Shifting From Transactional Leadership (T2) to Transformational Leadership (T3) Behavior with a Full Range Leadership Development Program (FR-LDP) OD Intervention

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Abstract

Today’s business leaders need to consider alternative ways to shift mindsets and behaviors in organizations for them to be effective in these exponential times. The main purpose of this study was to shift middle managers of the Myanmar ABC Company from transactional leadership (T2) to transformational leadership (T3) behavior using a Full Range Leadership Development Program (FR-LDP) with Appreciative Inquiry, Whole Brain Literacy and Action Learning OD Interventions. The action research model was applied using both quantitative and qualitative approaches. Data was collected with the use of 360-degree feedback assessment of MLQ 5X Short leader and rater instruments, observations, and in-depth interviews. The action research was conducted in three phases of ODI to determine the differences between the pre and post-ODI. The findings of the study showed that the Full Range Leadership Development Program (FR-LDP) intervention program was effective and productive in shifting 27 middle managers from T2 to T3 behavior in the culture of the collectivist society of Myanmar. Specifically a) It shifted from high T2 at pre-ODI to low T2 practice in post-ODI; b) It shifted and improved from low T3 in pre-ODI to high T3 practice in post-ODI; c) There were concomitant findings from Kirkpatrick’s four level learning evaluation model based on their reaction, learning, behavior and result; d) T3 behavior is relevant and most applicable in the collectivistic culture of Myanmar because of the underlying assumptions that are associated with the characteristics of transformational leadership and the traits and key characteristics of collectivistic culture in charismatic perspective.

Key words: Full Range Leadership Development Program, Transactional Leadership (T2), Transformational Leadership (T3), OD Intervention, Appreciative Inquiry, Whole Brain Literacy and Action Learning

Introduction

In order to build a strong and sustainable organization, change is imperative because change affects every business. Change is necessary for any business regardless of size, small or large, and change can range from minor staff restructuring to mergers and acquisitions. Even though change is necessary at any point in the lifetime of organizations for its future success, there are always potential challenges for change which organizations should scrutinize in initiating its implementation. According to a 2014 survey from Deloitte, 86% of business leaders know that their organizations’ future
depends on the effectiveness of their leadership pipelines — but a survey of 2,200 global HR leaders found that only 13% are confident in their succession plans, with 54% reporting damage to their businesses due to talent shortages (Harvard Business Review, 2015).

In today’s business world, it is crucial to align the interests of employees and organizations and this is where transformational leadership best fits in. Contrary to a transactional leader who motivates and rewards followers with carrots and punishes with sticks, transformational leaders motivate, inspire and stimulate intellectually and are attentive to the needs of followers. Transformational leaders who are participative and focus on first-order ideals and ethics are universally most acceptable.

Jung et.al.,(1995) indicated that it is assumed that the theory of transformational leadership is more individualistic in orientation for Western societies. However, transformational leadership has been found to be more applicable in the collectivist societies like Myanmar. In collectivist cultures, leaders have the social and moral responsibilities to take care of their followers for mutual needs which are individualized consideration. The collectivist societies emphasize on the needs and goals of groups and the heightened sense of social responsibility which is one of the most important factors that are associated with characteristics of transformational leadership behavior. According to empirical findings, many researchers examined culture and leadership closely, as they are two sides of the same coin; neither can really be understood by itself, the underlying assumption is that leadership behaviors can be affected by different cultures (Schein, 2004).

Business performance and success matter in any economy. The search for new effective ways for leaders and managers to lead, to manage, to inspire, to motivate employees will continue on endlessly. Effective Leadership Behavior is considered by most people as fundamental to the success of any organization. Every organization requires effective leadership which is a key component of a successful organization. In this fierce competitive world, in order to compete in business, organizations need to win the commitment of employees for exceptional and excellence performance to drive to victory. Managers today engage in transaction with their subordinates who are expected to fulfill their requirements in their transactional world.

Shifting from transactional leadership (T2) to transformational leadership (T3) behavior is an essential tool for the success of any organization. Most middle managers are transactional leaders who know how to run business operations but they are always stumped when asked to redesign and lead a transformation (Seidman and McCauley, 2011). Yet, increasingly these same managers are being asked to transform their organizations in order to achieve consistent, systematic performance improvements

1Full Range Leadership Development Theory includes Transitional leadership (T1), Transactional leadership (T2) and Transformational Leadership (T3) behavior and approaches. T2 leadership behaviors focus on the fundamental management process of monitoring, controlling, organizing, planning and motivating subordinates to accomplish their task and achieve the goals by rewarding them based on their performances or punishing them for nonconformity and poor performance.

2Transformational Leadership behaviours raise people’s motivation to act and create a sense of higher purpose and it has four characteristics of 4I’s which are idealized influence, intellectual stimulation, inspirational motivation, and individualized consideration (Avolio & Bass, 1994).
as well as to move up their level of leadership which have a positive association with continuous improvement of organizational processes (Bass & Riggio, 2006, Kim, 2008, Seidman & McCauley, 2009)

The second purpose of this action research was to help middle managers to think about any changes required, to address the challenges, the problems and the potential for change from a measurable transaction and focusing mostly on tactical goals. As such it was meant to both encourage OD practitioners to advocate for transformational leadership and give them a means of making transformational leadership a reality in organizations. This is due to the intense focus on transactional leadership which weakens the company’s ability to adapt to new markets, customers, competitors, goods and services provided as well as systems, which is why transformational leadership is a requisite for modern organization because it is directly correlated to the long-term high performance of the organization (Bass & Riggio, 2006; Cameron, 2008; Collins, 2001).

Based on the current situation and the SWOTAR³ analysis, the Myanmar ABC company is under threat, and there is pressure to survive and achieve performance beyond expectations as it is required of effective leaders to respond to these changes. New entrants of foreign brands and influx of Foreign Direct Investment (FDI) could be one of the biggest threats faced by the company as the intense competition with MNCs will be fierce along with the ASEAN AEC integration. Leaders at Myanmar ABC Company were no longer effective due to long periods of tenure at the same posts which caused lack of improvement, innovation and creative thinking as they are not able to cope with the fast changing environment and technologies. Their resistance to change is high. There was an urgent need to improve the quality of their leadership performance while facing the challenges of strong competition from local and new foreign competitors with the emergence of the integration of ASEAN Economic Community (AEC).

About 70% of middle managers were in same position for more than six to ten years thus becoming passive; the company faces high risks in its growth and diversification strategy. The other problem identified was lack of formal leadership development training. Lussier & Achua (2004) insisted that leadership is a procedure that not only influenced employees, but also helped accomplish the goals of the organization through change.

The company is recruiting all the middle management managers locally and is strictly adhering to a policy of promoting employees only from within the organization because a level of trust has been attained for years of working together. The company’s intention to diversify into unrelated industries along with its commitment to use current managers, instead of recruiting talented and qualified staff, makes it critical for the company to implement a leadership training and development program. First, the leadership strategy is needed to be accomplished with which to explore the implications for talent management systems and processes, and outline an approach to leadership development based on business strategy. It is essential policy for organization to enhance the importance of local assignments for future leaders and greater understanding of local laws and business arrangements in strategy making. The company’s rapid growth

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³ SWOTAR Analysis (Strengths, Weakness, Opportunities, Threats, Aspirations and Results) application include: strategy, strategic planning, team building, coaching, leadership development, and strategic summits (Stavros & Hindriks, 2009).
requires attention to talent development; it must accelerate the acquisition and development of talent for key roles to avoid talent becoming the constraint to continued growth and need to grow number of leaders at every level by 12% per year over next two years.

In response to the research needs and current problems of the company, the main purpose of this study is to shift middle managers of the Myanmar ABC Company from Transactional Leadership (T2) to Transformational Leadership (T3) behavior using a Full Range Leadership Development Program (FR-LDP) with Appreciative Inquiry (AI), Whole Brain Literacy (WBL) and Action Learning (AL) intervention.

