.2%)	4 (2.1%)	114 (60.6%)	39 (20.7%)	188 (100%)	3.80	1.059

**Note:** N= 188; SA – Strongly Agree; A – Agree; N – Neutral; D – Disagree; SD – Strongly Disagree.

As represented in Table 8, findings from the study indicate that, prevalence of *Individualized Consideration*, which is another component of Transformational Leadership, is again substantially low among the sampled NGOs. The data analysis shows that, majority, 149 (79.3%) of the respondents either disagreed or strongly disagreed when asked if their supervisors paid attention to individual needs of employees. Relatedly, some 135 (71.8%) of them either disagreed or strongly disagreed when asked if their supervisors also paid attention to individual strengths of employees, while some 140 (74.5%) of them either disagreed or strongly disagreed when asked if their supervisors treated employees as individuals. Most, 153 (81.3%), of the participants either disagreed or strongly disagreed when asked if their supervisors encouraged employee development and growth. This finding from the sampled NGOs implies that the practice of *Individualized Consideration* as a component of Transformational Leadership is likely to be outstandingly low among other organizations in the NGO sector whom they represented.

To conclude, perceptions of the informants is that all the 4 dimensions of Transformational Leadership, namely, *Idealized Influence*, *Inspirational Motivation*, *Intellectual Stimulation*, and *Individualized Consideration* are not being significantly practiced among the sampled NGOs implying that Transformational Leadership style is less likely to be widely practiced among organizations in the NGO sector in Addis Ababa.

**Perceptions on the favorable qualities of Transformational Leadership in the NGO sector**

The previous section of the study has shown that, measured against the four dimensions of Transformational Leadership, there is a relatively low tendency on the practice of Transformational Leadership style among NGOs. The study attempted to further explore on the perceptions of the information regarding the advantages and benefits of Transformational Leadership style if practiced in the NGO sector.

To understand their perceptions on the favorable qualities of Transformational Leadership style, informants were asked questions regarding what leadership qualities they would like to see in the NGO sector. These leadership qualities include setting realistic goals, having excellent communication skills, being honest and proactive in their approaches, and all these are among the most common qualities of Transformational Leaders. A summary of the findings is presented in Table 9.

**Table 9. Favorable qualities of Transformational Leadership in the NGO sector**

SN	Examples of favorable qualities of Transformational Leadership in the NGO sector	Favorable [SA or A]		Neutral [N]		Unfavorable [D or SD]		Total	
		f	%	f	%	f	%	f	%
18	Leaders in the NGO sector need to always set realistic/achievable goals.	176	93.6	0	0	12	6.4	188	100
28	Leaders in the NGO sector need to always have excellent communication skills.	183	97.3	0	0	5	2.7	188	100
30	Leaders in the NGO sector need to always take honesty/integrity as a core value.	185	98.4	0	0	3	1.6	188	100
26	Leaders in the NGO sector need to be always proactive in their approaches.	167	88.8	3	1.6	18	9.6	188	100

**Note:** N= 188; SA – Strongly Agree; A – Agree; N – Neutral; D – Disagree; SD – Strongly Disagree.

As summarized under Table 9, most of the respondents are in favor of those specific leadership qualities to be practiced in the NGO sector for better organizational performance and success. For instance, majority 176 (93.6%) of the respondents believed that NGO leaders should always set realistic or achievable goals. This is consistent with and is a quality of Transformational Leadership style because one area of focus for Transformational Leaders according to literatures is defining clear goals in fulfilling the vision for an organization, department, team or project. Literatures reviewed also state that Transformational Leaders do not believe in unrealistic visions, but they rather create new visions for the organization. Transformational Leaders lead by example, and they do this by identifying clear objectives and goals for their team, so everyone knows what they expect. By setting clear aims, which may include both short- and long-term goals, Transformational Leaders can help their team to take ownership and

responsibility for their work, and this encourages accountability, ambition and a sense of achievement.

During the in-depth interview, one of the informants argued that having a vision for a project helps all members of a project team understand its value, which can improve motivation and encourage commitment. He said that, when all members of a team believe in the value of their work, they may feel more dedicated to achieving a high level of performance, and this, according to him, helps teams make progress toward short-term and long-term goals that support the overall objectives of their business. When employees have a clear metric against which to measure their contribution, they may feel more motivated to perform better, he added.

Further, 183 (97.3%) of the respondents perceived that NGO leaders in their organizations need to always have excellent communication skills. This is again in line with the fact that, promoting morale through better communication is a key aspect of Transformational Leadership. Studies show that leaders who focus on building strong lines of communication within the organization foster trust, openness, and transparency. This enables employees to voice their opinions, concerns, and ideas freely. By actively listening and addressing these concerns, Transformational Leaders can create a collaborative and inclusive work environment, boosting morale and overall employee satisfaction.

In-depth interview informants strengthened this idea saying that an advantage of practicing a Transformational Leadership style is that leaders would provide regular feedback to their followers to keep them headed in the right direction. They stressed that leaders who use a Transformational Leadership style would encourage good communication between team members and between employees and supervisors. The informants stressed that Transformational Leaders are known for leading by example and use good communication skills when establishing their expectations with team members. Communication skills, according to them, include using directness to express concerns and expectations, practicing active listening and asking questions to gain insight and clarity. They said, leaders who demonstrate good communication skills could create workplace environments that prioritize open communication. By establishing open lines of communication, actively listening, and providing clear feedback, Transformational Leaders can ensure that their message is understood, fostering a sense of shared purpose and facilitating collaboration and cooperation, they explained.

Furthermore, 185 (98.4%) of the respondents believed that leaders in their organizations need to always take honesty/integrity as a core value, while 167 (88.8%) of them felt that Leaders in the NGO sector need to be always proactive in their approaches. These leadership qualities are also in line with Transformational Leadership style in that ethical and proactive behavior play a large role in a Transformational Leadership style. Literatures have it that, honesty and integrity are core values for Transformational Leaders, and they are ethically driven with a tight focus on values, authenticity and transparency. Accordingly, unlike Transactional Leaders, who tend to focus on completing a task without seeing why it is essential, Transformational Leaders remain focused on doing the right thing in the right way.

Participants of the in-depth interviews backed up this idea by saying that clarity, originality and essential values, such as honesty and integrity, are all important qualities for Transformational Leaders. They said, to maintain an organization's integrity, a Transformational Leader treats all employees equally, rewards honesty, conducts self-assessments and encourages open communication. They stressed that the management style of Transformational Leaders encourages employees to focus on current tasks while acting in the best interest of the organization.

To further triangulate the findings and further analyze their perception on the advantages and benefits of practicing Transformational Leadership style in the NGO sector, informants were asked additional questions regarding what other leadership qualities they would like to see in the NGO sector. These additional leadership qualities are among the most common qualities of Transformational Leaders and include promoting innovation among employees, driving transformational changes, building strong team, ensuring stronger work relationship in the organization, and improving the organizational culture. The summary of the findings is as indicated in Table 10.

**Table 10. Favorable qualities of Transformational Leadership in the NGO sector**

SN	Examples of favorable qualities of Transformational Leadership in the NGO sector	Favorable [SA or A]		Neutral [N]		Unfavorable [D or SD]		Total	
		<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%
20	Leaders in the NGO sector need to always promote creativity/innovation among their employees.	163	86.7	5	2.7	20	10.7	188	100
17	Leaders in the NGO sector need to always focus on transformational changes.	160	85.1	0	0	28	14.9	188	100
27	Leaders in the NGO sector need to always drive change/s in the organization.	161	85.6	8	3.2	19	11.2	188	100
24	Leaders in the NGO sector need to always have the skill to build strong team/s.	171	91.0	0	0	17	9.1	188	100
31	Leaders in the NGO sector need to always ensure a stronger work relationship (and trust) in the organization.	184	97.9	0	0	4	2.1	188	100
32	Leaders in the NGO sector need to always improve the organizational culture.	141	75.0	21	11.2	26	13.9	188	100

**Note:** *N* = 188; *SA* – Strongly Agree; *A* – Agree; *N* – Neutral; *D* – Disagree; *SD* – Strongly Disagree.

As depicted in Table 10, most of the research participants consistently confirmed that those qualities of Transformational Leadership need to be practiced in the NGO sector for better organizational performance and success. More specifically, 163 (86.7%) of the respondents perceived that leaders in the NGO sector need to always promote creativity/innovation among their employees. This finding is in line with the fact that it is the quality of Transformational Leaders to inspire followers to think creatively, challenge assumptions, and explore new ideas. Literature shows that this mindset of continuous improvement and creative problem-solving enables the organization to adapt to evolving environmental conditions and seize new opportunities. Such leaders create an environment that values and rewards innovation by encouraging employees to think outside the box, take calculated risks, and experiment with new ideas. This leadership approach leads to fresh perspectives, novel solutions to problems, and the ability to adapt to changing environment giving the organization a better advantage of performance.

