THE ROLE OF TRANSFORMATIONAL LEADERSHIP AND ORGANIZATIONAL CULTURE IN SERVICE DELIVERY WITHIN A PUBLIC SERVICE ORGANIZATION

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Abstract

Continuous changes in the external environment deriving from legislative, economic and technological factors, puts pressure not only to corporate organizations, but also to public service organizations. These changes have increased pressure on service delivery and calls for accountability in public service organizations. With this increased pressure comes the need for public service organizations to discover how to most effectively enhance their organizational performance. Two of the most effective ways to improve performance are through the organizational leadership and culture. Although many studies were conducted on transformational leadership and organizational culture, there is still a need to investigate the link between these constructs in public service organizations. Hence the objective of this study was to explore the relationship between transformational leadership and organizational culture for service delivery practices. The Leadership Practice Inventory (LPI) and Organizational Culture Inventory (OCI) were administered to a random sample size of N=238, from a population of 4350 employees working within the public service organization. Descriptive statistics and Pearson's correlation were conducted to analyse the data. The results of this study indicated a significant positive relationship between transformational leadership and the constructive dimension of organizational culture within a public service organization. In terms of contributions and practical implications, insight gained from the findings may be used in proposing leadership and organizational development interventions and future research.

Key Words: Transformational Leadership, Organizational Culture, Public Service, Service Delivery

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1. Introduction

South African government is undated with criticisms from opposition parties, community based organizations and the media, regarding the nature of service delivery in the different public service organizations. These societal demands may render public service organizations ineffective in fulfilling its mandate if they are not addressed. The challenges faced by public service organizations on service delivery suggest the need to transcend traditional rationality and move towards recognition of the pivotal role leadership plays, particularly the effect of leadership on organizational culture, in fostering organizational performance. Dorasamy (2010) argued that the fundamental purpose of public service organizations is to provide services to satisfy public needs; hence the role of leaders in these organisations is to meet human needs and to enhance human life. Leadership is described as the process of social interaction where leaders influence the behaviour of their employees as well as performance outcomes (Wilson, 1992; Block, 2003). It is the leadership of organizations that have an effect on the organizational culture; by creating a culture that directs public service organizations to achieve its purpose. Therefore, there is a need to investigate the relationship between organizational culture and leadership within a public service organization; as one of the many processes that need to be undertaken by public service organizations in addressing its challenge on improving service delivery.

2. Literature review

The following section provides a theoretical description of the constructs transformational leadership and organisational culture.
2.1 Transformational leadership

The concept leadership is characterised by endless proliferation of terms and definitions to describe it; hence the meaning and interpretation of leadership seems to vary in the literature. Leadership is a broad, multifaceted phenomenon that does not lend itself to a precision in language or consensus in meaning (Reinke, 2004; Schlechter, 2009). It is often defined as the social process of influencing people to work voluntarily, enthusiastically and persistently towards the achievement of organizational goals (McShane and Von Glinow, 2005; Werner, 2007). Therefore, leadership is the ability to influence, motivate and enable others to contribute towards the effectiveness and success of their organization. While there are various leadership approaches in literature, for purposes of this study the focus is on transformational leadership approach. Schlechter (2009, p 326) defines transformational leadership as the leader’s ability to inspire followers to transcend their own self interests for the good of the organization and the capability of having a profound and extraordinary effect on their followers. These leaders are able to motivate employees to do more than is expected and to engage with a high spirit in transforming the organization (Holbesche, 2006).