Based on the SWOTAR analysis, the researcher reviewed related literature by aligning with the Company context; the following research objectives were developed:

1. To assess and identify the current situation of the company’s middle managers in terms of their transactional leadership (T2) and transformational leadership (T3) behavior.
2. To develop, design and implement an appropriate organization development intervention (ODI) for middle managers to shift from T2 to T3 behavior.
3. To determine the difference between pre and post Organization Development Intervention (ODI) in shifting from T2 to T3 behavior of the middle managers of the Myanmar ABC Company.
4. To determine the difference between pre and post Organization Development Intervention (ODI) on the enhancement of Leadership Perceived Performance (LPP) of Extra Effort (EXE), Effectiveness (EFF) and Satisfaction (SAT) as perceived by middle managers and all raters including supervisors, peers and subordinates.
5. To determine the implications of the findings and results of shifting from T2 to T3 behavior to leadership and management development.

Review of Literature

Bass (1990) noted in his review that many researchers have studied leadership in many ways depending on their definition and methodological preferences. So far, leaders have used different kinds of leadership styles to lead their followers. The number of Leadership theories evolved on the basis of Trait, Behavioral, Transformational, Situational, and Charismatic. Many researchers made attempt to connect some of the theories across these leadership islands where some focused on traits, behaviors, skills, competencies, patterns and roles of relationships (Gill, 2006). Burns 1978 stated that leadership has long been one of the most studied subjects on earth but there could not be a single model to understand and little has been understood in its wonder and spectacle. Leadership has its distinctive quality to motivate and influence people in pursuing and attaining goals (Daft, 2000).

Many researchers believe a leader is one who leads, plans, directs and commands or guides people toward a mutual goal. An examination of leadership theory can be best defined in the context of its theoretical evolution. Repeatedly, leadership theories have
been explored not only on the ability of leaders or individuals as positional authorities but on the nature of followers’ role taking place in the leadership process just as important factors that are needed to be explored. Often times, researchers tend to concentrate on positional roles but achievement of the outcome often relies on the extent to which the leader can mobilize, influence, inspire and motivate others to be productive and to achieve a common goal. Hence, leadership implies effective leading, managing and influencing others.

In the early years, leadership was viewed from outside perspectives such as Plato, Aristotle and Socrates believed that people with superior wisdom should be leaders with the underlying assumptions that leaders are born, not made. And then it evolved into behavior of leadership which focused on exploring the relationship between a leader’s actions and the follower’s satisfaction and productivity. Fiedler and Chemers (1984) depicted that there is no one ultimate leadership style in any circumstance but effectiveness of leadership depends on how well they choose their leadership style in accordance with the situation. Outside-in perspectives of leadership theories included trait theories, behavioral theories, contingency and situational theories, path-goal theory, and leader–member exchange theory. James MacGregor Burns’s Book of Leadership (1978) had made its way to revolutionize leadership theory to a new paradigm shift from conventional views of leadership toward process oriented approaches of leader-individual relationship.

Inside-out perspectives of leadership theories included nontransactional laissez-faire leadership, transitional leadership, transactional leadership, transformational leadership, and level of leaders. Bass (1985) claimed that the primary leadership theories focused on the interest and role description of followers and also how followers are rewarded or punished for their behavior. Avolio and Bass in 1991 proposed the classic leadership theories which they termed as full range leadership theory comprising of constructs that denotes three types of leadership: transformational leadership, transactional leadership, and nontransactional laissez-faire leadership. The Full Range Leadership Development theory includes a leadership training program that suggests that leaders differ in the ways they practice various kinds of leadership behaviors ranging from active and more effective leadership to passive and less effective leadership (Avolio, 2005, Bass, 2009). Understanding the difference between T2 and T3 leadership behavior is vital in getting the whole concept of transformational leadership theory.

The transactional leadership behaviors focus on the fundamental management process of monitoring, controlling, organizing, planning and motivating subordinates to accomplish their task and achieve the goals by rewarding them based on their performances or punishing them for nonconformity and poor performance. Transactional leadership constructs are categorized into two groups based on active and passive leadership as affirmed by Sosik and Jung (2010), Bass and Riggio (2006) and Bass and Avolio (2009). Management-by-Exception, Passive (MBE-P) and Laissez-Faire Leadership (LF) are regarded as passive forms of transactional leadership (T2a) while Management-by-Exception, Active (MBE-A) and Contingent Reward (CR) are observed as active forms of transactional leadership (T2p). Further, active forms of transformational leadership (T3A) includes (1) Idealized Influence Attribute (IIA); (2) Idealized Influence Behavior (IIB); (3) Inspirational Motivation (IM); (4) Intellectual Stimulation (IS); and (5) Individualized Consideration (IC). Active forms and passive form of leadership behavior of full range leadership is garnished and refined by Bass and
Avolio (2009).

Bass and Avolio (2007) asserted that the transformational leader focuses on motivating and empowering subordinates to achieve extraordinary goals while raising and reframing followers’ awareness and interests. It is a process at which leaders and their followers raise one another to a higher degree of morality and motivation. The constructs of transformational leadership are composed of five first-order factors: (1) Idealized Influence (Attribute) refers to a charisma of a leader where a leader is perceived as loyal, confident and trustworthy and competent, and is focused on first-order ideals and ethics; (2) Idealized Influence (Behavior) refers to a charismatic leader who takes action and focuses on values, beliefs, and mission; (3) Inspiration Motivation refers to leaders who inspire, induce, and motivate followers by executing strategy through their firm vision, promising, and attractive language, and positively enthusiastic; (4) Intellectual stimulation defines leaders as those who challenge status quo and who often encourage out-of-the-box thinking and creative ideas and efforts exerted by followers; and, (5) Individualized consideration defines leaders who listen, care, and consider the needs and interest of the followers (Bass, 1998, Bass & Avolio, 1994, Kelly, 2003; Stone, Russell & Patterson, 2003, p. 3, Simic, 1998, p. 52, Bono & Judge, 2004; Kelly, 2003).

The full Range Leadership paradigms suggest that effective leadership can be learned, improved, and developed (Bass, 2009, Avery, 2004). Among contemporary theories and approaches to choose the correct leadership style is depending on the nature of the organization. The contingency theory suggests that the best leadership behavior can be identified depending on the variables of situation and no single leadership style can fulfill the workplace requirement.

In order to choose the appropriate leadership style, organization needs to identify the nature of its business, the complexity of the organization, the structure and consideration of the qualification of the followers. Any approaches in leadership development take into account the difference between the leading and managing approaches by selecting the learning method and process of either experiential learning or other substitute approaches (Day, 2001).

Leadership development is critical in maximize the potential of the leader capability and growth of human capital and leadership competencies. In order to initiate the leadership development action learning, experiential learning, 360-degree feedback, coaching, and mentoring activities are one of the effective methods of learning and developing leaders. Coaching and mentoring are two of the fundamental developmental processes and because coaching focuses on a one-on-one learning, goal setting and importantly a shift in behavior change (Hall, et al., 1999). Coaching can be a short-term intervention purpose to develop a certain leadership skills and in other word the coaching approaches dependent upon transactional leadership development because of the program learned are such as focusing only on goal setting, planning, organizing, controlling, rewarding, sanctioning, disciplining which can deviate to a managerial training.

Organizational intervention that facilitates leadership development shall evaluate the following four approaches: Kirkpatrick (1998) developed the four levels of Kirkpatrick’s evaluation model which essentially measures reaction (how they respond to the training), learning (how they acquire knowledge and skills), behavior (the degree of
change in participants’ behaviour) and results (the success and effectiveness of the training intervention program to measure the improvement of individual, the workplace and organizational performance) (Wang & Wilcox, 2006). A theorist named Jack Phillips has proposed the fifth level of evaluation model of Kirkpatrick 4-levels with a new concept of Return on Invest (ROI).

