Influencing Leader Effectiveness in Ghanaian Organisations

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Abstract: *Several decades of research have shown leadership as vital to organizations. Existingstudies have found that one particularly important type of leadership that influences organizational development, growth, and competitive advantage is strategic leadership. Currently, African countries are transitioning from state-controlled to capital market structures as a result, organizations are exposed to intense competition particularly from multinational corporations taking advantage of economic liberalization programs. Strategic leadership, therefore, seems important because it is more likely to enable African organizations to integrate effectively in the global economy. The purpose of this study, therefore, is to examine leader effectiveness in African organizations, focusing on Ghanaian organizations. The researcher sampled about three hundred employees as subordinates and thirty executives (as leaders) of five organizations in Ghana. Specifically, the study defined operatives and supervisors as followers and executives as strategic leaders. As a cross-sectional study, the researcher surveyed followers and executives to report on their virtuous followership and effectiveness respectively. Existing instruments were used to measure follower expectancy, developmental stage, situational strength, and strategic leader effectiveness. However, because virtuous followership is a new concept, the researcher developed an instrument to measure it, and in addition interviewed some of the followers (n = 10) and strategic leaders (n = 5). Based on the regression results that were generated, the hypotheses stated earlier were tested.H1: Follower expectancy will influence strategic leader effectiveness: Since the follower expectancy was a positive predictor of strategic leader effectiveness, the model predicted that higher follower expectancy predicted higher strategic leader effectiveness in the context of the Ghanaian corporate environment.H2: Virtuous followership mediates the relationship between follower expectancy and strategic leader effectiveness:It was found that virtuous followership partially mediated the relationship between follower expectancy and strategic leader effectiveness.*

Keywords: *leadership, effectiveness, organisational development, competitive advantage*

1. INTRODUCTION

Several decades of research have shown leadership as vital to organizations. Existing studies have found that one particularly important type of leadership that influences organizational development, growth, and competitive advantage is strategic leadership (Hambrick& Mason, 1984; Hitt& Ireland, 2002). Traditionally, strategic leadership, referring to styles and skills executives use to influence the strategic orientation of organizations, includes behaviors that show vision, direction, purpose, and context for employees as followers and propels the latter to follow strategic, tactical, and operational policies (Ireland &Hitt, 2005). Currently, African countries are transitioning from state-controlled to capital market structures (Ikiara, 1999). As a result, organizations are exposed to intense competition particularly from multinational corporations taking advantage of economic liberalization programs. Strategic leadership, therefore, seems important because it is more likely to enable African organizations to integrate effectively in the global economy (Ikiara), learn, and gain legitimacy (Zoogah& Abbey, 2008). The extent to which strategic leaders provide strategic direction and motivation determines not only the effective transition of the organizations but also their growth and development. In other words, strategic rather than traditional leadership seems critical to African organizations. Yet, studies of strategic leadership in Africa seem lacking. A review of the leadership literature in Africa shows descriptive but not empirically and conceptually rigorous studies of strategic leadership. Without rigorous models, executive behaviors may not be appreciated. The purpose of this study,

therefore, is to examine strategic leadership in African organizations. The study focussed on Ghanaian organizations. African organizations need strategic leadership. The contextualization of strategic leadership within Africa not only extends our understanding of leadership beyond developed and Western contexts but also assists organizations therein to develop the requisite competence. Finally, followership is integrated which effectuates strategic leadership in Africa. Extant research shows a shift from leader-centric to follower-centric studies because of the important role followers contribute to leader effectiveness. The traditional notion of followers being under the leader is being supplanted with constructionist views where the follower interacts equally with the leader. According to the latter view, followers and leaders are in a relationship where each constructs his or her role to yield effective outcomes for the relationship (Howell & Mendez, 2008). A number of studies show various ways by which followers construct their roles. As a result, some scholars have proposed typologies of followers (Avolio&Reichard; 2008; Chaleff, 2003; Collinson, 2008; Kellerman, 2008) that mirror typologies of leaders (Burns, 1978; Hybels, 2002; Luthans&Avolio, 2003; Russell & Stone, 2002). In this study, we focused on virtuous followership. Like virtuous leadership virtuous followership focuses on the virtues of the follower. Just as the leader has responsibility to behave virtuously in the relationship with the follower, the latter also has responsibility to behave virtuously. So, the researcher defined virtuous followership as the process by which a follower, using principles of virtue and values, influences his/her relationship with the leader in an effective way. It thus complements virtuous leadership (Pearce, Waldman, &Csikszentmihaly, 2007) and is based on the constructionist view of leader-follower relations. Figure 1 shows the conceptual model.
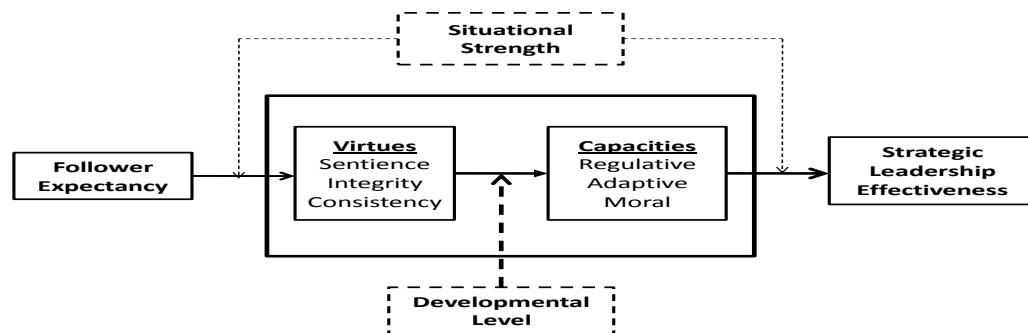