Bass (1997) affirms that transformational leadership is universally effective across cultures, as it can provide the envisioning and empowerment required by this century’s knowledgeable and diverse workforce. Leadership in global context need valid universal theories and principles that transcend cultures. It has been debated in the literature that transformational leaders play a leading role in establishing a vision and promoting new directions, giving the perception that they are acting independently of employees by placing more importance on their own needs (Northouse, 2003; Yukl, 1999). Nonetheless; Nahavandi (2006) notes that transformational leaders are able to go beyond a simple exchange of resources and productivity; through their personal traits and relationship with their followers. They seek to develop and empower employees to their fullest potential. They also infuse ideological values and moral purpose in their organizations, while having a profound effect on their employees (Conger and Kanungo, 1987). McShane and Von Glinow (2005, p 429) highlighted that transformational leaders are able to engage their employees using the following key elements:

- Firstly, they create a strategic vision for the organization. This means that they develop a strategic vision that is realistic and has an attractive future; in order to bond employees together as well as to focus their energy on achieving organizational goals.
- Secondly, transformational leaders are able to communicate their vision to their followers. The communication process focusses on sharing the meaning of their strategy and elevating the importance of the visionary goals to employees.
- Thirdly, these leaders focus on modelling and enacting their vision before the employees.
- Lastly, transformational leaders are able to build their employees’ commitment towards the vision through words, symbols, and stories.

Generally, they play a key role in challenging the original frame, stimulating the organization for change, leading the transformation process and designing rewards and other systems that reinforce and institutionalise the process. This is required in public service organizations to enhance service delivery.

2.2 Organizational culture

The concept culture originated within the anthropology domain; it has various definitions and there is no single universally accepted definition (Struwig and Smith, 2002). Barney (1996) adds that few concepts in organizational theory have as many different and competing definitions as organizational culture. Martins and Martins (2009, p 380) defined organizational culture as a system of shared meaning that is held by organizational members and it distinguishes the organization from other organizations. Similarly, Arnold (2005, p 625) indicated that organizational culture refer to the distinctive norms, beliefs, principles and ways of behaving that give each organization its distinct character. These elements of culture are considered to be the correct way of doing things in the organization. This implies that culture differs in organizations; hence Harrison (1993, p 11) describes it as a distinctive constellation of beliefs, values, work styles, and relationships that distinguish one organization from another. In other words, organizational culture includes those qualities of the organization that give it a particular climate or feel. This description of organizational culture suggests that it distinguishes one organization from other organizations; therefore, culture is to an organization what personality is to an individual.

Schein (1985, p 9) indicated that organizational culture is a pattern of basic assumptions invented, discovered, or developed by a given group as it learns to cope with its problems of external adaptation. It is also based on the internal integration that has worked well enough to be considered valid, and therefore, culture is taught to new members as the correct way to perceive, think, and feel in relation to organizational problems and challenges. This implies that culture refers to the created assumptions accepted as a way of doing things and they are passed on to new employees in the organization. For new employees this would mean that culture is the adaptive behaviour within the organization that leads to anew belief systems and it is instilled through organizational values and beliefs. These values and
beliefs are associated with the rituals, myths and symbols used to reinforce core assumptions of the organizational culture (Hofstede, 1991; Werner, 2007). They involve learned ways of coping with organizational experiences and they are being continuously developed during the course of an organization’s history. Culture is then manifested in the organizational material, arrangements and in the behaviours of employees (Brown, 1998). This suggests that culture is articulated in the organization to shape the way in which employees should behave. However, these patterns may be unwritten or non-verbalised behaviour that describe the way in which things get done; in order to give the organization its unique character (Arnold, 2005). This implies that organizational culture has three core elements namely:

- The first element is based on the phrase that culture is ‘commonly held’ or ‘shared’, meaning that all employees are in agreement.
- The second element is based on one or more of the following words that are used to define culture from the idealisation perspective: beliefs, values, attitudes, assumptions, ideologies, philosophies, expectations, norms and meaning (Huntington, 2000).
- The third element of organizational culture focusses on the combination of the first two elements that it is what ties or holds the organization together.

