

The Impact of Transformational Leadership on Motivation and Performance in Selected Public Sector Organizations

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ABSTRACT

Effective Transformational leadership drives an organization's members to achieve a common purpose. Leaders must influence followers to work to achieve a common vision. Leaders understand their values and the values of their followers. In other to guide and direct behavior. Motivation skills required by managers to impact positively on the performance of employees. This study assesses the impact of Transformational leadership on employee motivation and performance. The scope of the study is limited to selected public sector organizations; organizations as; Ghana Standard Authority (GSA), Food and Drugs Authority (FDA) and Environmental Protection Agency (EPA). The sample consisted of employees of the above-mentioned organizations. A total of 69 questionnaires were used for the analysis. The study found that two of the variables of Transformational leadership that is, inspirational leadership and intellectual stimulation have a strong positive and significant impact on employee motivation while the other two variables which are charismatic leadership and individualized consideration have a negative impact on employee motivation. Simply put, fifty percent (50%) of Transformational leadership have a positive impact on employee motivation. The study also found that charismatic leadership is the best predictor of employee performance than employee motivation. For public sector organizations to obtain highest employee performance and motivation, managers should use inspirational, intellectual stimulation and charismatic leadership styles of transformational leadership. For an organization to gain the competitive edge in its respective industry, needs among other things transformational leaders who would use their charisma, inspirational abilities and intellectual stimulation to motivate their followers to obtain employee highest performance for the enhancement of a high productivity to achieve the organizational goals.

INTRODUCTION

In recent times organizations are focusing on how to conduct good leadership motivation programmes that would address strategies to improve employee productivity and turnover. But many institutions have still not been able to develop and maintain a long-lasting programme to achieve that objective. The result is high employee turnover as a result of job dissatisfaction, initial struggles, poor performance and disappointment.

Leadership is one of the most pressing issues and one of the least understood concepts in management and administration today. The study of leadership has gone through several paradigm shifts and now encompasses a voluminous body of knowledge. As a universal activity, leadership is fundamental for effective organizational and social functioning. The very nature of leadership is its influencing process and its resultant outcomes. Such a process is determined by the leaders and followers' characteristics, dispositions, behavior, perceptions, attributions and the context wherein the process of influencing occurs. The moral purpose of leadership is to create an empowered follower with a performance that leads to moral outcomes that are achieved through moral means [3].

In defining leadership, we must take into consideration its distinctness from power and management. Power refers to the potential of any leader to influence others and includes referent power, expertise, the ability to reward or punish and others. Management refers to objective-driven approaches in acquiring stability based on rationality, bureaucratic means and the fulfillment of contractual obligations. Whereas, leadership refers to purpose-driven activity that results in changes that are based on values, ideals, visions, symbols and emotional exchanges. Based on these definitions, we can say that leadership and management both requires power, however, management implicates the cognitive domain of employees compared to leadership that has direct effect on affective domain [3].

Since leadership relies on providing directions that satisfy the motivational needs of others, there is a relationship between leadership and motivation. As an individual power, motivation can stand on its own. Leaders, on the other hand, act to provide satisfaction. Consequently, successful leaders are required to understand the needs of others and subsequently apply perception and influence to show others that effective satisfaction is achieved when following the leader's view. Leadership cannot succeed without motivation [9].

Leadership is not just a position, "it is a moral relationship between people, held together by loyalty and trust, and rooted in the leader's commitment to values and accountability when exercising power and authority" [16]. Various researchers, practitioners and policymakers now acknowledge that motivation can be conceptualized from a functional perspective and that appropriate interventions involve the development of alternative measures to cope up. It was also noted that the establishment of a conducive environment for learning and leadership training have served effectively in lowering the prevalence of underachievement among individuals.

The term motivation has both psychological and managerial connotations. The psychological meaning of behavior refers to the internal mental state of a person that relates to the initiation, direction, persistence, intensity and termination of behavior. The managerial meaning of motivation deals with the activity of managers and leaders to induce others in order to produce results desired or outlined by the organization or by the manager. The managerial concept of motivation conforms to a relationship between motivation, ability and performance [1], [12], [41]. The main purpose of motivation in a workplace is to minimize dissatisfaction and to keep people within the organization. There are so many factors that may motivate an individual employee. Examples of this are technical supervision, interpersonal relations, salary, working conditions, status, company policy and job security [49].

STATEMENT OF THE PROBLEM

The achievement of organizational objectives rests largely on the effective leadership and motivation of the human resources at the disposal of the organization. However, most top management or the leadership in many organizations is unable to lead and motivate their subordinates to be able to achieve organizational objectives, a tendency which affects the Ghana Standard Authority (GSA), Food Drugs Authority (FDA) and Environmental Protection Agency (EPA) in Ghana. Organizations are managed and staffed by people and without people, organizations cannot exist or function effectively. A very low or ineffective leadership and motivation significantly affects the financial performance of any organization. Particularly, it affects the provision of quality work and output in the GSA, FDA and EPA.

