

How Enhance the Role of Managers Use Transformational Leadership Practices

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Abstract

The major objective of this current paper is transformational leadership in the context of other leadership styles and its importance in corporate practice. The theoretical part defines the concept of leadership and its relationship of management, describes the key theories of leadership that have gradually emerged in history, and later focuses on transformational leadership as the most effective of these styles. Based on the results of the research on selected banks in Iraq, we recommend to its managers specific training of transformation leadership, which can lead to an increase in the performance of subordinates. The manager should be interested in how things are seen by the subordinate, even if he does not always decide. Employees should be directly encouraged to comment on the issues. This will make them feel needed and increase their satisfaction. Increase the theoretical knowledge of managers in the field of transformation leadership and its relation to the performance of subordinates. Managers should understand the concept of transformational leadership and its importance.

Keywords: Leadership, Transformational Leadership, Leadership, Leadership Efficiency.

Introduction

Today, the term leadership in English is used in two very different meanings. Sometimes we call it a process that helps direct people and their thoughts. This concept corresponds to the Iraq word leadership. At other times, it is a group of people in formal positions from whom we expect leadership. So we can say, for example, that a company leadership consists of ten people, some of whom conduct leadership. We emphasize the word "some" because not all leadership leaders actually do leadership. There are those who do well, others do worse and others do not do at all. Since most of these people are called managers, the second use can evoke the impression that management and leadership are synonymous or very close concepts. No Leadership as a group of people can certainly identify with the concept of management¹. However, this cannot be done in the sense of a process - leadership is not the same as management. In leadership literature, concepts have long coincided. Some authors identified leadership with good management², others even with management in general. An inaccurate concept dominated literature in the 1970s to 1980s, when the first authors tried to draw a thick line between leadership and management³. Burns¹⁰ describes managers as transactors and leaders as transformers. Bennis and Nannus⁴ write "Managers are people who do things right. Leading there are people who do the right things."

Theory of Transactional Leadership

Transaction leadership is a frequently used style among business executives. It was first described by Max Weber in 1947 and later by J.M. Burns, whom we consider to be the founder of the concept. In 1978, in his book Leadership, he published the theory of transactional leadership and dealt with political leaders. The transactional political leader motivates followers by exchanging rewards with them for the services they provide. For example, job opportunities for votes or state support for election campaign contributions. It does not concentrate on it he motivated his followers to achieve higher goals than their own interests or to satisfy their need for self-realization.

Generalized to senior-subordinate relationships outside the political sphere, transactional leader:

- Recognizes what subordinates want for their work and tries to indulge them if their performance permits.
- Exchanges rewards and promises for subordinates.
- Responds to the immediate self-interests of subordinates if they can be satisfied by the work being done.

In the business world, a successor may be offered salary increases, promotions and other benefits.

Conversely, salary cuts, reductions in posts or dismissal can be used as sanctions. The transactional leader does not motivate workers beyond what is necessary to avoid punishment and receive the promised reward. The effect of transactional leadership is that followers achieve exactly the level of performance agreed with the leader, not higher.

We have chronologically imagined some of the important views of leadership: The Big Man theory, feature theory, behavioural, situational theory, charismatic leadership theory, and finally the theory of transactional leadership. We will return to the latter in the next chapter. It will focus on transformational leadership, which we will define against the transaction approach.

Bass defines Burns' concept of transformational leadership in three ways:

- 1) Adds an extension of the needs and desires of followers that occur during the transformation.
- 2) For Burns, transformational leadership was only one that had a positive impact on society. E.g. Hitler was not a transforming leader for him, because he led immorally, brutally, and by his cause many human lives were lost. According to Bass, transformational leadership does not necessarily have to be beneficial.
- 3) Burns saw transactional and transformational leadership as two strictly separate forms without common features, and the leader could not show both at the same time. On the contrary, Bass finds that most leaders exhibit both transactional and transformational behaviour in different proportions.

Bass applied Burns' concept from the political environment to the business organization⁵, and worked extensively on the behavioural patterns that characterize transformational or transactional leadership. He also defined the leaders' dimensions to break down transformational and transactional leadership. Leadership into smaller components, which allowed both leadership to better measure and train. We will discuss these dimensions later in the text.

He called his Bass concept "transformational leadership", which distinguished him from Burns using the term "transforming leadership".

Transformational Leadership Theory

Transformational leadership is a complex process. Although all leadership theories involve influence, transformational leadership is about an exceptional ability to influence that leads followers to achieve something beyond their expectations. M.M. Burns was the first to introduce the concept of transforming leadership.

For him, it is a process in which leaders and followers help each other to achieve a higher level of morality and motivation. Transformational leadership, he says, changes the lives of people and organizations by transforming their perceptions and values and changing their expectations and desires. Followers they feel trust, loyalty and admiration for their leader, and usually perform well beyond their original expectations. However, the theory was developed primarily by B. Bass.

Such a transformation can be achieved in the following ways:

- By raising our awareness of the importance and value of identified desirable outcomes and the paths leading to them.
- Making us go beyond our own interests for the benefit of the team or organization.
- Shifting our needs to higher levels of the Maslow Pyramid and expanding our needs portfolio.

Dimension of Transformation and Transaction Leadership

The dimensions (factors) of leadership styles are based on Bass's theory. Based on his research, Bass has identified the five dimensions of leadership that characterize a leader with a particular leadership style. He described them as three factors of transformational leadership (charisma, intellectual stimulation, personal approach) and two factors of transactional leadership (conditional remuneration, exception management). Later the theory underwent several revisions. E.g. exemption management has proved to be appropriate to split into active and passive.

The most current version is made up of four or five dimensions of transformational leadership, as charisma is sometimes divided into two components: charismatic personality and charismatic behavior (idealized behavior). Furthermore, two or three dimensions of transactional leadership, depending on whether we distinguish between active and passive management by exception. We use non-leadership as a separate dimension.

Transformational leadership: There is a very high covariance among the factors of transformational leadership, so only one "transformational leadership factor" could be used for more economical research. However, distinguishing the four factors is more useful when trying to train transformation leadership. In training, the leader can learn a lot about how to be more inspiring, how to stimulate intellectually, and how to approach the subordinates individually. The more difficult task is to become a charismatic leader.

1) Charisma (Idealized Influence)

- It is an essential component of transformational leadership.
- The charisma dimension determines the degree to which a leader behaves so that his followers identify with him. The charismatic leader radiates conviction. Followers are influenced by him at the emotional level.
- The most influential dimension of transformational leadership in motivating others to do more. There is the highest correlation between the leadership charisma and the performance of the workers here.
- Charismatic leaders are characterized by energy, determination, intellect, verbal skills and high self-confidence.