Some in-depth interview participants stated that Transformational Leaders encourage and inspire creativity and passion among employees. They said that, when employees believe that their leaders value thoughts, opinions and ideas, they are more likely to participate in team meetings and be more open to sharing their views without the worry of making a mistake or having others to reject their ideas. They added that such an approach can help to improve creativity and information sharing amongst team members. Other in-depth interview respondents also said that Transformational Leaders do not fear change and welcome innovation. According to them, through creating a culture that embraces risk-taking and

innovation, Transformational Leaders can facilitate the development of new ideas and solutions that can give the organization the chance for better success.

The study finding indicates that a significant 160 (85.1%) of the respondents perceived that leaders of their organizations need to always be after transformational changes. This is in line with the fact that the most evident advantage of Transformational Leadership style is the change it instills in the organization. Transformational Leaders modify the processes if the organization has been working on traditional leadership methods. According to literature, such leaders alter the old patterns in the organization, which encourages the team to perform well.

This could be further confirmed with the opinion of an in-depth interview informant who said that, Transformational Leadership style prefers to use inspiration as the motivator for change. According to her, Transformational Leaders do not want to use their position to control others and nor do they use fear or influence to coerce compliance but rather use humanistic concerns to change internal cultures. By fostering a culture of innovation and collaboration, Transformational Leaders unlock employees' full potential to enhance productivity, efficiency, organizational changes, and success, she argued.

Findings of the study also indicated that 161 (85.6%) of the respondents believed that NGO leaders should always drive change/s in the organization. This is in line with the fact that, when new initiatives are in place, Transformational Leadership is the best style available to bring others on-board to the vision being introduced. They are able to sell the changes, improvements, or expansion required because they already believe in the process. They make the changes themselves, which encourages others to make the changes as well. When implemented correctly, this process allows the leader, the followers, and the organization to eventually reach their full potential.

Participants of in-depth interview reflected that, for an organization to evolve, it should be willing to adapt, improve and expand over time, and adopting a Transformational Leadership style is ideal for bringing others on board when introducing a vision. Informants said that, through their passion, Transformational Leaders can sell the changes, improvements or expansions needed, while they are also good at recognizing gaps or issues in the process of a vision, enabling them to adjust accordingly. Indeed, by embracing change themselves, they



encourage others to want to make those changes, too, and when properly implemented, this process allows all members of the organization to adopt a new vision and constantly aspire towards achieving their potential, informants concluded.

The study has also shown that quite a big proportion, 171(91%), of the respondents perceived that their leaders need to always have the skill of building strong team/s. This is a leadership quality in Transformational Leadership style in that Transformational Leadership inspires followers to collaborate to accomplish a shared objective and gives those followers the tools they need to do so. Literatures show that Transformational Leaders encourage passion among team members and when employees see their leaders enthusiastic about a new perspective or objective, they are likely to be enthusiastic as well. Leaders who believe in their work can encourage others to see the value of their projects and commit to them. If team members feel that their leaders support and value their work, they are more likely to enjoy their jobs. When leaders help their employees feel appreciated, they improve team morale, which may decrease staff turnover.

During the in-depth interview, an informant commented that organizations that struggle with low staff morale or indifference, whether over the short term or long term, can boost morale and change the working environment by bringing in Transformational Leaders to break workers out of the routine. He said, this type of leadership understands that strong, healthy relationships and teamwork are at the heart of all organizational operations, and boosting morale helps employees to want to improve their relationships with each other.

Another informant said that, when employees see their leader excited about a new vision or goal they get interested as well, which leads to better team spirit, a higher level of productivity, and less turnover of staff. He added that traditional organizational leadership styles do not care much about the employee's interests or morale. He said they are rather concerned about the results only, but on the contrary, a Transformational Leader improves the team's confidence by encouraging them.

Findings of the study indicated that the majority 184 (97.9%) of the respondents perceived that leaders in their organizations need to always ensure a stronger work relationship and trust in the organization. This is in line with the fact that the Transformational Leader wants to always build

a strong community within their base of followers because they understand that the core of all organizational performance is a strong and healthy relationship. This approach removes fragmented relationships that happen between employees, teams, or divisions. When present over a long-term time period, the Transformational Leader can eliminate any unhealthiness which may exist within their sphere of influence.

An informant of the in-depth interview reflected that, Transformational Leaders understand relationships and invest time and effort in recognizing their team members' strengths, needs, and aspirations. He said, such a genuine interest and personal connection can foster trust, loyalty, and mutual respect. Strong relationships enable effective collaboration, teamwork, and the development of a supportive work culture, he argued.

The research indicated that a significant proportion 141 (75%) of the respondents perceived that leaders of their organizations need to always improve the organizational culture. This is in line with the fact that the emphasis on empathy, open communication, and support within the Transformational Leadership style can contribute to a positive organization culture. According to literature, this in turn can attract top talent and create a more engaged workforce. Some in-depth interview informants stated that leaders with transformational skills can boost morale and productivity by cultivating a cooperative atmosphere in the workplace. They said that an increase in workers' happiness in the workplace can be linked to lower attrition and greater employee loyalty. According to them, staff members are more likely to open up to one another, trust one another, and work together effectively when the organization has a good working environment.

To further reinforce the analysis on the perception of the informants regarding the favorable qualities of practicing Transformational Leadership style in the NGO sector, they were asked even more questions concerning what leadership qualities they would like to see in their respective organizations. These additional specific leadership qualities are also among the most common qualities of Transformational Leaders and have to do with the learning/development of employees, promoting intrinsic motivation of employees, ensuring strong staff engagement, encouraging followers to transcend self-interest, ensuing low level of staff turnover, and improving staff performance. The summary of the findings is as indicated in Table 11.

**Table 11. Favorable qualities of Transformational Leadership in the NGO sector**

SN	Examples of favorable qualities of Transformational Leadership in the NGO sector	Favorable [SA or A]		Neutral [N]		Unfavorable [D or SD]		Total	
		f	%	f	%	f	%	f	%
21	Leaders in the NGO sector need to always contribute to the learning/development of employees.	148	78.8	13	6.9	27	14.3	188	100
22	Leaders in the NGO sector need to always promote intrinsic motivation of the employees.	170	90.4	3	1.6	14	7.5	187	99.5
23	Leaders in the NGO sector need to always ensure a strong staff engagement.	178	94.7	0	0	10	5.3	188	100
19	Leaders in the NGO sector need to always encourage followers to transcend self-interest.	118	62.7	12	6.4	58	30.9	188	100
25	Leaders in the NGO sector need to always ensure a low level of staff turnover.	142	75.5	21	11.2	25	13.3	188	100
29	Leaders in the NGO sector need to always ensure an improved staff performance.	162	86.2	8	4.3	18	9.6	188	100

**Note:** N= 188; SA – Strongly Agree; A – Agree; N – Neutral; D – Disagree; SD – Strongly Disagree.

Again here, as portrayed in table 11, the biggest proportion of the informants perceived that those qualities of Transformational Leadership need to be practiced in the NGO sector for better organizational performance and success. For example, 148 (78.8%) of the respondents perceived that leaders in their organizations need to always contribute to the learning/development of employees. This is in line with the fact that Transformational Leaders contribute to learning and development in the organization. In addition to motivating team members to meet project and organizational goals, Transformational Leaders invest in their employees’ learning and provide opportunities for skill-building, career advancement, and personal growth. This commitment to employee development enhances their capabilities and potential. It fosters a culture of continuous learning and talent retention, creating a pipeline of skilled professionals and future leaders within the organization.

An informant of the in-depth interview stated that a Transformational Leader does more than just work towards a final goal or vision by encouraging staff to learn new skills. She said, this helps to build a healthy culture in the organization and ends in better detail orientation and good overall work from the staff. According to this informant, when team members feel supported by their leaders, they may be more willing to take risks and pursue challenges that lead to personal and professional growth. Stimulating self-development and self-improvement of subordinates form a positive culture in the team and this allows achieving high productivity (with constant growth), high loyalty, and involvement in all processes of the organization, she stressed.