Ineffective leadership and motivation could be very costly to an organization and ultimately takes its toll on the organizational performance, productivity and profit. There are direct and indirect costs associated with low employee performance stemming from ineffective leadership and motivation. The direct cost includes the time involved in recruiting, selecting, and training new personnel to replace dismissed employees who may be deemed non-performing as well as the cost associated with advertising and manpower. The time managers spend in the selection process of new employees could otherwise be devoted to other management responsibilities. This research therefore assesses the impact of transformational leadership on motivation and performance.

Research Question

The study understands the impact of transformation leadership on motivation and performance in selected public sector organizations. Therefore, the following research questions were used to guide the investigation:

- Is there a relationship between transformational leadership and motivation?
- Is there a relationship between transformational leadership and employee performance?
- Is there a relationship between motivation and employee performance?

Research Hypotheses

- H1: Charismatic Leadership will significantly impact on employee motivation
- H2: Inspirational Leadership will significantly impact on employee motivation
- H3: Intellectual Stimulation will significantly impact on employee motivation
- H4: Individualized Consideration will significantly impact on employee motivation
- H5: Charismatic Leadership will significantly impact on employee performance
- H6: Inspirational Leadership will significantly impact on employee performance
- H7: Intellectual Stimulation will significantly impact on employee performance
- H8: Individualized Consideration will significantly impact on employee performance

Objectives of the study

It is expected that the study will inform the selected public sector organizations the relevance and impact that transformational leadership have on motivation and employee performance as stated in the following:

1. To assess the impact of Transformational leadership on employee Motivation
2. To assess the impact of Transformational leadership on employee performance

Significance of the study

The significance of this study is therefore manifold and includes the following:

- The study is believed to bring to light the benefits that Ghana Standard Authority (GSA), Food Drugs Authority (FDA) and Environmental Protection Agency (EPA) and their top management would derive from effective leadership and motivation of employees.
- The study would also provide baseline data to those who may desire to research into the problems of leadership and motivation of employees in the GSA, FDA and EPA or any organization.
- This study would be of great assistance to GSA, FDA and EPA as a whole in Ghana or any other organization to guide the organization in effectively leading and motivating its employees to churn out high performance.
- The study also reviews the extent to which effective leadership and motivation affects service delivery and work by employees in the GSA, FDA and EPA.
- The study will therefore be useful to human resource practitioners, executive directors, supervisory boards and owners of businesses. This will help them to develop leadership qualities that emphasize the finding of a match between organizational and employees' personal interests.
- It would also help employers or executive management to develop ways of motivating employees because if the employees feel confident in their ability, good about their jobs and pleased with the organization they will be able to deliver good performance.

Scope and limitations of the study

The study is centered on how Transformational leadership and motivation contribute to effective employee performance within an environmental setup with particular reference to the Ghana Standard Authority (GSA), Food Drugs Authority (FDA) and Environmental Protection Agency (EPA) which are statutory regulatory bodies with their Head Offices in Accra and regional and district offices throughout the 10 regions of Ghana.

The researcher faced several challenges in the collection of data and because of this several man-hours were expended in gathering and analyzing the relevant data towards the successful completion of the project. Even though this study is bound to produce new understanding in the theory and practice of leadership and motivation of employees in major organizations in Ghana, conducting the study may not be without limitation one being the following:

- a) There were also some instances of unwillingness on the part of respondents to complete questionnaires on time.
- b) Though there are several theories governing leadership and motivation, this researcher limited himself too only a few. Transactional and transformational theories of leadership and Herzberg's two-factor theory on motivation was the theoretical framework for the study.
- c) Though, the sample unit for this study was stated as the Ghana Standard Authority, Food and Drugs Authority and Environmental protection Agency attention were concentrated on the Head Office staff in Accra. All others who could not be accessed for data gathering by means of the structured questionnaire were accessed mainly through telephone interviews.

Organization of the study

This research work is divided into five (5) main chapters as follows:

Chapter One contains the introduction of the study, which is about factors pertaining to effective leadership and motivation of employees in the organization, the problem statement, objectives of the study, hypothesis, and the significance of the study.

Chapter Two dwells mainly on the literature review of the research topic. This chapter contains the review of works other researchers have done about the subject area. It will therefore inform this research of a relationship if any between the variables being researched or investigated.

Chapter Three focuses on the methodology that will be employed to gather the relevant data needed to carry out the research work. It also talks about methods and techniques for analyzing the data.

Chapter Four contains the Results and interpretation of data

The final chapter, (Chapter Five) discusses the findings and conclusions.

LITERATURE REVIEW

In this chapter, the theoretical framework of the research work is presented. Prior literature of research carried out by scholars on leadership styles is reviewed. There is also a presentation of the theories of leadership, including transformational and transactional leadership. Besides, the theories and research on motivation are reviewed and discussed. Furthermore, the relationship between leadership, motivation and performance is explored.

Leadership

Leadership, or more specifically effective leadership, is every bit as crucial (if not more so) in African organizations as it is throughout the world. African organizations are no different from others worldwide in terms of striving for performance in order to be globally competitive. The South African situation, however, is incredibly complex as many organizations are caught in the middle of a web of authoritarian hierarchies and traditional leadership approaches, as well as bureaucratic hierarchies mixed with modern approaches to leadership [30].