Thus, in order to develop an effective leadership training, participants should exercise the knowledge and skills learned from the programs on-the-job application, aligning leadership behavior resonance with others, acknowledging the needs of followers, clarifying subordinates roles with an interval self-assessment in an action learning process in order to tackle a real-time organizational problem. The objectives of the action learning process should include delivering measurable results, applying the learning skills to a specific context, and improving and developing more skills and capabilities of leaders (Palus & Horth, 2003). This study follows the underlying concept of (Hall, et al., 1999, Palus & Horth, 2003) stating in places where there is the ongoing political transition and regional integration like ASEAN Economic Community (AEC) where organizations facing volatile markets with uncertain environment, with unrelenting competition, and with a rapid and constant changing technology, politic, and social forces like in Myanmar demands the “Transformational Leadership Development (TLD)”.

Action research is a scientific research method used as a self-reflective approach where participants in real-life situations improve their practices by acting, evaluating, reflecting and suggesting changes based on the information gathered. It involves real people in real-life situations. Action research is cyclical process with “a non-liner pattern of planning, action, observation and reflection with the changes in the social situations” (Noffke & Stevenson, 1995). The number of cycle may be indefinite (Cummings & Worley, 2005). For this study, the action research was carried out only in one cycle.

**Conceptual and Action Research Frameworks**

The conceptual framework for this research employed an integrated multiple-source solution approach of leadership development. The main purpose of this study is to shift middle managers from T2 to T3 behavior using a Full Range Leadership Development Program (FR-LDP) with Appreciative Inquiry (AI), Whole Brain Literacy (WBL) and Action Learning (AL) intervention. The conceptual framework is based on the theoretical evidence that crystalized the research questions and the research methodology, research design, and instruments respectively.

The conceptual framework for quantitative inquiry as shown on Figure 1, the researcher had tested the hypotheses that the full range leadership development program did shift from T2 to T3 and enhanced overall leadership effectiveness particularly transformational leadership behavior and leadership perceived performance. The qualitative inquiry also addressed the research questions to further explain quantitative research findings between pre and post ODI from T2 to T3 leaderships.
**Action Research Framework**

The three phases of OD Intervention program using action research model is shown in Figure 2. The action research on ODI was designed into three phases. The first phase of Pre-OD intervention was the diagnostic and assessment stage of inquiring the full range leadership, transformational leadership behavior. The second phase of the OD intervention was the planning and implementation stage to address the ODI activities. The third phase or final phase of the ODI was evaluation stage the initial impact of ODI made a difference on the shifting from transactional leadership to transformational leadership behavior.

**Figure 2. Action Research Framework**
FR-LDP = Full Range Leadership Development Program
AI=Appreciative Inquiry, WBL= Whole Brain Literacy, AL=Action Learning
T2 = Transactional Leadership T3 = Transformational Leadership
ODI=Organization Development Intervention
Reference: Developed for this study

The quantitative inquiry of this study proposed to assess the effectiveness of Full Range Leadership Organization Development Intervention (ODI) in shifting middle
managers from (T2) to (T3) behavior; the following hypotheses were forwarded:

\[ \text{H2} \]

Figure 3. Hypothesized Model of the Study

FR-LDP = Full Range Leadership Development Program
T2 = Transactional Leadership  T3 = Transformational Leadership
LPP = Leadership Perceived Performance  DF = Difference

Research Methodology

This research was carried out utilizing both qualitative and quantitative research methods. The research used pre and post-tests design to make inferences about the mean difference between the pre- and post-ODI of the variables. The action research using the qualitative method was implemented for middle managers. Observations were carried out from the very beginning since real time data could be collected by observing organizational dynamics (Warrick, 2010). Observation is one of the most powerful tools in collecting real time data; this includes observing managers’ meetings, group dynamics which helped the researcher to get to know the organization culture better.

The quantitative research approach was used to examine and to test the hypotheses on the initial effect of full range leadership development program enhances the shifting from transactional leadership to transformational leadership and effective leadership behavior on the components of effectiveness, satisfaction and extra-effort of followers. The quantitative research approach was conducted using a survey questionnaire during the pre-OD intervention and post OD intervention phase of the study. The Multifactor Leadership Questionnaire Instrument for leader and rater forms was used to measure dimensions of leadership or full range leadership behavior. These were distributed to all 27 middle managers and 27 raters including supervisors, peers and subordinates. This is considered as one of the most widely accepted instruments to examine full range leadership and transformational leadership behavior in behavioral science. Since its inception, the MLQ has been subjected to several revisions of experiment to better measure the underlying factors while undertaking concerns about it psychometrics belongings.

The latest version of MLQ (Form 5X) was improved after consequences by six leadership specialist who confirmed the addition and deletion of question items and confirmatory factor analysis (CFAs) (Avolio et al., 1995; Avolio, Bass, & Jung, 1999).
MLQ (Form 5X) consists of 45 items and out of 45 items, 36 items represent nine leadership factors of transaction and transformational leadership behavior and the nine items assess the outcomes scales of three leadership of full range leadership model. This study focused on the 36 items associated with the nine leadership factors described above (of transformational leadership, transactional leadership, and non-transactional laissez-faire leadership comprising each leadership scale with 4 items respectively). It is used a 5-point of Likert scale.

The Multifactor Leadership Questionnaire was translated to Myanmar language and a test of reliability was done in a preliminary pilot test to evaluate its internal consistency (Churchill, 1979). The Cronbach’s alpha resulted in a value of 0.866 which is considered a good indicator for reliability.

The qualitative method employed in-depth interview, monthly self-leadership practice report and Kirkpatrick’s learning evaluation model to gain additional insights to support the quantitative inquiry approach. Various kinds of interview approaches are one of the most effective used techniques to collect data in a qualitative approach (Cummings & Worley, 2009). All data collected from respondents were systematically filed to enable researcher to compare the differences among perceptions of respondents.

Organization development intervention (ODI) was employed in three phases: Phase I: pre-ODI, Phase II: OD Intervention; Phase II: Post-ODI. Multifactor Leadership Questionnaire (MLQ 5X Short for leader and rater) instrument was utilized for quantitative inquiry for pre-ODI and post-ODI to test the hypotheses on the effectiveness of transformational leadership development program and initial impact of OD intervention on variables. Action Learning, Whole Brain Literacy, Appreciative Inquiry workshops were used as a mediating process and developmental intervention. Observation, individual in-depth interview and Kirkpatrick’s Learning Evaluation Model for interview were employed as a method for the qualitative approach to collect data along with secondary data from company’s archives. Details of data analysis and interpretation methods, ethical issues, reliability and validity of research were also discussed including triangulation methods. The implementation period from Phase I pre-ODI to phase III post-ODI took a period of nine month from October 2014 to June 2015.
In order to address research questions, the researcher discovered that the first research question of the pre-ODI situation of the company’s middle managers in terms of their transactional leadership (T2) was high and their practice of transformational leadership (T3) behavior was low as shown in the table 1. Therefore, in order to shift their behavior from T2 to T3 behavior, researcher along with the support of top management, it was concluded that Full Range Leadership Development Program intervention was most appropriate organization development intervention activities needed for the Company’s middle managers to shift from transactional leadership (T2) behavior to transformational leadership (T3) of behavior which answered research question 2.

The findings for research question no. 3 showed that there was a significant difference between pre and post organization development intervention (ODI) in assisting middle managers to shift from transactional leadership (T2) behavior to transformational leadership (T3) behavior. All variables of the Full Range Leadership Development Program intervention for pre and post ODI for paired sample t-test is presented in the table 1. In order to determine the changes in the mean differences of transactional leadership (T2) behavior dimensions were statistically significant, a paired sample t-test method with a confidence level of 95% (with the alpha value set at 0.05) was used to determine the error probability. The improvement of T2 for pre and post-ODI was tested statistically by using paired sample t-test method. Table 1 indicated that paired sample t-test showed positive results of transactional leadership (T2), transformational leadership (T3) and elements of leadership perceived performance (LPP) of Extra Effort (EXE), Effectiveness (EFF) and SAT (Satisfaction).

The paired t-test showed the mean differences between pre-ODI and post-ODI for
T2 was 0.27778, standard deviation 0.23018, $t=6.271$ with alpha value set at $\alpha=0.000$ which showed that it was statistically significant. According to the value derived from the pre and post-test of transactional leadership (T2) showed 0.28, the difference in the pre-ODI and post-ODI development was statistically significant as shown in Table 2.

