The Relationship between Bosses' Leadership Style and Employees' Perceived Internal Politics

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ABSTRACT

The purpose of this study was to investigate the relationship between bosses' leadership style and employees perceived internal politics. As the data collection instruments, the moderated Multifactor Leadership Questionnaire, MLQ (Form 5X) developed by Bass and Avolio (1997) [3] was used to measure the bosses' leadership style in subordinates perspectives and Perceptions of Internal Politics (POP) scale developed by Kacmar and Ferris (1991) [12]was used to measure the subordinates' perception on internal political of the organization. The questionnaire was distributed to the 200 employees working in the ABC telecommunication company and completed 178 questionnaires were received. The research findings discovered that majority of the bosses having transformational leadership style, however, considerable volume covered both transformational and laissez-faire leadership style, as per subordinate's point of view. Research findings also suggested that internal politics exists within the organizational settings. The negative relationship between transformational leader and the perceived internal politics was visible nevertheless the relationships between transactional leadership and laissez-faire leadership with internal politics were recorded as passive. It suggested that transformational leaders actively engaged with employee development while they are encouraging employees in achieving the organizational goals. Moreover, transactional leaders highly task oriented and use a rewarding mechanism to get the work done by the employees, creating the perception of internal politics exists in employees mind. The laissez-faire leaders who are delaying the decision making, obviously influenced by the other force within the organizational setting, persisting the feeling of 'internal politics exists' with in employees. This situation adversely effects on the organizational performance and employees' job related attitudes.

*Keywords: **Transformational Leadership, Transactional Leadership, Laissez-faire Leadership, Internal Politics.***

1. INTRODUCTON

In the modern organizational context, the work force is highly dynamic. Modern managers have to deal with employees in diverse age generations and diverse behavioral patterns. As a result, modern managers experience with internal politics regularly in the organizational environment but pay insignificance attention to that assuming spending resources for operational and business activities is more important (Garbuio & Dan Lovallo, 2017) [10]. Instead, managers in modern business organizations are expected to show the strength and sensitivity in the managing process. Even though the circumstances critical, no recital strategies for the manager to follow (Sheard, Kakabadse & Kakabadse, 2011) [15]. Similarly, researchers, scholars, and practitioners studying and exploring the different theories and practices related to the leadership over decades but understanding the role of leader in the turbulent business environment is still challengeable. Bass (1985) [1] and Burns (1978) [4] proposed two prominent leadership styles i.e. transformational leadership style and the transactional leadership style. As

reported by Vigoda-Gadot (2007)17] Bass's theories indicated that transformational leadership has a high positive impact on employees' job attitudes than transactional leadership does. Along with these findings, Bass (1990) [2] found out that laisser-faire leadership style is least affected on employees' attitudes on their job itself, working environment and their work performance.

This study is aiming to examine whether there is a relationship between bosses' leadership styles proposed by Bass and Avolio (1997) [3] and organizational internal political behaviors and whether the relationships identified are positive or negative.

2. THEORETICAL BACKGROUND

2.1 Transformational, Transactional and Laisser-faire Leadership Style
Leadership is considered as the critical factor in the success or frailer of any organization. Disputing with the early research outcomes, in recently, the findings related to the transformational, transactional and laissez-faire leadership styles were highly recognized. The leaders who inspire their followers to convert their self-interest on the accomplishment of the company goals called as transformational leaders (Bass, 1985) [1]. They change the attitudes of the followers to see the occupationally related problems in a positive manner, they keep giving hands to the followers in identification of their weaknesses in the profession and the path of career development, beside they influence followers to give maximum contribution towards organizational or group goals attainment (Stephan & Judge, 2007) [16]. Associate with the above findings, Chen & Wu (2017) [6] exposed that transformational leaders motivate their followers to accept and adapt to their values and beliefs. Conversely, transactional leaders proposing a mutual agreement to the followers' i.e. awarding rewards in work accomplishment (Bass, 1990) [2]. These leaders highly pay attention to task performance of the employees and motivate the employees by remuneration but punish the employees if they couldn't achieve the target. Nevertheless, laisser-faire leadership style is also known as the passive leaders who are unresponsiveness on follower's behaviors in general. Bass (1990) [2] suggested that behavior of these leaders more towards; slightly sense of clarity, pay few attention to targets and passive in-group behavior.

2.2. Internal Politics
Influencing forces on organizational behaviors especially in decision making, considered as the internal politics. This can trigger in positive or negative manner. Butcher and Clarke (1999) [5] revealed that leaders use internal politics in two ways, firstly, for self-interest and secondly, for others interest. Arguing to the above findings, Ferris et al (1989) [8] explored that in employees' point of view, they perceived internal politics as a tool which used at the organization mainly for self-interest, therefore it negatively impact on organizational common objectives or the interest of the majority of other individuals. Together with the above discoveries, Vigoda-Gadot (2007) [17] revealed that lack of integrity and lack of fairness in the organizational system is observable with the employees' higher perception on internal politics and it adversely impacts on their performance.

