PREDICTION OF TRANSFORMATIONAL LEADERSHIP ON EMPLOYEES’ GOOD GOVERNANCE IN MALAYSIAN LOCAL GOVERNMENT AUTHORITIES: A PILOT STUDY

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ABSTRACT

Good governance that is depicted by effective service delivery system is needed and must be performed by the public sector organizations in fulfilling the expectation of the civil society mainly. In human resource perspective, the roles of employees are prioritized to realize the success of good governance because they are considered as the front-line operator for the successful government service delivery. It is understood that recently, there are various negative complaints given by the public on the weaknesses of government service delivery that depict poor governance within the public sector organizations. Thus, public sector organizations have to instil the good governance practice among their employees in order to improve their service delivery. Transformational leadership is revealed as possible determinant which is influential in promoting good governance among the employees. The purpose of this paper is to examine a small amount of sample data on the transformational leadership and employees’ good governance in Malaysian Local Government Authorities. Therefore, instruments such as content and face validity, reliability and the data normality were also analyzed base on the amended version by expert such as academicians and practitioners, a few data were analysed using the statistical software SPSS version 20. The outcome reveals that the instruments are reliable and the data for pilot study show evidence of reasonable regularity.

Keywords: Transformational Leadership, Employees’ Good Governance, Pilot Test, Malaysian Local Government Authorities.

1. INTRODUCTION

Malaysian public sector organizations have to excel their service delivery especially in fulfilling the educated societies and their high expectations by developing good governance (H. MohdSidek, Prime Minister Department of Malaysia, unpublished government circular; Siddiquee, 2009). Presently, good governance is important in attracting public confidence and trust on public sector organizations and becomes the main factor for the business and economic growth in the country (SAA. Badawi, World Ethics and Integrity Forum, Kuala Lumpur, Malaysia, unpublished special keynote address; Rachagan, 2010). Thus,
emphasizing on the disclosure of the valuable elements of good governance by each of the
public sector employee is of meaningful importance (H. Mohd Sidek, Prime Minister
Department of Malaysia, unpublished government circular). These valuable elements of good
governance refer to the characteristics such as transparency, accountability, efficiency and
effectiveness, rule of law, commitment and integrity that drive the employees contributing
towards the public sector organizations better performances (Muhamad Nizam, Universiti

It has been revealed that knowledge sharing and transfer within the organization could be
succeeded by the accountable employees (Mouritsen et al., 2001). It promotes a
knowledgeable human capital who is able to do the job to achieve the organizational
goal. Obviously, accountability motivates individual employee for mutual benefits with other
coworkers which he/she is responsible to share and need to justify of what he/she owns and
achieves. Other characteristics such as efficiency and effectiveness have clearly leads to the
quality of service (Gilbert and Parhizgari, 2000). Meaning that the employee’s productivity is
based on the combination of optimum level of organizational resources and achieves the
standard (Phang, 2008; Rodsuti and Swierczek, 2002). Importantly, the issues of delayed
services and corruption in public service working environment may be solved through the
efficient and effective employee (M. Mahathir, Delay in services might result in
corruption, The New Straits Times, 5 July, 2012; U Myint, 2000). By realizing the roles of
good governance characteristics in succeeding the organization, hence, it is a must to
investigate how these characteristics can be developed and promoted. Consistently, McLellan
(2009) has emphasized that the identification of determinants of good governance should be
highly prioritised mainly in the system of public sector governance. Suitably, when the
characteristics of good governance are found less performed by the public sector employees
(Siddiquee, 2008).

Recently, the indications of ineffectiveness and inefficiency such as the abuse of power, slow
action and unethical behaviours among the public servants made by the public (Public
Complaint Bureau of Malaysia (PCB), unpublished statistics report 2012) showing the poor
governance of public sector. Besides, lack of characteristics such as transparency,
accountability and integrity lead to corruption incidence (U Myint, 2000) that famously
occurred among the public sector employees (Malaysian Anti Corruption Commission
[MACC], unpublished arrest statistics report 2007-2012). Famously, these problems occurred
in the local government authorities as frequently found in electronic media and newspapers
(Maria, 2008). As an evidence, in 2010-2012, the PCB received more than 2500 of local
council complaint which is among the highest of the complaint category (PCB, unpublished
planning, too much delay in official approval, abuse of power and failure of enforcement are
the serious complaints dedicated to the LGAs’ employees. These misconducts most probably
lead to corruption incidence if there is no corrective actions is taken. In the literature of
governance mainly related to the LGAs, researchers have examined that leadership style is a
significant predictor to promote the practice of good governance (Danilah and Siti, 2011;
Indranawati, 2010; Kamaruddin et al., 2012). Therefore, based on the problems and
importance of both variables in LGAs working environment, this study conducts an
investigation on the impact of transformational leadership style on good governance. Moreover, the contributions of transformational leadership to good governance still unclear since little study evaluates on this relationship mainly when they involve the multiple dimensions of good governance area as well as when it focuses on the Malaysian LGA perspective. However, for the earlier part of the investigation, this paper intends to discuss a pilot test in the context of LGAs in northern area of Malaysia. The purposes of pilot test conducted in this study are mainly to test the validity and reliability of the instrument used. Hence, the development of the instrument is based on transformational leadership that serve as independent variable and employees’ good governance as dependent variable. This paper will be organized as follows, next a discussion on the methodology, then results of validity and reliability test, and lastly conclusion is provided.

