

TRANSACTIONAL LEADERSHIP AND WORKERS PRODUCTIVITY IN OIL COMPANIES IN RIVERS STATE

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Abstract

The study examined the influence of transactional leadership and workers' productivity in oil companies in Rivers State. The study used five (5) International Oil Companies (IOCs) operating in Rivers State. Primary data via the use of well-structured research questionnaires served as the main tools of data collection. 111 questionnaires were issued but 100 were retrieved and analyzed using multiple regression technique. To ensure that the research instrument is well fitted and reliable, we subjected the research instrument to normality test and Cronbach's alpha tests. The normality test reported that the target variables are within the acceptable region of +1 to -1. Meanwhile, the Cronbach's alpha test with an average value of 0.933 affirmed that the research instrument is consistent and internally reliability. From the result of analysis, the multiple regression showed that transformational leadership style, exhibited positive significant influence on workers' productivity. Premised on this, the study concluded that optimal transactional style enhances organizational performance (effectiveness) and it is hereby recommended that oil companies in Rivers State should employ the leadership style as a means of enhancing workers' productivity.

Introduction

In the fields of management and organizational theory, organizational culture is one of the most popular concepts. The reason of popularity is the significant relationship between organizational culture and organizational outcomes such as financial performance [1], gaining competitive advantage [2], and firm effectiveness [3]. The firms which have a superior financial performance such as McDonalds, IBM, P&G and HP have focused on the managerial values and beliefs formed in these firms' organizational cultures [4]. In the recent 30 years, the mentioned firms

have grown much more, and most researchers take attention to their success, and found close relationship between their culture and leadership. They are still the most successful global firms and for them leadership-culture fit is not a chance [5]. The important point is that, culture will remain linked with superior performance only if the culture is able to adapt to changes in environmental conditions and it must have unique qualities which cannot be imitated [6].

Equally, the relationship between leadership and organizational performance is an important topic for both academician and

practitioners. The leadership and its effect on firm and employee is an intriguing topic.

The leadership studies began with the trait approach and broadened day by day. With the different aspects, many leadership styles such as transactional, supportive, participative, servant, entrepreneurial, spiritual leaderships have been emerged. A number of researchers theorize that leadership is linked to organizational performance [7, 8]. Each of these leadership styles has received notable attention in management literature and in business world.

However the relations between leadership and performance and between culture and performance have been examined independently, few studies have sought the association between three concepts. Most of the studies about culture have been conducted in the different countries [9, 10]. At these studies, culture dimensions have been argued. Many analyses of organizational cultures pay only minor attention to leadership [11]. So there is a need for understanding of how culture and leadership together affect firm performance. The aim of this study is to extend and expand the effects of the relationship between organizational culture types of organizational culture which are classified as competitive, innovative, and bureaucratic and community and leadership styles of organizational culture which are classified as competitive, innovative, and bureaucratic and community to firm performance. This study also investigates the organizational culture phenomenon and leadership styles in non-western nation. It shows evidence with regard to the organizational culture-leadership style-performance link using data from different industries in Turkey. The main questions addressed in this paper are: a) Is there a

significant relationship between organizational culture and leadership styles?, b) does leadership affect organizational performance c) Does organizational culture affect organizational performance ? d) and lastly the mediating effect of organizational culture between leadership and performance.

This paper has been divided into three parts. The first section of this paper provides a brief overview of culture types, leadership styles and the relationship among the variables, in the second section statistical analyses were done, and findings were compared with recent researches, and finally discussion and managerial implications were presented.

Many researchers have showed their keen interest in studying leadership and such environment leads to the establishment of different leadership theories (Khan et al., 2012). Leadership theories attempt to explain the various actions and leader behaviour basis (Humphreys & Einstein, 2004). Hence, studying the leadership behaviour is important because it helps the leaders as well as the organization to fully utilize the resources; this not only give a resistance to change in the organization but it can lead to be more efficient. The root of this study focused on the three main leadership styles including the Transformational leadership, Transactional leadership, paternalistic leadership, supportive leadership, participative, and Laissez-faire leadership.

Leadership is not a static style that can fit all organizational culture; a leader must adapt his approach to fit a specific situation, this is why a leader should have a thorough understanding of many leadership frameworks and styles. Studies showed that the more approaches a leader are familiar with, the more flexible with his decisions you

can be. For the sake of clarity, this article shall focus on the relationship between transactional leadership and workers' productivity in oil companies in Rivers State.

Statement of the Problem

Research has also proved that effective leaders must possess the ability to recognize when to use different tactics of influence as well as the skill necessary to effectively carry out these influence attempts (Kipnis, Schmidt & Wilkinson, 1980; Yukl & Falbe, 1990; Yukl, 1998; Bolino & Turnley, 2003).

For Moorman and Fetter (1990) superior's leadership style and subordinates' job satisfaction are inter-related. Wrong leadership style is capable of causing negative consequences, which might further triggers the sensitivity and susceptibility to misunderstanding which may lead to organizational dysfunction such as decrease work performance, absenteeism and high turnover (Lamude, 1994; Motowidlo, 2003). Therefore, prevention of subordinates' negative outcome is imperative visa-vis the use of different leadership styles.