It is argued that effective leadership has a positive influence on the performance of organizations ([39],[5],[15]. Ultimately it is the performance of many individuals that culminates in the performance of the organization, or in the achievement of organizational goals. Effective leadership is instrumental in ensuring organizational performance [20],[34]. As a result, many leadership theories have been proposed in the last fifty years which are claimed to have influenced the overall effectiveness of the organizations where they have been employed. In the competitive world business environment, it is vital that organizations employ leadership styles that enable organizations to survive in a dynamic environment [39], [8]

Leadership Styles

There are a number of different approaches, or 'styles' to leadership and management that are based on different assumptions and theories. The style that individuals use will be based on a combination of their beliefs, values and preferences, as well as the organizational culture and norms which will encourage some styles and discourage others. Some leadership styles reviewed include the following:

- Charismatic leadership

- Participative leadership
- The Quiet leader
- Servant leadership

Leadership Theories

Definition and Theories of Leadership

This research study looks at various leadership theories and these have been notably varied over the years and range from the “great man” theory, trait theory, behavioral theory, participative leadership theory, situational leadership theory, and contingency theory to transactional and transformational leadership theories. As for the meaning of leadership, there are various opinions expressed among different researchers. [43] finds that many of the definitions are ambiguous whilst [47] reports that the meaning of leadership may depend on the kind of institution in which it is found. In this research study, the focus is on leadership in businesses or organizations for which reason some definitions will be ignored.

[11] reports that a study of the definition of leadership reveals one hundred and thirty (130) different definitions. However, several generally accepted variations on the definition appear in the management and leadership literature.

Four Major Types of Leadership Theories

The four major leadership theories are characterized by the following

- Trait theories: These theories are those that are concerned with who leads, that is, characteristics of leaders which is represented by trait theories.
- Behavioral theories: These theories are concerned with how the leaders lead, that is, leaders’ behaviors on the job.
- Situational or contingency theories: These theories are concerned with the circumstances under which the leaders lead.
- Relational theories: These theories are concerned with the characteristics of the people who follow the leader.

Transactional and Transformational leadership

Transactional and transformational leadership are seen to be in a continuum rather than mutually exclusive [4]. [6] viewed the transformational/transactional leadership as being comprised of complementary rather than polar constructs. The transformational leadership style is complementary to the transactional style and likely to be ineffective in the total absence of a transactional relationship between leaders and subordinates [4]. The difference is that transactional leaders use rewards as a control mechanism to carry out the exchange relationship explicitly established to externally motivate followers, whereas transformational leaders use rewards as a component of a system designed to increase followers’ commitment and internally motivate followers [3], [20], [21].

According to [45], there are four dimensions of transactional leadership:

- **Contingent rewards:** leaders provide a variety of rewards in exchange for mutually agreed upon goal accomplishment.
- **Active management by exception:** leaders take corrective action for any deviation from rules and standards.

- Passive management by exception: leaders intervene only in circumstances where standards are not met.
 - Laissez-faire: leaders sometimes abdicate responsibilities and avoid decisions.
- Transformational leadership is quite distinct from transactional leadership in that transformational leaders are able to alter the beliefs and attitudes of followers and inspire them to subordinate their own interests for the good of the organization [11].

Transformational leadership has the assumption that people follow a person who inspires them and the followers accept and internalize the values expressed by their leader [4]. The transformational leader achieves things by using enthusiasm and energy and these leaders set more challenging expectations and achieve higher performances than transactional leaders [4]. The four dimensions of transformational leadership are 1) idealized influence, 2) inspirational motivation, 3) intellectual stimulation and 4) individualized consideration [4]. A short explanation of these concepts follows:

1. Charismatic/Idealized influence: this component is recently divided into two forms. Idealized influence attributed: instilling pride in and respect for the leader; the followers identify with the leader. Charismatic/Idealized influence behavior: representation of a trustworthy and energetic role model for the follower.
2. Inspirational motivation: articulation and representation of a vision; leaders' optimism and enthusiasm.
3. Intellectual stimulation: followers are encouraged to question established ways of solving problems.
4. Individualized consideration: understanding the needs and abilities of each follower; developing and empowering the individual follower [30]

As compared with transactional leadership, a transformational leader places more emphasis on the process of the creation of involvement. This leader also attempts to encourage extra effort by trust and commitment and is more likely to inspire and motivate his or her subordinates.

Leadership and Communication

How leaders communicate with their followers contribute effectively to organizational performance. There are three primary directional flows of communication: downward communication, upward communication, and horizontal communication. Downward communication flows from the top of the organization towards the bottom. Managers often use this approach to provide instructional and procedural information to employees. Often downward communication uses formal communication channels to transmit information.

Upward communication flows from lower levels of the organization to higher levels. Often, established communications such as performance reports, employee attitude surveys and grievance procedures flow upward from lower levels. Horizontal communication occurs between departments or functional units. This communication occurs among members within the same work group or often at the same levels. Given the nature of cross-functional teams that are often employed in organizations today, horizontal communication becomes very important because of the interdependent nature of cross-functional areas. On occasion, horizontal communication is a source of interpersonal conflict, particularly when vertical communication flows are breached [45].