Figure 1. *A Model of Virtuous Followership and Strategic Leadership Effectiveness*

Source: Researchers Own Construct - 2014

According to the model follower expectancy relates to strategic leader effectiveness mediated by virtuous followership. Two moderators – situational strength and follower development level - are also proposed. Situational strength moderates the relationship between the relationship between follower expectancy and virtuous followership on the one hand and that between the latter and strategic leader effectiveness. Development level of followers moderates the relationship between virtues and capacities. This view is consistent with the stages of moral development (Kohlberg, 1973; Piaget, 1932) which proposes moral reasoning as a basis for ethical or virtuous behavior.

2. THEORETICAL FRAMEWORK

Few, if any, consistent studies of leadership in Africa exist even though Africa's need for effective leadership is tremendous (Ndongo, 1999). In their review of leadership in non-Western contexts, GLOBE researchers Dorfman and House (2004) did not identify systematic studies of leadership in Africa. However, they found that a few countries in Africa exhibited behaviors suggestive of in-group collectivism. There seem to be three major problems with their study. First, not only is their sample not representative (only 7 out of 52 countries), but the classification seems to be arbitrary and inconsistent with cultural and societal understanding. Egypt and Morocco are classified as Middle Eastern probably because of the Islamic religion. No country from East Africa and only one country from West Africa (Nigeria) is represented. The other four countries are all from Southern Africa. Second, the authors defined sub-Saharan Africa as black

Africa which seems incongruous with African definitions (Awedoba, 2005). More importantly, the majority of the participants exhibited moderate behavioral characteristics (in group collectivism, societal collectivism, institutional collectivism; 4-5 on a scale of 7) which suggests either contamination (participants were not purely African in cultural practices) or non-representation (participants were from urban areas which tend to have modern values rather than rural areas which have traditional values).However, the paucity of studies of executives at the strategic apex of African organizations (Ndongo, 1999), cultural hetereogeneity of the Africa continent (Awedoba, 2005), and resistance of organizations to empirical investigation (Ugwegbu, 1999) are factors that compound the challenges of strategic leadership studies in Africa. Exceptions are Mbiti (1977) and Merwe and Merwe (1985). Mbiti suggested that leadership studies in Africa should focus on what managers do rather than who they are because executives formulate and implement policy and perform ceremonial and executive functions. He referred to first-line and middle-level managers instead of executives at the strategic apex perhaps because his study occurred during the colonial era when few Africans in organizations had executive positions and only whites who were colonial masters occupied those positions (Ugwegbu, 1999). As a result, "there is an acute shortage of quality leadership and management in Africa" (Kiggundu, 1988, p. 226) and a need for the "emergence of new leadership" (Kiggundu, p. 226), one that would transform African organizations. Merwe and Merwe (1985) took this challenge and examined the distinctive characteristics of South African chief executives in publicly quoted companies to identify career route and behavior patterns of executives. Strategic leadership as an art and discipline (Freedman&Tregoe, 2003), therefore, still seems lacking, making the need to develop that competence urgent. Strategic leadership from an African perspective takes into consideration the African cultural context. It focuses on what executives at the strategic apex do because those behaviors cannot only be transferred through training and development but are also influenced by the cultural norms, values, and beliefs of Africa. A focus on behaviors also accounts for the hetereogeneity of African cultural characteristics. Whether executives are in white (Southern Africa), traditional (sub-Sahara), or Islamic (North) Africa, they have to exhibit the same behaviors when they initiate strategic activities. Second, the model integrates followership and suggests that behaviors that facilitate fulfillment of organizational behaviors, utilization of competencies, promotion of processes and controls, execution of succession, integration of cultural systems, and enactment of social and ethical systems effectuates strategic leadership. The integration of leadership and followership components fits with the cultural context of Africa where leadership (e.g., chieftaincy) effectiveness is defined by followership (J. S. Mbiti, 1999; Ndongo, 1999).