Since organization's utmost desire is to maximize shareholders wealth as well as create value to customers, employee's input in the realization of this desire become very critical, hence the importance of their satisfaction. Critical elements of the organization, such as employee job satisfaction, employee loyalty, organizational performance, organizational citizenship behaviour, and employee commitment, have been associated with leadership styles (Kirkpatrick and Locke, 1996). These results has however been validated by different scholars across cultures and in different organizational settings (Al-Dmour & Awamleh, 2002). (Javidan & Waldman, 2003). Javidan and Waldman (2003) agrees

that in the public domain, charismatic leadership was only modestly related to motivational consequences. The impact of charismatic/transformational leadership styles on followers' effectiveness and motivation has also been recorded (Bass & Avolio, 1990; 1994). Despite these growing research on the topic of our study, employee attitude towards their work especially in the Nigerian work environment still shows a great degree of lack of job satisfaction.

Literature on transactional leadership style and organizational performance in the Nigerian oil and gas industry still remains scanty. It is on this premise that the researcher wishes to investigate the relationship between leadership styles and organizational performance in the Nigerian work environment with reference to selected Nigerian oil and gas companies in Rivers State.

Aim and Objective of the Study

The aim of this study is to establish the relationship between transactional leadership and Productivity in oil companies in Rivers State.

Research Question

What is the relationship between transactional leadership and Productivity in Oil Companies in Rivers State?

Hypothesis

H₀₁: There is no significant relationship between transactional leadership and Productivity.

Significance of the Study

After expounding this study's academic relevance, its pertinence for practitioners will be explained. On the one hand, this study shall guide and support organizations that are already on the edge of a new paradigm; that have recognized the need for exiting an economic mindset and

that place high value on human flourishing. The findings of this thesis will provide valuable insights into how to interpret and design leadership within a humanistic context. Thus, with this paper at hand, those responsible in humanistic organizations will be able to take the necessary measures to create an environment, in which humanistic leadership can be realized fully. On the other hand, this study shall provide reflective insights for organizations that are still holding on to an economic ideology. This thesis will present contrastive knowledge, challenge established beliefs and demonstrate the virtues of a humanistic orientation. Hence, we might be able to contribute to a reorientation of those firms and, with our insights, offer support in initiating holistic organizational change.

Clearly, this thesis will furthermore present to managers and leaders a novel mindset that is distinct from conventional leadership and management literature as it sets new touchstones for a truly successful leadership. The reorientation towards the human being contrasts typical quantitative insights and the simplistic and economic message of many established how-to-guides. Hence, managers and leaders will receive alternative impulses that may help in guiding personal development and professional education. This might also help business leaders in regaining the trust of the wider public that, according to Maak and Pless (2009), has been lost after numerous corporate scandals. Possibly, acting with humanistic motives assures public legitimacy and societal approval of organizational endeavours.

Finally, employees will benefit from this study, as readers will comprehend the employee as a human person; initiating a fair and respectful discourse on topics such as employee motivation and engagement, performance measurement and control, or the role of employees in leadership practice. Furthermore, employees reading this paper will be able to critically reflect their employment standards and their managers' behaviour. Thus, employees will be enabled to initiate a sophisticated discourse on leadership and humanism within their organization, initiating a shift of the established organizational mindset. Moreover, employees will learn about humanistic concepts and principles that will allow them to choose an employer more carefully, in the interest of their own humanity and evolution motivation.

Definition of Terms

Transactional leadership is a managerial model or practice that rewards go-getting and reprimands underperformance. The rewards or punishments are hence referred to as the "transaction." It focuses on the basic management process of controlling, organizing, and short-term planning.

Productivity:

This is the state or quality of being productive. It is measured in terms of the rate of output per unit of input.

Conceptual Model

Taking into account the preceding section, the researcher has adapted the research model of Zehira, Ertosunb, Zehir, and Müceldili (2011) as guide to this study and it is presented below.

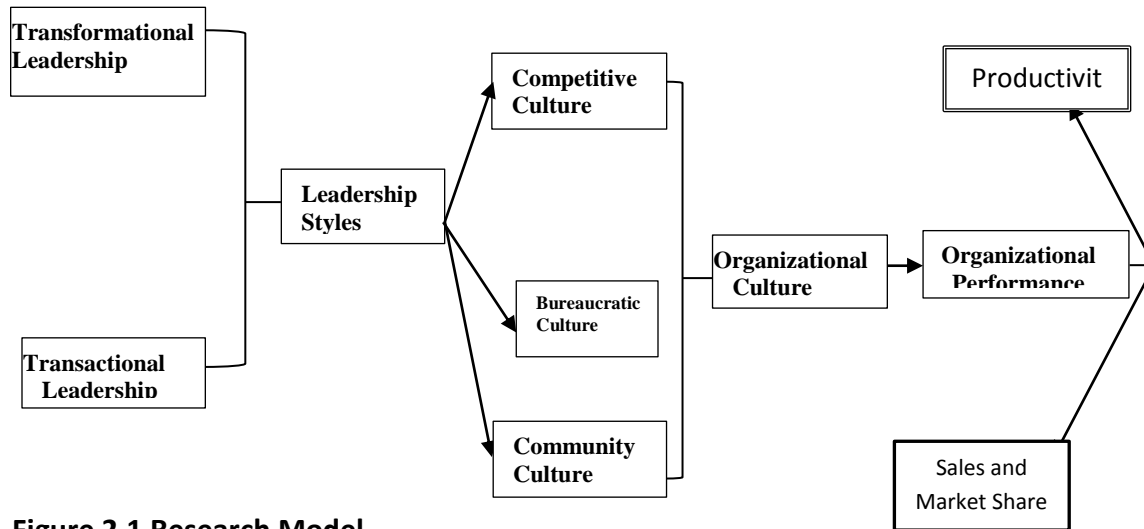


Figure 2.1 Research Model

Examination of this Conceptual Model reveals that there many other factors that can influence workers’ productivity, however, the present article shall concentrate on the relationship between transactional leadership and workers’ productivity in oil companies in Rivers State.