Findings of the study also indicated that 170 (90.4%) of the respondents perceived that NGO leaders should always promote intrinsic motivation of the employees. This is in line with the fact that Transformational Leaders push employees to develop intrinsic motivation and that this is one of the key principles of this leadership style. Transformational Leadership focuses on improving employee motivation, which can encourage team members to be productive and achieve or surpass their goals. When employees enjoy what they do, they are more likely to do it well. Strong leaders keep their teams motivated by providing positive reinforcement and a sense of reward to let them know when they are doing a good job. A Transformational Leader may encourage motivation by getting to know team members as individuals and learning about their interests and personal goals.

An informant commented that employees who feel motivated in the workplace may be more likely to reach their goals and feel fulfilled by their work. Another informant said that Transformational Leaders understand their team member's unique strengths and aspirations and provide the necessary support and guidance to help them grow and develop. He added that, by nurturing their potential, such leaders create a strong sense of inspirational motivation, fulfillment, and purpose, which in turn leads to increased productivity and engagement and a commitment to the organization's goals and performance beyond expectations.

Findings of the study have indicated that 178 (94.7%) of the respondents perceived that NGO leaders should always ensure a strong staff engagement. This finding is in line with the fact that Transformational Leaders inspire their followers to become intrinsically motivated, leading to increased employee engagement and a stronger commitment to the organization's goals. Getting staff engaged and motivated is vital for reaching the highest possible productivity levels. A Transformational Leader is good at recognizing the needs of their followers, which enables them to find ways to inspire and engage people to do their work best.

Informants of the in-depth interviews are of the opinion that, under the Transformational Leadership style, every team member works to achieve their self-decided goals that contribute to organizational growth. They said that employees do not work for their personal motives only but, realizing the importance of teamwork, employees engage in processes of making work meaningful and impactful. The emphasis on individual growth and development encourages employees to take ownership of their work and strive for excellence, resulting in higher job satisfaction and increased commitment to the organization's goals, they underlined.

Findings of the study indicated that some 118 (62.7%) of the respondents even perceived that NGO leaders should always encourage followers to transcend self-interest. This agrees with the fact that Transformational Leaders are unique in that they can transcend their own interests for the betterment and growth of their organization. They are motivated to continue pushing on because they take ownership of the process which achieves outcomes. Through this process, they can do more than stimulate others toward success through their role-modeling.

The study findings also indicated that 142 (75.5%) of the respondents perceived that NGO leaders should always ensure a low level of staff turnover. This is in line with the fact that reducing turnover is another significant advantage of Transformational Leadership. By creating a positive work environment and establishing strong relationships with employees, Transformational Leaders can enhance employee loyalty and retention. This reduces the expenses associated with recruitment, onboarding, and training new employees. Additionally, employees who feel supported and valued are more likely to stay committed to the organization, resulting in long-term stability and growth.

Participants of the in-depth interviews stressed that, by focusing on their followers' personal needs and growth, Transformational Leaders can create a work environment in which team members feel valued and supported. This, according to participants of the study, often leads to increased job satisfaction, which can, in turn, improve employee retention and reduce turnover costs. Study participants said, Transformational Leaders make their team members feel engaged, empowered and committed to helping the organization succeed. Employees who feel valued in the workplace and believe that their work contributes meaningfully toward their goals may be more likely to stay with their organization, they commented.

Some 162 (86.2%) of the respondents perceived that NGO leaders should always ensure an improved staff performance. This is in line with the fact that Transformational Leaders inspire their team members to exceed their own expectations by setting high standards, challenging their followers, and creating a culture of excellence. This drive for exceptional performance improves productivity, efficiency, and overall organizational success. Transformational Leaders encourage their followers to challenge the status quo and strive for continual improvement, setting challenging goals that inspire their team to achieve their full potential. This can result in enhanced team performance and sustained productivity.

Informants of the in-depth interviews indicated that, Transformational Leadership style, more than being creative is also strategic. They argued that Transformational Leaders do not do things just because that is always the way they have been done, rather, they look for the most efficient path toward and improved staff performance leading to organizational success.

To conclude, the study, through all the weighted averages in 3 categories regarding the most common favorable qualities of Transformational Leadership has clearly confirmed that all the respondents are in favor of Transformational Leadership style to be practiced in the NGO sector. However, to make the finding complete and get the full picture, it is equally important to assess what the perceptions of the informants are regarding the unfavorable qualities of Transformational Leadership style. The following section deals with this.

#### ***Perceptions on the unfavorable qualities of Transformational Leadership style in the NGO sector***

Various positive qualities of transformational leaders that informants would like to see applied by leaders in the NGO sector have been identified and analyzed in the previous section. To similarly understand the perception of the informants on the limitations and disadvantages of transformational leadership style if practiced in the NGO sector, they were asked question on leadership qualities that they do not want to see practiced in their respective organizations. Among these aspects of the leadership style not appealing to informants include the fact that Transformational Leaders always focus on the big picture only and they also always highly expect too much from employees. Also unfavorable qualities of Transformational Leadership are the increased pressure on team members resulting in the burnout of employees, employees' resistance, and negative outcomes. According to literatures reviewed, these negative leadership qualities are among the most common limitations and disadvantages of Transformational Leadership. Summary of the findings are as indicated under Table 12.

**Table 12. Unfavorable qualities of Transformational Leadership in the NGO sector**

SN	Examples of Unfavorable qualities of Transformational Leadership in the NGO sector	Favorable [SA or A]		Neutral [N]		Unfavorable [D or SD]		Total	
		f	%	f	%	f	%	f	%
36	Leaders in the NGO sector should always focus on the organizational big picture only.	17	9.1	13	6.8	158	84.1	188	100
42	Leaders in the NGO sector should always highly expect from their employees.	28	14.9	9	4.8	151	80.3	188	100
33	Leaders in the NGO sector should always be cautious of burnout of employees.	138	73.4	32	17.0	18	9.6	188	100
41	Leaders in the NGO sector should always be cautious of increased pressure on team members.	174	92.6	5	2.6	9	4.8	188	100
39	Leaders in the NGO sector should always be cautious of resistance of followers to the leadership style/change.	151	80.3	13	6.9	24	12.8	188	100
37	Leaders in the NGO sector should always be cautious of unintended negative outcomes emanating from the leadership style.	181	96.2	0	0	7	3.8	188	100

**Note:** N= 188; SA – Strongly Agree; A – Agree; N – Neutral; D – Disagree; SD – Strongly Disagree.

As summarized in Table 12, findings of the study have indicated that a significant 158 (84.1%) of the respondents **are not** in favor of the idea for leaders to always focus on the organizational big picture only. However, Transformational Leadership often emphasizes the big picture, visionary thinking, inspiration, and innovation. And this focus on big-picture goals and ideas may result in a lack of attention to operational details. While inspiring employees is important, neglecting the day-to-day operational aspects of the organization can lead to inefficiencies, missed deadlines, and a lack of accountability.

Participants of the in-depth interview confirmed this by saying that one possible drawback of Transformational Leadership style is that it is too focused on large scale goals. They stressed that it may be difficult for staff to stay motivated when they are working towards far off, long term results, and too much emphasis on the future can lead to short term failures. Participants underlined that it is crucial for leaders to strike a balance between the visionary aspects of Transformational Leadership and the operational realities of running a business.

One of the informants said that Transformational Leaders focus on long-term, big picture situations to motivate their team, which may lead to people forgetting about important details. He argued that, often, Transformational Leaders tend to overlook details, preferring instead to focus on the bigger picture. There can also be a tendency to avoid administrative work, meaning that certain protocols or processes can be missed, he added. Therefore, this type of leadership requires high levels of support from more organized and detail-oriented team members in order to maintain a transactional focus.

Another informant explained that, since Transformational Leadership emphasizes the long-term goals of projects, it may focus less on achieving short-term objectives. According to this informant, the approach may be less structured on how it works toward long-term goals, and although this allows for flexibility with how teams move toward goals, leaders may need to balance their focus using management strategies in combination with Transactional Leadership style.