The evaluation of the improvement of transformational leadership behavior (T3) for pre-ODI and post-ODI indicated a statistically significant improvement at a minimum of confidence level of $<0.05$ in T3 leadership behavior which indicated that there is a significant difference between the pre and post-ODI on the practice of transformational leadership behavior by middle managers ($t=24.663$, df=26, $p=0.000$, two-tailed and $t=79.216$, df=26, $p=0.000$ two-tailed respectively).

The paired sample $t$-test showed both T2 and T3 with the p-value at less than 0.05 showed there is a significant difference between the pre and post-ODI on T2 and T3 leadership behavior. Table 2 showed that the elements of T2 have shown the high aggregate mean values 2.62 of management-by-exception, active at the pre-ODI than 1.77 at post-ODI revealed that most of the participants actively monitor performance of their subordinates closely and watch for deviations from rules and standards and take corrective actions to prevent mistakes, complaints and failures at the pre-ODI situation but reduced significantly at post-ODI. They keep track of all mistakes and take corrective action before problems occur and direct their attention towards failures to meet standards at pre-ODI were also reduced at post-ODI. The high mean value of contingent reward 2.01 at pre-ODI indicated that participants try to make a deal with subordinates by applying constructive transactions by promising rewards and recognition for accomplishments by gaining agreement with subordinates about their expectation of outcomes, by closely monitoring subordinates’ progress and providing supportive feedback. The high aggregate mean values 1.86 of management-by-exception, passive at the pre-ODI than post-ODI at 1.70 revealed that most of the participants and participants failed to interfere until problems became serious and they waited for things to go wrong before taking action at the pre-ODI situation which were significantly improved at post-ODI. An aggregate mean of 2.18 for transactional Leadership (T2) means that participants at pre-ODI practiced high transactional leadership behavior compared to the post-ODI mean values which showed 1.91 indicating middle managers reduced and lowered their practice of transactional leadership behavior after the post-ODI.

An aggregate mean value of 2.15 for Extra Effort (EXE) indicated that participants got subordinates to do more than they expected as well as they heightened desire to succeed and work harder. The mean value of Effectiveness (EFF) of 1.75 also indicated that participants were effective in meeting organizational requirements and the 1.85 mean value of Satisfaction (SAT) also indicated that subordinates found fair satisfaction and were willing to work harder and gave extra effort. The summation score at pre-ODI for all variables of transactional leadership (T2) is higher than the mean score of T3 (transformational leadership T3) shows that participants are more active in focusing on subordinates performance than leading to performance excellence beyond expectation.
Table 1

Paired Sample t-test for Pre and Post-ODI

<table>
<thead>
<tr>
<th>Pair</th>
<th>Paired Differences</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
<th>Lower 95%</th>
<th>Upper 95%</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pair 1</td>
<td>T2Pre – T2Post-ODI</td>
<td>.27778</td>
<td>.23018</td>
<td>.04430</td>
<td>.18672</td>
<td>.36884</td>
<td>6.271</td>
<td>26</td>
<td>.000</td>
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<tr>
<td>Pair 2</td>
<td>T3Pre - T3Post-ODI</td>
<td>-.71528</td>
<td>.23486</td>
<td>.04520</td>
<td>-.80819</td>
<td>-.6237</td>
<td>-15.825</td>
<td>26</td>
<td>.000</td>
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<tr>
<td>Pair 3</td>
<td>EXE Pre-EXE Post-ODI</td>
<td>.60185</td>
<td>.79607</td>
<td>.15320</td>
<td>.28694</td>
<td>.91677</td>
<td>3.928</td>
<td>26</td>
<td>.001</td>
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<tr>
<td>Pair 4</td>
<td>EFF Pre – EFF Post-ODI</td>
<td>-.42884</td>
<td>1.00557</td>
<td>.19352</td>
<td>-.82063</td>
<td>-.02505</td>
<td>-2.185</td>
<td>26</td>
<td>.038</td>
</tr>
<tr>
<td>Pair 5</td>
<td>SAT Pre – SAT Post-ODI</td>
<td>-.51852</td>
<td>.81431</td>
<td>.15671</td>
<td>-.84065</td>
<td>-.19639</td>
<td>-3.309</td>
<td>26</td>
<td>.003</td>
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Table 2

Descriptive Statistics of Research Variables Comparing Pre and Post-ODI

<table>
<thead>
<tr>
<th>Leadership Scale</th>
<th>N</th>
<th>Pre-ODI Mean</th>
<th>Pre-ODI Std. Deviation</th>
<th>Post-ODI Mean</th>
<th>Post-ODI Std. Deviation</th>
<th>d Mean</th>
<th>d Std. Deviation</th>
<th>N</th>
<th>d Mean</th>
<th>d Std. Deviation</th>
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<tbody>
<tr>
<td>T2</td>
<td>27</td>
<td>2.19</td>
<td>0.29</td>
<td>1.91</td>
<td>0.30</td>
<td>0.28</td>
<td></td>
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<tr>
<td>CR</td>
<td>27</td>
<td>2.01</td>
<td>0.66</td>
<td>2.54</td>
<td>0.44</td>
<td>0.53</td>
<td></td>
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<tr>
<td>MBEA</td>
<td>27</td>
<td>2.62</td>
<td>0.51</td>
<td>2.23</td>
<td>0.45</td>
<td>-0.39</td>
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<tr>
<td>MBEPP</td>
<td>27</td>
<td>1.86</td>
<td>0.44</td>
<td>2.36</td>
<td>0.30</td>
<td>0.50</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>T3</td>
<td>27</td>
<td>1.89</td>
<td>0.37</td>
<td>2.60</td>
<td>0.14</td>
<td>0.71</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IA</td>
<td>27</td>
<td>1.98</td>
<td>0.78</td>
<td>2.16</td>
<td>0.28</td>
<td>0.18</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IB</td>
<td>27</td>
<td>1.78</td>
<td>0.51</td>
<td>1.80</td>
<td>0.29</td>
<td>0.02</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IM</td>
<td>27</td>
<td>1.79</td>
<td>0.46</td>
<td>2.26</td>
<td>0.33</td>
<td>0.47</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IS</td>
<td>27</td>
<td>1.56</td>
<td>0.33</td>
<td>2.32</td>
<td>0.42</td>
<td>0.76</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IC</td>
<td>27</td>
<td>1.62</td>
<td>0.57</td>
<td>2.44</td>
<td>0.31</td>
<td>0.82</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LPP</td>
<td>27</td>
<td>1.92</td>
<td>0.64</td>
<td>1.63</td>
<td>0.41</td>
<td>-0.29</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EXE</td>
<td>27</td>
<td>2.15</td>
<td>0.42</td>
<td>2.33</td>
<td>0.51</td>
<td>0.19</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EFF</td>
<td>27</td>
<td>1.75</td>
<td>0.77</td>
<td>2.33</td>
<td>0.53</td>
<td>0.58</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SAT</td>
<td>27</td>
<td>1.85</td>
<td>1.02</td>
<td>1.87</td>
<td>0.46</td>
<td>0.02</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As described in the Action Research Framework (ARF) the intention is to lower practice of transactional leadership by shifting and enhancing the practice of transformational leadership behavior. Analysis of data reveals that the high transactional leadership (high T2) at pre-ODI shifts to low transactional leadership (low T2) after OD intervention at post-ODI whereas the p-value for T2 is significant (t=6.271, df=26, p=0.000) after OD intervention. It can be determined that the changes from pre-ODI significantly reduced the practice of transactional leadership after intervention; the main objective of the study was to observe and determine whether there was a difference of leadership behavior and the impact on the shifting behavior from T2 to T3 leadership behavior.