There are different typologies or classifications that have been presented in the literature in an effort to provide a description and understanding of organization culture. Deal and Kennedy (1982) identified four generic types; namely tough-guy/macho, work-hard/play-hard, bet-your company and process cultures. Handy (1985) also described the four types of organizational culture as the power, role, task and person oriented cultures. Schein (1985) used three levels to describe culture as characterised by artefacts, values and basic underlying assumptions. Scholz (1987) also identified five typologies of culture which are the stable, reactive, anticipating, exploring and creative cultures. Hampden-Turner (1990) used the four types to describe culture which are the role, power, task and atomistic cultures. Hofstede (1991) highlighted five dimensions that can be used to classify organisational culture which are power distance, individualism/collectivism, uncertainty avoidance, masculinity/femininity and confusion dynamism classifications. O’Reilly, Chatman and Caldwell (1991) also presented the seven primary characteristics of culture as innovation and risk-taking, attention to detail, outcome orientation, people orientation, team orientation, aggressiveness and stability.

In terms of the adaptation perspective, it is believed that organizational culture can be defined by translating the meaning attached to the artefacts, symbols and rituals. The above-mentioned typologies and classifications of culture provide a broad overview of the variations that exist between theorists in their description of this concept, using artefacts, symbols, rituals, celebrations, structures and behaviour (Deal and Kennedy, 1982; Trice and Beyer, 1993). While there are various descriptions of culture; Cooke and Szumal (2000) distinguished three types of cultures; namely constructive, passive-defensive and aggressive-defensive. This description was adopted for this study, because there are certain normative beliefs and characteristics that constitute each type of organizational culture that are relevant to understand the nature of organizational culture in a public service organization. Cooke and Lafferty (1998, p 12–13) also describe the three types of culture and their corresponding sets of behavioural norms as follows:

- The constructive culture means employees are encouraged to interact with each other and to approach tasks in a manner that will help them meet their higher-order satisfaction needs. This type of culture is characterised by achievements, self-actualising, humanistic-encouraging and affiliation.
- The passive/defensive culture implies that employees interact with one another in ways that will not threaten their own security. It is characterised by the approval, conventional, dependent and avoidance styles.
- An aggressive/defensive culture means employees are expected to approach tasks in a forceful way to protect their status and security. It is characterised by the oppositional, power, competitive and perfectionist styles.

2.3 Transformational leadership and organizational culture

Leadership is intricately bound up in organizational culture; because it is the leadership that can produce cultural change or simply reinforce existing norms (Reinke, 2004). Among scholars of culture in management, leadership has been considered as an important aspect that can shape the characteristics of an organizational culture. It has been evident that executives in organizations can establish or change the culture of an organization, and eventually influence organizational performance (Wallace and Weese, 1995) and the employees’ behaviour. Culture is also developed mainly by the leaders in an organization; similarly culture can affect the development of the organization’s future leaders (Bass and Avolio, 1993, p 112). Studies on the impact of culture on performance showed that certain organizational cultural behaviours are favourable to organizational performance (Kotter and Heskett, 1992). Bass (1997) proposes that the traits of transformational leadership style direct performance beyond expectations in organizational situations. Furthermore, research has empirically shown that there is a relationship between transformational
Leadership behaviours and organizational measures of effectiveness (Xenikou and Simosi, 2006).

References to the interdependence between leadership and culture are in abundance in both the scholarly and popular literature. Shamir (1999, p 9) summarises this interdependence stating the main function of organizational leaders becomes that of being centers of gravity in the midst of weakening frameworks, and balancing the centrifugal forces exerted by loosely coupled structures, fragmented cultures, temporary membership, and technologies that increase the distance between leaders and members. Bass (1997) further asserted that leaders who are committed to organizational renewal will seek to promote cultures that are generous and conducive to creativity, problem solving, risk taking and experimentation. This is the type of culture that is required in public service organizations, so that they able to deliver on their service delivery mandate. Leadership and culture have a reciprocal, dynamic relationship that operates to ensure continuous survival of an organization in a changing environment (Schein, 1985). Thus, culture is a product of leadership and an agent of socializing employees to the way of doing things by leaders (Bass and Avolio, 1990). Blackwell (2006) argued that culture influences organizational behaviour, and helps to frame or shape the use of leader behaviour. According to Block (2003), transformational leadership and culture are extremely central to understanding organizations and making them effective, and that the combined phenomenon cannot be taken for granted. However, there are limited empirical studies examining the relationship between transformational leadership and organizational culture, especially in a public service organization. Therefore, this study sought to determine the empirical association between these two constructs.

