

## Impacts of Transformational Leadership: Petronas Stations in Sabah, Malaysia

**Authors :** Lizinis Cassandra Frederick Dony, Jirom Jeremy Frederick Dony, Cyril Supain Christopher

**Abstract :** The purpose of this paper is to improve the devotion to leadership through HR practices implementation at the PETRONAS stations. This emphasize the importance of personal grooming and Customer Care hospitality training for their front line working individuals and teams' at PETRONAS stations in Sabah. Based on Thomas Edison, International Leadership Journal, theory, research, education and development practice and application to all organizational phenomena may affect or be affected by leadership. **FINDINGS** - PETRONAS in short called Petroliaam Nasional Berhad is a Malaysian oil and gas company that was founded on August 17, 1974. Wholly owned by the Government of Malaysia, the corporation is vested with the entire oil and gas resources in Malaysia and is entrusted with the responsibility of developing and adding value to these resources. Fortune ranks PETRONAS as the 68th largest company in the world in 2012. It also ranks PETRONAS as the 12th most profitable company in the world and the most profitable in Asia. As of the end of March 2005, the PETRONAS Group comprised 103 wholly owned subsidiaries, 19 partly owned outfits and 57 associated companies. The group is engaged in a wide spectrum of petroleum activities, including upstream exploration and production of oil and gas to downstream oil refining, marketing and distribution of petroleum products, trading, gas processing and liquefaction, gas transmission pipeline network operations, marketing of liquefied natural gas; petrochemical manufacturing and marketing; shipping; automotive engineering and property investment. PETRONAS has growing their marketing channel in a competitive market. They have combined their resources to pursue common goals. PETRONAS provides opportunity to carry out Industrial Training Job Placement to the University students in Malaysia for 6-8 months. The effects of the Industrial Training have exposed them to the real working environment experience acting representing on behalf of General Manager for almost one year. Thus, the management education and reward incentives schemes have aspire the working teams transformed to gain their good leadership. Furthermore, knowledge and experiences are very important in the human capital development transformation. SPSS extends the accurate analysis PETRONAS achievement through 280 questionnaires and 81 questionnaires through excel calculation distributed to interview face to face with the customers, PETRONAS dealers and front desk staffs stations in the 17 stations in Kota Kinabalu, Sabah. Hence, this research study will improve its service quality innovation and business sustainability performance optimization. **ORIGINALITY / VALUE** - The impact of Transformational Leadership practices have influenced the working team's behaviour as a Brand Ambassadors of PETRONAS. Finally, the findings correlation indicated that PETRONAS stations needs more HR resources practices to deploy more customer care retention resources in mitigating the business challenges in oil and gas industry. Therefore, as the business established at stiff competition globally (Cooper, 2006; Marques and Simon, 2006), it is crucial for the team management should be capable to minimize noises risk, financial risk and mitigating any other risks as a whole at the optimum level. **CONCLUSION**- As to conclude this research found that both transformational and transactional contingent reward leadership<sup>4</sup> were positively correlated with ratings of platoon potency and ratings of leadership for the platoon leader and sergeant were moderately inter correlated. Due to this identification, we recommended that PETRONAS management should offers quality team management in PETRONAS stations in a broader variety of leadership training specialization in the operation efficiency at the front desk Customer Care hospitality. By having the reliability and validity of job experiences, it leverages diversity teamwork and cross collaboration. Other than leveraging factor, PETRONAS also will strengthen the interpersonal front liners effectiveness and enhance quality of interaction through effective communication. Finally, through numerous CSR correlation studies regression PETRONAS performance on Corporate Social Performance and several control variables.<sup>1</sup> CSR model activities can be mis-specified if it is not controllable under R & D which evident in various feedbacks collected from the local communities and younger generation is inclined to higher financial expectation from PETRONAS. But, however, it created a huge impact on the nation building as part of its social adaptability overreaching their business stakeholders' satisfaction in Sabah.

**Keywords :** human resources practices implementation (hrpi), source of competitive advantage in people's development (socaipd), corporate social responsibility (csr), service quality at front desk stations (sqafd), impacts of petronas leadership (ioppl)

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