Managers’ Perception of Transformational Leadership (T3) for Pre and Post-ODI

The Paired Sample t-Test was employed to test pre-ODI and post-ODI on the improvement of T3 as perceived by managers themselves in order to determine whether there was a significant difference in the manager’s T3 behavior. The results revealed positive differences of the manager’s T3 behavior as perceived by themselves. The
aggregated mean values of the five leadership dimensions of T3 were statistically significant since the simulated significant levels were lower than 0.05. This is with the exception of Idealized Influence Behavior (IIB) which was not statistically significant at a minimum of confidence level of 0.05 in Idealized Influence Attribute (IIA) (-1.081, p=0.05) and Idealized Influence Behavior (IIB) (-0.145, p>0.05) for T3 as perceived by self-reported managers were significantly different between pre and post-ODI on the FR-LDP (Table 3). The analysis was employed with a 95% confidence level to make statistical inferences to show evidence of an improvement of T3 as perceived by managers themselves. Transformational leadership as perceived by managers were significantly different between pre and post–ODI FR-LDP intervention (i.e. t=24.663, df=26, p=0.000, two-tailed and t=79.216, df=26, p=0.000 respectively).

Table 3

Paired Sample t-Test for Pre and post ODI for T3 Behavior by Middle Managers (MM)

<table>
<thead>
<tr>
<th>Paired Differences</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
<th>95% Confidence Lower</th>
<th>95% Confidence Upper</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pair 1 IIA-PRE - IIA-POST</td>
<td>-.17593</td>
<td>.84585</td>
<td>.16278</td>
<td>-.51053</td>
<td>.15868</td>
<td>-1.081</td>
<td>26</td>
<td>.290</td>
</tr>
<tr>
<td>Pair 2 IIB-PRE - IIB-POST</td>
<td>-.01852</td>
<td>.66479</td>
<td>.12794</td>
<td>-.28150</td>
<td>.24447</td>
<td>-1.145</td>
<td>26</td>
<td>.886</td>
</tr>
<tr>
<td>Pair 3 IM-PRE - IM-POST</td>
<td>-.47222</td>
<td>.60975</td>
<td>.11735</td>
<td>-.71343</td>
<td>-.23101</td>
<td>-4.024</td>
<td>26</td>
<td>.000</td>
</tr>
<tr>
<td>Pair 4 IS-PRE - IS-POST</td>
<td>-.75926</td>
<td>.55245</td>
<td>.10632</td>
<td>-.97780</td>
<td>-.54072</td>
<td>-7.141</td>
<td>26</td>
<td>.000</td>
</tr>
<tr>
<td>Pair 5 IC-PRE - IC-POST</td>
<td>-.82407</td>
<td>.49427</td>
<td>.09512</td>
<td>-1.01960</td>
<td>-.62855</td>
<td>-8.663</td>
<td>26</td>
<td>.000</td>
</tr>
<tr>
<td>Pair 6 T3 PRE-ODI - T3 POST-ODI</td>
<td>-.45000</td>
<td>.34390</td>
<td>.06618</td>
<td>-.58604</td>
<td>-.31396</td>
<td>-6.799</td>
<td>26</td>
<td>.000</td>
</tr>
</tbody>
</table>

Raters’ Perception of Transformational Leadership (T3) Pre and Post-ODI

The Paired Sample t-Test was employed to test pre-ODI and post-ODI on the improvement of T3 as perceived by raters including Supervisors, Peers or Subordinates in order to determine whether there was a significant difference in the rater’s T3 behavior. The results revealed positive differences of the rater’s T3 behavior as perceived by raters (supervisors, peers or subordinates). The aggregated mean values of the five leadership dimensions of T3 were statistically significant since the simulated significant levels were small than 0.05 at a minimum of confidence level of 0.05 in all variables for transformational leadership as perceived by raters were significantly different between pre and post-ODI on the FR-LDP Intervention (Table 4). The analysis was employed with a 95% confidence level to show evidence of an improvement of transformational leadership as perceived by raters.
Table 4

**Paired Sample t-Test for Pre and post ODI for T3 Behavior by all Raters**

<table>
<thead>
<tr>
<th>Pair</th>
<th>Paired Differences</th>
<th>Lower</th>
<th>Upper</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error</th>
<th>Mean</th>
<th>95% Confidence Interval</th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pair 1 IIA- PRE - IIA- POST</td>
<td>-.55556</td>
<td>.60181</td>
<td>.11582</td>
<td>-.79363</td>
<td>-.31749</td>
<td>-4.797</td>
<td>26</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pair 2 IIB - PRE - IIB- POST</td>
<td>-1.36111</td>
<td>.51109</td>
<td>.09836</td>
<td>-1.56329</td>
<td>-1.15893</td>
<td>-13.838</td>
<td>26</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pair 3 IM- PRE - IM-POST</td>
<td>-1.12037</td>
<td>.52518</td>
<td>.10107</td>
<td>-1.32813</td>
<td>-.91261</td>
<td>-11.085</td>
<td>26</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pair 4 IS - PRE- IS-POST</td>
<td>-1.12963</td>
<td>.51595</td>
<td>.09929</td>
<td>-1.33373</td>
<td>-.92553</td>
<td>-11.377</td>
<td>26</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pair 5 IC-PRE - IC-POST</td>
<td>-48148</td>
<td>.45428</td>
<td>.08743</td>
<td>-66119</td>
<td>-30177</td>
<td>-5.507</td>
<td>26</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pair 6 T3PREODI - T3POSTODI</td>
<td>-9.2963</td>
<td>.21806</td>
<td>.04197</td>
<td>-10.1589</td>
<td>-.84337</td>
<td>-22.152</td>
<td>26</td>
<td>.000</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The difference between the Transformational Leadership (T3) between pre and Post-ODI was significantly improved after intervention (Ha1: post-ODI $t$=-22.152, df =26, $p=0.000$, two tailed by raters). Transformational leadership behaviors after completion of a four-month Full Range Leadership Development Program intervention, as perceived by raters (supervisors, peers and subordinates) were higher (Mean=2.6273) when compared with Pre-ODI (mean=1.7176). Transformational leadership behaviors after completion of a four-month Full Range Leadership Development Program intervention, as perceived by self-rated middle managers were higher (Mean=2.5949) when compared with Pre-ODI (mean=1.88). The mean different between pre and post-ODI was 0.71, where the result of paired $t$-Test indicated the difference was significant. The mean values exhibited that the post-ODI on transformational leadership (T3) were significantly higher than pre-ODI with the mean difference of 0.71 which showed that there is a positive and marginal improvement in shifting from transactional leadership (T2) to transformational leadership (T3).

The findings from the data indicated that hypothesis H1a can be accepted. Therefore, it can be stated that the full range leadership development program intervention enhanced transformational leadership of middle managers after completion of a four month intervention. Perceptions of both self-rated middle managers and raters including supervisors, peers and subordinates on the transformational leadership behavior (T3) increased significantly after completion of a four-month OD intervention.

**Managers and Raters’ Perception of Transactional Leadership (T2) for Pre and Post-ODI**

The transactional leadership is categorized into two forms and they are active form of transactional leadership comprising of active management-by-exception (MBE-A) and contingent rewards (CR) and passive forms of transactional leadership comprising of passive management-by-exception (MBE-P) and laissez-faire leadership. The OD intervention of leadership was intended to improve the skills of participants on contingent reward while participants were encouraged to lower practice of active form of transactional leadership behavior of CR and MBE-A as well as passive form of transactional leadership behavior including passive management-by-exception (MBE-P).

Transactional leadership (T2) as perceived by managers was significantly different between pre and post-ODI for FR-LDP intervention (i.e. $t$=38.397, df=26, $p=0.000$, two-
tailed and \( t=41.423, \, df=26, \, p=0.000 \) respectively) as shown on Table 5. Table 2 showed that the transactional leadership (T2) as perceived by managers before pre-ODI was higher (mean=2.18) in comparison with post-ODI (mean=1.92) which indicated that middle managers before pre-ODI were practicing higher transactional leadership behavior and at post-ODI their practice of transactional leadership behavior was lowered after the four-month FL-LDP intervention.