Similarly, findings of the study have indicated that the majority 151 (80.3%) of the respondents **are not** in support of leaders who always highly expect from employees. On the contrary, Transformational Leaders often set ambitious goals and motivate followers to achieve greatness. Consistently setting unrealistic expectations can lead to employee frustration, demotivation, and a sense of failure. Studies suggest that finding the right balance between challenging the team and setting achievable targets is essential. In other words, leaders mindful of setting goals that inspire without overwhelming their teams will maintain morale.

Participants of the in-depth interview indicated that, often, Transformational Leaders can set unrealistic expectations for their employees which can cause employee fatigue. Informants said that there can be increased pressure to maintain high productivity at all times worsened by unreasonable deadlines and exhaustion. When led by a Transformational Leader, it can be challenging for employees to live up to their highly set standards, they argued. They also commented that, when followers cannot meet their leader's high standards, it can cause them to feel let down and frustrated, and if supporters are not doing what the leader wants, the leader may get disappointed and the connection between the two may suffer.

The study has also shown that 138 (73.4%) of the respondents perceived that NGO leaders should always be cautious of burnout of employees. However, one of the common limitations of Transformational Leadership is the risk of employee burnout. Transformational Leaders set high expectations and push their employees to constantly exceed their limits, and this creates a demanding work environment that may lead to increased stress levels and exhaustion. Without proper support and work-life balance, employees may become overwhelmed, impacting their productivity, job satisfaction, and overall well-being. Even if one of the benefits of Transformational Leadership is that employee success does not rely on outside rewards and validation, this can also have negative results. If employees are not receiving any external



motivation while they sustain high levels of internal motivation, they may start to feel overworked, underappreciated and burnt out.

An informant stated that Transformational Leaders can lose sight of their own needs and the needs of their supporters in pursuing their goals. He said, this can cause both the leader and their supporters to become exhausted. There is a risk of burnout on both sides of a leader constantly trying to encourage and drive their team and if those team members continuously try to live up to the leader's high-level standards, he concluded. Another informant commented that constantly pursuing ambitious goals and the pressure to innovate and improve can increase stress levels and overwhelm workloads. Without proper support systems and work-life balance, employees may feel less energized, have lower job satisfaction, and even face physical and mental health challenges, she added.

A related finding is that a significant, 174 (92.6%), of the respondents of the study believed that NGO leaders should always be concerned about potential pressure on team members. Contrary to this however, Transformational Leaders have the tendency to coach and mentor only selected groups of individuals creating unnecessary pressure on team members. Although mentoring and coaching can lead to leadership training and enhancement of knowledge within the organization, these opportunities are often given only to selected individuals. This could be problematic and cause pressure on team members because not all the needs of the team members as a whole are met since priority might be given only to preferred individuals.

A participant in the in-depth interview backed this idea up saying that, the needs of individuals are often the focus of a transformational leader instead of the needs of the team, which means one team member tends to receive more attention than others in this area. According to this informant, this can lead to a lack of trust from affected team members, which ultimately causes pressure affecting the levels of productivity that are achievable.

Another informant said that, under a Transformational Leadership approach, unlike in other leadership styles, the leader distributes accountability among the followers through autonomy or ownership over their tasks. He argued that there is also an emphasis on collaboration or participation in a transformational setting that some individuals might find additional collaborative and leadership roles and responsibilities a little too pressurizing. Their high level

of involvement in achieving collective goals and objectives might leave them feeling overworked or even exploited, he argued.

The other finding of the study is that a substantial proportion, 151 (80.3%), of the research participants perceived that NGO leaders should also be always concerned about resistance of followers to the leadership style/change. However, in the case of Transformational Leadership, followers must agree with the goals set by their leader, or else, the leadership style will not be effective. All members of the workforce should be unified in their desire to achieve and if a clear vision cannot be set for all to strive for, the staff will not be adequately inspired to do the work that is necessary. In some situations, followers may even rebel against the leader if they feel that they are being led in an immoral direction.

Informants during the in-depth interviews explained that some followers, especially those who are antagonistic to change, may find Transformational Leadership difficult. As a result, the leader may encounter opposition and rejection from their supporters, which will impede their progress toward their goal. Study participants stressed that some of the followers might even be content with how things are done and be resistant to suggestions for improvement. This can be a difficult task for the leader, especially if the proposed changes are substantial and will take a great deal of work from the supporters, they all agreed.

An informant of the in-depth interview also stated that, sometimes the team members might not agree with the vision or strategy of their leader. She said, if the leader fails to communicate the need for and importance of a new concept, the team may not agree with them, and this may even result in rebellion in the organization causing negativity. According to this informant, it is unrealistic to expect each employee to be exactly on the same level of consensus as there might be some who are content with the status quo of the organization and low job performance standards. Such employees do not desire to seek new opportunities or develop new ways to perform tasks, she added. Such individuals might perform better under Transactional, rather than Transformational, Leaders, with defined roles and responsibilities, she concluded.

Study findings indicated that a good number, 181 (96.2%), of the informants perceived that NGO leaders should always be concerned about potential negative outcomes from the goals they set. This, however, is a potential incident among Transformational Leaders in particular, because, sometimes, Transformational Leaders do not impart morals and values to their team.

They work in a transformational style but lead to negative outcomes instead of positive ones. They utilize their charisma and motivational power to push their employees to work in negative ways. With the authority and confidence given to these leaders, there can be instances where leaders can make harsh and abrupt decisions out of emotions which can be detrimental to the organization. And since these leaders are believable and have the charm to convince others, decisions that are not in the best interests of the majority can be carried out and, end up in negative implications.

One of the in-depth interview informants said that, Transformational Leaders are great motivators and visionaries with the charisma to talk people into making changes and following goals together as one. He also said that these types of leaders are able to motivate and convert people to believe in what they represent. Although this can be effective in achieving goals easily with less or no objections, this can have a negative impact if the leader is immoral or is self-serving, he stressed.

To triangulate the findings and also further analyze on their perceptions, the informants were asked additional sets of questions regarding the most common unfavorable qualities of Transformational Leadership style. The questions asked had to do with the issues of employees' too much dependency on the leader, loss of influence of leaders on employees, manipulation, abuse or misuse of power by leaders, as well as potential risks or disruptions in the leadership exercise. They were also asked on their opinion if all leadership styles could be equally applied in the NGO sector. A summary of the findings is as presented in Table 13.

**Table 13. Unfavorable qualities of Transformational Leadership in the NGO sector**

SN	Examples of Unfavorable qualities of Transformational Leadership in the NGO sector	Favorable [SA or A]		Neutral [N]		Unfavorable [D or SD]		Total	
		f	%	f	%	f	%	f	%
34	Leaders in the NGO sector should always be cautious of high dependency of employees on the leader.	164	87.2	6	3.2	18	9.6	188	100
43	Leaders in the NGO sector should always be cautious of loss of influence on employees.	141	75.0	15	8.0	32	17.0	188	100
44	Leaders in the NGO sector should always be cautious of manipulation of power over their employees for personal gain.	185	98.4	0	0	3	1.6	188	100
38	Leaders in the NGO sector should always be cautious about power abuse or misuse for any reason.	185	98.4	0	0	3	1.6	188	100
40	Leaders in the NGO sector should always be cautious of risks or disruptions in their leadership exercise.	150	79.7	18	9.6	20	10.7	188	100
35	Leaders in the NGO sector should admit that not all leadership styles are equally applicable to all contexts in the NGO sector.	179	95.2	0	0	9	4.8	188	100

**Note:** N= 188; SA – Strongly Agree; A – Agree; N – Neutral; D – Disagree; SD – Strongly Disagree.

As depicted in Table 13, some 164 (87.2%) of the respondents believed that leaders in the NGO sector should be concerned about too much dependency of their employees on them, the leaders. But this is not the case with Transformational Leadership style because, Transformational Leadership emphasizes the leader's charisma, vision, and idealized influence and, while these qualities can be incredibly powerful, they can also cause followers to become overly dependent on the leader for guidance and inspiration. This can pose challenges if the leader is absent or unable to effectively communicate the vision to the team. Followers may need help sustaining their motivation and performance levels, resulting in decreased productivity and overall effectiveness.

An informant during the in-depth interview said that, as Transformational Leaders play such a significant role in inspiring and motivating their followers, there is a risk that team members may become overly reliant on the leader for guidance and direction. And this can hinder the development of independent problem-solving skills and create challenges when the leader is not available, she expressed her concern.

