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Transformational leadership and organisational effectiveness in the administration of cricket in South Africa

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After years of isolation from the international sporting arena, South African sports teams have recently achieved much success. This article is concerned specifically with managing for organisational effectiveness in South African cricket. According to the theory of transformational leadership, there should be a positive relationship between this style of leadership and organisational effectiveness. The Multifactor Leadership Questionnaire was used to collect information about leadership while data for organisational effectiveness, the dependent variable, was collected using the Effectiveness Survey for Cricket Administration. Most of the results regarding the relationship of the transformational leadership factors and organisational effectiveness were significant. On the other hand, most of the results regarding the relationship of the transactional leadership factors and organisational effectiveness were not significant. The overall results provide general support of Bass' (1990) argument of the universal application of the transformational leadership theory.

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Introduction

In returning to the international cricket arena, South Africa soon learnt how tough international cricket had become. Before a packed Eden Gardens Stadium in Calcutta in November 1991, Clive Rice and his teammates played against India for the first time, losing by three wickets. Since that day the South African cricket team has developed into one of the most successful teams in the world. However, there is more to the success than simply the talent of the players. Behind the scenes, administrative structures set up by the United Cricket Board of South Africa, ensure that the sport is run in a professional manner, both at provincial and national level. This research investigates the leadership role that senior administrators play in ensuring the effectiveness of cricket administration in South Africa.

Studies investigating leadership and organisational effectiveness in sport have seldom been undertaken. This is even more the case in South Africa where leadership and organisational effectiveness studies, even in general business, are few in number. It has been argued that the transformational leadership theory is the answer to a call for a more encompassing theory that is universally applicable to modern-day organisations and further, that a positive relationship exists between this style of leadership and organisational effectiveness (Bass, 1994).

The United Cricket Board of South Africa has achieved much success of late. This provided the setting to test the proposition that transformational leadership resulted in improved organisational effectiveness. The relationship of transactional leadership and organisational effectiveness was also tested. The following main hypotheses were constructed:

Hypothesis 1:

Ho: No significant relationship exists between transformational leadership and organisational effectiveness in the administration of cricket in South Africa.

Ha: A significant relationship exists between transformational leadership and organisational effectiveness in the

administration of cricket in South Africa.

Hypothesis 2

Ho: No significant relationship exists between transactional leadership and organisational effectiveness in the administration of cricket in South Africa.

Ha: A significant relationship exists between transactional leadership and organisational effectiveness in the administration of cricket in South Africa.

Leadership

Leadership is certainly one of the world's oldest and most topical issues. It is generally accepted that the effectiveness of any grouping of people, such as those employed in an organisation, is largely dependent on the quality of its leadership. Finding one specific definition of leadership is, however, a very complex task as studies on the topic are wide and varied. For the purpose of this research, leadership is defined as 'a process of moving people in a direction that is genuinely in their long-term interests' (Rutter, 1995: 27).

The leadership theory which will be focused on in this research distinguishes between two types of leadership, namely transactional and transformational leadership. It should be noted that although Burns (1978) initially conceived leaders to be either transformational or transactional, research has shown that transformational leadership is an extension and a more enlightened approach to transactional leadership (Pruijn & Boucher, 1994: 74). This implies that transactional and transformational leadership are not mutually exclusive. A leader may display various degrees of transactional or transformational leadership depending on the situation (Bass, 1990).

Transactional leadership is a style of leadership which focuses on exchanging one thing for another. Avolio, Waldman & Yammarino (1991: 2) sum this up by showing that transactional leaders define and communicate the work that must be done by followers, how it will be done, and the rewards followers will receive for successfully completing the stated

objectives. Bass (1985) distinguishes two leadership factors within transactional leadership. The first, *contingent reward*, refers to situations in which the leader gives compensation to employees when they perform according to contract or expectation (Hater & Bass, 1988). The second factor is termed *management-by-exception* which Yammarino & Bass (1990) identified as being either passive or active. *Passive management-by-exception* is used by leaders who only interfere in the employee's work if the desired goals are not met. Intervening in people's work when they are not putting forth the effort expected of them is called *active management-by-exception* (Pruijn & Boucher, 1994: 75).

