Influence of Leadership Characteristics Towards Succession Planning Program Implementation in Malaysia’s Public Sector.

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ABSTRACT

This paper examines the influence of leadership characteristic style towards succession planning, program implementation in Malaysia’s Public Sector. Four dimensions of leadership characteristic were used, namely idealized influence, inspirational motivation, individualized influence and intellectual stimulation. Combination Multifactor Leadership Questionnaire and effective Succession Planning and Management Questionnaire. A sample of 394 respondents is taken from Malaysia’s Public sector employees. From multiple regression analysis, the result revealed that individualized influence (β = 0.162, p<0.05) is the most influence career development. Keeping in view, the finding of this study provides some practical insight into the need for public sector to re-visit the succession planning and leadership style as these have significant bearing on followers perception. Therefore, with the changing world of work demands and more choice where one size fits one, leaders must able to provide a great characteristic style to balance these with works need to ensure a high level of productivity and performance.

INTRODUCTION

Preparing the next great leader is more important now than ever for the public sector. Therefor, the ability to structure human resources accurately and effectively gets the main focus as this will highlight excellence in administration and leadership organization. The Malaysian Civil Service is the largest organization in the country with 1.4 million employees and it is the administrative heart of the Malaysian government (PSD, 2012). Public service has been generally perceived as bureaucratic red tape, politicking influence, cronyism and unprofessional. In this regard, concrete action needs to be practiced in order to increase the level of employee motivation. In an attempt to strengthen the planning and governance of human resources, succession planning is seen as a method that is extremely relevant to the preparation of future leaders in an organization. The implementation of a proper succession process is also a distinguishing factor between an effective organization and ineffective organization. The success of any organization heavily relies upon effective and great leadership. According to Huang [1] succession planning is a vital piece of data for day by day decision making in organizations the most important tool for improving individual. Moreover, the implementation of succession planning towards subordinate are closely related to a leader’s leadership style. Khairil Annas [2] stated that the leadership is something that is interesting because it involves the influence and power and besides a positive relationship to satisfaction and functioning. Succession planning has been introduced to public service servants by the Public Service Department in the year 2006. According to Rothwell [3], succession planning and management should support each other and act as a catalyst for the career path and developing future leaders. Retain and sustain the organizational competitiveness, organization need efficient and effective leaders to generate ideas, to elevate spirits and motivation for continuity of the organization regardless of any challenges ahead. Subordinate in organization assume that a leader should have certain characteristics. Employees make the presumption that the leader is the best model. Therefore, leaders need to demonstrate good behavior to gain the confidence to subordinate.
Leadership refers to the ability to influence subordinate to attain a specific goal. It can be stated that leadership is a process of influencing others for the purpose of achieving leadership goals. In addition, leaders must adopt a high level of integrity and moral conduct, that will be the benchmark for the employees and the organization. A competent leader is a person who will be able to implement positive change and success. It is important to realize that the synergy between leaders and leadership style can build credibility and trust with it be able to get the respect of employment and achieve organizational goals. According to House et al. [4] “leadership is the ability of an individual to influence, motivate and enable others to contribute towards the effectiveness and success of the organizations of which they are members”. Thus, there is a desperate need to a proper succession planning implementation in order to ensure the success and quality of a particular organization's leadership continuity. Good leadership mainly is characterized with a positive attitude, integrity, resilience, foresight, communication and skills. In addition, leaders need to create a passion for reaching the organization's vision. Therefore, this can only occur if the leader is a person who holds the greatest influence to bring strength and efficiency of a system. Intellectual leaders are able to transform an organization's landscape. A leader needs to sustain its leadership as described by Bass [5] through group and individual influence, motivation as well as intellectual stimulation. Failure to effectively manage human resources could lead to instability of the organizational climate. However, succession planning is viewed as an outstanding platform for career advancement and also the provision of the leaders in the future (pathways to leadership). Weakness in personality and leadership style can affect the direction of the organization. Moreover, the top management or the supervisor need to play the important role of facilitating the process of succession planning in their organizations (McArthur, [6]).