2) Inspirational Influence

- Determines the extent to which a leader articulates a vision that is attractive and inspiring to subordinates. An inspiring leader who demands high standards, spreads optimism, believes in achieving a goal, and communicates the meaning of a task being performed.

3) Intellectual Stimulation

- It refers to the extent to which it disputes the assertion, assumes the risk and demands its own ideas of followers. This stimulates their creativity.
- Managers can be judged by the type of intellectual stimulation I prefer.
- General, creative or mathematical type. An intellectually stimulating manager can be selected based on appropriate intelligence tests.

4) Personal Approach

- Testifies about how much a leader cares for the needs of individual team members, acts as their personal mentor (coach) or coach, listens to their needs and concerns.
- The manager's personal approach can include coaching skills, preference for eye-to-eye communication and willingness to delegate. Briefly, the follower says: "If I need, he will give me advice".⁶

Transaction Leadership

1) Dependent remuneration

- Determines the extent to which the leader creates constructive exchanges with the subordinate - whether it clearly defines its expectations and the rewards that the subordinate receives if the expectations are met.
- The most effective factor in transactional leadership in relation to performance subordinates. Setting clear expectations and goals and rewarding followers to reach a certain point has an incentive effect.
- Judge and Piccolo investigated the effects of dependent pay in different environments.
- Business, college, army, public sector. He found it to work best in the business environment. Probably because performance-based remuneration depends on the resources we can reward. Business leaders may be better able to materially appreciate the performance of a worker than, for example, a school leader. In a non-commercial environment, transformational leadership, which is less resource-dependent, may be all the more important.

Non-leadership

1) Laissez-faire Leadership

- It is a total absence of leadership. We talk about non-leadership in those people who avoid decision making, are reluctant to take action and do not appear when needed.
- Although laissez-faire leadership is somewhat similar to passive exemption management and could thus be classified as a dimension of transactional leadership, leadership researchers treat it separately because it represents the complete lack of leadership - both transformational and transactional.

Transformation Leadership Research, Performance and Other Variables that Affect

The concept of transformational leadership has proved to be extremely popular. Leadership studies are mostly devoted to him. They are generally carried out in the United States, although there is growing support from foreign studies. An overview of the research can be found eg: in the meta-analysis of Judge and Piccolo⁷. We will list some of them here to support our claims, so that the inquisitive reader can study the issue more deeply. This bachelor thesis is based on the verified fact that transformation lines have a positive relationship to the performance of subordinates and other variables, according to which the efficiency of management is judged. It is therefore not our goal to test the hypothesis that they are related, as many researchers have already done this before us. In the next chapter we will analyze some of the variables influenced by transformational leadership and we will base our claims on specific research of leadership experts. The purpose of the paper is to convince the reader of the need to address, measure and develop the topic in organizations that wish to be successful.

Review of Literature

Leadership transformation factors were found to be more (positively) correlated with subordinate performance and job satisfaction than the dependent pay factor in most studies. Dependent remuneration, on the other hand, showed a greater correlation than the exemption procedure, in particular its passive form. Laissez faire leadership has almost always been negatively correlated with performance and satisfaction (JUDGE, et al., 1989). We can conclude that transformational leadership is more related to employee performance than transactional leadership or non-leadership. The fact that the more a leader demonstrates the behaviour of a transforming leader, the more he contributes to the achievement of his team's (performance enhancement) goals, as researchers around the world have verified. Some have studied individual worker performance, others team performance, others the organization as a whole. Although the dependent reward also mostly positively correlated with performance, some studies showed a negative dependence: especially in the financial institutions environment, where the practical part of this thesis will also be. E.g. Howell and Avolio⁸ explain the startling result of their research in Canadian financial institutions as follows: If

transaction leaders are not consistently meeting their subordinate agreements, their leadership may be less effective. It is also possible that the context of a financial institution requires less dependent remuneration, since it is a less volatile environment where dependent remuneration can be seen as an effort of managers to control employees rather than reward them; as a restriction on the subordinate's freedom, which may reduce his or her level of motivation.

Awamleh, Evans and Mahate⁹ made similar findings while studying banking sector managers in the United Arab Emirates. Their research did not show a positive link between transactional leadership and employee performance or satisfaction - transactional management had no effect on variables. The authors note that the transaction style may be unnecessary in a banking environment where most tasks are highly standardized and routine. As a result, employees are looking for space and flexibility in performing tasks, which is better secured by the transformation style that has contributed greatly to both satisfaction and performance in his study. As he says, in a routine environment, satisfaction and performance are the result of appealing to higher needs, helping to overcome that everyday stereotype. The results of his study are consistent with Burns original assertion that transactional and transformation lines lie on the opposite side of the same continuum.

Third, Geyer and Steyrer¹⁰ measured the relationship between leadership style and performance in Austrian banks. Dependent remuneration and passive management under exceptions were strongly correlated with objectively measured performance in the short term. In the long run, transaction management dimensions had no effect on performance.

Barling, Weber and Kelloway¹¹ also provide evidence that transformational leadership will translate into higher performance for financial institution managers. They measure the performance of Canadian bank branch employees using the number of "sold" personal loans and the number of credit cards issued per employee. After the training of branch managers towards transformational leadership, both indicators increased.

Now, let's move on to other dependent variables that companies may be interested in. It is not quite possible to strictly separate them from each other, one related to the other and usually also to the (most interesting for the commercial sphere) quantity - performance.

Employee satisfaction is often broken down into the following elements: work itself, relationship with a supervisor, managerial beliefs, future opportunities, work environment, rewards, and relationships with co-workers. While employee satisfaction is a major factor in customer satisfaction. All these factors can be greatly influenced by the leader, so we can include them under leadership - this includes the assignment of the work itself, the relationship the supervisor establishes with followers, the leader's basic attitudes and beliefs. Management also applies what formulates rewards and future opportunities. The leader also influences the working environment, eg by choosing new subordinates who fit well into the team. Its activities are also influenced by relations between co-workers. It can be seen that leadership really predicts how the employee will be satisfied at work, and therefore what effort he will put into work.

Emery and Barker¹² found correlations between leadership style and employee satisfaction in direct contact with the customer and commitment to the organization. Transformation leadership showed higher correlations with both dependent variables than transactional leadership. Exceptional management has also proved to be the least effective leadership style here.

In the service sector, and therefore in the financial institutions we examine in the practical part, worker satisfaction has appreciable economic impacts. Especially the satisfaction of those who communicate directly with the client - branch workers. Heskett¹³ speaks of a "quality round" describing successful companies in the tertiary sector. This is a sequence of implications where employee satisfaction is at the outset and ultimately results in increased turnover: high employee satisfaction implies high employee motivation. It implies high quality of service compared to what the customer expects. As a result, customers are highly satisfied and customer satisfaction results in increased sales. The cycle is illustrated by Figure 1.