Table 5

**Paired Sample t-Test for Pre and post ODI on T2 by Middle Managers**

<table>
<thead>
<tr>
<th>Paired Differences</th>
<th>Paired Samples Test T2 by Managers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
</tr>
<tr>
<td>Pair 1 CR - CRP</td>
<td>-.52778</td>
</tr>
<tr>
<td>Pair 2 MBEA - MBEAp</td>
<td>.38889</td>
</tr>
<tr>
<td>Pair 3 MBEp - MBEp</td>
<td>-.50000</td>
</tr>
<tr>
<td>Pair 4 T2PREODI - T2POSTODI</td>
<td>-.21296</td>
</tr>
</tbody>
</table>

On the other hand, the transactional leadership (T2) as perceived by raters including supervisors, peers and subordinates was significantly higher after the intervention (H2a: \( t=32.930, \, df=26, \, p=0.000 \), two-tailed and \( t=50.214, \, df=26, \, p=0.000 \) two-tailed respectively) as shown on Table 6. While transactional leadership (T2) as perceived by raters was significantly improved in lowering the practice of T2 from pre-ODI (mean 2.18) to post-ODI (mean=1.91) with the mean difference of -0.28. A paired sample \( t \)-test showed that the difference was significant \( p<0.000 \), two-tailed Test.

Table 6 illustrates statistical comparisons of contingent rewards from all raters where small significant effect of the FR-LDP was obtained between pre-ODI and post-ODI on the contingent rewards perceived by all raters (\( t=24.774, \, df=26, \, p=0.000 \), two-tailed and \( t=33.135, \, df=26, \, p=0.000 \) two-tailed respectively).

Furthermore, there was significant improvement in active management-by-exception (MBE-A) as perceived by self-rated middle managers (i.e. \( t=3.849, \, df=26, \, p=0.001 \), two-tailed) as well as there was significant improvement in management-by-exception (MBE-A) as perceived by raters including supervisors, peers and subordinates (i.e. \( t=-9.927, \, df=26, \, p=0.000 \), two-tailed).

Table 6

**Paired Sample t-Test for Pre and Post-ODI on T2 by all Raters**

<table>
<thead>
<tr>
<th>Paired Differences</th>
<th>Paired Samples Test T2 by Raters</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
</tr>
<tr>
<td>Pair 1 CRPREODI - CRPOSTODI</td>
<td>-.64815</td>
</tr>
<tr>
<td>Pair 2 MBEAPREODI - MBEAPPOSTODI</td>
<td>-.69444</td>
</tr>
<tr>
<td>Pair 3 MBEPPREODI - MBEPPPOSTODI</td>
<td>-.01852</td>
</tr>
<tr>
<td>Pair 4 T2PREODI - T2POSTODI</td>
<td>-.45370</td>
</tr>
</tbody>
</table>
The study also focused on management-by-exception (MBE-P) which is a passive form of transactional leadership. The OD intervention alerted the attention of middle managers on ineffective leadership as it was intended to lower the degree of practice of passive forms of transactional leadership behavior after the four-month OD intervention. Findings from the statistical analysis of the data are shown in the Table 6.

There was a significant effect of full range leadership development intervention between pre and post-ODI for passive management-by-exception (MBE-P) as perceived by managers (t=-4.578, df=26, p=0.000, two-tailed) but there were no significantly difference for passive management-by-exception (MBE-P) as perceived by all raters including peers, supervisors and subordinates (t=-.311, df=26, p=0.758 two-tailed). The effect sizes of passive management-by-exception (MBE-P) for pre and post ODI was -0.16 (Table 7) by middle managers but there was no change as perceived by raters including supervisors, peers and subordinates with the effect size of 0.01.

Table 7

Mean Value of Pre and Post-ODI of elements of T2 by Managers and Raters

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>CR</th>
<th>MBE-A</th>
<th>MBE-P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-ODI by Managers</td>
<td>27</td>
<td>2.01</td>
<td>2.62</td>
<td>1.86</td>
</tr>
<tr>
<td>Post-ODI by Managers</td>
<td>27</td>
<td>2.60</td>
<td>1.77</td>
<td>1.70</td>
</tr>
<tr>
<td>Mean Difference</td>
<td>0.59</td>
<td>-0.85</td>
<td>-0.16</td>
<td></td>
</tr>
<tr>
<td>Pre-ODI by Raters</td>
<td>27</td>
<td>1.98</td>
<td>1.86</td>
<td>1.53</td>
</tr>
<tr>
<td>Post-ODI by Raters</td>
<td>27</td>
<td>2.13</td>
<td>2.16</td>
<td>1.54</td>
</tr>
<tr>
<td>Mean Difference</td>
<td>0.15</td>
<td>0.3</td>
<td>0.01</td>
<td></td>
</tr>
</tbody>
</table>

The findings from data suggested that hypothesis H2a was accepted. It can be claimed that the full range leadership development program intervention reduced passive transactional leadership of middle managers after completion of the four month intervention. Self-rated middle managers on the practice of MBE-P of transactional leadership of middle managers (T2) reduced significantly as participants were able to lower their behavior and practice of passive management-by-exception (MBE-P) after completion of the four-month OD intervention.
The key findings from analysis are displayed in Figure 4 which exhibits statistical comparisons of all four variables of transactional leadership from both self-rated middle managers and raters including supervisors, peers and subordinates. A significant effect of the OD intervention on leadership development program was attained on the contingent rewards between pre and post-ODI perceived by both self-rated managers and all raters. The effect size was .059 by self-rated middle managers and 0.15 by raters for contingent rewards between pre and post-ODI. The mean difference for management-by-exception (MBE-A) was -.085 by self-rated middle managers and 0.3 by raters between pre and post-ODI where there is significant effect as perceived by raters. The findings indicate that there was fair improvement in contingent rewards perceived by middle managers and raters as the effects was significant.

Thus, it can be affirmed that the full range leadership development program intervention enhanced active transactional leadership of middle managers after completion of four month intervention. Both self-rated middle managers and raters including supervisors, peers and subordinates on the elements of transactional leadership of middle managers decreased significantly after completion of a four-month OD intervention as participants were able to improve in contingent rewards while at the same time were able to lower their behavior of management-by-exception, active (MBE-A) and management-by-exception, passive (MBE-P).

Managers and Raters’ Perception of Leaders Perceived Performance (LPP) for Pre and Post-ODI

The findings for research question no. 4 showed that there was a significant difference between pre and post organization development intervention (ODI) on the enhancement of Leadership Perceived Performance (LPP) of Extra Effort (EXE), Effectiveness (EFF) and Satisfaction (SAT) as perceived by middle managers and all raters including supervisors, peers and subordinates as discussed in the following. The leadership perceived performance (LPP) comprised of Extra Effort (EXE), Effectiveness (EFF) and Satisfaction with participants (SAT) were improved as perceived by managers themselves as well as all raters including supervisors, peers and subordinates. A summary of Paired t-Test results is shown on table 8. The aggregated data from all perspectives revealed that there was improvement of leadership perceived performance of extra effort...
(EXE) as perceived by managers ($t = 3.928, \text{df}=26, p=0.001, \text{two-tailed}$), raters ($t = -2.101, \text{df}=26, p=0.045, \text{two-tailed}$). The analysis of data of the leadership perceived performance (LPP) indicated that there was a significant effect of the full range leadership development intervention for leadership Extra Effort (EXE) as perceived by middle managers with effect size of 0.19 with a small improvement but the effect size of Extra Effort (EXE) perceived by raters was 0.17 which indicated there was a small significant effect of ODI on Extra Effort (EXE) as perceived by raters. The effect size was small improvement on raters’ perception on Extra Effort (EXE) exerted by participants.

There was also a significant effect of ODI was obtained between pre and post-ODI on Effectiveness (EFF) as perceived by managers ($t = -2.185, \text{df}=26, p=0.038, \text{two-tailed}$), raters ($t = -12.009, \text{df}=26, p=0.000, \text{two-tailed}$). Further, there was a significant effect of the full range leadership development intervention between pre and post-ODI for leaders’ Effectiveness (EFF) as perceived by middle managers with effect size of 0.58 and 0.85 by raters. These revealed that there was a significant improvement of leadership Effectiveness (EFF) after the four-month OD intervention.