It is against this background that it is hypothesised that:

There is a statistically significant positive relationship between transformational leadership and organizational culture in a public service organization.

3. Research design and methodology

To achieve the purpose of this study, a quantitative approach was conducted. A cross-sectional survey was used which refer to a design that collects data at one point in time from one sample representing the larger population (Wellman, Kruger and Mitchell, 2009).

In this section, the participants and sampling strategy and measuring instruments of this study are discussed.

3.1 Participants and sampling strategy

The total population consisted of 4350 employees who are permanent employees of a public service organization. A simple random sampling technique was used to ensure that all employees had an equal chance to participate in the study (Wellman, Kruger and Mitchell, 2009); as a result a sample size of 238 participants voluntarily responded to the survey.

In terms of gender, the sample consisted of 61.1% (n=146) men and 37.7% (n=90) women. Of the participants of this study, 47.5% (n=113) were married, with 40.7% (n=97) unmarried, 10.9% (n=26) divorced and 1.3% (n=3) widowed. Most participants were operational staff level at 69% (n=166); while management staff was 31% (n=72). In terms of race groups for this sample, Africans were the majority at 65.9% (n= 157); other groups included 7% (n= 4) Asian, 9.7% (n= 23) Coloureds and 22.7% (n=54) White participants. With regard to the highest qualifications, table 1 indicate 12.2% (n= 29) had Grade 11, 60.5% (n= 144) had passed Grade 12, 17.6% (n= 42) had degree or diploma, 5.5% (n= 13) had postgraduate qualification, and 4.2% (n= 10) had other qualifications not listed. In addition, half of the participants at 50.0% (n= 119) had been with the organization for more than 15 years. Furthermore, 1.3% (n= 3) had less than one year, 12.2% (n= 29) had two to four years, 5.5% (n= 26) had four to six years, 4.6% (n= 11) had six to ten years, while 15.5% (n= 37) had been with the organization for ten to fifteen years.

3.2 Measuring instruments

The measuring instrument used for the independent variable transformational leadership was the Leadership Practice Inventory (LPI) (Kouzes and Posner, 1995) and the Organizational Culture Inventory (OCI) was used to measure the dependent variable organizational culture (Cooke and Szumal, 2000).

3.2.1. Leadership Practice Inventory

The LPI is an instrument developed by Kouzes and Posner (1995) to measure leadership effectiveness. It is based on the five practices of transformational leadership; namely Challenging the processes, Inspiring a shared vision, Enabling others to act, Modelling the way and Encouraging the heart. The LPI further consists of five subscales that relate to the five practices. Each subscale is comprised of six statements which are rated using a five-point Likert scale, resulting in a score range of 6 (low) to 30 (high). Thus, the total score can range from 30 (low) to 150 (high). Psychometrics properties of the LPI indicates adequate internal consistency, measured by Cronbach’s alpha above 0.75 for all practices. LPI
had a range of 0.75 to 0.87; while LPI-Observer range is 0.88 to 0.92 (Kouzes and Posner, 2000).

**3.2.2 Organizational Culture Inventory**

The OCI was designed by Cooke and Lafferty (1987) to measure behavioural norms within an organizational setting. Cooke and Szumal (2000) state that since its introduction, the OCI has been used by thousands of organizations and completed by over 2 million respondents throughout the world. The behavioural norms are grouped into three types of organizational culture; namely constructive, passive/defensive and aggressive/defensive dimensions (Cooke and Szumal, 2000). Xenikou and Furnham (1996) further found that the coefficients of internal reliability for the OCI culture dimensions ranged from 0.89 to 0.95.

The psychometric properties of both LPI and OCI were considered to be sufficient for this study based on the above discussion.

**4. Results of the study**

The results are discussed focussing on the reliability and descriptive statistics of the measuring instruments, as well as the statistical analysis of the correlation between transformational leadership and organizational culture. The Statistical Package for Social Sciences (SPSS, version 17) was used to analyse the data.