Effective performance in organizations is dependent upon effective communication. Organizations have identified effective communication skills as a critical component of any manager's job, and good communicators tend to create environments that foster effective performance. [36] suggest the following basic principles for effective communication:

Managers should take their time to communicate with employees;

- They should be accepting of others;
- They should try to separate the people from the problems;
- They should be able to communicate their feelings;
- They should listen actively and
- They should finally be timely and specific with their feedback.

Motivation Theories

The level of performance of employees relies not only on their actual skills but also on the level of motivation each person exhibits [12]. Motivation is an inner drive or an external inducement to behave in some particular way, typically a way that will lead to rewards [23]. Over-achieving, talented employees are the driving force of all firms so it is essential that organizations strive to motivate and hold on to the best employees [31].

The quality of human resource management is a critical influence on the performance of the firm. Concern for strategic integration, commitment flexibility and quality, has called for attention for employees' motivation and retention. Financial motivation has become the most concern in today's organization, and tying to Maslow's basic needs, non-financial aspect only comes in when financial motivation has failed.

According to [29] definition of motivation could be divided into three main parts. The first part looks at arousal that deals with the drive, or energy behind individual (s) action. People turn to be guided by their interest in making a good impression on others, doing interesting work and being successful in what they do. The second part referring to the choice people make and the direction their behavior takes. The last part deals with maintaining behavior clearly defining how long people have to persist at attempting to meet their goals.

Motivation can be intrinsic and extrinsic. Extrinsic motivation concerns behavior influenced by obtaining external rewards [35]. Praise or positive feedback, money, and the absence of punishment are examples of extrinsic or external rewards [21]. Intrinsic motivation is the motivation to do something simply for the pleasure of performing that particular activity (Hagedorn and Van Yperen, 2003). Examples of intrinsic factors are interesting work, recognition, growth, and achievement. Several studies have found there to be a positive relationship between intrinsic motivation and job performance as well as intrinsic motivation and job satisfaction [37]. This is significant to firms in today's highly competitive business environment in that intrinsically motivated employees will perform better and, therefore, be more productive, and also because satisfied employees will remain loyal to their organization and feel no pressure or need to move to a different firm.

[22] conducted and replicated an experiment that showed the negative impact of monetary rewards on intrinsic motivation and performance. A group of college students were asked to work on an interesting puzzle. Some were paid and some were not paid for the work. The

students that were not being paid worked longer on the puzzle and found it more interesting than the students being paid. When the study was brought into a workplace setting, employees felt that their behavior was being controlled in a dehumanizing and alienating manner by the rewards. It was discovered that rewards would seriously decrease an employee's motivation to ever perform the task being rewarded, or one similar to it, any time in the future.

Introduction and Definition of Motivation

Motivation is defined as the force within an individual that establishes the level, direction and persistence of effort the individual expends at work.

- Level represents the amount of effort or intensity a worker exerts on the job;
- Direction gives an individual's choice of where he/she should put their efforts, for instance, quality at the expense of quantity and
- Persistence refers to his stamina, that is, how long he is able to sustain his effort [26].

Each person is attracted to some set of goals. A manager must therefore have some knowledge about an employee's goals and about the actions he/she has to take to achieve them in order to the employee's behavior with any accuracy [27]. [12] report that, theories of motivation fall into two categories, namely, content and process theories. Content theories focus on the factors within the person that energize, direct, sustain and stop behavior. They thus attempt to determine the specific needs that motivate people. Process theories however describe and analyses how behavior is energized, directed, sustained and stopped.

Content Theories of Motivation

[27] report that content theories focus on individual needs in explaining job satisfaction, worker behavior and reward systems. The theories suggest that within a person, individual need deficiencies activate tensions that trigger a behavioral response. For managers to be effective, the content theories suggest that they must:

1. Determine what needs trigger desired performance, group, and behaviors.
2. Be able to offer meaningful rewards that help the employee to satisfy needs.
3. Know when to offer appropriate rewards to optimize performance behavior.
4. Not assume that a person's need deficiencies will repeat themselves in a regular pattern. People change because of experiences, life events, aging, cultural and environmental changes, and other factors.

Managers therefore should know that their employees have different needs, desires, and goals because each individual is unique in many ways. The content theories discussed by this study are the following:

- Abraham H. Maslow's Hierarchy of Needs Theory
- Frederick Herzberg's Two-Factor (Motivators and Hygiene Factors) Theory

Intrinsic and Extrinsic Motivation

For the purpose of this study, we further divided the five sources of motivation into two categories: intrinsic internal [20], [34]' comprised of intrinsic process, self-concept-internal and goal internalization; and extrinsic external [20], [34], comprised of instrumental and self-concept external. Intrinsic internal motivation embodies the person and his or her emotions, encompassing h, trust, and self-worth, all of which are derived from internal influences. These

qualities are similar to those needed for transformational behaviors [6],[11], [5]. An extrinsic external Leaders' intrinsic internal combined process really derives from the motivation will be positively related to surroundings of the person. People influenced by a behavior.

Intrinsic external process is motivated by Leaders' extrinsic/external prestige, rewards and status, perhaps more motivation will be positively related to suitable to transactional and charismatic transactional leadership behaviors. Leadership [7], [5].

Abraham H. Maslow's Hierarchy of Needs Theory

[40] reports that the needs of the individual can be divided into five levels, the lowest-level needs being the physiological needs and the highest-level needs being self-actualization needs. In between these levels are the safety and security, belongingness and self-esteem need respectively.