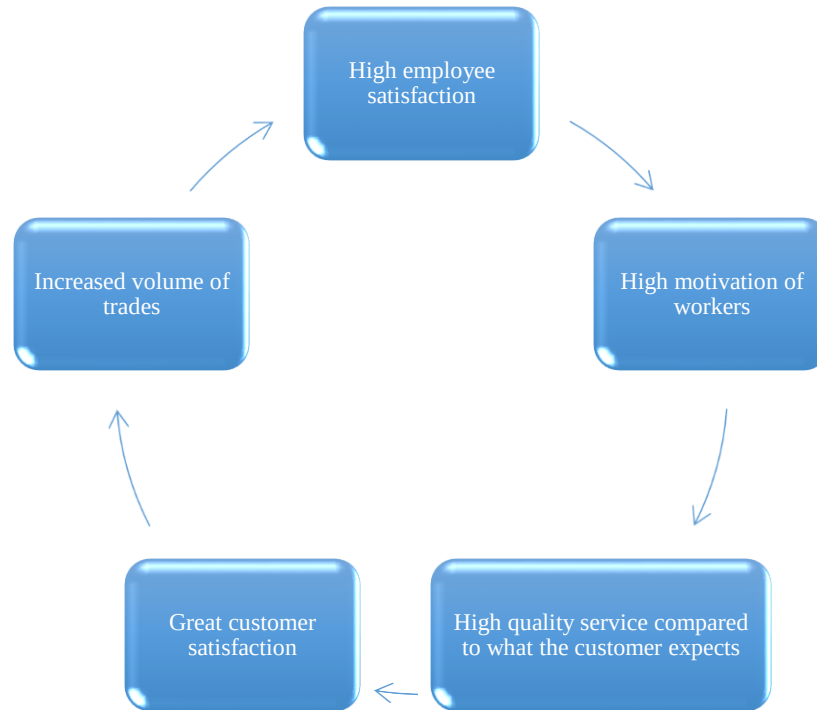


Figure 1: Quality Wheel

Through transformational leadership training, which will be recommended to the company based on the evaluation of the questionnaires, Cooperative can move one step closer to its minimum turnover target, as research shows that transformational leadership also has an impact on employee turnover. The tendency to retire is reduced if supportive, positive and motivational leadership is present, which is a good representation of transformational behavior. More motivated individuals tend to leave the company.

Hamstra et al.¹⁴ found that transformational leadership reduces the tendency to retire for employees who are highly promoted, but not for employees with a low career orientation. Transactional leadership, on the other hand, reduces these tendencies for highly preventive employees - preferring stability, avoiding mistakes and focusing on short-term goals.

Transformational Leadership Measurement

To measure transformation leadership, questionnaires are used to be submitted to subordinates, managers themselves or colleagues. Exceptionally, a method of interviewing managers was used. The most frequently used questionnaire is MLQ (Multifactor Leadership Questionnaire). He developed Bass and originally had seventy-three items. Bass had the questionnaire completed by one hundred and four military officers who described their immediate superiors. Based on a quantitative analysis, he extracted five leadership factors from the data that best reflect transformation or transactional behavior. The research results became the basis for his book *Leadership and performance beyond expectations*.

Therefore, researchers create their own questionnaires, more or less inclusive, and group leaders' behavior into their own categories, which are usually less numerous than in MLQ. The whole transformation leadership can be summed up in one factor. In the practical part we will divide transformation behavior into two dimensions and transactional approach will be represented by one dimension only.

We now know that we use questionnaires to determine the current state of leadership in the company. So we can move on to train managers to be more transformative.

Why Training the Transformation Leadership

We have already pointed out what interesting variables influence transformational leadership. Let us give you some immeasurable reasons why transformational leadership pays for the company: Transformational leadership is an

opportunity to improve the company's image. From top to bottom, a company that is transformed by transformative leadership tells itself towards its own staff, customers, suppliers, creditors and the wider world that it looks to the future is trustworthy, has staff that pulls together for the common good, and that it emphasizes its intellectual resources, flexibility and employee development.

Increasing transformational leadership in a company can help it recruit. They will be attracted to an organization whose CEO is charismatic and enjoys the reputation of being a reliable, successful, optimistic, dynamic leader. Similarly, they will likely be attracted by the experience of a recruitment interview with other members of the management who have an individualized approach to them. Smarter candidates will be impressed by the intellectual stimulation offered by transformation managers during recruitment. But the most striking motive is still that the existence of transformation leaders is an economic benefit to the company.

Transformational Leadership of Organization

In order for the positive effect of transformational leadership to be fully reflected, transformational leadership should pervade the organization through and through. Its total amount in the organization can be substantially increased by an appropriate corporate human resources policy. It should become the content of managerial training and development. Transformation leadership factors should be incorporated into the evaluation, selection and placement of managers in addition to other personality dimensions: to describe the manager's current leadership style, for example using MLQ, and their responses should be taken into account when deciding on graduation, rewards, or moving a manager to a higher responsible post. Feedback from these questionnaires can also be used for counselling, coaching and mentoring.

Existing transformation leaders in the company will spawn more transformation leaders. As Bass says, the first manager of a managerial rookie can have a significant impact on his further career achievements, because based on their leadership style, rookies are likely to model his own. Thus, the more superiors behave transformational, the more low-ranked.

What Conditions how the Transformational Leadership Works

In studies of the link between transformation leadership and performance and other interesting indicators, the third variables that influence the link can operate as an intermediary. They need to be taken into account as they can influence the research results and assist in the interpretation of surprising results. Some of them will be discussed below.

Situation, Organization Environment

Because some contextual factors can affect the impact of transactional and transformational leadership on performance, transformational leadership is not a panacea. In many situations, the style is inappropriate and transactional guidance is needed instead. As Bass¹⁵ claims, in general, if a company operates in a stable environment, it can do with transactional leadership or even exception management. Rules and regulations may also eliminate the need for transformation lines if they are understandable and accepted by workers. But if a company is confronted with a turbulent market, transformational leadership must be supported at all levels. Problems, rapid changes and uncertainty require a flexible organization with dedicated leaders who can inspire employees to enthusiastically participate in teamwork and participate in the organization's goals.

Team Potency

Schaubroeck, Lam and Cha¹⁶ argue that transformational leadership affects performance through team-strength effect. This can be defined as the general belief of a team in its ability.

Team Values

Values represent shared beliefs about ideal behavior patterns. All individuals, groups, societies organize values into a hierarchy of importance. This arrangement can strongly influence how followers react to transformational leadership. Team values can be seen as the average level of values that individuals have.