**4.1 Descriptive statistics and the reliability of the measuring instruments**

The reliabilities of the LPI and OCI were determined using Cronbach’s alpha coefficient; these results are presented in table 1.

<table>
<thead>
<tr>
<th>Measuring Instrument</th>
<th>Cronbach’s Alpha Coefficient</th>
<th>No of Items</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LPI</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Modelling the way</td>
<td>0.90</td>
<td>6</td>
<td>20.4</td>
<td>6.4</td>
</tr>
<tr>
<td>Inspiring a shared vision</td>
<td>0.92</td>
<td>6</td>
<td>20.1</td>
<td>6.4</td>
</tr>
<tr>
<td>Challenging the process</td>
<td>0.91</td>
<td>6</td>
<td>20.8</td>
<td>6.2</td>
</tr>
<tr>
<td>Enabling others to act</td>
<td>0.92</td>
<td>6</td>
<td>20.3</td>
<td>6.2</td>
</tr>
<tr>
<td>Encouraging the heart</td>
<td>0.93</td>
<td>6</td>
<td>19.9</td>
<td>6.8</td>
</tr>
<tr>
<td><strong>OCI</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constructive</td>
<td>0.96</td>
<td>32</td>
<td>114.38</td>
<td>25.77</td>
</tr>
<tr>
<td>Passive/Defensive</td>
<td>0.86</td>
<td>32</td>
<td>102.06</td>
<td>16.62</td>
</tr>
<tr>
<td>Aggressive/Defensive</td>
<td>0.87</td>
<td>32</td>
<td>98.29</td>
<td>18.47</td>
</tr>
</tbody>
</table>

Terre Blanche and Durrheim (1999) state that Cronbach’s alpha coefficient ranging from 0 means there is no internal consistency, while a score of 1 is the maximum internal consistency score. This implies that the higher the alpha coefficient, the more reliable the measuring instrument. A Cronbach’s alpha coefficient of 0.75 is regarded as a desirable reliability coefficient (Terre Blanche and Durrheim, 1999). From the above table 1, it can be seen that the alpha coefficients of LPI ranges from 0.90 to 0.93, indicating internal consistencies within the recommended range. Table 1 also indicates that alpha coefficients of OCI range from 0.86 to 0.96, which is regarded as an acceptable level of reliability. These results confirm that all the measuring instruments used in this study are reliable.

In terms of the descriptive statistics, the results of the means and standard deviations of the LPI and OCI are also presented in table 1. From table 1, it can be seen that the participants perceive the leadership practice of challenging the process as being used most by leaders in this public service organisation with a mean score of 20.8. This leadership practice is closely followed by modelling the way (20.4), enabling others to act (20.3) and inspiring shared vision (20.1) based on participants’ responses. In terms of participants’ observation, encouraging the heart is perceived as the leadership practice that is
being used the least by the leaders in their organization.

Table 1, further indicates that the participants perceive the actual culture in this public service organization as a constructive culture, with a mean score of 114.38. The second type of culture being observed by participants is the passive/defensive culture with a mean score of 102.06. The aggressive/defensive culture is considered to be the least in terms of the actual culture in this organization with mean score of 98.9. In summary, these results suggest that the majority of respondents perceived their organization as having a constructive culture. Therefore, the culture in this public service organization has normative beliefs and characteristics of achievement, self-actualization, humanistic-encouragement, and affiliation.

4.2 Inferential statistics

This section reports on the correlation between transformational leadership and organizational culture. Pearson’s correlation analysis was used to test the research hypothesis stated in section 2. The results of the correlation between transformational leadership with Passive/Defensive and Aggressive/Defensive were excluded, since there were no significant relationships between these variables. Table 4 depicts the results, focussing on transformational leadership and constructive culture dimension.