Table 8

Paired Samples $t$-Test for of Pre and Post-ODI for LPP by Managers and Raters

<table>
<thead>
<tr>
<th>Paired Differences</th>
<th>Paired Samples Test for LPP as perceived by Managers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
</tr>
<tr>
<td>Pair 1 EXE -Pre - EXE-Post</td>
<td>0.91677</td>
</tr>
<tr>
<td>Pair 2 EFF -Pre - EFF-Post</td>
<td>-0.82063</td>
</tr>
<tr>
<td>Pair 3 SAT -Pre - SAT-Post</td>
<td>0.18444</td>
</tr>
<tr>
<td>Pair 4 LPP -Pre - LPP-Post</td>
<td>0.27620</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Paired Samples Test for LPP as perceived by Raters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paired Differences</td>
</tr>
<tr>
<td>Pair 1 EXE -Pre - EXE-Post</td>
</tr>
<tr>
<td>Pair 2 EFF -Pre - EFF-Post</td>
</tr>
<tr>
<td>Pair 3 SAT -Pre - SAT-Post</td>
</tr>
<tr>
<td>Pair 4 LPP -Pre - LPP-Post</td>
</tr>
</tbody>
</table>

No significant effect of the FR-LDP was obtained between pre and post-ODI for Satisfaction (SAT) as perceived by managers ($t = -1.030, \text{df}=26, p=0.313, \text{two-tailed}$), but there was a significant effect as perceived by all raters ($t = -3.017, \text{df}=26, p=0.006, \text{two-tailed}$). In addition, there was a significant effect of the full range leadership development intervention between pre and post-ODI for satisfaction as perceived by middle managers with effect size of 0.02 and 1.04 by raters, the effect size as perceived by managers was very small. This disclosed that the study had sufficient power to detect the difference.

The analysis of the aggregated data to determine the hypothesis H3 for assessment of the leadership perceived performance (LPP) revealed that no significant effect of FR-LDP was obtained between pre and post-ODI for LPP as perceived by managers ($t = -0.015, \text{df}=26, p=0.988, \text{two-tailed}$), but there was a significant effect as perceived by raters ($t = -6.842, \text{df}=26, p=0.000, \text{two-tailed}$).
The aggregated data from self-rated middle managers and raters including supervisors, peers and subordinates proved that there was an enhancement of all the three elements of leadership perceived performance which included leaders’ extra effort (EXE), effectiveness (EFF) and Satisfaction with participants (SAT). Therefore, the hypothesis $3_{Ha}$ was accepted as shown on Figure 5.

Figure 6. Hypotheses of the Study

FR-LDP = Full Range Leadership Development Program
T2 = Transactional Leadership  T3 = Transformational Leadership
LPP = Leadership Perceived Performance  DF = Difference
EXE = Extra Effort, EFF = Effectiveness, SAT = Satisfaction
Reference: Developed for this study

The research question no. 5 revealed that there are some implications of the findings and results of shifting from transactional leadership (T2) behavior to transformational leadership (T3) behavior to leadership/management development. Transformational leadership is not particular or limited only to top level and senior management but senior management can be their role model, who can be targeted for the
next leadership development program who will then sustain organizational learning by creating the new culture of effective leadership in the organization.

The results of the study showed that participants in the ODI perceived themselves as significantly improved in adopting transformational leadership. The pre and post ODI tests were significant as done by raters, their immediate supervisors, peers and subordinates. The key findings from pre and post OD intervention of twenty-seven middle managers revealed a significant impact in shifting from T2 behavior to T3 behavior with an OD intervention program and the participants’ perception of their training experience of the leadership development program explained their reaction, learning, behavior and results or impact which affirmed their improvement and progress in the ODI leadership development program.

Summary of Findings

The FR-LDP made the participants understand the four elements (II, IM, IS & IC) of T3 better than pre-ODI in order for them to lead their subordinates more effectively than before the training.

The Action Learning, Problem Solving and Kirkpatrick’s Learning Evaluation Model (KLEM) are most effective ODI for leadership development because instilling in them to exert extra effort which increased organization performance outcomes (Zhu, Chew, & Spangler, 2005). Studies in various organizational types especially in industry (Avolio & Bass, 1987; Hatter & Bass, 1988) and many others all established evidence that transformational leaders provide the leadership style which produces effective organizations (Sashkin, 1987). Action learning activities on real life work application can enhance their behavioral attitudes and skills where experiential learning theory explains that learning is the process where knowledge is disseminated through the transformation of experience (Kolb 1984, Beard & Wilson, 2007).

The shift in the mindset and behavior of middle managers show why there is a need to change from transactional thinking into the transformational thinking. For instance, one supervisor described during the post learning evaluation interview that he empowered and trusted his subordinates more than before. They discussed about the emerging issues about work and their values in their work and also in their life. The AI workshop had opened a passage for them to create a positive environment as well as positive whole brain thinking which simply linked their personal values to everything in their daily lives.

The culture of collectivist society of Myanmar where the presence of collectivistic values in the community and the heightened sense of social responsibility are important factors that are associate with transformational leadership in a charismatic perspective (Bass, 1985; Bradley, 1989).

Conclusions

All the findings stressed that all the OD intervention activities exercised in this study were effective. Majority of participants claimed that ODI helped them improved their learned behavior on real job application though some of them faced time and workload constraint to practice the new behavior. There is increasing recognition that a
person’s work and personal life have reciprocal effects on each other especially when personal and leadership development are in progress.

In conclusion, the findings from both quantitative and qualitative research approaches presented that there is a statistically significant improvement (i.e. $t=24.663$, df=26, $p=0.000$, two-tailed and $t=79.216$, df=26, $p=0.000$ respectively) in shifting managers from T2 to T3 behavior where FR-LDP ODI is most effective leadership development intervention. It lowered T2 and enhanced T3 and improved LPP as perceived by managers themselves as well as all raters. FR-LDP implied that a facilitated training workshop, 360-degree assessment and feedback with action learning were effective approaches (Kelloway et al., 2000). The findings from this study are consistent with some of empirical studies done by Bass and Avolio (1994) and Seidman and McCauley, (2011). The action research framework was successful at a single-loop or in one cycle. The positive outcomes from individuals learning of their own actions are consistent with action learning practices for leadership development program (Smith & Day 2000).

The second key finding of the study was that the majority of participants perceived the OD intervention in terms of their reaction, learning, behavior and results based on the four levels of Kirkpatrick's evaluation model were successful. Especially, 1) they did enjoy the training and workshop activities as their learning was successful and they are now aware of what effective leadership is and the process to improve their leadership practice in their workplace setting; 2) their behavior was successful with about 70% (21) participants claimed to achieve the level III of learning evaluation model in which participants adopted the new behavior learned from the training which have positive effect on their job performance (by transferring the new skills, knowledge and attitudes learned from the training workshop); 3) after the four month OD intervention, they publicly acknowledged achievements of subordinates; they delegated tasks to subordinates to act autonomously by encouraging them to change or think outside the box as they were now more concerned with ideas over processes. Majority of participants did not rely on the training sessions alone but they followed up with month self-leadership reflection report and measured their learning on the four levels of Kirkpatrick's evaluation model to be effective. Therefore, it can be concluded that the analysis of Return on Investment Training or ROTI indicated the success of the OD intervention training program.

The third and the most important finding of the study determined that there was significant difference between pre-ODI and post-ODI for T2 leadership behavior (i.e. $t=38.397$, df=26, $p=0.000$, two-tailed and $t=41.423$, df=26, $p=0.000$ respectively) as well as T3 leadership behavior (i.e. $t=24.663$, df=26, $p=0.000$, two-tailed and $t=79.216$, df=26, $p=0.000$ respectively). As perceived by participants, their attendance in the training workshop produced skills and knowledge which they could apply the learning contents in their respective roles. The analysis was employed with a 95% confidence to achieve a power of 80% probability to show evidence of an improvement of transformational leadership behavior of managers.