Some Other Variables

While Schaubroeck, Lam and Cha consider distance power and collectivism as the mediators of transformational leadership for the performance of workers, Kark, Shamir and Chen¹⁷ speak on the other two mechanisms:

- Personnel identification with the leader
- Social identification with work unit

Practical Part: Rasheed Bank

The aim of the practical part is based on questionnaires to assess the approach of managers of two selected companies to lead their subordinates, from the self-evaluating perspective of managers. Due to the very limited scope of the present research, only one company was included - the one from which we obtained more data and we can analyse them in more detail. Data from the other company will be assigned to the comparison sample. From the comparison we deduce to what extent the managers of our companies approach the subordinates in transformation. Based on the results of the questionnaires, recommendations will be made on how managers could increase the transformation approach and what training methods the company can use to change. From the evidence from the literature presented in the theoretical part, we know that a higher degree of transformation in the environment of financial institutions is related to higher performance of the teams. Therefore, companies should strive to develop transformational leadership with their managers. The analysis and recommendations will be carried out for both companies, although we will only mention one. In the following text we will describe the company, sample and comparative sample, further analyse the obtained data and base our recommendations on them. Finally, we will discuss and conclude.

Company Selection

Transformational leadership research has been offered to several financial institutions in the Iraq - via email. The focus on financial institutions was stimulated by the literature that states that in a highly standardized environment, the need for transformational leadership is increasing. Research has focused primarily on large banks, insurance companies and savings banks. Three large financial institutions operating in the Iraq agreed with the research: These financial companies are part of an international group, but the research was conducted only among Iraq managers. Here we briefly introduce the company we will focus on - Rasheed Bank. If the reader is interested in information about Cihan bank or more detailed information about Rasheed Bank, it can find it on the official website. As can be seen from the title, Rasheed Bank is a bank. In the Iraq, it is now one of the four largest players on the banking market. See the following financial indicators:

- Registered capital: General Administration 53926 Baghdad, Iraq.
- Number of employees: over 7000.
- Total assets: over 67 billion.

Rasheed Bank is Iraq's largest state bank. It was founded in 1988 by Law No. (52) became a public company under Public Company Law No. (22) of 1997 and is subject to oversight by the Central Bank of Iraq and the Financial Control Board. The internal regulations No. (7) of 1998 laid out its goals to promote the national economy in the area of commercial banking and finance creation and to provide financing to different sectors in compliance with development plans and policy decisions. Selected branches scattered across Iraq. This is important to know given the fact that each such unit someone is driving. We found it unnecessary to distinguish between managers of divisions, departments, etc., when the most interesting group for us are branch managers who are in direct contact with all their subordinates. We see the highest importance of transformational leadership training. Therefore, we have limited ourselves to distinguishing between managers of higher organizational units, branch managers, board of directors and others - for example, for separate management positions such as "Cost Management".

Research Methods and Description of Data Collection

It was used a questionnaire to determine the current state of corporate leadership, not MLQ, which has not yet been translated into Arabic. It is a questionnaire that has been used for research of transformation leadership at ESF MU in Baghdad. "The questionnaire of transactional and transformation leadership was created on the basis of principal component analysis (methods similar to factor analysis). A set of leaders was electronically administered a questionnaire containing items related to past behavior and attitudes. A total of 34 items related to management style. These items were formulated by the authors of the questionnaire based on the knowledge of the theory of transactional and transformation leadership. By performing the analysis, 2 items were discarded due to low variability (over 90%

of the same responses) and 11 items were discarded because they did not correlate significantly with any of the other questionnaire items ($-0.3 < r < 0.3$). According to principal component analysis (using Varimax factor rotation and Kaiser normalization), 15 items fed 4 factors by authors called I). Transformation leadership - inspiration and intellectual stimulation (4 items, eigenvalue 5.16), II). Transformational leadership - personal and positive approach (4 items, eigenvalue 2.09), III). Transaction leadership (3 items, eigenvalue 1.34) and IV). Individualism and consistency items, eigenvalue 1.64). No factor has been assigned to those items that saturate the multi-factors (charge greater than 0.3 for multiple factors and at the same time a difference between the charges for these factors 0.2a less)."

The questionnaire used is available in Appendix 1. In the introductory text, we emphasize that completing the questionnaire is an investment in the personal development of the manager and the development of the company, and gives instructions on how to answer. Furthermore, the questionnaire already lists the specific behavior. The respondent (manager) should have assessed on a scale of 0-2 whether it had not occurred at all (0), sometimes occurred (1) or that it accurately reflected the manager's behavior (2) over the last twelve months. Respondents in eighteen items, they evaluate themselves and they are the only data source. Subordinates do not enter the research at all. The same questionnaire is used by two more students on the same topic and their data, together with data from Erbil Bank and Cihan bank, will be used for comparison with the results of Rasheed Bank managers.

Of the eighteen questions, three that do not satisfy any of the above factors will be excluded from the analysis. However, the answers to these questions will serve for the overall analysis of the questionnaire by the supervisor. An eighteen-item questionnaire with a three-point scale may seem too brief.

However, managers might not be willing to fill in a longer questionnaire and might resort to central values on multipoint scales. The questionnaire used takes about two minutes of time and the three-point scale precedes the central tendency effect. The questionnaire has been converted to Google Documents, separate for each business, with the only difference in the company name. I sent the links to the questionnaires by e-mail to the staff of the HR department, and they sent the link to managers throughout the Iraq. Their completion was voluntary. Data collection took two weeks and managers could decide when to complete the questionnaire. Their answers were immediately available to me on the Internet. They were given the opportunity to write a note to reveal the shortcomings of the questionnaire or the perceived needs of managers. For example, we expected the questionnaire to arrive at a department or organizational unit manager with a different name that we did not include in the selection, and complained about the lack. Or that the manager criticizes the similarity of the two questions or expresses a desire to include charismatic techniques in the recommended leadership training that he would like to build. Several managers have used this space.

Selection File and Comparison Group

The questionnaire was completed by 27 managers of Rasheed Bank and 18 managers of Cihan bank. Let us explain how these (due to the size of the company) were created: The selection of managers was fully in charge of the mentioned personnel of the personnel departments. Instead of addressing different, preferably all managers, the questionnaire for both companies came to managers with a common feature: They communicate above-average with the human resources department and have an above-average interest in participating in similar research. 35 managers were approached at Rasheed Bank. "They were always branch managers (retail division) all over the Iraq, or managers in the corporate banking and headquarters department. They were chosen managers who work well with HR and have the time and opportunity to fill in the questionnaires (they were not probation managers who train most of the time). We pre-identified managers who might be interested in similar research and who would be able to respond quickly to email. There were no other criteria. "Thus, the return on the questionnaire was 77%. While this sampling procedure has ensured a relatively high rate of return, which has a positive impact on external validity, on the other hand, addressing a specific group of managers reduces external validity, which we will continue to discuss in the discussion.