Table 2. Correlations between transformational leadership (LPI) and organizational culture (OCI)

<table>
<thead>
<tr>
<th>Variable</th>
<th>LPI</th>
<th>OCI (Constructive)</th>
</tr>
</thead>
<tbody>
<tr>
<td>LPI</td>
<td>Pearson Correlation Significance (2-tailed)</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>238</td>
</tr>
<tr>
<td>OCI (Constructive)</td>
<td>Pearson Correlation Significance (2-tailed)</td>
<td>0.5720***</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>238</td>
</tr>
</tbody>
</table>

*** Correlation is significant at the 0.001 level (2-tailed)

The correlation is significant on a 99% level of significance, indicating strong positive relationship between transformational leadership and the constructive dimension of organizational culture in this public service organization.

5 Discussion

The purpose of this study was to determine the association between transformational leadership and organizational culture in a public service organization. The results revealed that the instruments used in this study to measure the variables were reliable. All practices of the Leadership Practice Inventory (LPI) and the dimensions of the Organizational Culture Inventory (OCI) appeared to have the acceptable levels of reliability. The descriptive results indicate that a constructive culture is a dominant culture in this public service organization. This findings support the claim in the literature that every organization exhibits a dominant culture that often distinguishes itself from other organizations (Martin and Martins, 2009; Werner, 2007). Cooke and Szumal (2000) suggest that the constructive culture is the most effective because its normative beliefs and characteristics are comprised of achievement, self-actualization, humanistic-encouragement, and affiliation, which, in turn, constitute an effective organization. An organization having a constructive culture tends to show better relationships amongst employees. Since these characteristics support not only organizational goals but also individual goals; constructive culture influences organizational effectiveness which is required in public service organizations.

In this study, it was also hypothesized that transformational leadership is positively associated to organizational culture. Although no significant relationships were found between transformational leadership with passive/defensive and aggressive/defensive culture dimensions; the findings of this study provide empirical evidence that there is a significant relationship between transformational leadership and the constructive organizational culture. This hypothesis was confirmed by the statistical analysis, using Pearson Coefficient Correlation which is significant at 0.01 level. This findings support a study conducted by Block (2003) on the relationship between transformational leadership styles and organizational culture in improving performance. The results also relates to a study by Kim (2011) that examined constructive organizational culture in sport organizations which suggested that it is the leader’s characteristics and values that created a constructive organizational culture. Hence, it is argued that transformational leaders have the ability to influence the nature of the organizational culture (Masi, 2000; Wilson, 1992). The practices of transformational leadership; namely Challenging the processes, Inspiring a shared vision, Enabling others to act, Modelling the way and Encouraging the heart; they
seem to have an influence on the organizational goals as well as the individual goals of employees. Thus, they have an effect on all of the normative beliefs and characteristics of a constructive culture which include achievement, self-actualization, being humanistic-encouraging, and affiliation.

6 Conclusion, limitations, contributions for future research and management practice

In conclusion, the results present the empirical evidence that there is a significant positive relationship between transformational leadership and a constructive organizational culture within a public service organization. Employees and managers need this knowledge for them to be able to understand how leaders can manage culture effectively and efficiently. Delivery of public services can be identified as the underlying purpose of any public service organization; hence the leadership can use the ability of creating a constructive organizational culture as their contribution to this goal or purpose; so that all employees in the organization can pursue it. Leaders in public service can also take into consideration the impact of transformational leadership on constructive culture to initiate organizational culture development and change. Gaining insight of the impact of leadership approach on culture can guide organizations in creating its ideal culture.

The limitation of this study is the sample size or population group; respondents are from one organization which could influence their perceptions due to its practices. Restriction of the study to one organization implies generalizations of these findings to other populations groups will require further research. The questionnaires used were based on perceptions of the participants which increase chances of subjectivity when completing questionnaires. Cross-sectional design was used which entails obtaining the results at a single point in time, hence a longitudinal study conducted over time, would be of value in determining the effect of transformational leadership on organizational culture.

The results of this study provides valuable information that can be used to propose human resource management and leadership development interventions relevant for creating a constructive culture that is vital for service delivery in public service organizations.

Reference