Another informant stated that a significant drawback of Transformational Leadership style is the dependence it can foster on the leader. According to this particular informant, people who depend too heavily on their leader for instruction and assistance may lose the ability to think critically and make choices for themselves. Because of this, those who follow may lose the ability to make choices for themselves, and those who follow a leader who suddenly departs the organization may also become disoriented and less productive because they no longer have someone to guide them, she emphasized.

Findings of the study have also shown that a significant, 141 (75.0%) of the respondents felt that NGO leaders should always be careful of not losing influence on employees. However, in the case of Transformational Leadership style, leaders can only be successful in influencing the employees if the leader maintains open lines of communication with team members to transfer the vision of a task. There should be continual communication available. Transformational Leaders can only be influential and successful if they maintain open lines of communication with their team. It is through this communication that the vision and rightness of a task are transferred from the leader to the followers. Close, frequent communication should occur for this to happen. If the team perceives that this communication is not happening, then they will lose interest in the tasks being asked of them.

Participants of the in-depth interviews said that, to be influential and effective, Transformational Leadership often requires leaders to have open communication policies with their employees to give and receive feedback. While this may be effective for small teams where all members collaborate frequently, it may be less practical in bigger organizations, informants stressed. They also said that Transformational Leaders are also required to maintain the enthusiasm of their team to achieve a specific vision or goal. According to them, to keep enthusiasm levels high, leaders should provide a constant stream of feedback to their followers about the progress being made. This feedback should occur frequently for it to be successful, and Transformational Leaders who are perceived to lack this skill or to provide this to their followers are likely to lose influence on their employees and fail, they argued.

The study also indicated that the majority or 185 (98.4%) of the respondents said that NGO leaders should always avoid manipulation of power over their employees for personal gain. In this regard, while Transformational Leadership style can be highly effective in many aspects, it also carries the risk of being used manipulatively or unethically by leaders who prioritize their own agendas over the well-being of their team. One of the potential risks of Transformational Leadership is the manipulation of followers' emotions and values to serve the leader's personal interest. Leaders who lack ethical principles may use their charismatic influence to control and manipulate their team disregarding the needs and well-being of individuals. This can create a toxic work environment, eroding trust and undermining the desired positive impact. In relation to this, one of the in-depth interview respondents commented that transformational leaders, while often inspiring, can also potentially use their charisma to manipulate followers for personal gain or to advance their own agenda rather than working in the best interest of the organization.

Another related finding of the study confirms that the majority, 185 (98.4%) of the respondents believed NGO leaders should never abuse or misuse power for any reason. However, among the common potential disadvantages of Transformational Leadership is the risk of abuse and misuse of power by leaders. While this leadership style aims to inspire and motivate, some leaders may misuse their power and influence. Leaders who lack ethical principles, integrity, or proper checks and balances may exploit their position, leading to negative consequences such as favoritism, manipulation, and a toxic work environment.

Respondents of the in-depth interviews reflected that Transformational Leadership is a complex idea and more of a personality trait difficult to learn or to teach. It also carries a risk of power abuse because the leader's position is mostly unchallenged, they commented. They all stressed that Transformational Leaders are excellent at influencing others which makes it easy for such leaders to misuse their power ending up in negative outcomes or working towards a personal gain of the leader at the expense of employees.

The other finding from the study indicated that most of the respondents, 150 (79.7%), believed that NGO leaders should always avoid risks or disruptions in their leadership exercise. Contrary to this, risks taken through Transformational Leadership can be disruptive. Transformational Leaders use their charismatic approach to serve as a role model for their followers and their organization. They use this energy to show people how to achieve goals or accomplish tasks. There are certain risks that are generally accepted by those using this leadership style to find innovation or create change. If the leader accepts risks that are, or perceived to be, excessive or unnecessary, then the actions of the leader could become detrimental to the team and their organization. An in-depth interview informant commented on this saying that Transformational Leaders are skilled at understanding the strengths and weaknesses of their employees. However, they sometimes overlook the capability of the team members to keep the on-going performance as is, but this, according to the informant, can lead to disruption within the team and eventually reduce effectiveness and productivity.

Another informant also commented that Transformational Leaders use their charisma to serve as role models for their employees and the organization at large. And, according to her, Transformational Leaders utilize their energy to demonstrate how to achieve goals and accomplish tasks, and they are not afraid to take risks. However, if they go too far with the risk-taking, then their actions can become detrimental and disruptive to the team and the organization, she said. Frequent change can also become disruptive and is, therefore, more likely to produce adverse outcomes if it happens regularly, she argued.

Finally, the majority 179 (95.2%) of the respondents confirmed that not all leadership styles are equally applicable to all contexts in the NGO sector. This finding is in line with the fact that Transformational Leadership is not a one-size-fits-all leadership style, and one of its drawbacks is its inapplicability in certain situations. For instance, it is useless in settings involving routines or mechanized tasks. It is also counterproductive in new and chaotic groups or organizations

that lack established rules or experienced members. Another example is emergencies that require quick decisions. A Transformational Leader might fail to make fast and appropriate courses of action due to inexperience in prompt decision-making and problem-solving or overdependence on collaboration. This implies that some situations require a combined approach of Transformational Leadership with Transactional Leadership.

In support of this idea, one of the in-depth interview respondents commented that Transformational Leadership style can motivate followers or individuals and even uplift the morale of people but this style is not always equally applicable all the time. She said, in an organization where employees see their leader as someone like them, it might be possible that a Transformational Leader might not be an effective motivator since followers will rely on their own perceptions instead. Another respondent also commented that, cultural factors can also limit the advantages and effective applications of this leadership style in some NGO contexts, in which case, at times, Transactional Leaders could even exhibit more of a transformational behavior if their followers are modest in approaching them.

#### **Perceptions on the applicability of Transactional Leadership style in the NGO sector**

Literature indicates that Transactional Leadership, as opposed to Transformational Leadership, is a style of leadership that focuses on exchanges between leaders and their followers. This type of leaders uses rewards and punishments to motivate and guide their followers' behavior. Transactional Leaders focus primarily on maintaining order and achieving short-term objectives within the existing organizational structure and systems.

The study attempted to find out the perceptions of the informants on the advantages and applicability of Transactional Leadership as opposed to Transformational Leadership style in the NGO context. To assess the perception of the informants on the advantages and applicability of Transactional Leadership style in the NGO sector, informants were asked for their insights on the various peculiar qualities of the Transactional Leadership style, and their responses are as presented under Table 14.

**Table 14. Transactional Leadership in the NGO sector**

SN	Elements of Transactional Leadership in the NGO sector	Favorable [SA or A]		Neutral [N]		Unfavorable [D or SD]		Total	
		f	%	f	%	f	%	f	%
47	The leadership in the NGO sector should rather always focus on results.	155	82.5	15	8.0	18	9.6	188	100
48	The leadership in the NGO sector should always prioritize organizational needs.	149	79.2	17	9.0	22	11.7	188	100
45	The leadership in the NGO sector should always emphasize on clear communication.	183	97.4	0	0	5	2.7	188	100
51	The leadership in the NGO sector should always understand team's skillset.	185	98.4	0	0	3	1.6	188	100
50	The leadership in the NGO sector should always thrive on rules and guidelines.	156	83.0	18	9.6	14	7.5	188	100
46	The primary focus of the leadership in the NGO should always be implementing practical solutions.	181	96.3	0	0	7	3.7	188	100
49	The leadership in the NGO sector should always emphasize on daily operations.	146	77.6	12	6.4	30	15.9	188	100
52	The leadership in the NGO sector should always outline practical expectations.	159	84.6	16	8.5	13	6.9	188	100
53	The leadership in the NGO sector should always provide measurable goals.	181	96.3	3	1.6	4	2.1	188	100
54	The leadership in the NGO sector should always be averse to change.	118	62.8	9	4.8	61	32.4	188	100

**Note:** N= 188; SA – Strongly Agree; A – Agree; N – Neutral; D – Disagree; SD – Strongly Disagree.

As illustrated in Table 14, findings of the study have confirmed that almost all of the informants were in favor and support of the most common qualities of Transactional Leadership style. For instance, the majority of the informant, 155 (82.5%), said that leadership in the NGO sector should rather focus on result and this is in line with the fact that a Transactional Leadership style is results-driven. Transactional Leadership focuses on employee performance as a measure of success that is established based on organizational goals. This type of leadership is also based on a reward-penalty system in which an employee's individual performance is closely examined. An informant of the in-depth interview said that, because of the reward-penalty system, it is critical for these leaders to set clear expectations and review an employee's progress toward goals in performance reviews. The informant added that support for employees should include mapping out big goals into achievable short-term goals to help ensure success.

