

Relationship with Immediate Superior, Leadership, and Career Success of Managers

L. N. A. Chandana Jayawardena, Ales Gregar

Abstract—Occupational Self Efficacy (OSE) reflects the conviction of a person's ability to fulfill his job related behavior at a perfectly acceptable level to the employer. Transformational leadership improves followers' commitment by influencing their needs, values, and self-esteem. Employees also develop a dyadic relationship with their immediate superiors. Study was conducted amongst one hundred and twenty two (122) bank managers in Sri Lanka. They were selected based on multi-stage (seniority in the hierarchy, gender, department-wise etc.) stratified random sampling. Major objectives of this study were to analyze the impact of Transformational leadership style, and OSE along with Socio-demographic factors, and Career, Job and Organizational experience, to the Career satisfaction of managers. SPSS software was used for parametric and non-parametric statistical analyses. Career satisfaction had positive impacts with their Transformational leadership style, and their relationships with the immediate superior. Impact of socio-demographic factors, and career exposure to career satisfaction was assessed.

Keywords—Career success, Relationship with immediate superior, Transformational leadership.

I. INTRODUCTION

MANY definitions have suggested that individual characteristics and behaviors determine the employability of an individual. Employability is referred to as the minimum generic skill levels or competencies needed by individuals to enter the labor market, and to progress in their chosen careers. Hall (1996) has identified the importance of an individual's attitudes towards learning as a key factor in maintaining employability [1]. Employees have embraced career self-management, than relying on their organizations for Job security [2]. Iles et al. (1996, p.19) specifies that employees attempt to maintain and enhance their attractiveness in the labor market 'through enriched jobs, lateral moves, and multiple career paths' [3].

A. Career Success of Employees

As employees progress in their careers they tend to develop a sense of their career success. Career success is of concern both to individuals, and organizations as the employees' success ultimately contributes to organizational success [4].

Career success has been defined as 'the accumulated positive work and psychological outcomes resulting from

one's work experiences' [5, p.20]. It is viewed as a series of positive psychological or work-related achievements resulting from career experiences throughout a person's life [6]. In other words employees tend to experience differences in their psychological situations based on their perceptions of career outcomes. Jaskolka, Beyer, and Trice opinioned career success as a value judgment and that career success depend on the objectivity of the assessment [7]. Numerous measures have been utilized to examine a person's career success. They include the more objective 'extrinsic career success' and the subjective 'intrinsic career success' [8]. The objective career success 'is mostly concerned with observable, measurable and verifiable attainments such as pay, promotion and occupational status' [9 p.254]. Compared to subjective, i.e. perceptual and evaluative criteria they are neutral in empirical assessment [10]. The widely used objective measurements include monthly salary before taxes, and hierarchical status [11]. However, the impact of subjective criteria cannot be underestimated. Subjective judgments of their careers are closely linked to an individual's feelings and perceptions on the sense of purpose and value generated from respective careers. Intrinsic variables capture individuals' subjective judgments about their career attainments, such as job and career satisfaction [4], [12], [13]. There is evidence [8] of positive correlations of objective and subjective career success, though these two constructs could be empirically distinct. Some individuals rely more on how much satisfied they are in their career [14], or job [8] in seeing their 'career successfulness'.

B. Relationship with Immediate Superior and Transformational Leadership

After decades of debates, leadership scholars have found it difficult to come up with a common definition for leadership. Leadership in general can be understood as a process in that 'an individual influences a group of individuals to achieve a common goal' [15, p.05]. Leadership can be assessed in multiple domains: the leader (charisma), the follower (follower innovative role expectations; follower's attitude toward innovation), and the dyadic leadership relationship (LMX). Results showed that these three variables in combination generated significant predictable variation in innovative behavior (leadership outcome) beyond any of the three taken alone [16]. LMX theory challenged the assumption of leaders using an average style to follower groups. It focused on the differences that might exist in the relationship between the leader and each of his followers. LMX theory 'conceptualizes leadership as a process that is centered on the