3. METHODS AND PROCEDURES
This research study was conducted by employees' survey of leading Telecommunications Company in Sri Lanka. Around 7000 people employed in this company and service spread all around the Island. 200 employees who are worked in a head office of the company have been selected for the survey. Participation in the survey was voluntary. The employees completed self-administrative questionnaire anonymously on their own time.

Out of 200, 178 employees completed the survey questionnaire (a response rate of about 89 percent). Summarizing the demographic information of the sample; out of total number 55 percent were female while the balance 45 percent were male, 64 percent were married and average working experience was 14 years.

4. MEASURES
4.1 Leadership Questionnaire
The moderated Multifactor Leadership Questionnaire, MLQ (Form 5X) that was developed by Bass and Avolio (1997) [3] was utilized. The 45 questions in the original questionnaire measures 9 leadership dimensions, including 5 transformational leadership scales (Idealized Attributes, Idealized Behaviours, Inspirational Motivation, Intellectual Stimulation and Individualized Consideration); 2 transactional leadership scales (Contingent Reward and Management-by-Exception (Active)); 2 Passive– Avoidant Behaviour scales (here in after mentioned as Laissez-faire) (Management-by-Exception (Passive) and Laissez-faire).
The moderated MLQ from the 5X is self - scoring and used 36 items to measure the 9 subscales in this research. The ratings were conducted using the 5 point Liker scale.

4.2 Perceptions of internal politics Questionnaire
Perceptions of internal politics were assessed by using 12-item perceptions of internal politics (POP) scale developed by Kacmar and Ferris (1991) [12].

Both questionnaires were translated in to Sinhala language and reliability was tested. The alpha score of the reliability analysis for the scales MLQ and POP was 0.86 and 0.78 respectively.

5. DATA ANALYSIS
The research objectives of this study were to identify the existing bosses leadership style of the organization and to identify weather there is a relationship between internal politics and the bosses leadership style.

As per the findings of this research, the highest scores remarked for transformational leadership, followed by transactional leadership and the lazy-fair leadership style. The mean score was 2.8, 2.1, and 1.9 respectively. The findings suggested that majority of the leaders act as employee oriented leaders. The mean score for the internal politics was 2.93 and which suggested that internal politics exists within the organizational set up. The mean scores for this survey data reflect that task oriented leaders should consider the completing complex task on time and it has the highest score compared to the others. The correlation coefficient between transformational leadership and internal politics was -0.58 whereas transactional leadership and laissez-faire leadership styles positively correlated with internal politics and the correlation coefficients were 0.52 and 0.71 respectively.

6. DISCUSSION AND CONCLUSION
Concerning the functions of management in modern organizations, expertise accepted that the modern leader plays his roles under high pressure arise from both internal environment and external environment of the organization. As a result, some of the leaders tend to do day-to-day works considering the given target to achieve, rather going for innovations and develop the people and the organization as a whole. Findings of this study also provided supporting evidence for the above situation. Results show negative relationship between transformational leadership and the employees' perceived internal politics whereas it shows the positive relationship between transactional leadership and the laissez-faire leadership. Comparable findings recorded in the research study done by Islam, Rehman, and Ahmed, (2013) [11]. They considered only transformational leadership and the transactional leadership with internal politics yet they did not consider laissez-faire as a separate leadership style. However. As per the previous study results, transactional leaders are highly employees concern, as a results employees highly trust and respect their leaders (Mathotaarachchi, 2013) [13]. Supporting to this, these leaders follow transparent policy in decision making and policy making and employees have well-defined procedures and policies related to their work environment (Folger et al., 1992, Parry, 2003) [9] [14]. It can be concluded that as transformational leaders create friendly and stress free environment in an organizational setting, thus employees' perception of internal politics reduced by nature.

Contrasting to the above relationship, the research findings show that transactional leaders create the perception of internal politics within employees. When these leaders are rewarding, they may influence by the different forces in the internal political circle, under this situation, employees frustrated in policy implementation within the organization (Vigoda-Gadot, 2007, Earhart, 2004) [17] [7]. Even though literature does not give more arguments on laissez-faire leadership and internal politics, the leaders who could not take the strong decision in the critical situation are obviously depend on the other external force. The findings of this study suggest that these leaders gave positive high impact on creating a perception on internal politics in employees mind. When the internal politics activated in the organization, reward system, promotion scheme, performance evaluation and organizational justice also doubtful. In this scenario, employees job satisfaction, their organizational commitment, retention and finally their performance also questionable. In conclude, organizational internal politics activates as the 'silent viral' which can control by the transformational leader, if not, it will develop as a 'silent killer' of the organizational culture.

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