Literature Review

According to Peretomode and Peretomode (2001) leadership is the ability of a person in a group to persuade, inspire or influence the attitudes, behaviours and actions of others or the activities of the organized group so that the group members can work cooperative and enthusiastically towards goal achievement, as David, (1967) points out, leadership is the human factors, which binds a group together. It also motivates the group towards goals. Management such as planning, organizing and decision-making are “dormant cocoons” until the leader triggers the power of motivation in people and guides them toward goals. Leadership, therefore, is not an end in itself but a means to an end – a means to motivate workers to increase productivity and help them gain increased employee job satisfaction. Guest (1996)

leadership is about influencing behaviour of others.

Otusanya (2004) in his study, examined Stodgill observation in leadership that; leadership has been defined in terms of traits, behaviour, influence, interaction patterns, role relationships and occupation of an administrative position. Leadership according to Cole (1996:51) is a dynamic process in a group whereby one individual influences the others to contribute voluntarily to the achievement of group task in a given situation.

In managing organizations, leaders interacting with employees from different backgrounds produce different types of leadership styles (Amabile, Schatzel, Moneta, & Kramer, 2004; Masadeghrad, 2003; Yukl, 2002; Brown, 2003). Although everyday a new leadership style is defined in order to find the best performing, even to develop a universal definition for the best. In general, leadership styles can be divided into two major categories: the mechanistic based leadership style and the humanistic based leadership style. The dynamic changes which occur outside and inside of the organizations have encouraged leaders to shift the paradigms of their leadership behaviour

from a traditional mechanistic approach to a humanistic based leadership style in order to achieve organizational strategies and goals (Brown, 2003; Rad, & Yarmohammadian, 2006; Ismail, Zainuddin, & Ibrahim, 2010).

The traditional leadership style is strongly affected by traditional management thoughts and most leaders use a mechanistic based leadership style to deal with and manage followers in their organizations [16,18]. This leadership style is widely practiced in organizations that operate in a stable market environment, focus on internal organizational environments and give less emphasis to high commitment human resource practices [19, 20, 17]. Moreover, humanistic based leadership perspective emphasizes factors related to the quality of the relationship with followers, such as consideration, mutual trust, participatory decision-making, being interaction oriented, consultative, democratic and concerned with people [12, 21]. This type of leadership is widely implemented in organizations that operate in a dynamic market environment, focusing on external competitiveness and emphasizing high performing human resource practices [22, 19, 23, 17]. The research model of the study contains 3 leadership styles; instrumental (transactional) as a mechanic-based leadership, supportive and participative leadership that are humanistic-based leadership styles of the study.

Transactional Leadership Style

This leadership style starts with the idea that team members agree to obey their leader when they accept a job. The transaction usually involves the organization paying team members in return for their effort and compliance. The leader has a right to punish team members if their work does

not meet an appropriate standard. The minimalistic working relationships that result (between staff and managers or leaders) are based on this transaction (effort for pay). This concept was first introduced by Max Weber in his work on socio-economic considerations of the organization. Weber defined transactional leadership as a leader who earns leadership through normative rules and regulations, strict discipline and systematic control.

Burns, [3] describes transactional leadership style as more of “give and take” type of relationship at work, where exchange is a major form of interaction between superior and subordinate, such as monetary rewards for achieving set objectives. Followers’ obedience relied not only on rational values and rules, but also on laid down agreements. Followers are guided and at same time limited to the tasks assigned to them. Remuneration is fixed on hierarchical order and organization’s bureaucracy. Clearly defined coercive measures are already established as it relates to different situations and conditions [12]. A transactional leader clarifies and lay much emphasis on goals and objectives, require tasks, performances, organizational rewards and consequence of laxities. Transactional leader overrides the personal interest of subordinates. It is a type of leadership style that is more of an exchange process such as “if you do this for me, this will be your reward. Transactional leaders motivate subordinates by appealing to their personal desires. Burns [13] describes transactional leadership style as a “favour-for-favour” exchange. Transactional leader concentration is on performing the task in the right way. The followings are the three major dimensions of transactional form of leadership style: contingent rewards, management by exception (passive) and

management by exception (active). 1) Contingent Reward: This depicts the exchange and transactional effectiveness between superior and subordinates. Transactional leaders that adopt this dimension will be ready to render any assistance in exchange for the subordinates' efforts and such leaders will only be satisfied when their expectations are met accordingly. Rewards or incentives are used for the achievement of desired outcomes.

Transactional leaders are always willing to give you something in return for following them. It can be any number of things including a good performance review, a raise, a promotion, new responsibilities or a desired change in duties. Transactional leadership is also known as managerial leadership and focuses on role of supervision, organization, and group performance. Transactional leaders sometimes display the traits or behaviors of charismatic leaders and can be quite effective in many circumstances while creating motivated players. They are adept at making deals that motivate and this can prove beneficial to an organization. The issue then is simply one of sustainability (Germano, 2010; Odumeru & Ifeanyi, 2013; Northouse, 2016). Transactional leaders use reward and punishments to gain compliance from followers, they accept goals, structure, and the culture of existing organizations. They are willing to work within existing systems and negotiate to attain goals of the organization. They tend to think inside the box when solving problems. Transactional leadership is primarily passive, and the behaviours most associated with this type of leadership are establishing the criteria for rewarding followers and maintaining status quo (Odumeru & Ifeanyi, 2013). I can therefore argue that transactional leaders operate within existing goals, objectives and

strategies and may not be change oriented and rarely seek new ways and solutions to existing problems. Ma Yun professionally known as Jack Ma, executive chairman of Alibaba Group Holding Ltd. is an example of a transactional leader. Ma Yun is a Chinese business magnate, investor, and philanthropist. He is the co-founder and executive chairman of Alibaba Group, a multinational technology conglomerate. As of March 2018, he is one of China's richest men with a net worth of US\$42.4 billion, as well as one of the wealthiest people in the world.