2.1 Strategic Leadership Theory

Even though previous studies are significant, they adopted a macroperspective by focusing on the work of top executives, not only as a relational activity but also as a strategic and symbolic activity (Hambrick& Pettigrew, 2001). This view is significant. However, it limits strategic leadership behaviors to the strategic apex which seems contrary to social and empirical realities (Card, 1997; Hughes & Beatty, 2005). As a result, others have suggested a microperspective in which focus is on the behavior of all organizational members (operatives, managers, and executives) as influence mechanisms that regulate organizational processes and systems (Card, 1997; Northhouse, 2004). The literature shows two perspectives of strategic leadership. One perspective – top-down – focuses on the executives at the top who influence employees as followers at the bottom. This is the traditional perspective initiated by Hambrick (1984). The second perspective – bottom-up – is the obverse. It focuses on the behaviors of employees and how they can influence achievement of the strategic objectives of organizations. As a microlevel behavioral competence (Hughes & Beatty, 2005; Taylor, 1995), strategic leadership is conceptualized as an individual level behavioral competence that facilitates development of employees. This perspective is adopted in this paper. Consistent with Zoogah (2009), we believe that individual employees as followers play significant roles in influencing African organizations' productivity and competitiveness. Strategic leadership therefore is an individual difference characteristic where an individual behaves in a way that facilitates achievement of organizational strategic objectives or goals. The developmental characteristics of strategic leadership are important for training. Extant research has suggested that strategic leadership has trainable characteristics (Avolio, Bass, & Jung, 1999). Zoogah (2009) suggested that "by developing

individuals with strategic leadership skills and abilities, African organizations can benefit from organizational learning, innovation, and productivity which have been found to be associated with strategic leaderships (Elenkov et al., 2005; Hitt& Ireland, 2002; Vera &Crossan, 2004)" (p.205). The few African scholars who have examined leadership behaviors in African organizations have focused on operational or supervisory leadership which is concerned with leadership in organizations (Ugwegbu, 1999). In a review of leadership in African organizations, Ndongo (1999) found that the majority of leadership studies use Western and traditional theories; "there are no indigenous African models of leadership" (p. 110), and the "the few existing studies have mainly reviewed leadership concepts while mostly neglecting to empirically study the leadership styles and practices of today's African organizations" (p. 110). Others have found that African leaders and managers are authoritarian, inflexible, and insensitive (Odhiambo, 1995). Leadership development, preparing individuals for executive positions, tends to be idiosyncratic, ethnically linked, and not skill or merit based, resulting in a "state of ineptitude and mediocrity" (Odhiambo, p. 15), accounting for the dearth of strategic leadership in Africa.

3. HYPOTHESES

Follower Expectancy and Strategic Leader Effectiveness

Followers have expectancies with regard to leadership. Expectancies are beliefs followers hold with regard to effort-performance relationships (Vroom, 1964).They are based on followers' past experiences, self -confidence or efficacy, and perceived difficulty of the performance standard or goal. Followers who have encountered bad leaders are likely to expect good outcomes from current leaders. Further, individuals who are confident in their followership role are likely to be submit to the influence of organizational executives. Third, followers who perceived difficulties in achievement of organizational goals are likely to assist executives by readily submitting to their influence. Leadership studies show that expectancies influence leadership effectiveness (Cremer &Knippenberg, 2004; Isaac, Zerbe, & Pitt, 2001). Expectancies may be positive such as when followers' beliefs in leaders lead to submissive behavior or negative such as when followers' beliefs in leaders lead to defiant behavior. Followers who believe that submission to executives' influence is likely to lead to increased organizational performance are likely to not only do so but to sustain those behaviors. They may also persuade their coworkers to work toward fulfillment of the organization's goals. Because expectancies guide behaviors followers who expect executives to develop and grow the organization are likely to exhibit behaviors that would contribute to achievement of that objective. We therefore proposed that:

H1: Follower expectancy will influence strategic leader effectiveness

3.1 Virtuous Followership Mediation

The model suggests that the relationship between follower expectancy and strategic leadership effectiveness is mediated by virtuous followership. Virtuous followership refers to the process by which a follower, using principles of virtue and values, influences his/her relationship with the leader in an effective way. Even though it comprise of six virtuous and four capacities we focus on three of each in this study. Through virtues of sentience, integrity, and consistency followers develop regulative, adaptive, and moral (RAM) capacities. Virtue is a capacity which suggests that individuals can acquire it. So, sentience, integrity, and consistency virtues can enable contribute to RAM capacities. Regulative capacity refers to the ability of followers to regulate themselves in ways that promote or prevent harm to the relationship. Adaptive capacity refers to the ability of followers to adapt to changes in the relationship while complexity capacity refers to the extent to which followers are able to differentiate and integrate stimuli and factors to advance the relationship. Finally, moral capacity refers to the ability of followers to act consistent with personal and social morals in ways that uplift the relationship. These capacities are instrumental in enabling followers to construct roles that make the leader-follower relationship effective.

We therefore expected that followers' virtuous tendencies and capacities will influence strategic executives' effectiveness. They will submit to leaders in ways that promote the values of their organizations. Greater virtuous followership is therefore associated with greater strategic leadership effectiveness. So, we proposed that:

> *H2: Virtuous followership mediates the relationship between follower expectancy and strategic leader effectiveness*

3.2 Situational Strength Moderation

Two moderators – situational strength and follower development level - are also proposed. Situational strength moderates the relationship between the relationship between antecedents and consequences and virtual followership dimensions. Development level of followers moderates the relationship between virtues and capacities. This view is consistent with the stages of moral development (Kohlberg, 1973; Piaget, 1932) which proposes moral reasoning as a basis for ethical or virtuous behavior.

> *H4a: Situational strength moderates the relationship between follower expectancy and follower virtues such that followers in strong situations will report high level of virtuousness than those in weak situations.*

> *H4b: Situational strength moderates the relationship between follower capacities and follower strategic leader effectiveness such that strong situations are associated with high levels of strategic leadership effectiveness than weak situations.*

4. METHODOLOGY

Sample

The studysampled about three hundred employees as subordinates and thirty executives (as leaders) of five organizations in Ghana. Specifically, the researcher defined operatives and supervisors as followers and executives as strategic leaders. The studysurveyed one hundred followers from each of the three organizations. Strategic leaders refer to individuals operating at the strategic apex (i.e., directors, vice presidents, and CEOs) of the organizations. The researchersurveyed six directors, three vice presidents and one CEO from each company. The perceptions of the latter with regard to their virtuous as well as the perceptions of the former with regard to expected virtuousness of followers were assessed. The congruence of leaders and followers' perceptions indexes 'true' virtuous followership. In other words, strategic leaders should expect followers to demonstrate virtue in following them. To the extent that followers are virtuous, they are likely to relate positively with leaders thereby enhancing the effectiveness of the organizations' executives.

Procedure

As a cross-sectional study, the researcher surveyed followers and executives to report on their virtuous followership and effectiveness respectively. Existing instruments were used to measure follower expectancy, developmental stage, situational strength, and strategic leader effectiveness. However, because virtuous followership is a new concept, the researcher developed an instrument to measure it. In addition, the researcherinterviewed some of the followers (n = 10) and strategic leaders (n = 5).Their reports buttressed the quantitative measures and elucidate the concept of virtuous followership. These procedures were applied to three sets of companies: one set perceived as virtuous (based on ratings of subject matter expects); another set perceived as vicious (based on ratings of subject matter expects). A third set which was controlled, were companies whose leadership were perceived as neither virtuous nor vicious. Comparisons of the relationships between virtuous followership and strategic leadership effectivenesshighlighted the unique effects of virtuous followership.

Measures

Follower expectancy: We adapted Vroom's (1964) expectancy to measure follower expectancy. Vroom (1964) measure was developed to test expectancy theory.

Virtuous followership: As shown in the conceptual model, virtuous followership comprises of virtues and capacities. An instrument that is being piloted now was used to measure virtuous followership. The instrument is multidimensional comprising virtues and capacities.

Moral developmental stage: As discussed above, moral development stage was measured with Kohlberg's (1973) moral development measure. It has been used in several studies (Murphy &

Gilligan, 1980). Descriptions of the three major stages offered participants a choice that defines their level of moral reasoning.

Situational strength:

Leadership effectiveness requires dyadic interactions which suggest that the dispositions of leaders and followers interact in creating situations that are either strong or weak (Mischel, 1968; 1973; Shamir, 1991).Strong situations are defined by the interaction of followers and leaders' strong dispositions while weak situations are defined by weak dispositions of followers and leaders.