- i. Physiological needs: the need for food, drink, shelter, and relief from pain.
- ii. Safety and security: the need for freedom from threat; that is, the security from threatening events or surroundings.
- iii. Belongingness, social and love: the need for friendship, affiliation, interaction, and love.
- iv. Esteem: the need for self-esteem and for esteem from others.
- v. Self-actualization: the need to fulfill oneself by maximizing the use of abilities, skills, and potential.

Herzberg's Two Factor Theory (Frame Work)

[33] separates the factors that control employee behavior into the two factors of dissatisfiers and satisfiers or hygiene or motivators, also referred to as extrinsic and intrinsic factors respectively. The original research testing this theory included a group of two hundred (200) accountants and engineers representing a cross-section of Pittsburgh industry were interviewed. The study was designed to test the concept that man has two set of needs: his need as an animal to avoid pain and his need as a human to grow psychologically.

The respondents were asked about events they had experienced events they had experienced at work which either had resulted in a marked improvement in their job satisfaction or had led to a marked reduction in job satisfaction. The interviewers began by asking the engineers and accountants to recall a time when they had felt exceptionally good about their jobs. The systematic procedure resulted in the development of two distinct kinds of experiences: satisfiers and dissatisfiers. Herzberg's initial study resulted in two specific conclusions. First, there is a set of extrinsic conditions, the job context. They include:

- Salary
- Job security
- Working conditions
- Status
- Company procedures
- Quality of supervision
- Quality of interpersonal relations among peers, with superiors, and with subordinates.

The presence of these conditions does not necessarily motivate the employee. But their absence results in dissatisfaction among employees. Because they are needed to maintain at least a level of “no dissatisfaction,” the extrinsic conditions are called the dissatisfiers or hygiene factors. Secondly, a set of intrinsic conditions, the job content, is also present. These conditions include the following:

- Achievement
- Advancement
- Recognition
- The work itself
- Responsibility
- The possibility of growth

The absence of these conditions does not necessarily prove highly dissatisfying. But when present, they build strong levels of motivation that result in good job performance. Therefore, these factors are called the satisfiers or motivators [33]; [27].

Process Theories of Motivation

The major process theories discussed in this study include the following:

- Equity theory by Stacey [1], [2]
- Expectancy theory by [50]

Equity Theory

[1] suggests in the equity theory that if workers perceive a level of inequity or unfairness when they compare their work situations to that of others, they have the motivation to change the situation, in order to generate (at least in their minds) a much better or more accurate sense of fairness. The theory distinguishes between felt negative inequity and felt positive inequity.

Felt negative inequity occurs when an employee feels that he or she is receiving less (in the way of compensation, or recognition, or advancement) than others are, in proportion to the efforts they have put into the work. Felt positive inequity exists when employees feel that, compared with others, they are actually getting more. When feelings of either negative or positive inequity exist in organizations, the following are some of the action's employees take to correct this sense of inequity:

- They change the work inputs, that is, they work less hard.
- They change the outcomes or rewards by asking for a salary increase.
- They quit the job.
- They change comparison points by comparing oneself with another worker.
- They distort the comparisons psychologically by maybe rationalizing the situation as being temporary.
- They act to change the inputs or outputs of the comparison person by giving the employee more work [1].

When employees perceive that compensation and reward systems are equitable, they have higher levels of job satisfaction and are willing to work harder towards the achievement of organizational objectives

Expectancy Theory

[50] reports that people are constantly predicting likely future occurrences and thus create expectations about them. If these events seem reasonably likely and attractive and they know how to get these events to occur, and that they can contribute to its occurrence, then this knowledge will motivate them to act to make this future event possible. He reports that, motivation is thus a combination of:

- Valence: The value of the perceived outcome (What does the person gain?)
- Instrumentality: The belief that if the person puts in certain effort, then he will achieve the outcome. (What path does the individual take?)
- Expectancy: The belief that he is able to complete the actions. (What is his capability?)

He also reports that an unpleasant outcome can also occur thus giving rise to a motivation which is now one of avoidance. He again reports that managers therefore need to motivate their employees to perform effectively by showing them very desirable outcomes, indicating how easy and straightforward it is to achieve the set targets, and then supporting their self-belief that they can put in all the efforts [50].

Transformational Leadership and Job Performance

Transformational Leadership, or more specifically effective Transformational leadership, is every bit as crucial (if not more so) in African organizations as it is throughout the world. African organizations are no different from others worldwide in terms of striving for performance in order to be globally competitive. The South African situation, however, is incredibly complex as many organizations are caught in the middle of a web of authoritarian hierarchies and traditional leadership approaches, as well as bureaucratic hierarchies mixed with modern approaches to leadership [30].

It is argued that effective leadership has a positive influence on the performance of organizations [39], [8], [15]. Ultimately it is the performance of many individuals that culminates in the performance of the organization, or in the achievement of organizational goals. Effective leadership is instrumental in ensuring organizational performance [20], [34]. As a result, many leadership theories have been proposed in the last fifty years which are claimed to have influenced the overall effectiveness of the organizations where they have been employed. In the competitive world business environment, it is vital that organizations employ leadership styles that enable organizations to survive in a dynamic environment [39], [8].