However the company has little or nothing to show in terms of research, development, and innovation or change of strategies. This could be influence by the nature of organizational Performance is a complex and multidimensional phenomenon in the business literature. Organizational performance comprises of the results of an organization or the actual outputs of an organization, which can be measured against intended outputs, goals and objectives. The organizational performance involves three areas associated with the organization – financial performance (return on investments, profits etc.), shareholder return (economic value added, total shareholder etc.) and the product/service market performance [market share, sales etc.] (Gavrea, et al., 2011).

As stated already, one cannot measure organizational performance without taking organizational goals into consideration. The modern business environment demands a multi-goal orientation. Profit theory (Cyert & March, 1963) is no longer a valid measure of organizational performance and neither are other approaches that only take the interests of shareholders (owners) of a company into account. Indeed, Agrell et al.

state that 'although a profit maximizing behaviour may be induced by profit-sharing schemes, such contracts may easily lead to sub-optimal levels of organizational training, innovation, and knowledge transfer' (Agrell et al., 2002, p. 1). Today's business environment is characterized by the increasing importance and strength of various stakeholder groups.

It has become quite obvious that all stakeholders need to be taken into account when assessing a modern company's performance. This is the main idea of Freeman's Stakeholder theory (Freeman, 1984, 1994). The stakeholder view maintains that firms have stakeholders rather than just shareholders to account for. The view that the corporation has obligations only to its stockholders is replaced by the notion that there are other groups to whom the firm is also responsible. Groups with a 'stake' in the firm include shareholders, employees, customers, suppliers, lenders, the government and society (Berman et al., 1999; Harrison & Freeman, 1999; Hillman & Keim, 2001; Riahi-Belkaoui, 2003).

Behavioural theory (Cyert & March, 1963) recognized the company as a coalition of individuals or groups of individuals such as management, employees, customers, owners, government, etc. but did nothing to introduce this finding into organizational performance assessment. Emerging management paradigms are emphasizing a stakeholder perspective (Atkinson et al., 1997; Berman et al., 1999; Harrison & Freeman, 1999; Hillman & Keim, 2001; Sirgy, 2002; Riahi-Belkaoui, 2003; Tangem, 2004).

One important notion revealed in many studies is that building better relations with primary stakeholders like employees, customers and suppliers could lead to increased shareholder wealth. A sustainable organizational advantage may be built with

tacit assets that derive from developing relationships with key stakeholders (Hillman and Keim, 2001). When studying the relationship between stakeholder management and a firm's financial performance, Berman et al. (1999) found that fostering positive connections with key stakeholders (customers and employees) can help a firm's profitability.

Due to the significance of various stakeholders, organizational performance should not be solely assessed by financial indicators. There are several approaches (Tangem, 2004) to organizational performance measurement that encompass different stakeholders' perspectives. The Balanced Scorecard (BSC) (Kaplan and Norton, 1992, 1993, 1996) is the most established and most commonly used (Neely, 2005), but by far not the only one. The multi-model performance framework (MMPF) model by Weerakoon (1996) is also very interesting and has four dimensions including employee motivation, market performance, productivity performance, and societal impact, and covers the satisfaction of various stakeholders such as customers, investors, employees, suppliers and society. A more recently developed conceptual framework is the performance prism, which suggests that a performance measurement system should be organized around five distinct but linked perspectives of performance (Tangem, 2004, p. 733).

According to Koontz and Donnell (1993) organizational performance refers to ability of an organization to achieve certain objectives and goals such as good financial results, high organization profit, and produce high quality products by using effective strategies adopted.

Venkatraman and Ramanujam (1986) suggest a two-dimensional classification scheme. On the one hand, they differentiate

financial and operational indicators, and on the other hand, they distinguish between primary and secondary source of information. While financial measures are related to accounting measures and economic performance (e.g. profit, sales), operational measures are related to operational success factors that might lead to financial performance like customer satisfaction, quality, market share or new product development (Venkatraman & Ramanujam, 1986). From the point of the view of the source of information, data for primary measures is collected from organization while data for secondary measures are collected from external or derivative databases.

Another classification distinguishes between objective and subjective measures. Objective measures refer to performance indicators impartially quantified. They are usually financial indicators obtained directly from organizations through secondary sources. On the other hand subjective measures refer to the judgmental assessment of internal or external respondents. They usually cover both financial and operational/commercial indicators (Gonzalez-Benito, O. and Gonzalez-Benito, J., 2005).

Performance measures used in surveys may differ up to the objective and characteristics of the survey. Subjective measures based on the executives' evaluations and judgments about firm's profitability, sales, market share, customer satisfaction and so on are frequently used in management and organizational culture related surveys (Garg, Walters, & Priem, 2003),. Gonzalez-Benito, O. and Gonzalez-Benito, J. (2005) suggest subjective measures in marketing and management field because subjective approach facilitates the measurement of complex dimension of

performance. Subjective measures also facilitates cross sectional analysis through sectors and markets because performance can be quantified in comparison to objectives or competitors (Gonzalez-Benito, O. and Gonzalez-Benito, J., 2005).