2. METHODS

Basically, this study is a pilot test of an earlier stage of research for the small samples of public sector organizations (LGAs) employees was selected based on the simple random sample. Consistently, the sample size for the pilot study is usually few that about 15 to 30 respondents and can be increased more when there are several levels exist from the test (Malhotra, 2008). Hence, for this study, a total of 60 copies of questionnaires were distributed to the employees in local government authorities (LGAs) in northern region of Malaysia. From that, 40 were completed and send back out of which 2 were not completely concluded and therefore, they are excluded for analysis.

Actually, for the pilot study, analysis for the inter-item uniformity reliability is the most practical measures and the most familiar test is Cronbach’s alpha coefficient (Sekaran and Bougie, 2010). Thus, this study employed Cronbach’s alpha test to identify the coefficient value for the internal uniformity or the items used. In other word, the value explains how far the consistency of the answered questions given by the individual respondents within certain period of times. In analysing the data, SPSS version 20 for windows was used. However, earlier step was taken by performing content validity which the draft of instrument was firstly given to experts such as academicians and practitioners. Besides, it was submitted also to the distinctive respondents to ensure their understanding and capability in answering each of the questions. All the procedures until analysis work were completed within the periods of two months in October and November 2013.

2.1 Instrumentation and Measurement of Variables

A well completed questionnaire was used in this study that contained of closed ended multiple choice questions. Basically, the nature of the items utilized in the questionnaire is related to the measurement of respondents’ perceptions. Relatively, past researchers has identified that Likert scale is the most suitable and reliable technique (Miller, 1991; Zainudin, 2010). In addition, this technique has been famously employed in developing the instrument of social science researches since it gives chances to the respondents to freely and sincerely select their options base on rational feelings. Thus, this study organised all variables in the measuring instrument by employing 5-point Likert type of scale, comprising the independent and the dependent variables. Since this scale has more choices although less than 7-point Likert scale, but it may also be able to make the respondents free of any undue cognitive
burden (Hair et al., 2010; Cavana et al., 2001; Churchill and Peter 1984). Subsequently, in getting a meaningful outcome from the feedback given and most possible scale reliability, 5-point Likert scales is known to be appropriate (Churchill and Peter 1984). A part of that, a 5-point scale becomes most favourable because the respondents are able to show their selections contentedly besides, a scale able to generate slightly higher mean scores relative to the highest possible attainable score. Also, there will be very small differenceamong the scale formats in terms of variation about the mean (Dawes, 2008). More important, a 5-point scale is adopted with mid-point that give the advantages like increasing the quality of data and reducing the biasness of respondents (Krosnick and Fabrigar, 1997) because they are not forced to choose a more positive or negative response. Mid-point in a 5-point scale is required especially when the topic of the question is highly sensitive. The reason is respondents have options by selecting this point when they are unsure. Consequently, this study utilized the variables of transformational leadership and employees’ good governance which both are multi-dimensional. Thus, in questionnaire, for the section 2, it is a set of 20 questions that aim to measure the behaviors of transformational leadership in influencing individual characteristics of good governance. Lastly, in section 3, it contains 39 items that are related to the measurement of the characteristics of good governance at individual level. However, earlier section 1 consists of questions that seek to identify respondents’ profiles. Basically, this study emphasized on the most appropriate items in the survey in order to provide accurate answers for the research questions. Besides, for the survey, this study excluded the reactive questionnaire because it affects low response rate (Sekaran and Bougie, 2010).

3. RESULTS OF VALIDITY AND RELIABILITY TESTS

3.1 Content and face validity

Hair et al. (2010) and also Sekaran and Bougie (2010) suggested that content validity as an important activity for the pre-test of the instruments which it involves the revisions, checking and judgements from characteristics respondents and/or team of specialist about the suitability of the items selected to ensure a correct variable. Thus, this study performed content validity as an assessment of the scale’s function in determining what is theoretical to measure by ensuring that the measures has adequate and right position of items that provide significant idea. For that, the instrument of the study was distributed to specialist to make it really appropriate and enough with the items planned that able to measure the investigated construct in the study. Besides, some scholars who highly experienced with the similar areas of study did checking the sample of instrument to make it clearer for respondents understanding. Modifications of some items were done on their words and sentences to make them correctly represent the constructs and become clearer from the views of targeted respondents. Basically, the process for content and face validation took about five weeks for completeness. Following the trusted content and face validity outcomes then the researcher revamped to a more accurate version of the instrument which was finally managed for the pilot study.