Recent research in organizational behaviour has found that transformational leadership can engender improved employee outcomes in many types of organisations (Dubinsky, Yammarino & Jolson, 1995: 315). Transformational leaders do more with followers and colleagues than set up simple exchanges or agreements. As Burns (1978: 4) puts it, the transformational leader is one who looks for potential motives in followers, seeks to satisfy higher order needs, and engages the full person of the follower. Transformational leaders behave in ways to achieve superior results by employing one or more of the four factors of transformational leadership as set out by Bass & Avolio (1994: 3). The first of these factors is termed *idealised influence* where transformational leaders are role models for their followers, generating admiration, respect and trust. This factor is divided into idealised attributes (attributed charisma) and idealised behaviours which, for purposes of analysis, are dealt with as separate variables. The second factor is *inspirational motivation* in which transformational leaders motivate and inspire those around them by providing meaning and challenge to their followers' work and by focusing on team spirit. The third factor is *intellectual stimulation* where transformational leaders stimulate their followers' efforts to be innovative and creative by questioning assumptions, reframing problems, and approaching old situations in new ways, thereby encouraging creativity. The final factor is *individualised consideration*. In this factor transformational leaders pay attention to the individual employee and his or her needs rather than treating all followers alike and having the same needs.

It has been found in numerous workshops conducted across a wide variety of organisational settings and cultures, that when participants were asked to describe their 'ideal' leader, they tended to describe characteristics associated with transformational, as opposed to transactional leadership most frequently (Avolio *et al.*, 1991: 2). Many authors like Charlton (1993), Bass (1994), Dorfling & Engelbrecht (1994), Weeks (1995), Kelly (1995), Havenga (1995), Avolio (1996) and Pretorius (1996) recognise and argue specifically for the critical role of transformational leadership in South Africa.

Organisational effectiveness

Organisational effectiveness is an extremely complex and controversial issue in management. Some authors have argued that research on organisational effectiveness should cease while others have shown that investigating the topic is crucial (Cameron, 1986: 87). In many instances the effects of organisational actions are often very complex and diverse making assessment of them impossible. However organisa-

tional effectiveness is, on most occasions, perhaps the most critical dependent variable in all organisational analyses.

Various authors like Cameron (1978), Campbell (in Goodman & Pennings, 1977) and Steers (1977) have attempted to reduce the complexity inherent in the effectiveness measurement by summarising the main methods of measuring this concept. These various approaches can be discussed under four different, but widely recognised models of effectiveness, namely, the *goals model*, the *systems resource model*, the *process model* and the *multiple constituency model*.

The goals model defines effectiveness as the degree to which an organisation has achieved its goals. The systems resource model defines organisational effectiveness as the ability of the organisation, in either absolute or relative terms, to exploit its environment in the acquisition of scarce and valued resources. The process model emphasises the throughput processes of the organisation, and the resultant effectiveness questions, since they convert an organisation's inputs into desired outputs (Steers, 1977). Finally, the multiple-constituency model which, according to Connolly, Conlon & Deutsch is based on

'a view of organisational effectiveness in which several (potentially, many) different effectiveness statements can be made about the focal organisation, reflecting the criterion sets of different individuals and groups' (1980: 212).

Since these constituent groups have different perspectives on what the organisation should be doing, they are also likely to evaluate the organisation's effectiveness differently (Chelladurai, 1987: 39). Connolly *et al.* (1980) found that no perspective should take precedence. All of the perspectives are legitimate and effectiveness should be seen as a plural concept. As Chelladurai (1987: 39) puts it, '*it is effectivenesses that should be considered, not effectiveness*'. After careful consideration, this approach was considered most appropriate to this study. For this research, leadership is considered the independent variable and organisational effectiveness the dependent variable.

Materials and method

Both the self-rater and rater versions of the Multifactor Leadership Questionnaire (MLQ), were used to collect information relating to leadership while the Effectiveness Survey of Cricket Administration (ESCA) was developed for the purpose of measuring organisational effectiveness. The MLQ is based on the work of renowned leadership theorists like Bass, Avolio and Yammarino in the 1980s and 90s. It has been tested in a multitude of settings and is considered valid and reliable (Pruijn & Boucher, 1994: 78).

The ESCA instrument was developed based on the multiple-constituency approach to organisational effectiveness. A sample of managers at various cricket unions were contacted to determine the criteria used to judge the effectiveness of their unions. The Survey of Provincial Sports Organisations (PSO), as used in similar studies at the University of Windsor in Canada, was used as a basis for developing the ESCA instrument, which was found to be valid and reliable (Chelladurai & Haggerty, 1991).

The United Cricket Board of South Africa has eleven affiliated unions. These unions are all run by professionally

employed individuals. A sample of eight of the affiliated unions was chosen along with the governing body, making a total sample of nine union leaders. The sample is considered sufficient of the overall population, in terms of the nature of this research (Leedy, 1993).

The Chief Executive Officer at each of the cricket unions completed the self-rater version of the MLQ. Five rater versions were also distributed to other individuals (colleagues and subordinates) employed by the union to assess their leader. The ESCA questionnaire was completed by the same respondents. The response rate to the self-rater MLQ was 100%, but due to difficulties in tracking the rater respondents, the response rate of rater versions was 83%.