The 27 managers who completed the questionnaires form our sample. In addition to the high rate of return, this specific group is interesting for us by letting us know if the interest in research leadership in transformational leadership predicts a higher degree of transformation approach - albeit only when compared to managers of other companies. Seven additional questions were used to describe the sample, which gave us a picture of respondents' gender and age, their position in the bank, the number of subordinates and the length of managerial experience. Table 1 shows the number of managers who fall into the categories of these variables. It lists absolute frequencies as well as relative frequencies to one decimal place.

Table 1: Frequency of Manager Representation in Categories

	Category	Rasheed Bank		
Gender	Male	19	74.9	%
	Female	8	29.63	%
Age	25-35 years	11	40.74	%
	36-45	11	40.74	%
	46-55	5	18.52	%
Position in the company	Branch manager	20	74.07	%
	Director of Division or Department	6	22.22	%
	Board of Directors	1	3.70	%
	Other	0	0.00	%
Total number of subordinates	01--05	8	29.63	%
	06--10	7	25.93	%
	11--15	4	14.81	%
	16--20	3	11.11	%
	21 and more	5	18.52	%
Number of direct subordinates	01--05	8	29.63	%
	06--10	7	25.93	%
	11--15	4	14.81	%
	16--20	3	11.11	%
	21 and more	5	18.52	%
Time in managerial position	0--5 years	16	59.26	%
	6-10 years	5	18.52	%
	11-15 years	4	14.81	%
	16- and above	2	7.41	%
Duration of action in the current position	0-12 months	14	51.85	%
	13-24 months	8	29.63	%
	25-36 months	3	11.11	%
	37 months or more	2	7.41	%

As we can see in the table 1, there are many more men than women in the sample. Mostly managers aged 25 to 45 are represented as branch managers. The number of direct and total subordinates is by category equal and generally does not exceed ten persons. This means that the behavior and instructions of our managers affect most of their subordinates directly, without any intermediary. The length of experience with managerial positions in more than half of respondents does not exceed five years. The current position of Rasheed Bank's managers has been operating for a shorter period, usually within two years.

In the seventh supplementary question, managers should evaluate their own success in leading their current team. They chose a number from a scale of 1–7, where the highest value was the greatest success. Their answers are shown in Chart 1. At present, none of the managers has rated their success with the highest value. They always selected only in the range of 4-6 points.

In our specific sample of Rasheed Bank there are twenty branch managers (retail division) throughout the Iraq (out of a total of 86 branches) and six or seven managers in the corporate banking and headquarters department. They are between 28 and 55 years old. All managers rated their team leadership relatively high. It is possible that if all the managers in the company had the questionnaires available, older managers with years of experience and a higher number of subordinates would be more represented and their evaluation of their own management effectiveness would have a lower average value.

We have previously stated that we will use data from Erbil Bank (131 managers), Cihan bank (18 managers) and data from two colleagues who write their bachelor thesis on the same topic to compare the results of Rasheed Bank. We have not yet specified their companies. Let's do it here. Businesses will not but we will describe in what sector they operate, what their approximate number of employees and turnover is, what positions the respondents are, how and by whom they were addressed and how many were addressed. Data on the number of employees and turnover are orderly so that the company is not possible uniquely identified. For comparison purposes, we provide the following information about Cihan bank and Rasheed Bank.

To Cihan bank it is necessary to add that, as Muktar Abbas wrote in an email: "These managers like to cooperate on similar requests and mostly fulfil what the HR department needs". So, as with Rasheed Bank, this is a sample of managers interested and not a sample representing all of the company's managers. On the other hand, as positive for other companies, all respondents answered. This increases external validity. Managers of Rasheed Bank, Cihan bank, two-student companies and Erbil Bank participants in managerial positions put together a total of 208 managers. Of these, cases involving Erbil Bank, two companies from colleagues and Cihan bank are described as "sample 0" and 27 cases by Rasheed Bank as "sample 1". Numerical differentiation in STATISTICA 10 will help us to compare groups. Samples 0 and 1 will also be referred to as the Rasheed Bank Comparative Group (Sample) and Group (Sample) in the text.

Data Analysis

The obtained data was first modified by one of the managers so that they could be statistically worked with. Manager number IQ126 for segmentation questions reported not exact value, but responded "in its own way". He used the > sign for age and "number of years by manager". We have deleted the "> 40" and "> 10" years in managerial positions and will treat the data as missing values. The only exception is the comparison of Rasheed Bank managers with a maximum of ten and more than ten employees. There we put the manager into the second group. Elsewhere, the manager responded with intervals: we replaced "1–3 years" in "same managerial position" with 24 (months). We also replaced the total number of "50–100" subordinates with the mean value of the interval. The number of direct children was completely missing. So we will work with him as missing value. No further data modifications were necessary.

First of all, we will verify the assumptions of the two-sample t-test in the analysis and find that the Mann-Whitney U test will in most cases be the more suitable test. In this section, we will compare the sample of Rasheed Bank with the comparison group. In conclusion, we analyze some differences in leadership behavior that occur within a sample of bank managers.

All tests will be performed in STATISTICA 10 and we use a significance level of 5% for all tests unless otherwise stated. Keep in mind that the above generalizations about Rasheed Bank managers relate to a specific group of managers who are increasingly communicating with personnel department. The conclusions cannot be generalized to all company managers, but only to that specific group. Let us now recall the construction of the questionnaire. For data analysis we use fifteen questions that we divide it into four scales according to the dimension of leadership that questions follow. These are average scales. Thus, scaling scores correspond to the average answers to the questions falling within the scale. Example: The TL1 range (inspiration and intellectual stimulation) includes questions 7, 8, 9, and 17. Manager 1 answered these questions with 1, 2, 2, and 1. Therefore, the manager's TL1 score is 1.5. TL2 (personal and positive approach) contains questions 1, 5, 12, 15. TAKL (transactional leadership) questions 2, 6, 13 and DUSL (individualism and consistency) scale of items 3, 16, 18 and reverse item 187. Questions 4, 11, 14 were not included in the analysis because they do not feed any of the dimensions. This gave us four scores for each Rasheed Bank sample manager and comparison group.

Verification of T-Test Assumptions

To determine whether the selected managers of Rasheed Bank behave more transformationally than the comparison group, we planned to use a two-sample t-test (for independent withdrawals). This would confirm or reject the hypothesis that the mean of the individual selection scales of Rasheed Bank is equal to the mean of the comparison group scales.

The use of the t-test is dependent on the normal distribution of data from both samples compared, so we decided to verify the normality first. We will not verify the normality of the individual variable realizations, but the normality of the average scales.

First, the normality of the Rasheed Bank sample was assessed using frequency histograms fitted with a normal distribution curve. These histograms can be found as Charts 1-4. Normal DUSL was similar to Sample 1. For TL1 and TAKL, normality was debatable and the TL2 variable had a very (negative) skewed distribution at first glance.