Research and literature about leadership in an organization is relatively abundant. Indeed, there is overwhelming research evidence that leadership style has an important bearing on positive employee work outcomes such as a job performance, job satisfaction, organizational commitment (Abdulla, Ramdane, & Kamel, [7]). With regards to the facts relating to succession planning, it was found that there are very limited studies the examine the influence of leadership style; idealized influence motivational inspiration on succession planning program. Hence this study intends to fill the gaps in the succession planning program studies by examining the influence of leadership characteristic style towards implementing a succession planning program in Malaysia’s public sector. Sarros & Santora [8] mentioned that leadership is the important role that has the ability to manage the change in the organization. For Burns [9] transformational leadership is a relationship, mutual stimulation and elevation that converts followers into leaders and may convert leaders into moral agents, while Murphy & Ensher [10] mentioned leadership is one of the most important needs for success of each organization. Furthermore Riaz & Haidar [11], predicting the future probabilities and planning choice strategies to satisfy uncertain are capabilities of effective leadership. Leadership characteristic elements contribute to the leadership effectiveness. According to Dessler [12] for many years, researchers have tried to explain how leaders characteristic or behavior related to effectiveness. The main purpose of this research was conducted to determine that individualized influence predictive effect on succession planning program in the public sector.

2. Theoretical Background:

2.1 Succession Planning:

Succession planning is the process that help to ensure the stability and tenure of personnel. Succession. McCaulley & Wakefield [13] defined succession planning as a process that leads management to define and address talent management strategies as they prepare the organization, and people for the future. Succession planning is a critical person, process (Beever, [14]; LaForest and Kubica, [15]) and a systematic method. Even though many researchers came with many models on succession planning, the most popular model in this area is introduced by Roswell. Rothwell [3] defined succession planning as a means of identifying critical management positions, starting at the levels of project manager and supervisor and extending up to the highest position in the organization. Succession planning also describes management positions to provide maximum flexibility in lateral management moves and to ensure that as individual achieve greater seniority, their management skills will broaden and become more generalized in relation to total organizational objectives rather than to purely department objectives.

The ability to identify and develop strong leaders will ensure the success of organizations and maintain their competitiveness in the marketplace (Krauss, [16]). In a recent literature review, Mehrabani and Mohamad [17] asserted that there are many factors help succession planning systems to be successful and effective. In Malaysia context, National Academy of Public Management (1992) had conducted a study of succession planning in public and private sector. The result reveals that top-leadership involvement and commitment is influence of successful succession planning. As a conclusion, succession planning is not only to ensure to prepare for future leader and career path, but it's also to identify training and development needs of both individual managers and organizations. Succession planning is a process of career development and preparing for the future leader program.
2.1.2 Career Development:
Bowers [18] states that career development is an important strategy to facilitate internal promotion in addition to designing and implementing career goals. Career development can attract the best candidates, motivate and retain the best staff from time to time. Good career development will also improve morale and employee satisfaction and dissatisfaction and also will reduce the brain drain. Larry Cambron [19] President of Operations and Drake Beam Morin Asia, stated that focus on employee career development leads to a reduction a brain drain, satisfaction increased and more effective succession planning. The effective career development strategy helps organizations manage the capital cost of a very costly. A study conducted by Adewale, Osibanjo Omotayo [20] on Private Higher Education Center Nigeria shows that there is a significant relationship brain drain of the organization and career development. According to Sonali [21] success means the achievement of desired aspirations. However, the definition of success may differ from individual to another individual. For instance, Sturges [22] mentioned that a man in his 20s defines career success as earning sufficient money which enables him enjoy the life. At thirty years old women defined career success as her ability to do something that she will enjoyable and satisfactory. Some of the most widely used interventions are career coaching, cross training and job enrichment and enlargement. (Whymark & Ellis, [23]; Kirk et al., [24]). Furthermore, according to Rothwell [3] without strong support from the top management, career development effort and succession planning strategies will fail.

