

**Followers' Needs and Leadership Styles: An Empirical Fit among Banking
Professionals of Pakistan**

Prof. Dr. Mahmood A Bodla; Ghulam Hussain

COMSATS Institute of Information Technology Sahiwal, Pakistan

director@ciitsahiwal.edu.pk, hussain@ciitsahiwal.edu.pk

ABSTRACT

Influencing followers' behaviors is the essence of leadership. The primary role of an effective leader is to understand the followers' needs and adopt a suitable style to influence their behaviors for achieving desired outcomes. Consequently, the right fit among followers' needs and leadership styles must be key to organizational success. In this perspective, empirical research testing the fit among followers' work related needs and leadership styles during the past few decades has substantially increased. However, most of the existing research involves the empirical evidence obtained from work organizations of European and American origins but no concrete evidence from the work organizations of underdeveloped/developing countries could be ascertained. Therefore, the present study aims to test this fit in Pakistani work settings. Practical implications of the study which benefits the researchers and practitioners are also discussed.

Keywords: *Fit, followers' needs, leadership styles, outcomes, and Pakistan.*

INTRODUCTION

Success or failure of any organization is attributed to its leadership. However, the success of leadership itself depends on the degree and direction of the responsiveness of followers to the leadership influence. In other words, positive response of the followers is contingent upon the fulfillment of their needs. Thus, the present study seeks to find an empirical fit among followers' work related needs – achievement, affiliation and power due to McClelland (1965) - and widely used leadership styles such as human oriented and task oriented leadership styles to enhance work outcomes, job satisfaction and performance of the banking sector employees of Pakistan.

Earlier leadership studies in this area include; House (1971) who established the relationship between subordinates' needs, leadership behaviors and outcomes. He postulated that in case of ambiguous and methodological variant tasks, subordinates desire instrumental leadership. Whereas in case of routine tasks followers desire social support from their leaders. Keller (1989) investigated the impact of need for clarity in relation with initiating structure on subordinates' satisfaction and performance. He hypothesized the positive relation of need for clarity with initiating structure on outcomes. Contrary to his expectations, statistical results showed the negative relationship among variables. Other followers' need for structure similar to need for clarity was studied by Stoker and De Jong (1996) in relation with task oriented leadership on group effectiveness. Empirical results have confirmed the positive relation between need for structure and task oriented leadership on group effectiveness. In a study done by Emans and Radstaak (1990), high need for autonomy was negatively related with human oriented leadership effect on followers' quality of work. Moreover, Landeweerd and Boumans (1994) found

that need for autonomy among followers in combination with instrumental leadership was negatively related to job satisfaction.

Mathieu (1990) tested the fit among followers' achievement and affiliation needs and leadership styles on followers' satisfaction. He used two facets of leadership (instrumental leadership and supportive leadership). The statistical results confirmed that strong interaction between followers' need for achievement and instrumental leadership resulted in higher satisfaction among followers. Moreover, combined effect of followers' need for achievement and supportive leadership was negatively related to followers' satisfaction. While no statistically significant relationships were found in case of followers' affiliation needs and leadership styles.

It is apparent that earlier studies in this area have focused on either one (e.g. De Jong, 1996; Emans and Radstaak, 1990; Landeweerd and Boumans, 1990) or hardly, have considered the two aspects of the followers' needs (e.g. Mathieu, 1990). However, it has been acknowledged in organizational behavior literature that different individuals have different needs at the workplace (e.g. Hersey et al., 1982). Therefore, the present study is an attempt to cover the variety of followers' work related needs simultaneously with basic leadership styles on followers' outcomes criterion. In order to deepen the understandings about followers' work related needs, the present study will utilize the McClelland (1965) three needs theory. We do acknowledge, however, that McClelland's needs theory is not without criticisms. First, it assumes that every individual has one dominant need and he/she performs his work in the best way relative to his/her dominant need. But, individuals have to perform different roles simultaneously and the prevalence of single needs may not be suited to different roles. Second, this theory ignores the

contextual relevance of the needs. However, human needs are constantly changing with respect to their personal experiences and what people around them have accomplished. Despite its criticism, this theory is widely used in empirical research (e.g. Marti, Gil & Barrasa, 2009; Emmerick et al., 2008; Spreier, Fontaine & Malloy, 2006; House, Javidan, Hanges & Dorfman; 2002; Jacob & McClelland, 1994; Hofstede, 1980). It has received unprecedented acceptance in organizational literature and has benefited the researchers and practitioners. Thus, the McClelland needs theory is considered to be well suited in the context of present study.