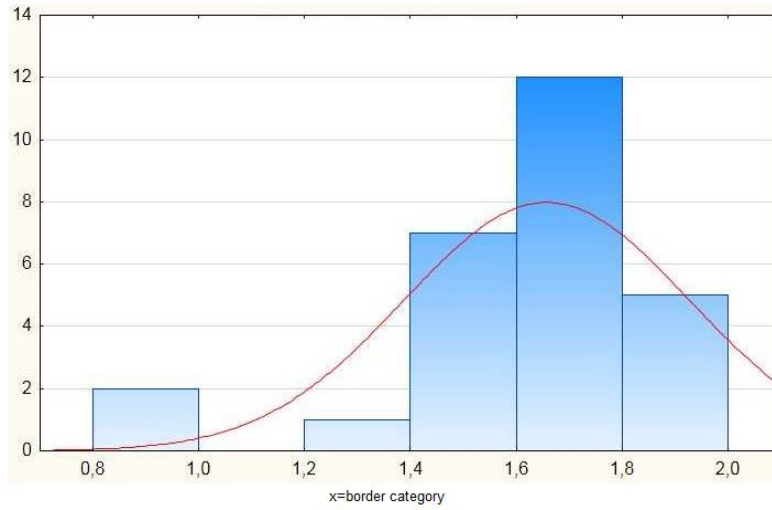


Chart 1: Inspiration and intellectual Stimulation

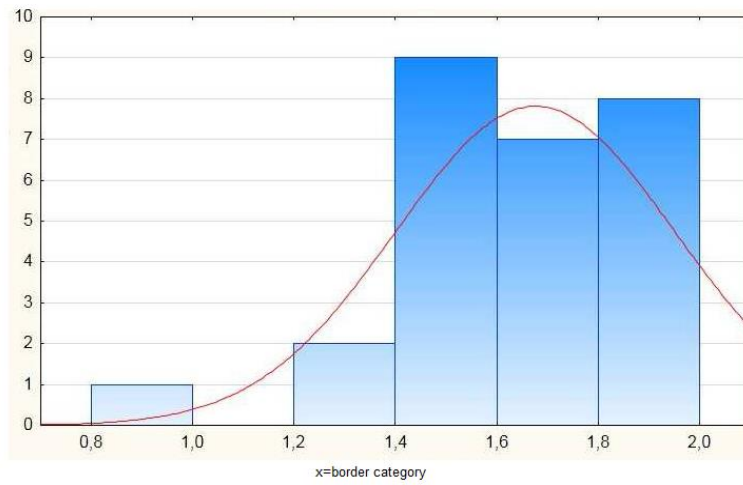


Chart 2: A personal and Positive Attitude

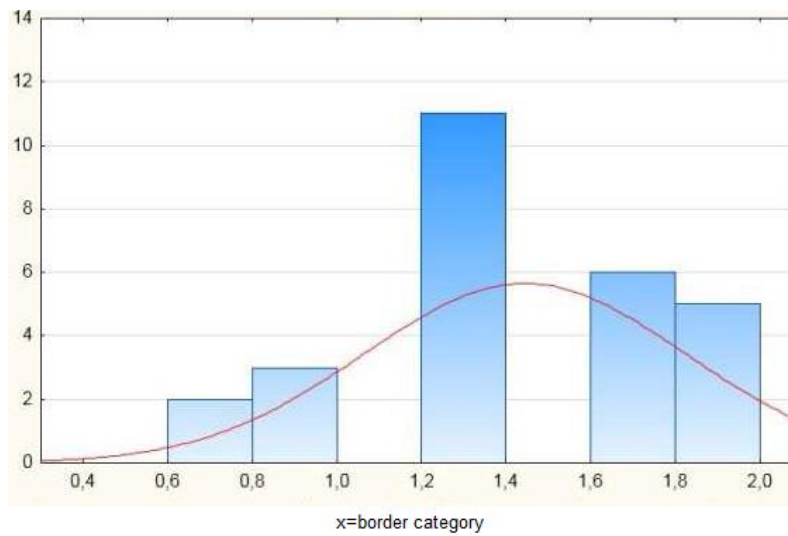


Chart 3: Transactional Leadership

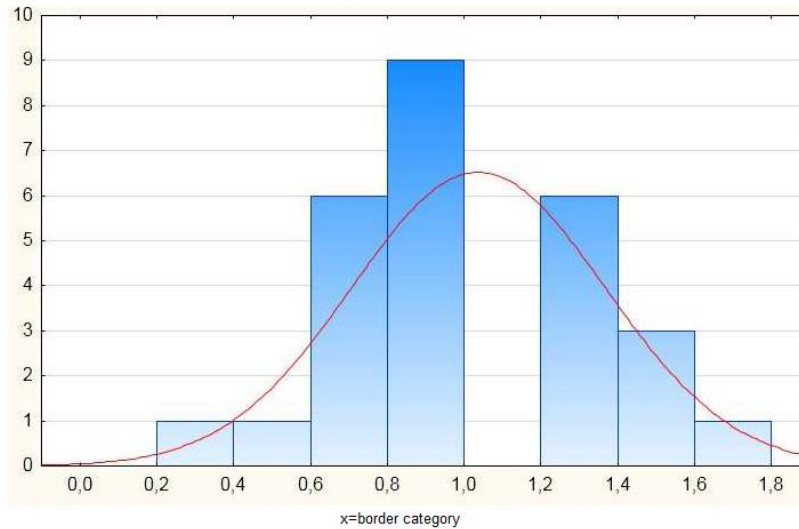


Chart 4: Individualism and Consistency

Therefore, we decided to use more sophisticated normality tests. STATISTICA software offers Kolmogorov-Smirnov (K-S) test, Liliefors test and Shapir-Wilks (S-W) test. We used the last one. The KS test is not suitable for small samples and the Liliefors test is a variant for unknown parameters.¹⁸⁸ The SW test results showed that TL1, TL2 and TAKL do not (for Rasheed Bank sample) have a normal distribution (WTL1 = 0.85, $p < 0.01$ WTL2 = 0.88, $p = 0.01$; WTAKL = 0.90, $p = 0.02$). Normally distributed are only scores of individualism and consistency (WDUSL = 0.95, $p = 0.23$).

We also looked at the DUSL scores for a larger sample of 0 without Erbil Bank. The histogram was optically quite similar to the normal distribution curve. Kolmogorov-Smirnov test did not reject normality with WDUSL = 0.95 and $p > 0.20$. Next we want to compare our data with the participants of Erbil Bank. In these 131 cases, we do not perform a normality test because, given the size of the set, we can approximate our distribution to a normal distribution. The well-known central limit theorem says that the increasing number of cases in a set results in the distribution of variables approaching normal, where more than 30,192 cases are sufficient for a trustworthy student t-test, Cihan bank and CEOs in Erbil Bank together. But Sample 0 is a very heterogeneous group, much influenced by just beginning managers with no experience. These talented students have a different approach from business managers. Therefore, we decided to compare the sample 1 separately with experienced managers from real companies and especially with start-up managers from fictitious Erbil Bank companies.