2.2 Transformational Leadership:
Transformational leadership has been developed from originate of charismatic leadership where followers are more depending on leaders and leaders has seen as a great person that always protect their followers. According to Bass and Avolio [25], Bass and Riggio [26] transformational leaders are leaders who promote and motivate their followers through projecting and communicating attractive vision, common goals and shape-values as well by setting an example for the requested behavior. Still, Burn [27] was the cofounder of the concept of transformational leaders. For Burns [27] transformational leadership “is a relationship, mutual stimulation and elevations that converts followers into leaders and may convert leaders into moral agents”. Research studies have proven that transformational leadership is positively connected to organizational effectiveness (Dum'dum, Love & Avolio, [28]; Fuller, Petterson, Hester & Stringer, [29]; Judge & Piccolo, [30]; Lowe et al. [31]; Walumba et al., [32]. Bass [33]. Recently most of the leaders in public have tried to apply and adapt with this transformational in their management style because of its ability to develop the follower skill. This was proven by a research by Metcalfe [34] which was conducted public sector organization, ranking from school, healthcare teams and local government departments. According to Bass and Avolio [35], Transformational leadership display behaviors associated with four leadership styles. Idealized influence display conviction, emphasize the importance of determination, commitment and the ethical of the consequences of decisions (Boyett, [36]). Inspirational motivation describes manager who motivate to achieve the vision of the organization (Hall, Johnson, Wysocki and Kepner, [37]). Leaders strengthen followers by looking future with optimism (Antonakis et al., [38]) and encourage the followers to challenge themselves in work (Bass et al., [39]). Individualized influence referred to leader who offer emotional and social support to the followers. They delegate responsibility, empower people, hold their subordinates and responsive to individual needs (Boyett, 2006). Intellectual stimulation describes leader’s effort to challenge followers to seek innovative and creative (Limsila & Oguanla, [40]) and promote critical thinking and problem solving to make the organization better than what they have now (Hall, Johnson, Wysocki and Kepner, [41]).

3. Methodology:
3.1 Design and Sample:
This research was conducted among employees at grade 48 till 54 in Malaysia’s public sector. Using stratified random sampling, a sample of 576 respondents was selected from 21 organizations as participants of the survey. Among distributed questionnaires, 425 respondents were returned, 394 of which were useful for statistical analysis that shows a response rate of 68.4%.

3.2 Instruments:
There are two variables to measure in this research which is transformational leadership for the independent variable and succession planning for the dependent variable. There are two sets of instrument recognized to measure those variable. To measure of top management, leadership style as perceived by followers, Multifactor Leadership Questionnaire based on Five-point Likert scale was utilized. The MLQ was designed and developed by Bass & Avolio [42] and commonly used for leadership study. The rating scale includes: strongly disagree (1), Disagree (2), Neutral (3), Agree (4) and Strongly agree (5).
The MLQ includes 20 items; 8 items represent Idealized influence, Motivation, Inspirational (4 items), Individualized influence (4 items) and intellectual stimulation (4 items). This instrument has been used by researchers in many disciplines such as, education, marketing, military. Industry private and public sector in different countries (Love et al, 1996; Anonaks et al, 2003; Avolio & Bass, 2004; Erkutlu, 2008). Prior to maintain the validity of the research, a pilot study was conducted. The Cronbach’s alpha value range from .714 to .890 which is acceptable (Hair et al, [43]).

An instrument to measure succession succession planning were taken from the questionnaire for effective Succession Planning and Management (SP&M) by Rothwell [3]. 10 items represent preparing for future leader and 10 items represent career development. Five-point Likert scale was utilized. The Cronbach’s alpha value range from .934 to .949 which is acceptable (Hair et al, [44]).

4. Findings and Discussion:
4.1 To examine the influence of leadership style on Career Development:

The result of multiple regression analysis shown as in Table 1 and Table 2. Table 1 shown that the correlation of all IV and DV is moderate (R.364), also found that all the IV could explain 11.3% of the variance in career development. In The multiple regression analysis, the dependent variable of succession planning was regressed against the independent variables. As shown in Table 2, the regression model was found to be fit (F=12.478; sig = .000). The R² indicates the coefficient of determination of the predictor variable on the dependent variable. As indicated from the table, R² showed a value of 13.27 which means that 13.3% of the variance in succession planning, which means that the model fit is valid across different samples sized and can be validity generalized to the study population. The strongest predictor is known by looking at the absolute biggest beta value (Hair et al, [44]. As shown in Table 1, individualized influence showed the biggest beta value of .162, which was significant at is .008 levels and consistent with MLQ norm. This stands for that idealized influence variable influence most the variance in preparing the future leader program perceived by subordinate.