Moreover, it is also noted with concern that most of the leadership studies in this area have been conducted in American or European contexts. Due to cultural differences, in the developed industrial societies and underdeveloped or developing societies, it becomes virtually impossible to generalize the findings of earlier studies to the Pakistani context. Therefore, the present study is specifically designed in the Pakistani work environment to determine the effect of followers' work related needs and leadership styles on work outcomes. The expected relationships among variables of the study are discussed in the next section.

HYPOTHESES DEVELOPMENT

This section explains the causal relationships among variables to test the effects of fit among followers' needs and leadership styles on work outcomes.

Need for Achievement

Followers' need for achievement is reflected their efforts to attain excellent performance standards. McClelland et al., (1953) stated that individuals with high need

for achievement set challenging tasks and want to maintain high performance standards. Such individuals derive satisfaction while attaining their goals. Therefore, it is assumed that followers with higher achievement needs will prefer the task oriented leadership which sets up challenging tasks and facilitates followers in achieving them. However, relationship oriented leadership will fail to positively influence the high achievers. More formally it may be stated as:

H1: Followers with higher need for achievement need task oriented leadership to produce positive work outcomes.

H2: Followers with higher need for achievement led by human oriented leadership shall produce negative work.

Need for Affiliation

Need for affiliation is a concern for establishing, maintaining, and restoring close personal, emotional relationships with others. McClelland (1965) postulated that individuals with high need for affiliation are responsive to others emotions. These individuals derive satisfaction while maintaining good relationships with people.

H3: Followers with strong need for affiliation in combination with task oriented leadership produce negative work outcomes.

H4: Followers' need for affiliation in relation with human oriented leadership results in positive work outcomes.

Need for Power

Need for power is reflected in a strong desire to control the environment, and to influence the behaviors of others. McClelland (1965) predicated that high power need is characterized by strong desire to direct and control the activities of people. These characteristics indicate that individuals having high need for power don't want to maintain the leader – followers relations. As a result, these individuals will not accept any type of leader's intervention. Therefore, it is hypothesized that

H5: Followers having strong need for power when subjected to leadership (either human oriented or task oriented leadership) interventions will produce negative work outcomes.

In short, the hypotheses may be summed up as follows.

Table 1: Summary of Hypotheses

	Task Oriented Leadership		Human Oriented Leadership	
	Performance	Satisfaction	Performance	Satisfaction
Need for Achievement	+	+	-	-
Need for Affiliation	-	-	+	+
Need for Power	-	-	-	-

“+” indicates that followers' needs in relation with leadership styles are positively related with outcomes.

“-” indicates that followers' needs in relation with leadership styles are negatively related with outcomes.

RESEARCH METHODOLOGY

Target Population and Sample

At best, only two or three studies have deployed the leadership theories in Pakistan and these studies were based on the data from education sector. However, the aim of this study is to test the application of leadership concepts in the business sector. Among the different business sectors, the banking industry has been chosen for the purposes of the study for two important reasons. First, the banking sector of Pakistan has been witnessing a lot of growth, technological improvement and global competition. These trends have led to the changes in the patterns of employment and management styles as more qualified professionals enter the industry. Selection of such employees has resulted in better understanding about the significance of the research and it has resulted in a higher response rate than any other industries like the traditional textile sector etc.

Second, the banking sector has the largest branch network in the whole country and as a result sufficient data can be collected with minimum utilization of resources. In order to obtain a representative sample, the multiple stratified random sampling technique was applied. At the first stage, among 41 different banks, 9 banks were selected based on the classification of public sector (2), private but national banks (5), and foreign banks (2).

In the second stage, owing to the limited financial resources for primary data collection, the sample has to be restricted to geographical area of Lahore and Sahiwal cities in the Punjab province of Pakistan. Out of more than 550 branches in these cities, 70 branches were selected.