The other finding of the study is that some 149 (79.2%) of the respondents said that leadership in the NGO sector should prioritize organizational needs. In this regard, Transactional Leadership centers more around a reward-punitive system. An informant during the in-depth interview stated that Transactional Leaders tend to operate towards the values and needs of the organization by rewarding those who adhere to the needs of the organization.



Findings of the study also indicated that 183 (97.4%) of the respondents perceived that the leadership in the NGO sector should also emphasize clear communication. This is in line with the fact that in order to be a Transactional Leader, clear and efficient communication skill is very important. Because Transactional Leadership is based on results, making sure that those goals and expectations are followed to the team is important so that everyone would be on the same page. One of the informants mentioned that this is not to say that Transactional Leaders cannot have a little bit of fun but this is to say that poor communication can result in poor performance and no one wants to run into those kinds of problems, he added.

Nearly all, 185 (98.4%), of the respondents perceived that the leadership in the NGO sector should understand the team's skillset. This is in line with the fact that for a Transactional Leader to be most effective, they must be finely attuned to understand someone's strengths and weaknesses. Because a Transactional Leader is guiding the whole towards accomplishing their common goals and wants those big results, it is important for them to understand where some people operate the best and most efficiently. An informant from the in-depth interview stressed that this is not, however, to say that people should not be stretched or should not try to acquire new skills. It is the role of the leader to make sure that wherever they are placing someone, there is support and resources to help them excel, given the foundational skills they already possess.

Some 156 (83.0%) of the respondents believed that the leadership style in the NGO sector should thrive on rules and guidelines. This is in line with the fact that one key characteristic of Transactional Leadership is the use of set processes and guidelines for doing the work. This works well for setting tasks and onboarding new employees. Transactional Leaders thrive on rules and regulations. An informant said that, while there is certainly a time and place for this practice, it can limit the growth potential or find better ways to accomplish the same task. Having standard operating procedures for high-risk tasks and for employees who need structure can be very effective, the informant reflected.

The study finding also indicated that 181 (96.3%) of the respondents perceived that the primary focus of the leadership in the NGO should be implementing practical solutions. This is in line with the fact that a Transactional Leader uses a practical approach that focuses on improving effectiveness and efficiency. These leaders know how to solve current problems using a transactional approach to help the organization succeed. Creativity and innovation are not in the

fold of this leadership style. An informant from the in-depth interview said that one advantage of Transactional Leadership is that it eliminates any doubt or uncertainty regarding projects because clear guidelines and procedures are set in place under this type of leadership style.

Most, 146 (77.6%) of the respondents expressed their beliefs that the leadership in the NGO sector should also emphasize on daily operations. This is in line with the fact that Transactional Leaders have a very linear style of thinking in following routine and structured tasks. This is in particular true when performing day-to-day operations that require stability and sustainable effort. On this point, an informant expressed her concern that, at the same time, this is quite a disadvantage when leaders need to think outside the box, show flexibility, and search for unconventional solutions.

The significant majority, 159 (84.6%) of the respondents also perceived that the leadership in the NGO sector should outline practical expectations. This is in line with the fact that Transactional Leaders have clear expectations and guidelines in order to run their teams smoothly. For example, people who perform well are rewarded, while those who step out of the boundaries a lot tend to be punished for breaking the guidelines. According to an informant from the in-depth interview, this can be important with legal matters within the organization as the negative actions of one person no matter how unintentional, can cause some serious damage to the rest of the organization. Another informant stressed that Transactional Leaders provide concrete incentives to follow the rules.

While the greatest proportion of 181 (96.3%) of the respondents believed that leadership in the NGO sector should provide measurable goals, a lesser proportion 118 (62.8%) of the informants perceived that leadership in the NGO sector should be averse to change. This is in line with the fact that Transactional Leaders excel when objectives are clearly defined, and performance is easy to measure. An informant during the in-depth interview mentioned that, in NGOs, where the roles and responsibilities of every employee are explicit and measurable, Transactional Leaders can use financial incentives to motivate employees to perform at a high level. However, Transactional Leaders also often oppose change. Maintaining the status quo and following the rules is more important to them and that makes them susceptible to being rigid to change.

To sum up, even though the majority of the respondents do understand and believe in the advantages and benefits of Transformational Leadership style, about the same proportions of the informants also strongly believe in the benefits and advantages of Transactional Leadership style in the NGO sector. They are all of the opinion that, both Transformational and Transactional Leadership styles are applicable in the NGO sector and a combination of both leadership styles should be applied for the best performance and organizational success of NGOs. Next section of the paper presents a more elaborated conclusion and more specific ideas of recommendation.

## **Chapter Five: Summary, Conclusion and Recommendation**

### **5.1 Introduction**

The section of the thesis presents a summary of the major findings from the study, followed by conclusion, recommendations, and suggestions for future research.

### **5.2 Summary of the findings**

The study has shown that Transformational Leadership offers a range of benefits and challenges that can significantly impact an organization's success in the NGO sector. By carefully considering the pros and cons of Transformational Leadership, NGO leaders can better determine if this leadership style is the right fit for their organization and team. Findings of the study clearly have indicated that, ultimately, transformational leaders have the potential to create meaningful and lasting change within their organizations, inspiring their followers to achieve their full potential and fostering a positive work environment.

An area of important finding would be the need for striking a balance between transformational and transactional leadership styles in the NGO sector. By leveraging the strengths of both leadership styles, NGOs can foster a culture of excellence where employees are inspired to achieve their full potential while also focusing on the operational details that drive efficiency and productivity. This balanced approach not only enhances employee satisfaction and engagement but also ensures that the organization remains agile and adaptable in a rapidly changing NGO landscape. By combining these two styles, leaders can create a more dynamic approach that fosters innovation, promotes employee engagement, and drives organizational success. The transformational aspect encourages individuals to think creatively, take risks, and contribute to the overall vision of the organization. On the other hand, the transactional aspect ensures that tasks are completed efficiently, goals are met, and performance is monitored. Successful NGO leaders understand the need to balance transformational and transactional leadership styles, leveraging the strengths of each to achieve optimum results in that, while Transformational Leadership inspires and motivates employees to reach new heights, transactional leadership focuses on managing day-to-day operations and achieving short-term goals.

To strike this balance, leaders can start by clearly defining the organization's long-term vision and goals. By sharing this vision with their teams, they can create a sense of purpose and inspire employees to work towards a common objective. Additionally, leaders can set clear short-term goals that align with the larger vision, providing employees with a clear roadmap for success.

In a nutshell, finding the right balance between transformational and transactional leadership styles is essential for long-term success. By combining the inspirational and motivational aspects of Transformational Leadership with the efficiency and focus on results of transactional leadership, leaders can create a dynamic leadership approach that drives employee engagement, promotes innovation, and achieves both short-term goals and long-term organizational success. The study also provided compelling evidence of the positive impact of Transformational Leadership on employee engagement and job performance. Transformational leaders have a profound effect on their followers, inspiring them to reach higher levels of performance and commitment. By communicating a compelling vision and fostering a sense of empowerment and trust, transformational leaders can create a work environment that fosters motivation, innovation, and creativity. The study confirmed that engaged employees, who are emotionally connected to their work and aligned with the organizational goals are more likely to invest unreserved efforts, contributing to enhanced job performance and overall organizational success. Furthermore, the study pointed to the role of Transformational Leadership in promoting employee job satisfaction and commitment. The positive and supportive work environment created by transformational leaders leads to higher levels of job satisfaction, reducing turnover rates and increasing organizational loyalty.

The study substantiated that Transformational Leadership plays a crucial role in influencing employee engagement and job performance positively. NGOs that cultivate and promote Transformational Leadership are likely to experience improved employee performance, increased commitment, and a more motivated and satisfied workforce. Understanding the impact of Transformational Leadership on employee engagement and performance is essential for organizations seeking to enhance their leadership practices and fostering a positive and high-performing work culture.