3.2 Reliability Test
Basically, this study employed the internal consistency reliability test which was frequently used by the past researchers in analyzing instrument reliability (Zainuddin, 2010). It is about “as the degree to which items “dangle jointly as a set” and are able of autonomously measuring the identical concept to the degree that the items are related with others” (Gorondutse and Haim, 2013). Thus, the famously accepted test of inter-item consistency reliability is Cronbach’s alpha coefficient (Sekaran and Bougie, 2010). In relation to that, this study determined the reliability of the instruments by employing Cronbach alpha test. Analysis through the SPSS version 20 for windows provided the outcome which indicated that all the instruments have high reliability criterion ranging from 0.621 to 0.962 as presented in Table 1. Consistently, they meet the guideline that an instrument with coefficient of 0.60 is considered to have an average reliability while the coefficient of 0.70 and more reveals that the measurements has a high reliability standard (Hair et al., 2010; Nunnally, 1978; Sekaran and Bougie, 2010) and is consistent with previous studies which used same measurement and revealed reliable and valid results for both transformational leadership (Bass and Avolio, 1995; Bass and Avolio, 2004) and good governance dimensions (Cook and Wall, 1980; Hochwarter et al., 2003; Mayer and Davis, 1999; Rogers, 1987; Quinn, 1988). Accordingly, as given by the above recognized guideline, all the constructs with their dimensions are reliable.

Table 1: Reliability Test Using SPSS Version 2.0 For Windows

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Number of Items</th>
<th>Cronbach Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tranformational Leadership</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dimensions:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individualized Influence (Attbrt)</td>
<td>4</td>
<td>0.871</td>
</tr>
<tr>
<td>Individualized Influence (Bhvior)</td>
<td>4</td>
<td>0.886</td>
</tr>
<tr>
<td>Inspirational Motivation</td>
<td>4</td>
<td>0.843</td>
</tr>
<tr>
<td>Intellectual Stimulation</td>
<td>4</td>
<td>0.903</td>
</tr>
<tr>
<td>Individualized Consideration</td>
<td>4</td>
<td>0.882</td>
</tr>
<tr>
<td><strong>Employees’ Good Governance</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dimensions:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transparency</td>
<td>8</td>
<td>0.882</td>
</tr>
<tr>
<td>Accountability</td>
<td>6</td>
<td>0.846</td>
</tr>
<tr>
<td>Effectiveness</td>
<td>5</td>
<td>0.922</td>
</tr>
<tr>
<td>Efficiency</td>
<td>5</td>
<td>0.955</td>
</tr>
<tr>
<td>Integrity</td>
<td>6</td>
<td>*0.621</td>
</tr>
<tr>
<td>Commitment</td>
<td>9</td>
<td>*0.678</td>
</tr>
</tbody>
</table>

However, the reliability of the above constructs are mainly contributed by the respondents’ answers who have been in service between one to five years than the rest years as depicted in Table 2. This shows that most of the employees of support group in LGAs are new who aggressively willing to share their perceptions on the leadership style and the characteristics of good governance practiced by themselves. Similarly, with respect to employer, 47% of respondents are working at the Municipal Council which is greater than City Council and District Council. This is due to the number of Municipal Council that is operated as LGA in northern area of Malaysia is higher than City Council. Meanwhile, the Municipal Council requires high numbers of workers especially for support group in serving the bigger number of local citizen if compared to District Council that serves in smaller area and needs less workers. With regards to the respondents’ higher academic qualifications who pass SPM and Diploma have high percentages, which testify that diploma holders have been recruited not
only for the higher position in group B (e.g., Assistant Administrative Officer, Technical Assistant and Assistant Town Planning Officer) but many of them have accepted the position in group C (Clerical levels).