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interactions between leaders and followers' [15, p.161]. Each linkage or relationship between the superior and his subordinate tends to differ in quality. Thus, the same superior 'may have poor interpersonal relations with some subordinates and open and trusting relations with others'. 'The relationships within these pairings, or dyads, may be of a predominantly in-group or out-group nature' [17, p.01]. Herein, the superior initiates either an in-group or an out-group exchange with his/her subordinate during the initial phase of the dyadic relationship. Sometimes, this can evolve after a while in their relationship. Subordinates who have secured a place in the in-group are more likely to be invited to participate in decision making process and are given more flexibility of their roles with added responsibility. 'In-group members, in many respects, enjoy the benefits of job latitude (influence in decision making, open communications, and confidence in and consideration for the member). Greater the assumption of responsibility and commitment to the success of the organization, the subordinate typically reciprocates with greater than required expenditures of time and effort, [17]. Empirical findings suggest that the perception of similarity felt by employees (subordinates) to be a more important factor than the actual demographic similarities (age, gender, and ethnicity) [18]. A sharp distinction between the employees belonging to the in-group and the out-group may not be desirable, as the out-group subordinates might resent their relatively inferior status and differential treatment [19]. Thus; it highlights the significance of having a favorable perception of the follower in a subordinate's relationship with the immediate superior (RIS). Transformational leadership

improves followers' commitment by influencing their needs, values, and self-esteem. Bass and Avolio [20] classified those behaviors into four dimensions: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Higher levels of performance, extra effort, and higher satisfaction, can be expected from subordinates when managers behave in a more transformational manner. Two kinds of relationships between transformational leadership and self-efficacy are discussed in leadership literature and research. Some have asserted that transformational leaders influence their subordinates' self-efficacy [21], [22].

C. Scope of the Study

This study focused on the impact of employees' Transformational leadership, and RIS to the Career Success (satisfaction) of employees. That posited the two major research questions of this study. They were; "Is there a significant relationship between Transformational leadership and Career satisfaction of employees?", and "Is there a significant relationship between the employees RIS and their Career satisfaction?" Accordingly the study had two major experimental hypotheses;

- H1. There is a positive relationship between the Transformational leadership and Career success of employees
- H2. There is a positive relationship between the Relationship with the immediate superior and Career success of employees

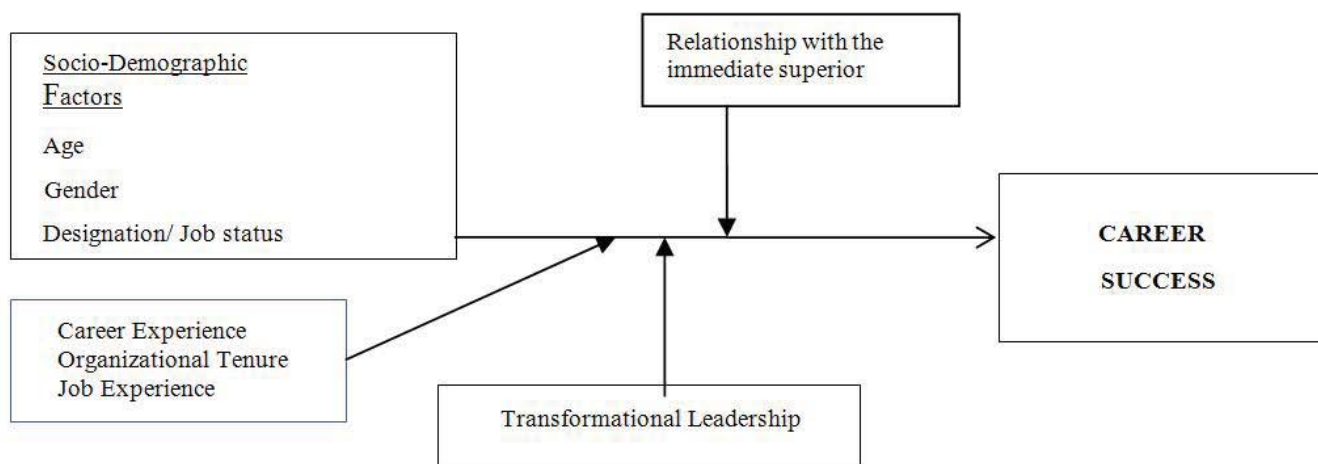


Fig. 1 Conceptual framework of the study (Source: Authors' impression based on the literature review)