The traditional leadership style needs to change over time and Transformational Leadership seems to be the new strategy to improve creativity and motivate followers to achieve goals in the NGO sector. However, it is crucial for NGO leaders to be mindful of the potential downsides of Transformational Leadership when applying it to the NGO sector. For instance, the study has confirmed that, in applying Transformational Leadership, it is likely for leaders to focus too much on the bigger picture inclining to overlook the details. There can also be a tendency to avoid administrative work, meaning that certain protocols or processes can be missed. This implies that Transformational Leadership requires high levels of support from more organized and detail-oriented team members in order to maintain a transactional focus.

The study has also shown that Transformational Leadership can also be risky and disruptive. Transformational leaders use their charisma to serve as role models for their employees and the organization at large. They utilize their energy to demonstrate how to achieve goals and accomplish tasks, and they are not afraid to take risks. However, if too far is gone with the risk-taking, then the actions can become detrimental to the team and the organization.

Findings of the study have confirmed that transformational leadership can put increased pressure on team members that could potentially lead to employee burnout. Transformational Leadership distributes accountability across the group and while this gives staff autonomy over their roles and responsibilities, some individuals might find this working style too taxing, leaving them feeling overwhelmed or even in some cases, exploited. In a similar manner, too much weight on employees' shoulders can cause long-term personnel issues. If high levels of sustained productivity are needed to achieve a particular vision, or there are ambitious deadlines in place, then this can quickly lead to employee burnout.

The study has affirmed that Transformational Leadership style can only be successful if the leader can maintain open lines of communication with team members to transfer the vision of a task. If employees sense that communication is not happening, or begin to feel out of the loop, then they may lose interest in their tasks - and therefore their commitment to the vision. Therefore, close, regular communication must be maintained as well as constant feedback and team meetings to keep enthusiasm levels high.

Based on the study findings, it can also safely be concluded that, while Transformational Leadership can be a powerful and inspiring leadership style, it is important to be aware of the potential for abuse in the NGO sector. Leaders must prioritize ethics and integrity to ensure that Transformational Leadership is used in a way that benefits both the organization and its employees. By maintaining honest and transparent communication, fostering a culture of trust, and promoting ethical decision-making, leaders can create a positive and empowering work environment.

In general, the top advantages and disadvantages of Transformational Leadership identified by the study show that leaders using this method can take teams to new heights or bigger lows. There must be a certain morality in place to pursue a shared vision for everyone if this leadership style is to succeed. If that vision is not shared, or if followers lose their faith in the leader, then there cannot be success.

### 5.3 Conclusion and recommendations

**On the bases of analyses of all the study findings, it can safely be concluded that *All the four Hypotheses set at the beginning of the assessment are confirmed to be true.*** More specifically, findings of the study have affirmed that *Hypothesis 1* holds true in that there is indeed a consistent positive correlation between Transformational Leadership and staff engagement in the NGO sector in Addis Ababa. Proving *Hypothesis 2*, findings of the research have also proven that NGOs that embrace and cultivate the four dimensions of Transformational Leadership practices are likely to experience improved staff engagement. Similarly, the study findings have affirmed *Hypothesis 3* which states that staff engagement has a significant mediating role in the relationship between Transformational Leadership and job performance leading to organizational success in the NGO sector. In support of *Hypothesis 4*, evidence from the study have also concluded that NGOs that embrace and cultivate the four dimensions of Transformational Leadership practices are likely to experience improved staff engagement.

Moreover, findings of the study have indicated that, Transformational Leadership as a whole and its four dimensions [*Idealized Influence, Inspirational Motivation, Intellectual Stimulation, and Individualized Consideration*] in particular are not being significantly practiced among the sampled NGOs implying that Transformational Leadership style is less likely to be widely practiced among organizations in the NGO sector in Addis Ababa at large. To encourage the practice of Transformational Leadership style in the NGO sector therefore, here below are more explicit ideas of recommendation.

- Striking a balance between transformational and transactional leadership styles is crucial for organizational success in the NGO sector. Combining transformational and transactional leadership approaches can lead to optimum results, high-performing teams, and organizational success. By incorporating elements of both styles, leaders can ensure that short-term goals are met while also fostering long-term success and organizational growth. By combining the visionary and motivational aspects of Transformational Leadership with the attention to operational details of transactional leadership, leaders can create a harmonious and productive work environment. This balanced approach allows organizations to achieve both short-term goals and long-term success.
- To prevent the abuse and misuse of power in the application of Transformational Leadership in the NGO sector, it is important for leaders to prioritize ethical behavior and demonstrate integrity in their actions. They should foster an open and transparent communication culture, encouraging employees to voice concerns and providing mechanisms for reporting unethical behavior. By setting a strong example and promoting ethical decision-making, leaders can help ensure that Transformational Leadership is used in a responsible and ethical manner. Leadership ethics and integrity play a crucial role in ensuring that Transformational Leadership is used in a responsible and beneficial way.
- Transformational Leaders in the NGO sector can incorporate checks and balances into their Transformational Leadership style by encouraging a growth mindset as part of their leadership style. When modeling motivational behavior, they should emphasize the importance of self-reflection and critical thinking when making decisions. This gives them the benefits of spreading internal motivation while still understanding outside perspectives.



- It may be challenging for NGO leaders to open lines of communication with everyone on their team, especially when working on different types of responsibilities. Transformational leaders can maintain communication with their teams without getting overwhelmed by scheduling regular check-ins, newsletters and organization updates where they share details about the projects they are working on. By dedicating time every week to provide small updates, transformational leaders can form personal connections with their team in a manageable way.
- To overcome the challenge of failing to maintain and compel vision, NGO leaders need to communicate the vision frequently and effectively, explain the rationale and benefits of the changes, and involve followers in the process of co-creating and adapting the vision. The success of a transformational leader centers on their ability to effectively communicate. They must be able to convey their plans for the organization to the staff in a way that will motivate the staff to perform.
- Transformational Leaders in the NGO sector can struggle with detail as they focus too much on the bigger picture. They need to maintain connections with detail-oriented executives to help them overcome their lack of transactional focus. For example, working with individual team members to set short-term goals can provide structure and direction for meeting project milestones while supporting member contributions and empowering them to define their own objectives.
- To address lack of focus, transformational NGO leaders need to set clear expectations for each person on their team. Good transformational leaders instill internal motivation in their employees and encourage them to set clear, actionable goals each day. By making task-management a part of the organization culture, the leader can avoid problems due to lack of focus and productivity.
- Transformational leaders in the NGO sector can prevent potential burnout on their team by emphasizing the importance of a sustained pace at work. Successful transformational leaders encourage their employees to take advantage of paid time off and other benefits, allowing them to bring their best selves into the workplace. They should also find ways to regularly recognize employee success and achievement.

- To overcome the challenge of failing to build and maintain trust, the NGO leader needs to demonstrate integrity, competence, consistency, and care in their actions and words. They also need to solicit and provide feedback, admit mistakes, and resolve conflicts constructively.
- To handle the challenge of managing change and resistance in the NGO sector, the leader needs to understand the sources and forms of resistance, and address them with empathy, respect, and transparency. Leaders also need to involve followers in the change process, communicate the benefits and costs of change, and provide them with adequate training, support, and incentives for change. Transformational Leaders embrace change, but some employees may need help adjusting. To address this, leaders should implement effective change management strategies such as explaining the change's reasons, benefits, and alignment while maintaining open communication channels. Providing support and resources empowers employees to adapt and contribute to successful transformations.
- To manage disruption of routines as an impact of transformational changes, the leader in the NGO sector can regularly check in with employees about the benefits and challenges of new routines. The leader should listen to feedback and make changes slowly based on how employees adapt to each one instead of trying to fix the entire organizational culture at once.
- To overcome the challenge of developing and sustaining innovation in the NGO sector, leaders need to create a climate of innovation that encourages and rewards creativity, experimentation, and learning. They also need to provide the necessary resources, tools, and support for innovation, as well as monitor and evaluate its outcomes and impacts.
- Instances of favoritism by transformational leaders in the NGO sector can lead to uneven staff development and even cause internal conflict if some team members feel that they are not getting recognized for their motivation and commitment. Favoritism in Transformational Leadership can be addressed by instituting professional development opportunities available to all staff members. Setting up a mentorship program and organizing staff knowledge shares are all great ways to help all employees achieve their potential without showing favoritism.