In the direction of the similar views in literature, subjective measures are used in this survey which examining the effect of leadership (as a managerial factor) and learning orientation (as a cultural factor) on firm performance. Data related to the performance are obtained directly from the executives of the firms through the questionnaires, which means primary source data are used in that survey.

Furthermore, the discussion on the relationship between leadership styles and performance has been discussed often by scholars. Many research done before showed the results that leadership styles have significant relation with the organizational performance, in which different style of leadership can determine the relationship between the leadership styles and the organizational performance either it may have positive correlation or negative correlation (Wang, Shieh, & Tang, 2010). Sun (2002) compared the leadership styles and the organizational performances have significant results where the findings showed that there is a positive correlation between leadership styles and performance. Understanding the effects of the leadership on performance is important because it is perceived as vital driving forces for improving a firm's performance (Obiwuru et al., 2011).

As what can be observed from the related literature, it is evident that some scholars believe that leadership styles enhance the performance of the organization but some others contradict this. Thus, this study intended to re-examine the

proposed leadership styles by scholars in order to suit the appropriate leadership style by oil and gas industry leaders in Rivers State.

Transactional leadership theory/Management Theory

The transactional leadership theory, otherwise "the management theory," sees effective leadership to be identical to results-oriented. This means that effective leadership is viewed in this theory as concern for surpassing a benchmark of excellence as well as hierarchical. The benchmark may be one's own past performance (striving for improvement); an objective measure or achievement orientation; challenging goals that one has set; or even improving or surpassing what has already been done (continuous improvement). It focuses on the role of supervision, organization and group performance and the exchanges that take place between leaders and followers. This theory base leadership on a system of rewards and punishments (Charry, 2012). In other words, on the notion that a leader's job is to create structures that make it abundantly clear what is expected of followers and the consequences (rewards and punishments) associated with meeting or not meeting expectations (Lamb, 2013). When employees are successful, they are rewarded and when they fail, they are reprimanded or punished (Charry, 2012). Managerial or transactional theory is often likened to the concept and practice of *management* and continues to be an extremely common component of many leadership models and organizational structures (Lamb, 2013).

Organizational Performance

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Methodology

Research Design

This study adopted a survey research design. To quantify both independent and dependent variables a survey was carried out on a cross-section of senior managers, junior managers, supervisors and other employees of multinational oil companies in Rivers State who have good knowledge of the operations of oil and gas industry.

Population of the Study

The selected IOCs in this study include only those with either operational facility located in Rivers State or have an ongoing project in the state, and they are:

1. Shell
2. ExxonMobil
3. Agip
4. Total Fin Elf

Source of IOCs list is Okorie (2005).

Sample and Sampling Techniques

The researchers employed a purposeful sampling technique which is a non-probability sampling technique to obtain the necessary set of data by ensuring managers and personnel with sufficient knowledge of leadership styles, and stakeholder expectations as well as their contributions are selected, and also ensuring a balanced mix of gender, length of service as well as age of the participants.

Sample Size Determination

This study's population is either too large or unknown for some IOCs, hence, the researchers adopted a purposeful sample of 100 personnel. The distribution and the location of members of the sample are presented in Table 3.1 below.

Table 3.1: Distribution of the study sample across the major IOCs in Rivers State

S/N	Respondents	Company	Location
1	30	Shell	Rumuobiakani, PH.
2	25	ExxonMobil	Bonny.
3	27	Agip	Mile 4, Ikwerre Road, Port Harcourt
4	29	Total Fina Elf	Obagi, Omoku, Ogba/Egbema/Ndoni L.G.A., Rivers State
Total	111		

Source: Researcher's Desk (2021)

Nature and Source of Data

A non-parametric data was obtained from a primary source by adapting

questionnaires designed by several authors for measuring people's perceptions of leadership styles of managers.

Data Collection Technique

The primary data were collected through the use of two hundred and fifty (250) copies of questionnaire distributed and gathered from managers and subordinates with sufficient knowledge of the activities and operations of IOCs in Nigeria.

Measurement of variables

The study survey instrument consisted of four main sections answered by the same respondents and their immediate supervisors in their place of work. Each demographic questionnaire contained 10 questions, which were multiple-choice questions that collected background information from the respondent. The intent was to collect and use this background data to determine if any patterns exist from various defining characteristics such as years of experience and highest degree earned. For the transformational leadership styles (TRL), questionnaire, an extensive review of professional research and dissertation studies was conducted and several research academician and professionals were consulted on the creation of appropriate questions for this present study. The scale used in this study was a 7 point-Likert scale of 1-strongly disagree, 2- disagree a little, 3-completely disagree, 4-not sure, 5-agree a little, 6-strongly agree. A Likert scale presents respondents with a set of statements about a person, thing, or concept and then has them rate their agreement or disagreement with the statements on a numerical scale that is the same for all the statements (Whitley, 2000).

Independent Variable:

Transformational Leadership Style is the Independent Variable:

Dependent Variable: Organizational Performance

In this study, organizational performance or productivity is the

Dependent Variable

Data Analysis Technique and Statistical Test

This study carried out a univariate analysis to examine the data, following the multiple regression method used in the research paper by Zehira et al. (2011) on leadership style and over organizational performance.

Reliability Test

There are two factors that a researcher must be familiar with when selecting proper scales for data collection, such as reliability (i.e., internal consistency of the scale) and construct validity (i.e., the accuracy of the measures). The reliability of a random error indicates how free it is (Pallant, 2010). The testing reliability and internal consistency are two frequently used indicators for scale reliability. This study tested the reliability of the leadership perception using the internal consistency indicators. According to Pallant (2010), internal consistency is the degree to which the items that make up the scale are all measuring the same underlying attribute (that is, the extent to which the items 'hang together'). The most common statistic used in measuring internal consistency is Cronbach's coefficient alpha. It is the statistic commonly quoted by researchers in order to show that tests and scales that have been constructed or adopted for research projects are fit for purpose.