The second prerequisite for the two-sample t-test is the match of variance. The DUSL range is 0.12 for Sample 0 without Erbil Bank and 0.11 for Sample 1. To determine if the difference between the variance is statistically significant, we perform an F-test using a critical field. The test criterion F is 1.07. The critical field is 0; 0,522795 2,056285; Since the test criterion is not implemented within the critical domain, the variance of sample variance agreement 0 without Erbil Bank and Sample 1 is not dismissed. 0.580006 1.948807; ∞ . As a result, we can reliably use the t-test on the DUSL scale when comparing the Rasheed Bank sample to the non-Erbil Bank sample 0 with only Erbil Bank data. The data meet both prerequisites of the t-test.

Comparison of Samples

For a rough reference, Table 2 first shows the sampling characteristics mean and standard deviation for Sample 0 without Erbil Bank, Erbil Bank, and Sample 1. We do not specify the minimum and maximum because they almost always copied the minimum and maximum achievable values.

Table 2: Sampling Characteristics

	N	Parameter				Standard deviation			
		TL1	TL2	TAKL	DUSL	TL1	TL2	TAKL	DUSL
Sample 0 without Erbil Bank	50	1.44	1.41	1.43	1.02	0.51	0.44	0.36	0.34
Just Erbil Bank	131	1.31	1.68	1.42	0.62	0.48	0.36	0.5	0.39
Sample 1	27	1.66	1.68	1.44	1.04	0.27	0.28	0.38	0.33
	*Own source								

The table 2 shows that the Rasheed Bank sample achieves the highest average values for all scales. Only on the TL2 scale (personal and positive attitude) is the average value equal to the average of the Erbil Bank participants. At the same time, the Rasheed Bank sample has the lowest variability for all scales except TAKL, ie the Bank's managers responded most homogeneously. However, from a mere look at the data in the table, we cannot conclude whether transformational leadership, transactional leadership, or individualism and consistency are so much greater in Rasheed Bank's specific managers that we can say that there is a (statistically) significant difference between groups. The statistical significance or insignificance of differences between samples is determined by means of a test. If the normal distribution is violated, a non-parametric test may be used instead of the t-test. Non-parametric tests, although less powerful, do not depend on normal distribution and do not require the interval or ratio character of the data. As we have already mentioned, for selections over 30, violations of normality do not have a significant impact on the results of the t-test. However, this does not affect the 27 respondents. Our input data (values 0-2) are typically ordinal, so the t-test would not apply to them. However, the average scales formed from them fit to the interval data. There are disputes and discussions about this. We will work with scales as interval signs here.

We have largely rejected the hypothesis of normality for our data. As a result, we decided to use the strongest of the non-parametric tests to compare the samples: the two-select Mann-Whitney U test, using only the t-test on the DUSL scale.

Table 3 shows test statistic values and p-values obtained by both tests. At the selected significance level of 5%, if the p-value is less than 0.05, the hypothesis of compliance of mean values is rejected

Table 3: Test Statistic Values and p-values for the t-test and Mann-Whitney U test

		With sample 0 without Erbil Bank				With Erbil Bank			
		TL1	TL2	TAKL	DUSL	TL1	TL2	TAKL	DUSL
t-test	t	--	--	--	1.04	--	--	--	-0.22
	p	--	--	--	0.78	--	--	--	<0.01
Mann-Whitneyuv test	U	537.00,	438.5	615	--	981	1633.5	1513	--
	p	0.14	0.01	0.53	--	< 0.01	0.53	0.24	--
Decision		rejects	rejects	rejects	rejects	rejects	rejects	rejects	rejects

Own source

Table 3 shows that when comparing the Rasheed Bank sample with the non-Erbil Bank comparison group, there is a statistically significant difference in the TL2 scores. Looking at the previous Table 3, using sample averages we find that Rasheed Bank's managers achieve higher values. So we can say that Rasheed Bank's managers use more personal and positive approach to managing people than managers of three companies, by comparing them.

When we compare the managers of Rasheed Bank with the Managers of Erbil Bank, we cannot say that anymore. On the contrary, statistical tests showed statistically significant difference in two scales - TL1 and DUSL. We conclude that Rasheed Bank's managers working with HRM's leadership team use inspiration and intellectual stimulation and are more individualistic and consistent than managers in managerial play. After we have identified a higher degree of personal and positive attitude, respectively. Inspiration, intellectual stimulation, individualism and consistency of Rasheed Bank managers in comparison with managers of three other companies, respectively. With Erbil Bank, we proceed to analyse the group inside the bank sample. We will no longer be interested in data obtained from other managers.

Discussion

The results of the research show that Rasheed Bank's managers are more personal and positive in their leadership compared to the managers of three other companies. Compared to novice managers with no experience, they make more use of inspiration and intellectual stimulation and are more individualistic and consistent. Managers with more than ten direct subordinates are more personal and positive than their colleagues with less subordinates. However, the more managers show this component of transformational leadership, the worse it is to evaluate their success in team leadership.

On the increased level of significance, we have also discovered the following possible trend: Managers working in the current position for more than 12 months use less personal and positive attitude than less experienced managers.

Higher Transformation Approach, Individualism and Confidence

Above-average results in transformation leadership compared to managers of three other companies or talented students without managerial experience can be explained mainly by the way of selecting Rasheed Bank managers. When we agreed with the bank, we emphasized that it is very important that as many managers as possible participate in the research, most of all. Despite this, there has been a rather specific selection - managers have been identified that might be of interest to researchers who would be able to respond quickly to email. This selection of managers reduces the external validity of the research (generalization of the result to other Rasheed Bank managers), since other managers are likely to be less. On the other hand, our approach ensured a 77% return on the questionnaire and we know the specifics of the addressed group. If all managers were addressed, the return would probably decrease significantly. If external validity were also threatened because we did not know what managers replied? While we cannot safely generalize our results to the entire population of Rasheed Bank managers, we cannot claim that managers in the bank approach their subordinates with an average transformation, nor are they more individualistic and consistent. But due to the return we can very well generalize the results to a group of managers with the specified specifics.

Relationship of Personal and Positive Approach and Number of Staff

Now let's try to explain the other conclusions of the research. The analysis of the groups brought interesting results. As for the higher personal and positive attitude of managers with more than 10 direct subordinates, we think it may be due to a third variable that we don't see here. A good working team where it may be easier to develop a personal approach to subordinates.