Table 2: Demography of Respondents (N = 38)

<table>
<thead>
<tr>
<th>No</th>
<th>Items</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Male</td>
<td>16</td>
<td>42.1</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>22</td>
<td>57.9</td>
</tr>
<tr>
<td>2</td>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Less than 25 years</td>
<td>2</td>
<td>5.3</td>
</tr>
<tr>
<td></td>
<td>26 – 35</td>
<td>17</td>
<td>44.7</td>
</tr>
<tr>
<td></td>
<td>36 – 45</td>
<td>10</td>
<td>26.3</td>
</tr>
<tr>
<td></td>
<td>46 and above</td>
<td>9</td>
<td>23.7</td>
</tr>
<tr>
<td>3</td>
<td>Race</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Malay</td>
<td>37</td>
<td>97.4</td>
</tr>
<tr>
<td></td>
<td>Chinese</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>India</td>
<td>1</td>
<td>2.6</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>4</td>
<td>Religion</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Islam</td>
<td>37</td>
<td>97.4</td>
</tr>
<tr>
<td></td>
<td>Buddhist</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Hinduism</td>
<td>1</td>
<td>2.6</td>
</tr>
<tr>
<td></td>
<td>Christianity</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>5</td>
<td>Higher Academic Qualification</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SRP/PMR</td>
<td>1</td>
<td>2.6</td>
</tr>
<tr>
<td></td>
<td>SPM/MCE</td>
<td>12</td>
<td>31.6</td>
</tr>
<tr>
<td></td>
<td>STPM/HSC</td>
<td>6</td>
<td>15.8</td>
</tr>
<tr>
<td></td>
<td>Diploma</td>
<td>11</td>
<td>28.9</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>8</td>
<td>21.1</td>
</tr>
<tr>
<td>6</td>
<td>Employer</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>City Hall/ City Council</td>
<td>10</td>
<td>26.3</td>
</tr>
<tr>
<td></td>
<td>Municipal Council</td>
<td>18</td>
<td>47.4</td>
</tr>
<tr>
<td></td>
<td>District Council</td>
<td>10</td>
<td>26.3</td>
</tr>
<tr>
<td>7</td>
<td>Department</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Management Services</td>
<td>21</td>
<td>55.3</td>
</tr>
<tr>
<td></td>
<td>Finance</td>
<td>1</td>
<td>2.6</td>
</tr>
<tr>
<td></td>
<td>Enforcement</td>
<td>3</td>
<td>7.9</td>
</tr>
<tr>
<td></td>
<td>Technical</td>
<td>9</td>
<td>23.7</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>4</td>
<td>10.5</td>
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<tr>
<td>8</td>
<td>Position</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>In Group B</td>
<td>9</td>
<td>23.7</td>
</tr>
<tr>
<td></td>
<td>In Group C</td>
<td>26</td>
<td>68.4</td>
</tr>
<tr>
<td></td>
<td>In Group D</td>
<td>2</td>
<td>5.3</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>1</td>
<td>2.6</td>
</tr>
<tr>
<td>9</td>
<td>Grade of Service</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1 – 10</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>11 – 20</td>
<td>17</td>
<td>44.7</td>
</tr>
<tr>
<td></td>
<td>21 – 30</td>
<td>20</td>
<td>52.6</td>
</tr>
<tr>
<td></td>
<td>31 - 40</td>
<td>1</td>
<td>2.6</td>
</tr>
<tr>
<td>10</td>
<td>Year of Service</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1 – 5 years</td>
<td>13</td>
<td>34.2</td>
</tr>
<tr>
<td></td>
<td>6 – 10 years</td>
<td>6</td>
<td>15.8</td>
</tr>
<tr>
<td></td>
<td>11 – 15 years</td>
<td>6</td>
<td>15.8</td>
</tr>
<tr>
<td></td>
<td>16 – 20 years</td>
<td>5</td>
<td>13.2</td>
</tr>
<tr>
<td></td>
<td>21 years and above</td>
<td>8</td>
<td>21.1</td>
</tr>
</tbody>
</table>
4. CONCLUSION

In highly challenging work environment of civil service, it has become necessary for employees to sustain their positions and build up their competency through enhanced characteristics of good governance. In particular, practicing good governance has recently become a strategic initiative for employees, mainly because good governance is usually evaluated according to how far the employees disclose the valuable characteristics such as transparency, accountability, effectiveness and integrity that promote themselves free of misconducts and affect public satisfaction through their quality of service delivery. Leadership style of transformational has received significant attention as important variable in influencing employees’ good governance. One of the main objectives of leadership style is to motivate the employees and foster them with the practice of good governance.

The objectives of this study is about the pilot study test. It is about the validity and reliability of the instrument of a continuous project in principle for the main study. Consequently, the conclusion of this research is disclosed to its purposes which are mainly statistical in nature at this end. The connotation of the variable would be completely explained after the main study is executed. The study utilised the few scale data during the pilot study. Content and face validity were conducted which consequently led acceptance of specialist view to get the most possible version of the instruments. Moreover, the inter-item reliability test resulted that all the items were reliable with Cronbach Alpha well above the benchmark of 0.60. Showing that all items are acceptable without deleted for the actual survey.

REFERENCES