The completed leadership and effectiveness questionnaires were used as input data into a Bio-Medical Data Processing (BMDP) statistical software package. Due to the small size of the population, and hence the small size of the sample, the data were analysed from two perspectives. Firstly, the relationship between transformational and transactional leadership and organisational effectiveness was investigated using Pearson Chi-square techniques. Chi-square tests were also conducted on each of the separate leadership variables to investigate their relationship with organisational effectiveness. For the purpose of statistical analysis both the independent variable and the dependent variable were assigned three levels, which were high (2.5–4.0), medium (1.5–2.5) and low (0.0–1.5).

Descriptive results were also obtained and analysed for further interpretation and understanding of the results. Frequency tables were drawn up and the mean scores for each of the factors of transformational and transactional leadership, as well as organisational effectiveness, were calculated.

Results and discussion

As can be seen from Table 1, the result of the grouped transformational factors and organisational effectiveness is significant.¹ The p-value is 0.0248. All tests were conducted at the 0.05 level of significance. Of the individual transformational factors, the results for *idealised influence*, *individualised consideration* and *inspiration* are all significant.

Table 1 Pearson Chi-square results: leadership versus effectiveness

Variable	Value	DF	P Value (0.05 level)
Grouped transformational factors	7.393	2	0.0248**
Grouped transactional factors	4.388	4	0.3561
Idealised attributes	22.481	4	0.0002**
Idealised behaviours	11.322	4	0.0232**
Individualised consideration	11.322	4	0.0232**
Intellectual stimulation	6.497	4	0.1650
Inspirational motivation	9.510	2	0.0086**
Management-by-exception (active)	5.005	4	0.2868
Management-by-exception (passive)	7.393	2	0.0248**
Contingent reward	1.494	4	0.8277

DF = degrees of freedom ** = a significant result

The result for the grouped transactional factors is not significant. The only transactional factor to yield a significant result was *management-by-exception* (passive).

The results indicate that the Null Hypothesis 1 can be rejected. A significant relationship exists between transformational leadership and organisational effectiveness in the administration of cricket in South Africa. It can, therefore, be argued that cricket administrators who display high levels of transformational leadership are more likely to be effective than those employing lower levels. Similarly a positive relationship exists between organisational effectiveness and leaders who employ *idealised attributes and behaviours*, *individualised consideration* and *inspiration* specifically.

Null Hypothesis 2 could not be rejected as no significant relationship could be found between the grouped transactional factors and organisational effectiveness.² Only *management-by-exception* (passive) yielded a significant result.

This finding is consistent with the results of other authors such as Avolio, Waldman & Einstein (1988), Hater & Bass (1988), Selzer & Bass (1990) and Yammarino & Bass (1990). The results were, however, not consistent with those of Pruijn & Boucher (1994), who in a similar study of Dutch National Sport Organisations found that they could not lend support for Bass' 1990 argument of the universal application of the transformational leadership theory.

Descriptive statistics (Figure 1, Tables 2 and 3) provide further interpretation of the data.

The mean scores for the transformational and transactional leadership variables, and organisational effectiveness are presented in Figure 1. These scores indicate that all of the transformational factors fall into the high category. The transactional factor of *contingent reward* falls into the medium category and management-by-exception active and passive fall into the low category. The overall results indicate a high level of transformational behaviour and a low level of transactional behaviour within the sample. It should also be noted that the mean score for organisational effectiveness was 2.88, thus indicating a high level of effectiveness.

These results are further validated in an investigation of the frequencies of the perceived leadership behaviours. Frequency tables were calculated for the combined transformational and transactional factors and organisational effectiveness. The tables indicate the frequencies of respondents rating the leaders as being either low, medium or high in terms of the leadership and effectiveness variables. Table 2 indicates the transformational leadership factors and organisational effectiveness and Table 3, the transactional leadership factors and organisational effectiveness. The frequencies are presented as a percentage with actual scores in brackets. The leadership results are presented on the horizontal axis and

Table 2 Observed frequency table

Org. effectiveness	Transformational factors(%)			Total
	Low	Medium	High	
Low	0(0)	100(1)	0(0)	100(1)
Medium	0(0)	35.7(5)	64.3(9)	100.0(14)
High	0(0)	10.7(3)	89.3(25)*	100.0(28)
Total	0(0)	20.9(9)	79.1(34)	100.0(43)