- To overcome the challenge of balancing individual and collective needs in the NGO sector, leaders need to assess the needs of their followers regularly and tailor their leadership style and strategies accordingly. Leaders also need to foster a culture of trust, collaboration, and diversity that values and respects the differences and contributions of each follower.
- Leaders in the NGO sector can address an over-reliance of staff members on the leader by providing all staff members with access to professional development courses where they learn how to use a Transformational Leadership style. Leaders can also implement staff development workshops where everyone learns how to engage with people of different personality types and working styles.
- NGO leaders can handle disagreements in a healthy way by providing avenues for people to share ideas and give feedback. Offering employees a structured way to share their concerns and normalizing healthy disagreements in the workplace can help transformational leaders maintain team unity while still being able to understand the risks and drawbacks.
- Implementing Transformational Leadership in a changing environment of the NGO sector requires developing oneself as a transformational leader. Transformational Leadership is not a fixed or innate trait that one can either have it or do not have. It is a dynamic and learnable skill that one can improve and refine over time. However, it also requires a high level of self-awareness, self-regulation, self-motivation, and self-development of the leader. The leader needs to constantly reflect on his/her strengths and weaknesses, values and beliefs, goals and actions, as well as impact and influence. He/she also needs to seek feedback, learn from experiences, challenge him/her, and seek opportunities for growth and development.

### **5.3.1 Suggestion for Further Research**

Despite all the limitations, the study has come up with thought-provoking conclusions that could serve as a springboard for further studies of similar nature. The study has identified several findings that are worth considering by any actor interested in practicing Transformational Leadership style in the NGO sector. However, for better practical application of the findings, it is suggested that a more comprehensive study also be conducted with additional variables and bigger sample size of the NGOs.

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## Appendices:

### Questionnaire:

**Purpose:** This questionnaire is for academic purposes ONLY. It will be used with CONFIDENTIALITY and ANONYMITY. Please give your very HONEST response to the questions. Thank you very much for your time and truthfulness!

**Instruction:** Kindly, please tick your responses against each question in the appropriate boxes.

#### PART I – Profile:

Your Gender?	Male	Female

Your Age Category?	Under 25 Year	25 to 35 Years	36 to 45 Years	46 and Above

How long have you worked with your current organization?	Less than 3 Years	3.1 to 7 Years	7.1 to 10 Years	More than 10 Years

What is your Management Level?	Lower-Level Management	Middle Level Management	Higher Level Management

What type of organization is yours?	National/Local	International

#### PART II – The transformational and transactional perspectives

**Please note:** SA – Strongly Agree; A – Agree; N – Neutral; D – Disagree; SD – Strongly Disagree.

	SA [5]	A [4]	N [3]	D [2]	SD [1]
<b>Idealized Influence</b>					
1. My supervisor is enthusiastic about organizational change.					
2. My supervisor has professional integrity.					
3. My supervisor is a role model to me.					
4. My supervisor is trustworthy to follow.					
<b>Inspirational Motivation</b>					
5. My supervisor motivates me for organizational success.					
6. My supervisor has a clear organizational vision.					
7. My supervisor clearly communicates organizational vision.					
8. My supervisor inspires me through clear organizational purpose.					

	SA [5]	A [4]	N [3]	D [2]	SD [1]
<b><i>Intellectual Stimulation</i></b>					
9. My supervisor encourages me for creative thinking.					
10. My supervisor encourages to solve problems by self.					
11. My supervisor encourages me for new approaches.					
12. My supervisor allows and or encourages me to challenge the status quo.					
<b><i>Individualized Consideration</i></b>					
13. My supervisor pays attention to individual needs of employees.					
14. My supervisor pays attention to individual strengths of employees.					
15. My supervisor treats employees as individuals.					
16. My supervisor encourages employee development and growth.					
<b><i>Advantages/Benefits/Strengths of Transformational Leadership</i></b>					
17. NGO leaders should always be after transformational changes					
18. NGO leaders should always set realistic or achievable goals					
19. NGO leaders should always encourage followers to transcend self-interest					
20. NGO leaders should always promote creativity/innovation among their employees					
21. NGO leaders should always contribute to the learning/development of employees					
22. NGO leaders should always promote intrinsic motivation of the employees					
23. NGO leaders should always ensure a strong staff engagement					
24. NGO leaders should always have the skill to build strong team/s					
25. NGO leaders should always ensure a low level of staff turn over					
26. NGO leaders should always be proactive in their approaches					
27. NGO leaders should always drive change/s in the organization					
28. NGO leaders should always have excellent communication skills....					
29. NGO leaders should always ensure an improved staff performance					
30. NGO leaders should always take honesty/integrity as a core value					
31. NGO leaders should always ensure a stronger work relationship (and trust) in the organization					
32. NGO leaders should always improve the organizational culture					
<b><i>Disadvantages/Limitations/Weaknesses of Transformational Leadership</i></b>					
33. NGO leaders should always avoid burnout of employees					
34. NGO leaders should always avoid high dependency of employees on the leader					
35. Not all leadership styles are applicable in the NGO sector					
36. NGO leaders should <b>not</b> always focus on the organizational big picture only					
37. NGO leaders should always avoid negative outcomes					
38. NGO leaders should always avoid power abuse or misuse for any reason					
39. NGO leaders should always avoid resistance of followers to the leadership style/change					
40. NGO leaders should always avoid risks or disruptions in their leadership exercise					
41. NGO leaders should always avoid increased pressure on team members					
42. NGO leaders should <b>not</b> always highly expect from their employees					
43. NGO leaders should always avoid loss of influence on employees					

	SA [5]	A [4]	N [3]	D [2]	SD [1]
44. NGO leaders should always avoid manipulation of power over their employees for personal gain					
<b>Transactional Leadership in the NGO sector</b>					
45. The leadership in the NGO sector should emphasize clear communication					
46. The primary focus of the leadership in the NGO should be implementing practical solutions					
47. The leadership in the NGO sector should rather focus on results					
48. Leadership in the NGO sector should prioritize organizational needs					
49. The leadership in the NGO sector should emphasize on daily operations					
50. The leadership style in the NGO sector should thrive on rules and guidelines					
51. The leadership in the NGO sector should understand team's skillset					
52. The leadership in the NGO sector should outline practical expectations					
53. The leadership in the NGO sector should provide measurable goals					
54. The leadership in the NGO sector should be averse to change					

## In-depth Interview

**Purpose:** This IN-DEPTH INTERVIEW is for academic purposes ONLY. It will be used with CONFIDENTIALITY and ANONYMITY. Please give your very HONEST response to the questions. Thank you very much for your time and truthfulness!

**Instruction:** Kindly, please respond to each question as accurately and honestly as possible.

### PART I – Profile:

Your Gender?	Male	Female

Your Age Category?	Under 25 Year	25 to 35 Years	36 to 45 Years	46 and Above

How long have you worked with your current organization?	Less than 3 Years	3.1 to 7 Years	7.1 to 10 Years	More than 10 Years

What type of organization is yours?	National/Local	International

**PART II –Leadership Styles:**

2.1 What do you think is your predominant leadership style currently? Why did you choose this leadership style? Probe.

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2.2 What is your perception of Transformational Leadership style in light of idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration in the NGO sector including yours? Probe.

[\***Reminder:** Transformational Leadership can be defined as the process of influencing major changes in the attitudes, beliefs, and values of followers to a point where the goals of an organization and the vision of the leader are internalized and followers achieve performances beyond expectations.]

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2.3 What is your perception of the advantages, benefits, or strengths of Transformational Leadership style in the NGO sector including your organization? Probe.

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2.4. What is your perception regarding the disadvantages, limitations, or weaknesses of Transformational Leadership style in the NGO sector including your organization? Probe.

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2.5 What is your perception of Transactional Leadership style in the NGO sector including yours? What do you think are the advantages and benefits of applying this particular leadership style in the NGO sector including yours? Probe.

*[\*Reminder: Transactional leadership can be defined as a leadership style that utilizes rewards and punishments to motivate and direct followers. This approach to leadership, also sometimes referred to as managerial leadership, emphasizes the importance of structure, organization, supervision, performance, and outcomes. The goals and tasks for the group are highly structured, and members are rewarded when they achieve these goals and reprimanded if they miss deadlines.]*

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**PART III - If you have any other additional comment or idea, please use the space provided below.**

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***Once again, thank you so much for your time and honest responses!***