Relationship to the Length of Practice and the Self-Assessment of Success

At a higher (10%) level of significance, we confirmed that managers working in the current position for more than twelve months less use personal and positive access to lead people. However, after the expulsion of manager number 23, who provided inaccurate data on his age, the correlation analysis did not show sequence dependence. The established relationship may then be a coincidence. However, it is equally possible that there is an indirect dependence between the length of managerial practice and the degree of personal and positive approach.

Future Possibilities

Valuable information for leadership training would also bring a multi-faceted view of managers' behavior. Our questionnaire was suitable for self-evaluation. He asked about specific behavior in the past and had only a three point assessment scale, which could minimize the self-esteem differences between managers. Bass203, however, recommended submitting a questionnaire in addition to managers and several of their subordinates. So we could certainly get a lot of interesting data to compare. We could control the impact of the self-assessment error. Some managers may have a tendency to overestimate their behavior or self-assess the behavior described in the questionnaire, which the subordinates perceive completely differently.

Recommendation

In this chapter, based on the knowledge gained from the literature and the conclusions of the analysis, we will give Rasheed Bank a more concise recommendation on training for transformational leadership. Our goal is not to create a detailed development plan, but rather to give the company a first impetus to reflect on the possibilities of training. He may, if necessary, have an in-depth elaboration by a personal agency. The responses of Rasheed Bank managers are fairly homogeneous and there is no manager among them that lags behind in any aspect of leadership. Individual recommendations for any manager would therefore practically follow the recommendations for the group.

Based on the literature, we propose a selection procedure for transformational leadership training in the following form: a two-day training course supplemented by Peer-Based Team Coaching (PBTC) one month after the training and two more times a month thereafter. At least one of the days should be working to encourage participants to be more motivated. The first day of training should include an introduction to the theoretical concept of transformational leadership (lecture), discussion and the role of play exercises. The second day of training would consist of Peer-Based Team Coaching, from which each month's action plans will come up. The PBTCs will then be repeated three more times, and at these meetings, the managers will be able to check how the action plans are being met and will create new plans.

Conclusion

To conclude, the aim of this work was to analyze the approach of managers of Rasheed Bank Cooperative to their subordinates and, following the analysis, to formulate recommendations that would lead to higher performance of teams led by these managers. From the spatial results of our research on above-average transformation behaviour, individualism and consistency are safely generalizable only to a specific group of Rasheed Bank managers who cooperate well with human resources and leadership, and at least need to change their current style knowledge. These managers show a fairly high level of transformational leadership, so we not only recommend training to them, but to all company managers, at least as branch managers. Eighteen branch managers, research participants do not have to participate in the training at the Bank's discretion or may be offered the option of further improving their access to subordinates through training. We also recommend that you include them in the training, as their interest in leadership might make them effective. Hassan, Fuward and Rauf confirmed in their study a very correlation (0.51) between the motivation for transformational leadership training and the effectiveness of this training. Training with these above-average leaders can also provide the bank with a solid base of high-quality transformation leaders who can train new managers and gradually get organized through transition transformation through organizational leadership. As stated Bass, the more superiors are transforming, the more low-ranking employees will follow the transformational behavior to help the organization grow. The results of our analysis have yielded interesting insights into the relationship of personal and positive attitudes to the number of direct subordinates, to the evaluation of the team's own success and, with a higher risk of error, also to the duration of the current position. We see the benefits of transformational leadership research especially in confirming the relationship between personal and positive attitudes and the length of managerial practice. This relationship should be further explored on larger samples. Furthermore, the above-average results of Rasheed Bank managers in transformational leadership suggest that leaders interested in leadership research are using a more transformative approach than other managers. They did not have the opportunity to compare managers selected according to their interest with managers less interested. Therefore, we were unable to verify or refute the relationship between the intensity of interest in research and the degree of application of the transformation approach. We suggest that further research into transformational leadership investigate the relationship. The results also allowed us to give the firm more specific recommendations for behavioral changes for participating managers. If the participating managers, especially those with longer experience, take greater care of the personal attitude towards the subordinates and the company undertakes the proposed training program for branch managers, the Bank may increase the performance of the managed teams. And according to the experience of the world researchers that we mentioned in the theoretical part, this is likely to happen.

Annex 1: Questionnaire of Access to Leadership

Good day.

Thank you for choosing to complete this questionnaire. It only takes a few minutes to invest in your personal and company development. At Rasheed Bank, Baghdad, Iraq, A.S. (or Cihan bank) and your approach to subordinates affects their job satisfaction, tendency to leave the company and other variables, but especially performance. Based on the results of the questionnaire, your company will be encouraged to provide leadership training that can improve your team's performance, but also improve your ranking as a leader, book employee turnover, greater commitment to the business, etc. It is important that you answer honestly. Each leader treats his subordinates and his team differently. No answer is clearly correct. Please respond so that your answers best reflect your behavior.

The questionnaire contains 18 statements describing how a leader can treat his subordinates individually or the group he leads. Look at yourself in the last 12 months from the point of view of your subordinates. For each of the statements, assess whether the behavior described describes you.

Select 1 if the statement partially describes you (you have behaved occasionally during the past year).

Select 2 if the statement describes you (you usually behaved in the manner described last year).

Claims are written in a third party even though you have to evaluate yourself.

The supplementary questions are no longer related to the questionnaire theme and serve only for more accurate evaluation of the results.

1. He praised me.
2. Allocated remuneration according to work done (or encouraged to do so by persons in charge of distributing remuneration).
3. He has carefully checked my work.

4. Have formulated a clear vision of how our business works.
5. Wondering how I see things.
6. Emphasized mistakes and shortcomings.
7. He was able to offer me support or assistance.
8. Have formulated a clear vision of how our team works.
9. Has led employees to look for more solutions to choose from.
10. Have advice from subordinates.
11. He was interested in working for our business.
12. He expressed his satisfaction.
13. If any of the employees failed to perform their task satisfactorily, they interfered with their powers.
14. He emphasized the meaning of the work we were doing.
15. He urged me to comment on the issues.
16. For others, he was an example of his diligence.
17. Involved me in situations where I could gain new experience.
18. If he had his own opinion, he was no longer willing to change it.

Additional Questions

1. Are you a man or a woman?
 - a) Man
 - b) woman
2. What is your age?
3. How many years have you been in a managerial position?
4. How many months have you been in your current position?
5. How many subordinates do you currently have (including people 2 or more levels below)?
6. How many direct subordinates do you have at the moment?
7. On a scale of 1-7, judge from your point of view your own success in managing your current team (1 = very unsuccessful, 7 = very successful)
8. What is your position in the company?
 - a. Branch Manager
 - b. Director of a division, department or department
 - c. The Board of Directors
 - d. Other
9. Space for your notes

You can fill in if you want to give me additional information, such as what leadership skills you would like to develop, where you see weaknesses in leadership in the company and others.

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