Data Collection Methodology

In order to get sufficient responses, 850 questionnaires were administered to the officer grades of the selected branches. This group of middle management employees is well suited to evaluate their own needs and what leadership style they expect for better performance and job satisfaction. The questionnaire consisted of four parts: The first part inquired about personal information of respondents; The second part evaluated the followers' needs; The third part involved evaluation of leadership styles; and the fourth part was related to subordinates' work outcomes. Of the 850 questionnaires, 313 (yielding 36% response rate) questionnaires were returned whereas 18 questionnaires were incomplete. Therefore, a total of 295 respondents provided the useful information for analysis purpose. The gender based distribution of the respondents from different bank categories is given in the following table.

Table 2: Gender Distribution of the Respondents from Different Bank Categories

	Public Sector	Private Sector	Foreign Sector	Total
Male	48	139	40	227
Female	13	50	5	68
Total	61	189	45	295

Various measures used to evaluate the followers' needs, leadership styles and the work outcomes are described in the following sub section.

Measures

Followers' Needs: The scale measuring followers' needs were adopted from Manifest Needs Questionnaire (Steers and Braunstein, 1976). Total 15 items (5 each for

achievement, affiliation, and power needs) were selected from this scale. The cronbach alpha value for need for achievement was 0.68, for need for affiliation it was 0.61, and for need for power it remained 0.63.

Leadership Styles: Leadership styles were measured through shortened version of the Supervisory Behavior Description Questionnaire (Fleishman, 1953). A total of 16 items (8 each for human oriented and task oriented leadership styles) were adopted from SBDQ (Supervisory Behavior Description Questionnaire). Reliabilities scores were 0.80 for human oriented leadership and 0.73 for task oriented leadership.

Employees' Performance: Employees' subjective performance was measured with the self rated performance index of Roe et al. (1995). A total 6 items were adopted from self rated performance index and cronbach alpha value for these items remained 0.75.

Job Satisfaction: Employees' degree of satisfaction with their job was measured with 4 items and these items were adopted from the Minnesota Satisfaction Questionnaire. The value of cronbach alpha was 0.65 for these items.

All the items measuring the employees' needs and job satisfaction were rated on a 7 point likert scale, and leadership styles were rated on a 5 point likert scale. Employees' performance was rated on bipolar scale (ranging from low of "1" to a high of "8"). All the data sets were analyzed using SPSS. The score for each individual respondent on various variables were obtained by averaging out the itemized scores corresponding to the respective variables. The results obtained from the statistical analysis of these responses are presented in the next section.

RESULTS

Hierarchical regression analyses was performed to test the interaction effects of followers' needs and leadership styles on work outcomes as described in the following three steps:

$$Y = \beta_0 + \beta_1 X_1 + \epsilon \quad \text{Step I}$$

Where Y represents the work outcomes (performance and job satisfaction) and X_1 represents the standardized scores of leadership styles (human oriented and task oriented leadership). β_0 and β_1 are regression coefficients and ϵ is an error term.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \epsilon \quad \text{Step II}$$

Where X_2 stands for standardized scores of followers' needs (achievement, affiliation, and power). β_2 is the coefficient of followers' needs.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon \quad \text{Step III}$$

Where X_3 represents the interaction term ($X_3 = X_1 * X_2$) of the standardized scores of followers' needs and leadership styles.

To specify the type of interaction effects, the procedure suggested by Howell, Dorfman and Kerr (1986) was adapted. This procedure is summarized in the following table.

Table 3: Summary of Interaction Effects' on Work Outcomes

Interaction Effects	Leadership Styles	
	High Degree of Needs	Low Degree of Needs
Substitute ($\beta_3 < 0$)	Low effect on outcomes	High effect on outcomes
Enhancer ($\beta_3 > 0$)	High effect on outcomes	Low effect on outcomes

These relationships will be true, when leadership styles and followers' needs are positively related to work outcomes.

One standard deviation above of the mean (+1) represents the higher degree of need and one standard deviation below of the mean shows (-1) lower degree of need.