II. METHODOLOGY

A. Operationalization of the Study

Respondents were randomly selected from eight banking and finance organizations situated in Colombo, Sri Lanka. There were 122 employees who were in managerial grades. They were briefed about the purpose of the research, and confidentiality of the responses was ensured. Survey was conducted using a questionnaire. It consisted of mostly close

ended statements derived from established constructs. Questionnaires were administered in groups for self-responses on the basis of anonymity. SPSS computer software was used for the descriptive and inferential data analysis. Multivariate regression analyses (employing hierarchical regression) were conducted to test the relationship among study variables. Factor analysis was conducted to ascertain the validity of the constructs. Dummy variables were created for ordinal data.

B. Measurement Scales

Relationship with the immediate superior: The seven statement scale (LMX model) was used to measure the subordinates' perceptions of their leaders [16]. Each statement was assessed by using a continuous scale of sum of 5-point items (1 left to 5 right). Accordingly the maximum to minimum scores range from 35 to 7 respectively.

Career Success: Numerous measures have been empirically utilized to examine the career success of employees. They include the more objective 'extrinsic career success' and the subjective 'intrinsic career success' [8]. However, both these measurement types have their own limitations. Career satisfaction (as perceived by the individual employees) was used to measure the career success of the respondents in the study. Accordingly, Career satisfaction was measured as a percentage.

Transformational Leadership Style: The Multifactor Leadership Questionnaire (MLQ) – Form 5X-Short (MLQ) measures the leadership on twelve sub constructs related to the respondent's leadership styles [20]. Twenty statements included in the five leadership style sub constructs pertaining to the Transformational leadership were employed in unison for the survey. They were: Idealized Influence (Attributed), Idealized Influence (Behavior), Inspirational Motivation, Intellectual Stimulation, and Individualized Consideration. Idealized Influence (Attributed & Behavior): Indicated whether a person (you) holds subordinates' trust, maintain their faith and respect, show dedication to them, appeal to their hopes and dreams, and act as their role model. Inspirational Motivation: Measured the degree to which you provide a vision, use appropriate symbols and images to help others focus on work, and try to make others feel their work is significant. Intellectual Stimulation: Showed the degree to

which you encourage others to be creative in looking at problems in new ways, create an environment that is tolerant of seemingly extreme positions, and nurture people to question their own values and beliefs and those of the organization. Individualized Consideration: Indicated the degree to which you show interest in others' well-being, assign projects individually, and pay attention to those who seem less involved in the group. The scores of above five sub constructs formed the composite index to signify the transformational leadership style of respondents. Each of the twenty statements was measured through the Likert scale ranging from 'Not at all = 0' to 'Always = 4'.

Control variables: Respondents' demographic and human capital information were collected with single item questions for gender, age, career experience, experience in the present job, organizational tenure, and Job (managerial) status (e.g. Senior, middle level, junior). Above factors other than gender and the job status were assessed as continuous variables. Gender was identified as a dichotomous variable with 0 for females and 1 for males. Job status of an employee was measured by using an industry-specific combination, which was then positioned on three levels (viz; senior level, middle level, and junior level) for the purpose of this study.

III. RESULTS AND DISCUSSION

A. Background Information of the Respondents

There were 73 males and 49 females from the eight organizations. They were managers (senior level, middle level, and junior level) employed in Sri Lankan banking industry. Age of respondents varied from 26.8 years to 59.4 years. Mean age was 42.44 years with a standard deviation (SD) of 8.13 years. Employees had a mean value of 20.31 (years) for career experience with a SD of 8.20 (Refer Table I).