Utilizing idealized influence behavior, the leader provides emotional and social support to the followers to their career growth. They delegate responsibility, empower people, support their subordinates and responsive to individual needs (Boyett, [36]). Even though to date no study has looked into influence of leadership style toward implementing succession planning. The multiple regression result appears to corroborate the overwhelming research evidence that leadership has an important bearing on employee work outcome, such as a job performance, job satisfaction, organizational commitment and organizational citizenship behavior (e.g. Bass, [45]: Babcock-Roberson & Strickland, [46]; Bushra, Usman & Naveed, [47]; Floyd, [48]; Lian & Tui, [49]; Zahari & Shugari, [50]).

This finding also consistent with the result of Shin and Zhou [51], which suggest that in the Asian context, followers are prone to remain loyal and to rely strongly on leadership style to encourage and support the followers to a new work frontier. Displaying individualized characteristic style, the leader can help the followers to develop their strengths and think about organizational problem with a new perspective. Delegating authority to the followers and satisfying their needs are important for these leaders, moreover, they are continuously involved in the process of coaching (Zaidatol Akmaliah et al, [52]; Northhouse, [53]; Reauvers et al, [54]). This finding supported previous research (Amir Sadeghi and Zaidatol Akmaliah, [55]; Voon et al, [56]; Lo et al, [57]) conducted in different discipline in Malaysia. As it can be seen in different Malaysian disciplines, with respect to transformational leadership characteristic style, researchers achieve similar finding. One plausible explanation is that subordinate rely on a transformational leader to provide clear guidance on how to make good use of task support for enhancing their career development. Similarly, the interactive effects of transformational leadership characteristics and relation’s support were found in this study to exert a significant influence on the subordinate career path.

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R²</th>
<th>Adjusted R²</th>
<th>Std Error of the Estimate</th>
</tr>
</thead>
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<tr>
<td>1</td>
<td>.098*</td>
<td>.010</td>
<td>.002</td>
<td>.44486</td>
</tr>
<tr>
<td>2</td>
<td>.364*</td>
<td>.132</td>
<td>.113</td>
<td>.41876</td>
</tr>
</tbody>
</table>

Table 2: Multiple Regression Analysis: Independent Variable and Career Development

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Standardized Beta</th>
<th>t</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Idealized Influence</td>
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<td>1.181</td>
<td>.239</td>
</tr>
<tr>
<td>Motivational Inspiration</td>
<td>.095</td>
<td>1.391</td>
<td>.165</td>
</tr>
<tr>
<td>Individualized Influence</td>
<td>.162</td>
<td>2.590</td>
<td>.010</td>
</tr>
<tr>
<td>Intellectual Stimulation</td>
<td>.104</td>
<td>1.565</td>
<td>.119</td>
</tr>
</tbody>
</table>

F value: 12.478
R²: .132
Adjusted R²: .123
Sig: .000
5. Conclusions and Implications:

Theoretically, this finding implied that the subordinate career development could be positively led by the charismatic influence individualized influence of transformational leaders. Nevertheless, such leading can be effectively driven by the proper nature support that provides by the transformational leader. Based on the determination, the attribute of transformational leadership can be stretched to suit the employment demands of highly creative subordinate in the service context. This is because high creativity of these service employees could be further induced by the leader to give more discretion to act and support for subordinate career development (Bass, [58]). Practically, finding of this study is important to be applied by Malaysia’s Public Service Department in carrying out succession planning program and promote organizational effectiveness. In addition, owing to the fact that leadership style relates to subordinate career development, governing bodies may find it valuable to invest in transformational leadership training for supervisors. Finally, the leader is promoted to provide relations support, for example, take account of followers creating ideas, placing greater trust in them, evincing a high degree of empathy about their workplace need and providing them with more job autonomy.

A significant finding of this study is that perceived value succession planning is affected by leadership characteristic from subordinate perception. Keeping in view, the finding of this study provides some practical insight into the need for public sector to re-visit the succession planning and leadership style as these have significant bearing on followers perception. Therefore, every organization has to develop the capacity to withstand sudden changes in senior top management by developing a robust talent pipeline by matching skill available internally with higher level. It is consistent with Spendlove [59] who suggests that leadership development interventions need to begin far earlier the career, so that success is built from below, rather than from above.

REFERENCES