Control variables.

The researcher controlled for age, education, gender, position, job and organizational tenures as well as ineffectual leadership encounter. These variables have the potential to attenuate the results.

5. DATA ANALYSIS

The data were analyzed with quantitative and qualitative techniques. First, quantitative techniques wereused to test the hypothesized relationships. Hypothesis 1 proposed that followers' expectancies will relate positively to strategic leader effectiveness indexed by efficacy. Regression analysis was used to test the proportion of variance (R^2) in strategic leader efficacy contributed by follower expectancy. Mediation analysis was used to test hypothesis 2. Specifically, we usedBaron & Kenny's (1986) technique along with modern improvements (MacKinnon et al., 2002). Evidence of partial or complete mediation was used to support the hypothesis. Moderation analysis (Baron &Kenny, 1986) was also used to test hypotheses 3 and 4. These hypotheses suggest that the effect of predictors on the criterion will vary at different levels of the moderator. Hierarchical linear regression was used whereby the predictors, moderators, and their product terms are entered in first, second, and third steps. Significant interaction terms evidenced support for the relationships.

6. RESULTS

In testing the hypotheses 1 and 2, the following results were generated specifically using Baron & Kenny's (1986) technique along with modern improvements (MacKinnon et al., 2002). This four-step technique as was adopted did not only outline the four steps in testing for mediation but actually also revealed evidence of either partial or complete mediation to permit the testing of the two hypotheses.

In Step 1 of the mediation model, the regression strategic leader effectiveness on follower expectancy, ignoring the mediator, was positive but was not, at a 5% level of significance, a significant predictor of the Strategic leader effectiveness, b=0.034, t=0.802, p=0.429. Even though the follower expectancy did not significantly explain strategic leader effectiveness that is not to conclude the absence of mediation. After all, David P. MacKinnon, Amanda J. Fairchild, and Matthew S. Fritz (2007) noted that although knowledge of the significance of the relation of X to Y is important for the interpretation of results, there are several examples in which an overall X to Y relation may be non-significant, yet mediation exists. The proportion of variance in strategic leader efficacy contributed by followers' expectancies, $(R^2) = 2\%$, F sig=.429 meaning the variation was not statistically significant.

Step 2 showed that the regression of virtuous followership, the mediator, on the follower expectancy was significant, b=-.567, t=-2.563, p=.015, at the 5% level of significance.

Step 3 of the mediation process showed that the mediator (virtuous followership), is significantly related to the dependent variable (strategic leader effectiveness) when the strategic leader effectiveness is modelled on the mediator and the independent variable, b=.109, t=4.131, p=.000.Researchers often test whether there is complete or partial mediation by testing whether the *c* (coefficient of the mediator) is statistically significant, which is a test of whether the association between the independent and dependent variable is completely accounted for by the mediator (see James et al. 2006). If the *c* coefficient is statistically significant and there is significant mediation, then there is evidence for partial mediation.The significant mediation and statistical significance of the coefficient of the follower expectancy to the strategic leader

effectiveness adjusted for the mediator (virtuous followership) indicate evidence of partial mediation.

7. DISCUSSIONS

Based on the regression results that were generated, the hypotheses stated earlier were tested.

    1. H1: Follower expectancy will influence strategic leader effectiveness

Since the follower expectancy was a positive predictor of strategic leader effectiveness, the model predicted that higher follower expectancy predicted higher strategic leader effectiveness in the context of the Ghanaian corporate environment. Drawing from the conclusions of Kiggundu(1988, p.226) that "there is an acute shortage of quality leadership and management in Africa", of which Ghana is no exception, one could theorize that higher follower expectancy scores were indicative of followers' past experience of bad leadership encounter rather than quality leadership. Hence, high follower expectancy would be positive indicators of followers' past experience of bad leadership making them more likely to expect more effective strategic leaders rather than quality leadership because that is in shortage.

    2. H2: Virtuous followership mediates the relationship between follower expectancy and strategic leader effectiveness

It was found that virtuous followership partially mediated the relationship between follower expectancy and strategic leader effectiveness. This is consistent with previous literature that as a micro level behavioural competence (Hughes & Beatty, 2005; Taylor, 1995), strategic leadership is conceptualized as an individual level behavioural competence that facilitates development of employees. It is also consistent withZoogah (2009), who suggests that individual employees as followers play significant roles in influencing African organizations' productivity and competitiveness.

8. CONCLUSIONS

Virtuous followership was a significant predictor of strategic leader effectiveness, and partial mediation, accounted for a significant amount of variation in the relationship between follower expectancy and strategic leader effectiveness.

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