This statistic provides an indication of the average correlation among all of the items that make up the scale. Values range from 0 to 1, with higher values indicating greater reliability (Pallant, 2010). The criteria of Cronbach's alpha for establishing the internal consistency reliability is: Excellent ($\alpha > 0.9$), Good ($0.7 < \alpha < 0.9$), Acceptable

($0.6 < \alpha < 0.7$), Poor ($0.5 < \alpha < 0.6$), Unacceptable ($\alpha < 0.5$)

Validity Test

The validity of the instruments developed by the researcher was done by the supervisor. The relevant criticisms, comments and inputs such as restructuring of items, inclusion of relevant items and general editorial work by the supervisor were taken into consideration in the final version of the instrument.

Results and Discussion

Description of the Sample

Although, a total of one hundred and eleven (111) questionnaires were administered to respondents, only hundred were retrieved. The hundred (100) retrieve

questionnaires were used for the data analysis using statistical package for social science (SPSS). The demographic profiles of the respondents include sex, age, marital status, educational level, and experience as discussed below:

Sex Distribution of Respondents

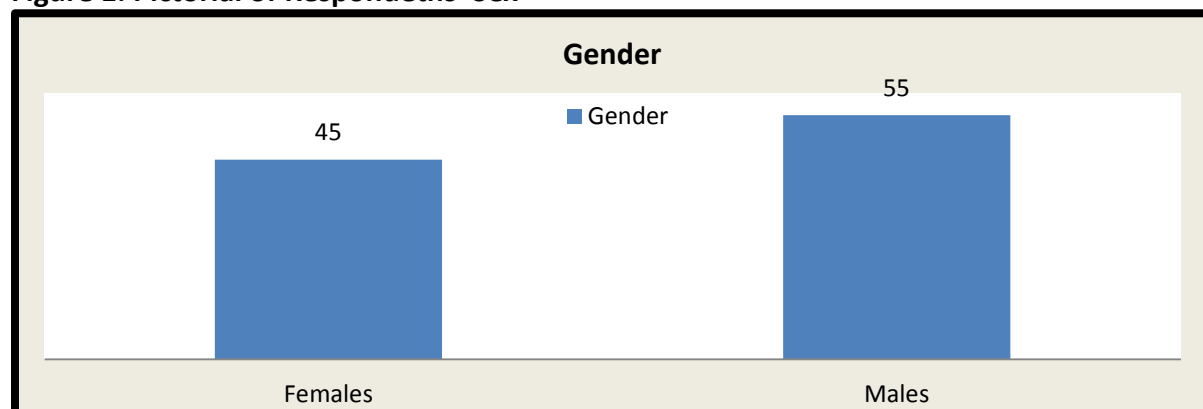
Table 4.1 below clearly revealed that 45% (n=45) of the respondents are females while 55% (n=55) of the respondents are males. This clearly revealed that majority of the focus group are males. This presupposes that generally, the margin between males and females is minimal. This implied that there was fairly equal representation of the male and female employees in the oil and gas industry

Table 1: Sex Distribution of Respondents

Gender	Frequency (F)	Valid Percentage (%)	Remarks
Females	45	45	Majority of the Respondents are Males
Males	55	55	
Grand Total	100	100	

Source: Field Study (2021)

Figure 1: Pictorial of Respondents' Sex



Source: Field Study (2021)

Age Distribution of Respondents

Table 2 accounted for the age distribution of the research respondents. Specifically, the field study revealed that 42(42%) were within the age range of 25-30 years, 18 (18%) were within the age range of

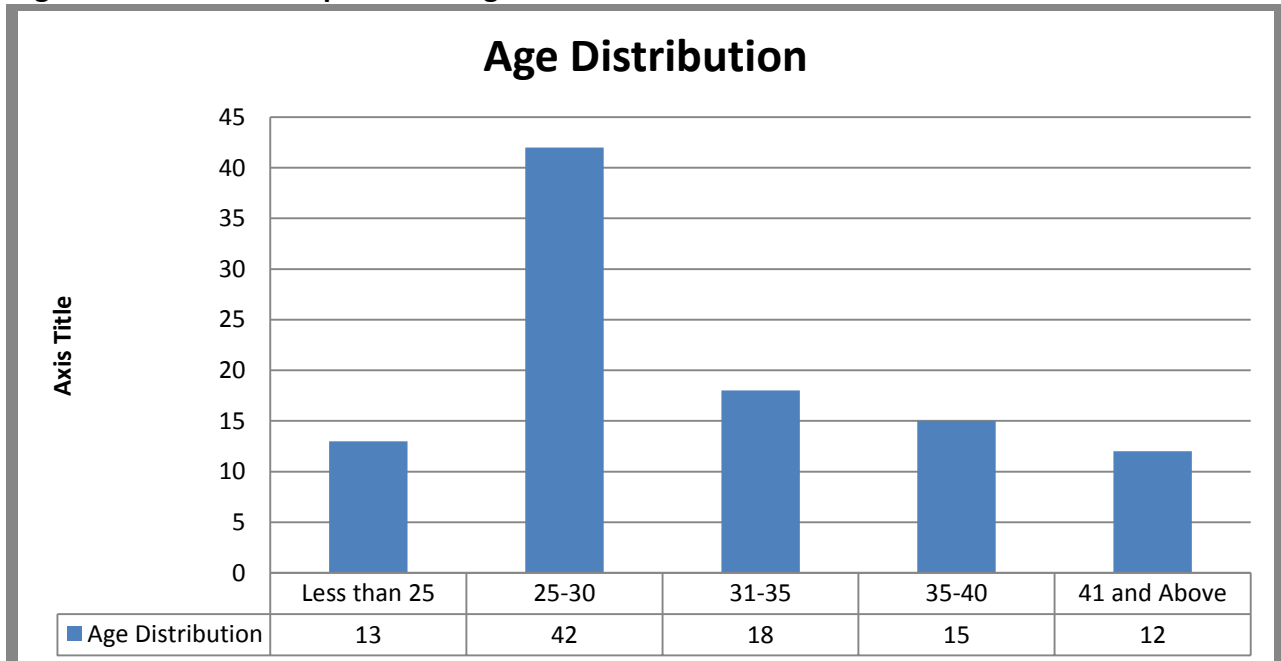
31-35, 15(15%) were within the age range of 35- 40 year, 13(13%) were within the age range of below 25 years while 12(12%) were 41 year and above which was represented by only 6 (7.5%). This suggest that the majority of the focus group were aged 25-30years