[20] confirmed the link between high performance and leadership in the United States by developing a model of charismatic/transformational leadership where the leaders' behavior is said to give rise to inspiration, awe and empowerment in his subordinates, resulting in exceptionally high effort, exceptionally high commitment and willingness to take risks. It has been widely accepted that effective organizations require effective leadership, and organizational performance will suffer in direct proportion to the neglect of this [39], [22].

RESEARCH METHODOLOGY

This chapter explains the different choices concerning the research methodology adopted. Here, the methodology including data collection, research philosophy as well as research approach is introduced.

Research Design

A survey research design was adopted to study the impact of Transformational leadership on motivation and employee performance.

The research setting is the selected public sector organizations, special emphasis was made on Ghana Standard Authority (GSA), Food and Drugs Authority (FDA) and Environmental Protection Agency (EPA).

Target Population

The population comprises employees from Ghana Standard Authority (GSA), Food and Drugs Authority (FDA) and Environmental Protection Agency (EPA).

Sampling Size and Sampling Procedure

This researcher worked with a sample population of one hundred (100) employees from Ghana Standard Authority (GSA), Food and Drugs (FDA) and Environmental Protection Agency (EPA). The Sampling procedure used was convenience sampling because of the busy nature of the employees in those organizations. In all 100 employees were administered with the questionnaire; 69 questionnaires were filled and returned. This gave a return rate of 69%.

Data Collection Instrument

The data for this research work was obtained essentially from primary and secondary sources. Primary data are data that are collected for special research. The data can be collected in a number of ways, such as, observations, semi-structured, in-depth and group interviews, as well as questionnaires [44].

However, it was found that the questionnaire technique was most appropriate to the research questions and objectives, because it can provide an efficient way of collecting responses from a large sample of prior to quantitative analysis.

Secondary data include both quantitative and qualitative data, and they are used principally in both descriptive and explanatory research. There are three main subgroups of secondary data: documentary secondary data, survey-based secondary data, and multiple-source secondary data [44]. In the research, extensive literature was reviewed on the relatively new concepts of transformational and transactional leadership. Also, documentary secondary data in such sources like journals, books, business reports, and magazine articles, was focused on. The following criteria had to be met: must be contemporary and written in English. But the most important criterion is that it should be concerned with three factors: leadership styles, motivation and performance.

This research work is mainly based on [5]' transformational and transactional theories and Herzberg's two-factor motivation theory. Besides, some of the most recognized researchers are on transformational leadership are [11], [4].

A survey questionnaire was developed from literature and pretested before the actual administration. A pilot study to pretest the research instrument used 26 employees from Ghana Standard Authority, Food and Drugs Authority and Environmental Protection Agency. A Cronbach's Alpha reliability value of 0.879 was derived from 14 items for transformational

leadership, A Cronbach's Alpha reliability value of 0.611 was derived from 8 items for motivation and A Cronbach Alpha reliability value of 0.889 was derived from employee performance. The final questionnaire had four sections; section A has five (5) questions of socio-demographic factors, section B has eight (8) questions of transformational leadership rating scale, section C has six (6) questions of employee motivation rating scale and section D has fourteen (14) questions of job performance rating scale. All questions were measured on a like scale ranging from 1: strongly disagree to 5: strongly agree.

The survey began by looking at the gender categories in which the respondents belong. According to the results, 45 persons are male representing 65% and 24 persons are female representing 35%. This does not mean that the survey was targeted at males but it is an indication of the fact that the organizations are male-dominated organizations and there are few females in all levels of the organizations. A higher academic qualification has been seen as an important ingredient for effective performance within these organizations. Thus, higher level managerial positions especially for Deputy Directors and Directors require not only managerial experience but also a postgraduate qualification.

The data obtained show that none of the junior staff is a graduate whilst Secondary and diploma qualifications accounted for 65% and 35% respectively. This however shows that all staff with qualification below HND are junior staff. The data also show that an HND and above qualification automatically qualifies one for a senior staff or managerial position. The data also indicated that out of 29 respondents who are managers, none holds neither Secondary nor Diploma qualifications whilst Higher National Diploma (HND), graduate and postgraduate qualifications accounted for 14.24%, 34.48% and 48.28% respectively.

Administrative Procedure

A total of 100 questionnaires constituting twenty-five (25) questions were administered by the researcher to employees of Ghana Standard Authority, Food and Drugs Authority and Environmental Protection Agency at convenience. The distribution of questionnaire was done during the break time of employees. In Ghana Standard Authority and Food and Drugs Authority the questionnaires were administered to employees on sit. But in Environmental Protection Agency, employees were given a couple of days to carefully fill out the questionnaires. An average of three weeks were used for the administration and collection the questionnaires. Though some of the employees where not co-operative others were very co-operative.

Data Analysis

Quantitative data analysis was done by the use of the Statistical Package for Social Sciences (SPSS) software. The appropriate statistical techniques for data analysis were Pearson's Product Moment correlation and multiple linear regression analysis, which were used to determine the relationship between the three variables, and to determine if the independent variable (Transformational leadership) is good predictor of the dependent variables (Motivation and Job performance).