TABLE I
 CHARACTERISTICS OF RESPONDENTS

Description	Age (in Years)	Experience in present Job (Yrs)	Tenure in present Organization (Yrs)	Career Experience (Yrs)
Mean	42.44	3.71	15.97	20.31
Std deviation	8.13	2.93	9.65	8.20
Maximum	59.4	0.1	37.0	38.00
Minimum	26.8	15.6	1.5	4.4

Source: Authors' Survey data in Sri Lanka (2013)

Respondents' job experience in the organizations employed at present varied from 1.5 years to 37 years. Majority (64.1%) of them had been employed in the present organization for over 10 years. They recorded a mean value of 15.97 years as the employment tenure in their present organizations with a SD of 9.65., indicating a higher tenure of service in the same organization (in average) by the respondents. Employees experience in the present job (title) varied from one month to 15.6 years. Majority of them (51.6%) were functioning in the present job title for less than 3 years. Experience in the present job title (designation) had a mean value of 3.71 years with a SD of 2.93. In other words these bank managers had been employed in the same job position slightly over 3.5 years in average. All the respondents had completed the high school

education and majority of them (66.7%) had obtained a university degree. Thirty two percent of the respondents were holding junior administrative positions in their respective organizations. About 35% of the respondents were occupying middle level managerial positions, and 32.8 % of the respondents were in senior managerial positions in the respective organizations.

B. Transformational Leadership, Relationship with the Immediate superior, and Career Success of Respondents

Form 5X-Short (MLQ) [20] was employed to measure the respondent's transformational leadership style. Twenty statements included in the five leadership style sub constructs pertaining to the Transformational leadership were employed

in unison for the survey. Accordingly the 20 item scale read a minimum score of 0 (0*20) and a maximum score of 80 (4*20). Respondents' scores for Transformational Leadership varied from 78 to 42, with a mean score of 62.13 and a SD of 6.86. It indicated possessing a higher level of Transformational leadership style as perceived by the respondents. Overall construct recorded a sound internal reliability with a Cronbach's Alpha value of 0.71. Career

success of the respondents was measured using a single item construct of their career satisfaction. Respondents' Career satisfaction varied from 100% to 10%, with a mean score of 77.92 and a SD of 13.96. Career satisfaction levels recorded by the respondents were high, with relatively higher fluctuations among the respondents.

TABLE II
TRANSFORMATIONAL LEADERSHIP, CAREER SATISFACTION AND RIS OF RESPONDENTS

Description	Transformational Leadership	Career Satisfaction (as a %)	RIS
Mean	62.13	77.92	27.03
Standard deviation	6.86	13.96	5.10
Maximum	78	100	35
Minimum	42	10	11

Source: Authors' Survey data in Sri Lanka (2013)

Table II indicates the Transformational leadership, Career satisfaction, and RIS of respondents. RIS of the respondents was measured by a seven item scale with a minimum cumulative score of 7 and a maximum score of 35. This indicated the self-perception of an employee on the level of relationship with the immediate superior at work. Respondents' scores for RIS varied from 35 to 11, with a mean score of 27.03 and a SD of 5.10. RIS scores of 30 and over were considered as Good, scores of 26 to 29 were considered as Moderate and scores of 25 and below were considered as Poor. Nearly Sixty two percent (61.5%) of the respondents indicated moderate to poor RIS. That indicated a

feeling of distant relationship with immediate superiors among Sri Lankan Bank managers. RIS scale reported good internal reliability of the construct with a Cronbach's Alpha value of 0.88. Validity of the construct was tested using Factor Analysis through the Principle Component Analysis.

C. Significant Associations

Study had two main hypotheses stemming from the two main research questions.