Table 2: Age Distribution of Respondents

Age Brackets	Frequency (F)	Percentage (%)
Less than 25	13	13
25-30	42	42
31-35	18	18
35-40	15	15
41 and Above	12	12
Total	100	100

Source: Field Study (2021)

Figure 2 Pictorial of Respondents' Age Distribution



Source: Field Study (2021)

Respondents' Educational Qualification

Table 4.3 presents the results of the sample distribution by education level. Results show that the majority of respondents 51 (51) are bachelor's degree holders while masters holders are 14. Meanwhile, higher diploma holders are 13%. Furthermore, the diploma/certificates

holders and PhD holders are 11% and 6% respectively while the least represented with only 5 (5%) accounted for those with other certificates. This implies that most respondents were in a position to give a very fair assessment of their performance as well as that of the leadership style of the immediate supervisor.

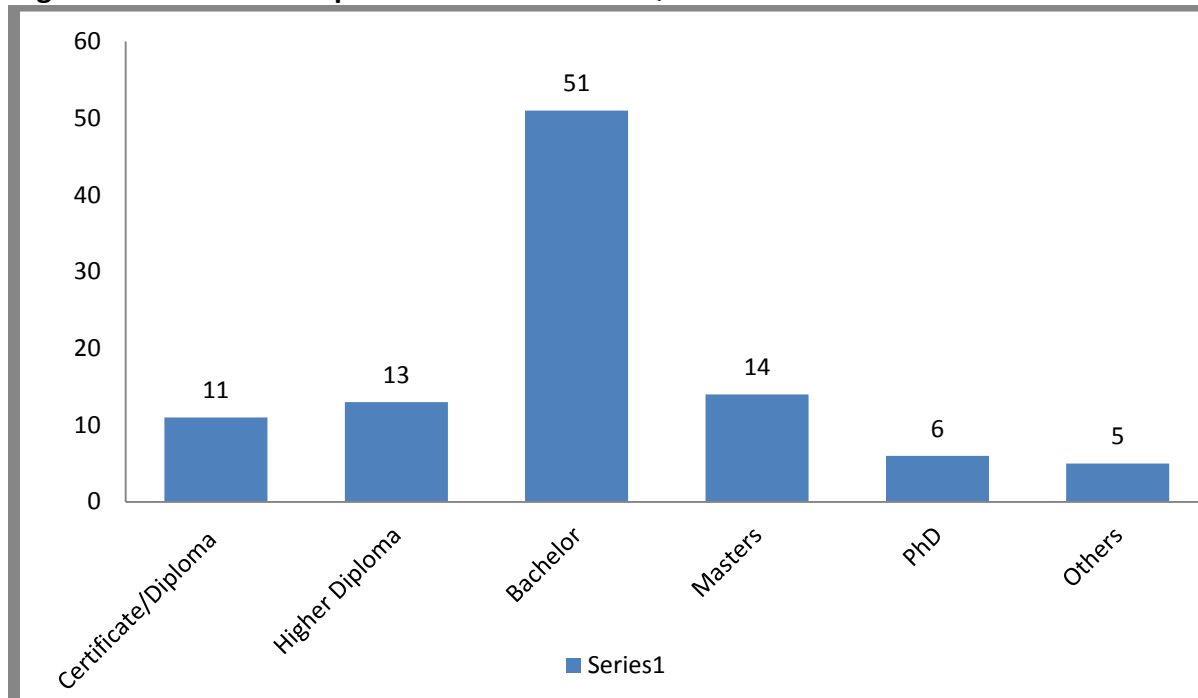
Table 3: Respondents' Educational Qualification

Educational Qualifications	Frequency (F)	Percentage (%)
Certificate/Diploma	11	11
Higher Diploma	13	13
Bachelor	51	51
Masters	14	14
PhD	6	6

Others	5	5
Total	100	100

Source: Field Study (2021)

Figure 3: Pictorial of Respondents' Educational Qualification



Source: Field Study (2021)

Responses to Research Questions

To answer the research questions and test the hypotheses stated for this study, the analysis of the data collected and results are therefore presented below:

Research Objective: Transactional Leadership Style and Productivity

This research objective focused on the correlation between transactional leadership style and Productivity Specifically,

transactional leadership styles were sub-summed into two dimensions (contingent reward and management by exception) in relation to productivity. The scale used in the statements was 1-strongly disagreed, 2-disagreed, 3-neutral, 4-agreed, 5-strongly agreed. The findings are represented in Table 6 below:

Table 6: Responses to Research Question 1

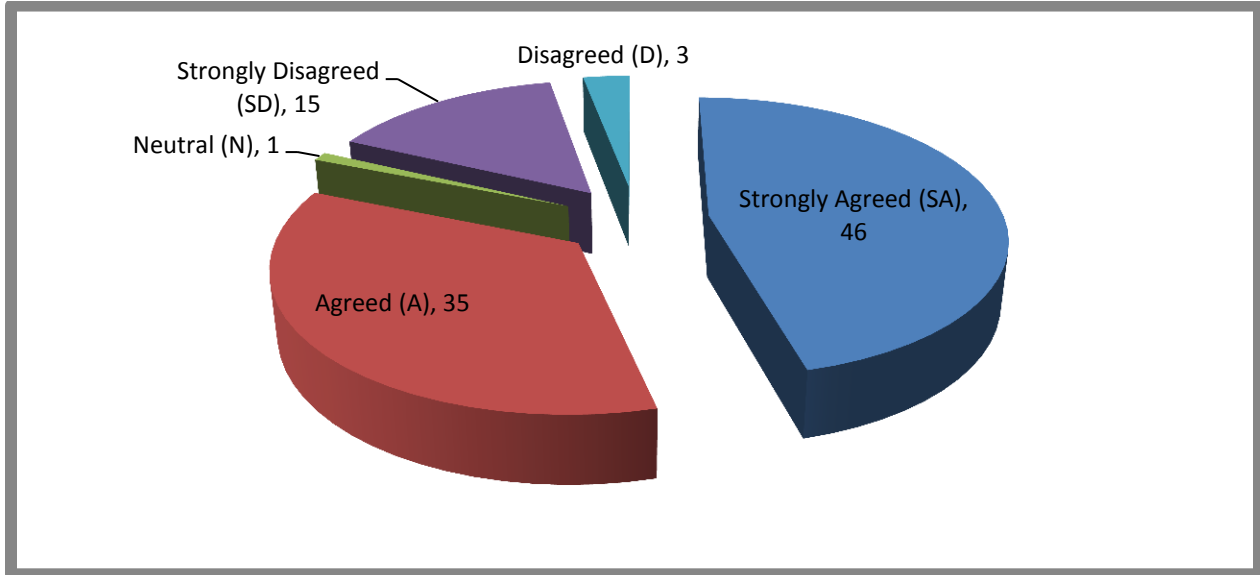
Responses	Frequency (F)	Percentage (%)
Strongly Agreed (SA)	46	46
Agreed (A)	35	35
Neutral (N)	1	1
Strongly Disagreed (SD)	15	15
Disagreed (D)	3	3
Grand Total	100	100

Source: Field Study (2021)

As revealed in Table 6 above, most of the respondents agreed that Transactional Leadership Style vis-à-vis contingent reward

and management by exception increases Productivity. More explicitly, the responses are presented in the pie chart below:

Figure 6: Pie Chart Representation of Responses to Question 1



Source: Field Study (2021)

Test of Hypothesis

Test of Null Hypothesis Three (Transactional Leadership and Productivity)

Table 13a: Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.754 ^a	.568	.564	.93806	1.519

a. Predictors: (Constant), TRAL

b. Dependent Variable: P

Table 13b: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	113.474	1	113.474	128.955	.000 ^b
	Residual	86.236	98	.880		
	Total	199.710	99			

a. Dependent Variable: P

b. Predictors: (Constant), TRAL

Table 13c: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.961	.182		10.780	.000
	TRAL	.651	.057	.754	11.356	.000

a. Dependent Variable: P

Source: Statistical Package for Social Sciences version 23.0 (2021)

The coefficient of correlation “R” in table 7a above measures the relationship between the explained (dependent) variable and the explanatory (independent) variables. Therefore, the “R” value of .754^a) 75.4% indicates that, there is a very strong relationship between transactional leadership and productivity.

The table also reflects a value of 0.568 in respect to the coefficient of determination otherwise known as the R². The R² measures the percentage of the variation/change in productivity can be jointly explained by transactional leadership. Put in another word, the R² is used to indicate the percentage (%) in which productivity is determined by the transformational leadership. Thus, an R² value of .568 indicates that, transactional leadership accounts for 56.8% of the total variation in productivity while the remaining 43.2% (i.e. 100%-56.8%) of the variation could be explained or attributed to other independent variables not considered in this study. The implication of this result is that transactional leadership is very responsive to Productivity (P). This is why it accounts very high for the disparity.

The adjusted R² square which is more appropriate test for goodness of fit for multiple regressions is (.564) or 56.4%. The adjusted R² square statistic provides better estimates of the true population value. Finally, the Durbin Watson is estimated at 1.519 which is approaching 2 indicates that the absence of auto-correlation.

Table 13c accounted for the Coefficient table for transactional leadership in relation to productivity. Accordingly, the result reported a p-value of 0.000. Since its p-value is less than 5% level of significance and greater than 95% confidence level, we rejected the null hypothesis three which states that “There is no significant

relationship between transactional leadership and productivity”. Instead, we accepted the alternative hypothesis three which states that there is a significant relationship between transactional leadership and productivity. This is adjudged from the fact that it estimated p-value (0.00) is less than 5%.

Conclusion and Recommendation

Based on the discussion of major findings, the conclusion obtained is that transactional leadership style has exhibited positive significant influence on Productivity and it is hereby recommended that it can also be employed by oil companied in Rivers State to enhance workers’ productivity.

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