RESULTS AND INTERPRETATION

The chapter presents the results of data analyzed and discusses the findings. The statistical method used to analyze the data collected was Pearson's Product Moment correlation and Multiple linear regression.

Results

Pearson's product-moment correlation explores the strength of the relationship between the variables, given an indication of both the direction (positive or negative) and the strength of the relationship. A positive correlation indicates that as one variable increases, so does the other. A negative correlation indicates that as one variable increases the other decreases.

Table 1: Model Summary of Transformational leadership and employee motivation

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate
1	.761	.579	.553		3.58028

a. Predictors: (Constant), Individualized Consideration, Intellectual Stimulation, Charismatic, Inspirational

Results from table 1 shows an R of .761, an R Square of .579 and adjusted R Square of .553. The four independent variable of Transformational Leadership explained a 58% variation in motivation of employees.

Table 2: ANOVA table of Transformational leadership and employee motivation

Model		Sum of Squares	D f	Mean Square	F	Sig.
1	Regression	1143.790	4	285.947	22.308	.000
	Residual	833.196	65	12.818		
	Total	1976.986	69			

a. Predictors: (Constant), Individualized Consideration, Intellectual Stimulation, Charismatic, Inspirational

b. Dependent Variable: Employee Motivation

The results in Table 2 indicates that the four factors of Transformational Leadership had a significant impact on motivation of employees ($F = 22.308$, $df = 65$, $p = .000$)

Table 3: Coefficients: for Transformational leadership and employee motivation

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.815	2.199		1.735	.088
	Charismatic	-.093	.274	-.037	-.339	.736
	Inspirational	.839	.349	.315	2.403	.019
	Intellectual Stimulation	1.013	.319	.329	3.174	.002
	Individualized Consideration	.716	.255	.292	2.806	.007

a. Dependent Variable: Employee motivation

Results in Table 3 reveals that intellectual stimulation was the best predictor of motivation (Beta = .329, $p = .002$) this was followed by inspirational leadership (Beta = .315, $p = .019$), this was also followed by individualized consideration (Beta = .292, $p = .007$) and finally charismatic leadership (Beta = -.037, $p = .736$)

Table 4: Model Summary of Transformational leadership and employee performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.563a	.317	.75	11.22130

a. Predictors: (Constant), Individualized Consideration, Intellectual Stimulation, Charismatic, Inspirational

Results from table 4 shows an R of .56, an R Square of .317 and adjusted R Square of .75. The four independent variable of Transformational Leadership explained a 30% variation in performance of employees.

Table 5: ANOVA table of Transformational leadership and employee performance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3807.306	4	951.827	7.559	.000a
	Residual	8184.637	65	125.917		
	Total	11991.943	69			

a. Predictors: (Constant), Individualized Consideration, Intellectual Stimulation, Charismatic, Inspirational

b. Dependent Variable: Job Performance

The results in Table 5 indicated that the four factors of Transformational Leadership had a significant impact on performance of employees ($F = 7.559$, $df = 65$, $p = .000$)

Table 6: Coefficients: for Transformational leadership and employee performance

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	14.838	6.893		2.153	.035
	Charismatic	2.236	.860	.363	2.599	.012
	Inspirational	.211	1.095	.032	.193	.848
	Intellectual Stimulation	1.781	1.000	.235	1.780	.080
	Individualized Consideration	.291	.799	.048	.364	.717

a. Dependent Variable: Job Performance

Results in Table 6 reveals that charismatic leadership was the best predictor of job performance (Beta = .363, $p = .012$) this was followed by intellectual stimulation (Beta = .235, $p = .080$) also followed by individualized consideration (Beta = .048, $p = .717$) and finally Inspirational Leadership (Beta = .032, $p = .848$)

DISCUSSION AND CONCLUSION

This chapter contains a summary of the findings, conclusions drawn from study and recommendations offered in order to achieve the objectives of the study.

Discussion

The research work was carried out to find out the impact of Transformational leadership on motivation and performance in selected public. Due to this, three objectives were put forward:

- To assess the impact of Transformational leadership on employee Motivation
- To assess the impact of Transformational leadership on employee performance
- To assess the impact of employee motivation on employee performance

The first hypothesis stated that charismatic leadership will significantly impact on employee motivation.

The result indicated that charismatic leadership has no significant impact on motivation of employees, (Beta = -.037, $p = .736$) this means that charismatic leadership is the worse predictor of employee motivation. This finding was not supported, on the contrary the assertion of [5] & [4] which states that the follower identifies with the leader and the representation of a trustworthy and energetic role model for the follower. The value of -.037 shows a weak relationship, which implies that even though there is a significant impact between the two variables, it is a weak impact.

The Second hypothesis stated that Inspirational Leadership will significantly impact on employee motivation. The result indicated that Inspirational leadership has a significant impact on motivation of employees, (Beta = .315, $p = .019$) this means that the more employees are inspired by their managers the more motivated they become and work harder towards the achievement of the objectives the organization as a whole. This finding was supported by Jung

& [4], that people follow a person who inspires them and the followers accept and internalize the values expressed by their leader. This also supported by [5] & [4], that when the leader articulates and represent the vision of the organization and expresses the optimism and enthusiasm towards its employees get motivated towards the achievement of that vision.