Hypothesis 1: H_1 : There is a positive relationship between Transformational leadership style and Career success of employees

TABLE III
TRANSFORMATIONAL LEADERSHIP AND CAREER SATISFACTION OF MANAGERS: KEY STATISTICS

	Unstandardised Beta	Standard Error of B	Standardised Beta
Step 1			
Constant	55.190	11.415	
Transformational Leadership	0.366	0.183	0.180*
Step 2			
Constant	57.979	11.357	
Transformational Leadership	0.370	0.180	0.182*
Gender	-5.070	2.514	-0.179*

Note: $R^2 = 0.032$ for Step 1, Change of $R^2 = 0.032$ for Step 2 ($p < 0.05$). * $p < 0.05$.
Source: Authors' Survey data in Sri Lanka (2013)

Conceptual model consisted of Socio-demographic factors (i.e. Age, Gender, Job status), Career experience, Organisational tenure, and experience in the present job as control variables. Transformational Leadership of respondents was the major independent variable. Career Satisfaction of employees was the dependent variable. There was a significant relationship in the aforementioned model. Transformational Leadership and Gender of the respondents recorded significant relationships with their Career satisfaction. Data supported enhancing the probability of alternative hypothesis of the study, significantly. A summary of the key statistics pertaining to the aforementioned relationship is given in Table III. Accordingly, Transformational Leadership, and Gender

(female) had a positive relationship with the Career satisfaction of employees. Further, Durbin Watson test statistic of 2.008 assumed the tenability of independent errors. VIF and Tolerance statistics indicated the absence of multicollinearity.

Hypothesis 2: H_1 : There is a positive relationship between Relationship with the Immediate Superior and Career success of employees

Respondent's RIS was the major independent variable.

TABLE IV
RELATIONSHIP WITH IMMEDIATE SUPERIOR AND CAREER SATISFACTION OF MANAGERS: KEY STATISTICS

	UnstandardisedBeta	Standard Error of B	StandardisedBeta
Step 1			
Constant	73.92	2.21	
RIS Poor vs. Moderate	-7.62	2.93	-0.25*
RIS Poor vs. Good	9.15	2.95	0.30*
Step 2			
Constant	70.83	10.50	
RIS Poor vs. Moderate	-7.31	2.98	-0.24*
RIS Poor vs. Good	8.80	3.06	0.29*
Gender	-4.08	2.53	-0.14
Job Status	6.01	3.62	0.20

Note: $R^2=0.088$ for Step 1, Change of $R^2=0.073$ for Step2 ($p<0.05$). * $p<0.05$.
Source: Authors' Survey data in Sri Lanka (2013)

A summary of the key statistics pertaining to the aforementioned relationship is given in Table IV. Data supported the alternative hypothesis, with a high probability of the experimental hypothesis. Having a good relationship with the immediate superior, compared to having a poor RIS improved the Career satisfaction of employees significantly. On the contrary, having a moderate RIS, compared to having a poor RIS had a negative impact on the Career satisfaction of employees. This also indicates the complexity and subjectivity of career satisfaction in comparison to the RIS construct. Model has explained 16.10% of the variation of the career satisfaction, and was significant with an F value of 2.39. Study does not indicate the probability of relationships of Career satisfaction with age, level of seniority in the hierarchy (job status), or Career, organizational, job experience. This could also be due to the subjectivity of career satisfaction.

IV. CONCLUSIONS

A. Major Findings

Career satisfaction of bank managers had positive relationships with their Transformational leadership style, and RIS. Employees possessing higher level of Transformational leadership styles, and sound RIS enjoyed higher levels of Career satisfaction. Female employees experienced a positive relationship with their career satisfaction. Contextually, ladies play a significant role almost equivalent to their male counterparts in the Sri Lankan banking industry. Also, the possible lack of aspirations relative to the males in the still male dominant economy may have enhanced the sense of Career satisfaction among ladies. Planned organizational initiatives on fostering Transformational leadership style among employees, and enhancing their relationships with superiors can be effectively utilized as strategic tools for positive value additions in organizations.

B. Limitations and Further Research

Study had been limited to 122 banking executives in Sri Lanka. Conducting a similar study with larger number of respondents will improve the generalizability of the findings. Also, the static nature of the study is a serious (yet unavoidable) weakness of contemporary management research. A longitudinal study will be more insightful in this

context. It could prove useful larger comparable groups across different industries (not limiting to banking). A comparison across socio-cultural backgrounds could prove insightful.

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