This study fulfilled not only the lack of longitudinal studies of shifting from transactional leadership behavior (T2) to transformational leadership of behavior (T3) but also it is regarded as the first research on the transformational leadership development of middle managers in a private owned Company in Myanmar.
Theoretical Implications

There is a need for holistic model in understanding the functional processes for leadership development. Appreciation for transactional leadership (T2) and transformational leadership (T3) is necessary in leadership development (Avolio and Bass in 1991). Especially, appreciation and understanding of transactional leadership (T2) and transformational leadership (T3) is needed in a culture such as the collectivistic society of Myanmar.

Tabrizi (2013) asserted in his book of the Inside Out Effect that it is important to know a three-part process called “Know-Be-Lead” where it is utmost important as a first step to know self and to be self and lead ourselves first and then others.

Cooperrider (2010) stressed the importance of development of human potential which can be enhanced by the processes of the strength-based approaches of Appreciative Inquiry (AI) for positive organization development and change.

Practical Implications

Full Range Leadership Development ODl can be appropriate for leadership development and Human Resource (HR) development. Leadership is a process to transform not only leaders and managers but also all employees. There are many other approaches to teaching transformational leadership exercises, various ways of data gathering in the training development workshop. For example, participants are asked to think of an effective leader they have known or practiced and the behavior they displayed such as idealized influence, inspirational motivation, intellectual stimulation and individualized consideration are usually noted. These kinds of activities can help senior management to plan to provoke organization-wide holistic programs from the observation of the momentum of the workshop and learning. They can point out that transformational leadership is not limited only to top level and senior management but senior management can be their role model who can be targeted for next leadership development program who will sustain organizational learning by creating the new culture of effective leadership in the organization where learning organization (Senge 1990) can foster future prosperity and growth.

Middle managers should be encouraged to create their own scenarios by emulating the transformational leaders they have observed from their immediate supervisors. Senior management leaders who have transformational leadership behavior should develop and change organization culture to display their capabilities and ask participants to imagine their vision for the organization in three to ten years by aligning their own interests and ideas. At that point, they can redesign the organization based on their actual functions on the job application at their workplace setting.

Managers those who are highly rated by their immediate supervisors are empowered and provided with challenging assignments as a notion of individualized consideration. It is realistic to observe that these managers are tempted to pave their own way and mold new model of their own style of leadership different from their immediate supervisors. Hence, if the middle managers are transformational, more lower-level
subordinates will emulate transformational behavior — and will be presumed to act as transformational leaders as they rise in the organization.

Recommendations

The organization should continue Organization Development Intervention (ODI) for the whole organization and design FR-LDP leadership training workshop on a yearly basis while using 360-degree feedback for action learning as an evaluation model to follow up the change momentum. Management should accept ODI for the development of human potentials realizing that leadership development is a key element in the success of every business.

The use of Effective Change Management (ECM) Model developed by Cummings & Worley (2009) for the organizations would be more appropriate to deal with resistance to change and sustain the momentum.

This study contributes to leadership research in some ways especially in culture of collectivist society of Myanmar where the presence of collectivistic values in the community and social responsibility are important factors that are associated with transformational leadership in a charismatic perspective. The FR-LDP ODI was effective in combining with the training activities, action learning, problem solving and Kirkpatrick’s learning evaluation model (KLEM) were most effective in shifting managers from T2 to T3 behaviors as participants were well prepared from the ODI to practice both T2 and T3 for effectiveness leadership behavior.

Furthermore, it is also recommended that the company should adopt the “Transformative Learning and Change” (TLC) model developed by Tayko (2015) in leadership development workshops and experiential learning sessions where participants should adopt the three stage theory of change referred to as “Unlearn, learn and relearn”. In order to engage in “Transformative Learning and Change” (TLC) which starts the change from within by engaging participants in the experiential learning process, the use of Selfware® tools from Brain Technology is recommended. This will provide them with their current profile on thinking styles (Brainmap®), valuing orientation (Mindmaker®), and problem-solving and decision making strategy (mCircle®) and Pathprimer® which will allow participants to know their values and purpose of life and importance of work in their life, to know themselves along with the use of WBL, Theory U, World Café, Real Case Study, SOAR (Strengths, Opportunities, Aspirations and Results), and AI (Appreciative Inquiry) activities. Transformative learning and change is the end-in-mind/end-state in which every organization wants to be engaged where adult learners in every experiential learning session should engage to reframe their mindset to certain concepts and processes. The processes of WBL in the transformative learning and change (TLC) were used in shifting from T2 to T3, feedback from participants were affirmative and positive in their experiences. In order to cope with the environment and technological changes and to survive, thrive and sustain in the fast changing world and market, change must begin from within the system especially change in the management and leadership levels and the need to develop the capacity and capability to change by choice from within the self (individual) by using the thinking tools and processes in leading and managing change for individuals, groups and organizations.

Transactional leaders really know how to run business operations and they strive
for operational excellence in the limited sphere that they can measure and provide detailed checklists and strong financial incentives to achieve the required operational results. However, they are best fit and should be used mainly by middle management levels in organizations in order to achieve the operational and financial results but they are ineffective to lead a transformation of their organizations in order to achieve consistent, systematic performance improvements. Because, the pressures of daily business transactions dominate their lives, the dominance of transactional thinking in organizations and living in a transactional world made it hard for them to transform, to restructure their process and to redesign the organization because an intense transactional focus reduces an organization’s ability to adapt to new markets, competitors, products, or systems.

Transformational Leaders collaborate toward a common goal with followers; forward followers in front and develop them; take followers’ to next level; inspire followers to transcend their own self-interests in achieving superior results as like a mother raised her child without expecting a return. Bass (1998) viewed the transactional and transformational leadership as continuum rather than opposing each other. 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.

T2 behavior can be termed as carrot and stick approach mentality in the perception of employees which create a culture where rewards are expected rather than appreciated. The difference between T2 and T3 behavior is that most of employees do not want to be controlled through incentives or carrots and sticks instead they want to be developed.

Finally, the research revealed that the successful application of action research in combination with the training workshops and the 360-degree feedback plus Kirkpatrick’s learning evaluation model (KLEM) were effective in enhancing the effective leadership of middle managers in shifting from their transactional leadership behavior (T2) and the transformational leadership behaviors. The ODI was successful in view of full support obtained from top management to create a free ambiance and culture for participants where they can experience different behavior of leadership and experiment from their learning in real life application to test what kind of behavior worked for them and what did not work well in their managing and leading; where they were given a chance to learn from others as well as to challenge other views. The study is consistent with Kouzes & Posner, 2002 who suggested that leadership development goals should be liberated but full support from senior management to acknowledge the achievement of participant’s goals is critical in developing individual’s leadership behavior.

Therefore, it is recommended for any organization to employ a combination of leadership styles at different levels in the company. But transaction leadership styles best fit in the middle management levels though transformational leadership styles can be practiced at any levels of organization. Private organization in Myanmar needs to only adopt transactional leadership in the middle management levels to achieve the operational and financial results and transformational leadership style, in order to adapt with the changing environments, new markets, competitors, products, or systems, which can be practiced at any level of the organization by young, adult and mature leaders.
Future Research

Although the FR-LDP ODI has produced positive result for Myanmar ABC Company, there are many limitations that must be addressed for further improvement. First, the study was limited only to middle managers in a small conglomerate company in Myanmar. It is thus suggested that intervention be conducted in a larger corporation and a higher leadership level to discover further improvement and implications of the ODI.

Second, it is suggested that an experienced leadership trainer is engaged or OD practitioner with expertise in qualitative data analysis in order to obtain more information to interpret and analyze qualitative data which could engender valuable insights.

Third, it is recommended to further study the correlation between the national cultural dimensions with managers’ transactional leadership (T2) and transformational leadership (T3) behavior especially in the collectivistic cultures especially in Idealized Influence (II) and Individualized Consideration (IC) which was found significantly correlated with collectivist culture of Myanmar. Further research can be explored in terms of why transformational leadership is more effective than transactional leadership in a collectivism cultures in a variety of organization.

Fourth, it is recommended that longitudinal studies be carried out on the impact of middle managers and HRM on organizational performance over long-term periods that would allow the researcher to understand the dynamics between these relationships.

References