The Third hypothesis stated that Intellectual Stimulation will significantly impact on employee motivation. The result indicated that indeed intellectual stimulation has a significant impact on employee motivation (Beta = .329, $p = .002$). This means that when leaders intellectually stimulate their followers it enhances a high level of motivation for the employee. This finding support assertion of [27] which states that a manager must therefore have some knowledge about an employee's goals and about the actions he/she has to take to achieve them in order to the employee's behavior with any accuracy. This implies that when employees are motivated, they perform highly to achieve the goals of the organization.

The Fourth hypothesis stated that Individualized Consideration will significantly impact on employee motivation. According to the result individualized consideration is the very worse predictor of employee motivation (Beta = 0.292, $p = .007$). This means that when leaders use individualized consideration it does not motivate their followers. This finding was not supported, on the contrary, according to Rowold & Heinitz, 2007, understanding the needs and abilities of each follower; developing and empowering the individual follower. Beta of 0.292 indicates that when employees are given personal attention, coaching, and mentoring and growth opportunities they are not motivated to reflect in their productivity to the enhancement of the achievement of the organizational objectives.

The fifth hypothesis stated that Charismatic Leadership will significantly impact on employee performance. The results from the fifth hypothesis indicated that charismatic leadership is the best predictor of job performance (Beta = .363, $p = .012$). This means that when managers share complete faith in his/her subordinates they become motivated and perform to their highest maximum best for the development of the organization. This finding is supporting the assertion of Behling & McFillen (1996) where the leaders' behavior is said to give rise to inspiration, awe and empowerment in his subordinates resulting in exceptionally high effort exceptionally high commitment and willingness to take risks. This implies that leaders should be more charismatic or organizations should train leaders to be more charismatic to enhance the growth of the organization.

The sixth hypothesis stated that Inspirational Leadership will significantly impact on employee performance. The results indicated that inspirational leadership is the worse predictor of employee performance (Beta = .032, $p = .848$). This means that when leaders inspire their followers it does not serve as motivation to enhance the organization's performance. The finding is supporting the assertion of [12] that the level of performance of employees relies not only on the inspiration they obtain from their leaders. This implies that organization should not recruit or spend resources on training of inspirational leaders since it would not be of any benefit to the organization as a whole.

The seventh hypothesis stated that Intellectual Stimulation will significantly impact on employee performance. The results indicated that intellectual stimulation even though not the best it is a better predictor of employee performance (Beta = 0.235, $p = .080$). This means that

intellectual stimulation is a weak predictor of employee performance, in that managers can intellectually stimulate employee but it would not add much positive enhancement to the high performance of the organization to gain competitive advantage over others in the industry. This finding supports the assertion of [5] & [4] stated that followers are encouraged to question established ways of solving problems. Much investment should be encouraged in intellectual stimulation because it would enhance high employee performance.

The eighth hypothesis stated that Individualized Consideration will significantly impact on employee performance. The results from the above hypotheses indicated that individualized consideration is a very weak predictor of employee performance ($\text{Beta} = .048$, $p = .717$). This means that when leaders give personal attention to subordinates who seemed neglected it does not reflect in their performance. This finding is not supported but on the contrary [45] shows that leaders attempt to encourage extra effort by trust and commitment and is more likely to inspire and motivate his or her subordinates. Simply put, individualized consideration does not significantly impact on the employee performance.

Summary

The study found that two of the variables of Transformational leadership that is, inspirational leadership and intellectual stimulation have a positive and significant impact on employee motivation. While the other two variables which are charismatic leadership and individualized consideration have a negative impact on employee motivation. Simply put, fifty percent (50%) of Transformational leadership have a positive impact on employee motivation.

The study also found that charismatic leadership is the best predictor of employee performance than employee motivation. For public sector organizations to obtain highest employee performance and motivation, managers should use inspirational, intellectual stimulation and charismatic leadership styles of transformational leadership.

Conclusion

One factor that can set an organization apart from its competitors is its employees. The qualities of the organization's employees, their enthusiasm, and their satisfaction with their jobs and company all have a significant impact on the organization's performance. In other words, in a competitive environment, people make the difference. For an organization to gain the competitive edge in its respective industry, needs among other things transformational leaders who would use their charisma, inspirational abilities and intellectual stimulation to motivate their followers to obtain employee highest performance for the enhancement of a high productivity to achieve the organizational goals.

Recommendations

Human resources are a critical component in every area of the organization, from finance to sales to customer service to line management. For public sector organizations to obtain highest employee performance its leaders should be transformational by using their charisma, inspirational abilities and intellectual stimulation to motivate them. Organizations should provide constant training for all level of staff, increase employee motivation and train managers with the skills and abilities of transformational leadership to increase effective performance on the job.

For transformational leadership and motivation to be effective, environmental considerations must be made and the views of all employees must be incorporated into the leadership styles used and any motivation measures introduced. There should always be self-examination by managers. Their perceptions should be objective and should have input from their followers. Managers should recognize the individual differences and diverse mentalities or motivation of the people they lead and should be sensitive to these variations. Finally further research should be done to see the other aspect of leadership that would have the best positive and significant impact on employee motivation and job performance.

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