Table 4: Interaction Effects of Need for Achievement and Task Oriented Leadership on Work Outcomes

Variables

A	Criterion: Performance			
	$R^2_{adj.}$	ΔR^2	ΔF	β
Task Oriented Leadership (TL)	.172	.175	60.35	.18**
Need for Achievement (NACH)	.350	.180	79.06	.45***
Interaction (TL \times NACH)	.366	.018	8.23	.14**

B	Criterion: Job Satisfaction			
	$R^2_{adj.}$	ΔR^2	ΔF	β
Task Oriented Leadership (TL)	.123	.126	41.044	.13*
Need for Achievement (NACH)	.279	.158	63.08	.48***
Interaction (TL \times NACH)	.283	.007	2.76	.08°

*** $p < 0.001$, ** $p < .01$, * $p < .05$, ° $p < .10$

Table 4 (A & B) reflects that need for achievement is found as enhancer of the relationship between task oriented leadership and followers' performance and

satisfaction. This indicates that individuals with high need for achievement prefer more task oriented leadership than individuals with low need for achievement.

Table 5: Interaction Effects of Need for Affiliation and Task Oriented Leadership on Work Outcomes.

Variables

A	Criterion: Performance			
	R²_{adj.}	ΔR²	ΔF	β
Task Oriented Leadership (TL)	.169	.172	58.72	.22***
Need for Affiliation (NAF)	.273	.107	41.63	.37***
Interaction (TL × NAF)	.301	.030	12.01	-.17**

B	Criterion: Job Satisfaction			
Task Oriented Leadership (TL)	.120	.123	40.66	.13*
Need for Affiliation (NAF)	.286	.168	67.36	.46**
Interaction (TL × NAF)	.285	.001	.420	.03

*** $p < 0.001$, ** $p < .01$, * $p < .05$, ° $p < .10$

Table 5 (A) shows that interaction effect of task oriented leadership and need for affiliation on followers' performance is found statistically significant. Here, need for affiliation works as substitute of the relationship between task oriented leadership and performance. This indicates that there is a less strong relationship between task oriented leadership and performance in case of high need for affiliation among followers than low followers' need for affiliation.

While Table 5 (B) reveals that need for affiliation is found as only positive predictor of followers' job satisfaction.

Table 6: Interaction Effects of Need for Achievement and Human Oriented Leadership on Work Outcomes

Variables

A	Criterion: Performance			
	R²_{adj.}	ΔR²	ΔF	β
Human Oriented Leadership (HL)	.195	.198	70.54	.27***
Need for Achievement (NACH)	.375	.182	83.48	.43***
Interaction (HL × NACH)	.394	.020	9.59	-.14**

B	Criterion: Job Satisfaction			
	R²_{adj.}	ΔR²	ΔF	β
Human Oriented Leadership (HL)	.150	.153	52.01	.20***
Need for Achievement (NACH)	.309	.161	67.34	.44***
Interaction (HL × NACH)	.307	.000	.011	.01

*** $p < 0.001$, ** $p < .01$, * $p < .05$, ° $p < .10$

In table 6 (A), the interaction effect of human oriented leadership and need for achievement on followers' performance is found to be statistically significant. Need for achievement acts as a substitute of the relationship between human oriented leadership and followers' performance. This shows that there is a less strong relationship between human oriented leadership and followers' performance in case of high need for achievement among followers. Moreover, the results have confirmed that leader's efforts directed at maintaining good relationship with followers will not add any significant effect to high achievers' performance.

In table 6 (B), need for affiliation is found only positive predictor of followers' satisfaction.

Table 7: Interaction Effects of Need for Affiliation and Human Oriented Leadership on Work Outcomes

Variables

A	Criterion: Performance			
	R²_{adj.}	ΔR²	ΔF	β
Human Oriented Leadership (HL)	.186	.189	66.20	.26***
Need for Affiliation (NAF)	.278	.094	36.95	.34***
Interaction (HL × NAF)	.298	.023	9.22	-.15**

B	Criterion: Job Satisfaction			
	R²_{adj.}	ΔR²	ΔF	β
Human Oriented Leadership (HL)	.142	.145	48.47	.17**
Need for Affiliation (NAF)	.297	.157	64.07	.44***
Interaction (HL × NAF)	.296	.001	.43	-.03

*** $p < 0.001$, ** $p < .01$, * $p < .05$, ° $p < .10$

The empirical results presented in Table 7 (A) have showed the unexpected relationship. Here, need for affiliation acts as substitute of the relationship between human oriented leadership and employees' performance, while in table 7 (B), need for affiliation is found as a simple positive predictor of employees' satisfaction.