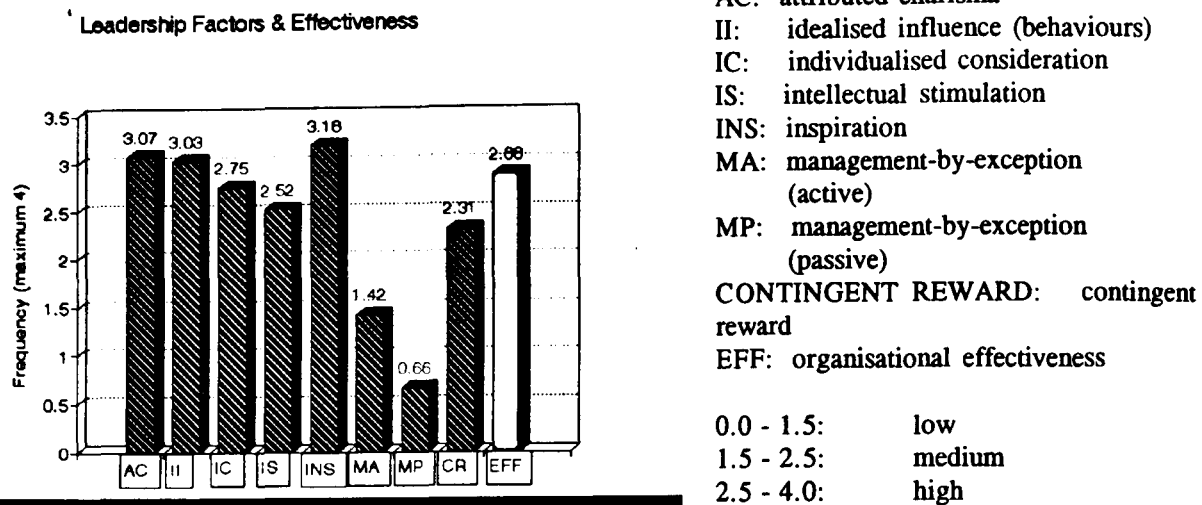


Figure 1 Leadership factors and effectiveness

organisational effectiveness on the vertical axis.

From Table 2 it can be seen that most respondents rated the leaders as exhibiting high transformational leadership behaviour and at the same time rated the organisation as being highly effective (* in Table 2). It could be argued that this provides further support for Bass' (1990) notion that high levels of transformational leadership lead to increased effectiveness.

Table 3 shows that most respondents rated the leaders as exhibiting low transactional leadership behaviour while at the same time rating the organisation as highly effective (* in Table 3). It could be deduced that the high levels of transformational behaviour and the low levels of transactional behaviour significantly impact organisational effectiveness and therefore support the proposition that transformational leadership results in increased organisational effectiveness. Frequency tables were also calculated for the separate transactional and transformational factors. The results for the transformational factors of *attributed charisma*, *individualised influence*, *intellectual stimulation* and *individualised consideration* were similar in value to the results presented in Table 2 and the results for the transactional factors, of *management-by-exception (active and passive)* and *contingent reward*, similar to those presented in Table 3.

Conclusion

The results of this research suggest that in the majority of situations, the general tendency was that a positive relation-

ship exists between transformational leadership and organisational effectiveness. On the other hand, no significant relationship existed between transactional leadership and organisational effectiveness. Null hypothesis 1 stated that a significant relationship would not exist between transformational leadership and organisational effectiveness. Based on the results of the chi-square tests the null hypothesis is rejected. Significant results were also found for the transformational variables of *idealised influence*, *individualised consideration* and *inspiration*. These results suggested that leaders who employed high levels of these variables were more likely to be effective than those who employed lower levels. The only transactional variable to yield a significant result was *management-by-exception (passive)* and on the whole null hypothesis 2 could not be rejected. The mean scores for the transformational leadership variables were generally high and for the transactional variables generally low. The mean score for organisational effectiveness was also in the high category. The frequency tables provide further evidence of high transformational behaviour and high organisational effectiveness. The overall results provide support and evidence of the applicability of the transformational leadership theory in this South African setting. As success in sport is important in South Africa's culture, the main implication stemming from the results of this research, is that the transformational leadership theory should be tested in other sporting codes in the country.

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Table 3 Observed frequency table

Org. effectiveness	Transactional factors (%)			Total
	Low	Medium	High	
Low	0	100(1)	0	100(1)
Medium	35.7(5)	57.1(8)	7.1 (1)	100.0(14)
High	57.1(16)*	42.9(12)	0	100.0(28)
Total	48.8(21)	48.8(21)	2.3(1)	100.0(43)

Notes

1. The grouped transformational leadership factors consisted of idealised attributes, idealised behaviours, intellectual stimulation, individualised consideration and inspirational motivation.
2. The grouped transactional leadership factors consisted of contingent reward and management-by-exception (active and passive).

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