Table 8: Interaction Effects of Need for Power and Task Oriented Leadership on Work Outcomes

Variables

A	Criterion: Performance			
	R²_{adj.}	ΔR²	ΔF	β
Task Oriented Leadership (TL)	.171	.174	59.66	.31***
Need for Power (NAP)	.216	.048	17.38	.24**
Interaction (TL × NAP)	.230	.016	6.08	-.13*

B	Criterion: Job Satisfaction			
Task Oriented Leadership (TL)	.119	.123	39.79	.21***
Need for Power (NAP)	.254	.137	52.52	.40***
Interaction (TL × NAP)	.261	.009	3.54	.09°

*** $p < 0.001$, ** $p < .01$, * $p < .05$, ° $p < .10$

Empirical results presented in table 8 (A) show the negative interaction of task oriented leadership and need for power on subordinates' performance. Here, need for power is found as substitute of task oriented leadership. This has proved that need for power combined with task oriented leadership is negatively related to performance of employees. In Table 8 (B) an unexpected positive interaction is found. Here followers' need for power is found as enhancer of the relationship between task oriented leadership and followers' job satisfaction.

Table 9: Interaction Effects of Need for Power and Human Oriented Leadership on Work Outcomes

Variables

A	Criterion: Performance			
	R²_{adj.}	ΔR²	ΔF	β
Human Oriented Leadership (HL)	.194	.197	69.74	.35***
Need for Power (NAP)	.223	.031	11.52	.19**
Interaction (HL × NAP)	.223	.003	1.17	-.06

B	Criterion: Job Satisfaction			
Human Oriented Leadership (HL)	.146	.149	49.89	.24***
Need for Power (NAP)	.260	.116	45.13	.38***
Interaction (HL × NAP)	.259	.002	.58	.04

*** $p < 0.001$, ** $p < .01$, * $p < .05$, ° $p < .10$

The empirical results summed up in table 9 (A & B) have showed that no statistical significant interaction effects are found among variables. However, need for power is found as positive predictor of the work outcomes.

DISCUSSION AND CONCLUSION

This study has explored the effects of followers' needs in relations with leadership styles on individuals' work outcomes. In this perspective, five hypotheses about twelve possible interaction effects were tested. Overall, empirical results of the study have partially supported the research hypotheses. It is interesting and important to note that in case of effect of followers' need for achievement with leadership styles on outcomes; findings have confirmed 3 out of 4 hypotheses. Statistical results have proved that followers with high need for achievement prefer more task oriented leadership than the followers with low need for achievement. This case is particularly true for commercial

banking officers where they have to maintain the excellent performance standards in a competitive environment. Moreover, the results of regression analyses have partially proved that individuals with strong affiliation needs were not attracted by task oriented leaders. However, empirical results failed to confirm that followers with affiliation needs prefer more human oriented leadership. While in case of followers with power needs, it is also partially supported that such followers do not accept any type of leader's interventions and in case if leader intervenes it has worsening effect. This is found true in case of relationship between task oriented leadership and followers' performance, where all the leadership efforts directed at procedure specification are paralyzed by followers' power needs.

In short, it is concluded that followers with different needs prefer different leadership behaviors. As far as the practical implications of the study are concerned, the study yielded pragmatic information and results have confirmed that leader must understand the followers' needs before exercising leadership.

The present study has also some limitations. First, the sample is drawn from a single industry and results of the study are limited with the perceptions and experiences of the sampled group. This restricts the generalizability of the results. Second, the study only employs cross sectional data therefore, we were unable to check to what extent followers' needs change according to their development level.

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Professor Dr. Mahmood A Bodla



Prof. Dr. Mahmood A Bodla has doctorate degree in HRM and Econometrics from Wayne State University, USA. He is currently working as the Director of COMSATS Institute of Information Technology Sahiwal Campus, Pakistan. He has an extensive teaching and research experience in various prestigious national institutions. He authored more than 60 research publications, conference papers, and case studies in the areas of human resource management, econometrics, and change management.

Ghulam Hussain

Ghulam Hussain is MS scholar at Department of Management Sciences, COMSATS Institute of Information Technology (CIIT), Pakistan. He is currently working as the Lecturer at CIIT, Sahiwal Campus.