



TRANSFORMATIONAL LEADERSHIP AND ORGANIZATIONAL PERFORMANCE OF TELECOMMUNICATION COMPANIES IN RIVERS STATE

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Article ID: GPH-IJSSHR-2026-2200

Abstract

This research aimed to examine the correlation between transformational leadership and the organisational performance of telecommunication businesses in Rivers State. A cross-sectional survey approach was employed to assess the study's subjects. The study's population comprises senior personnel from the four main telecommunications providers in Rivers State. The entities include MTN, Globacom, Airtel, and 9mobile. Four hypotheses were evaluated utilising Spearman's Rank Correlation. The results of these studies indicated a favourable and substantial correlation between transformational leadership and the organisational performance of telecommunications enterprises. The study found that transformational leadership is a validated management strategy for enhancing organisational performance and innovation. The study indicated that management of GSM enterprises aiming to enhance organisational performance should actively inspire and engage staff by assigning them significant responsibilities or activities. This will instill a sense of belonging, therefore enhancing their commitment to not only fulfil their immediate responsibilities but also to contribute to the overarching objectives of the organisation. This signifies that management must choose leaders who inspire employees to foster motivation, commitment, satisfaction, and support the organisation in attaining its objectives and aims. Furthermore, processes must be established to remain informed about changes, particularly in the macro-environment of the organisation. This will empower the organisation to cultivate resilience and adapt to evolving business conditions.

Keywords:

Transformational Leadership, Organizational Performance, Change Management.

1. Introduction

The Nigerian telecommunications sector has experienced substantial development and transition in recent years, propelled by technology improvements, evolving customer tastes, and regulatory reforms. The industry is a significant component of the nation's economy, seeing rapid expansion and transition in recent years (Nkordeh, Bob-Manuel, & Olowononi, 2020). This expansion has been driven by causes including heightened mobile penetration, technological developments, and the escalating demand for connection services in both urban and rural regions. Consequently, the sector has emerged as a crucial contributor to Nigeria's economic development and social advancement over the years. As reported by the Nigerian Communications Commission (NCC, 2019), by the conclusion of 2018, telecommunications accounted for about 77.42% of the ICT sub-sector's Gross Domestic Product (GDP) and 9.46% of the national GDP. The expansion has heightened competitiveness among telecommunications firms, rendering strategic leadership essential for success (Akingbade, 2024).

Given the industry's importance, transformational leadership is a vital factor influencing organisational success and sustainability for telecommunications firms in Nigeria. Transformational leaders in these organisations must navigate a complicated and dynamic environment marked by swift technical progress, changing customer tastes, and fierce rivalry among industry participants (Abubakar Abdulsalam & Nasiru, 2024). Transformational leadership is crucial for fostering innovation, responding to market fluctuations, and strategically positioning firms for sustained development and profitability. Transformational leadership is a leadership style that highlights the leader's capacity to inspire, motivate, and empower subordinates with a definitive vision and dedication to change (Akingbade, 2024).

Organisational performance is a crucial, multifaceted notion closely linked to employee engagement, job satisfaction, and commitment. These organisational performance metrics are essential for organisational sustainability (Abasilim, 2017). Consequently, leadership plays a pivotal role in these events by inspiring and supporting people in their pursuit of innovative ideas to improve their job. Obiwuru, Okwu, Akpa, and Nwankwere (2019) assert that organisational performance is vital as it reflects a company's effectiveness in achieving its defined objectives. Ogbeidi (2020) asserted that an employee's performance at work reflects their success in executing specified responsibilities. The intense rivalry among telecommunications companies has heightened the necessity for transformational leadership skills to improve organisational performance metrics, including employee engagement, job satisfaction, commitment, intellectual optimisation, strategic change management, and employee empowerment. Ojokuku, Odetayo, and Sajuyigbe (2019). Consequently, research indicates that transformational leadership is one of the predominant leadership styles in organisations and has a substantial impact on organisational success. Okafor (2018) asserts that transformational leadership is an effective method for enhancing individual and group performance.

A multitude of studies has been undertaken about transformative leadership and organisational performance (Ojokuku, Odetayo, and Sajuyigbe, 2019; Obiwuru, Okwu, Akpa, and Nwankwere, 2019; Nkordeh, Bob-Manuel, & Olowononi, 2020; Abubakar Abdulsalam & Nasiru, 2024). Several researchers have examined this association with various variables in both developed and

developing nations. This study diverged from existing research by specifically incorporating inspirational motivation, change management, and intellectual stimulation as facets of transformational leadership, while organisational performance will be assessed through employee organisational effectiveness, organisational innovativeness, and employee engagement, respectively. Moreover, perceived organisational support would serve as a moderating factor influencing the link between transformational leadership and organisational performance in telecommunication businesses in Rivers State.

2. Literature Review

2.1 Theoretical Review

2.1.1 Leader-Member Exchange Theory

The Leader-Member Exchange Theory LMX theory also defines how a leader sets expectations and obligations for their subordinates, according to Graen and Uhl-Bien (1995). According to Danzereau, Graen, and Haga (1975), there are several forms of connections that a group leader might have with their followers. LMX theory explains these diverse and personalised interactions. Transformational leaders must establish processes that enable subordinates to define responsibilities and expectations. Through these delineated roles, both leaders and subordinates may attain personal and organisational goals and objectives. Therefore, this theory is appropriate for our study.

2.2 Conceptual Framework

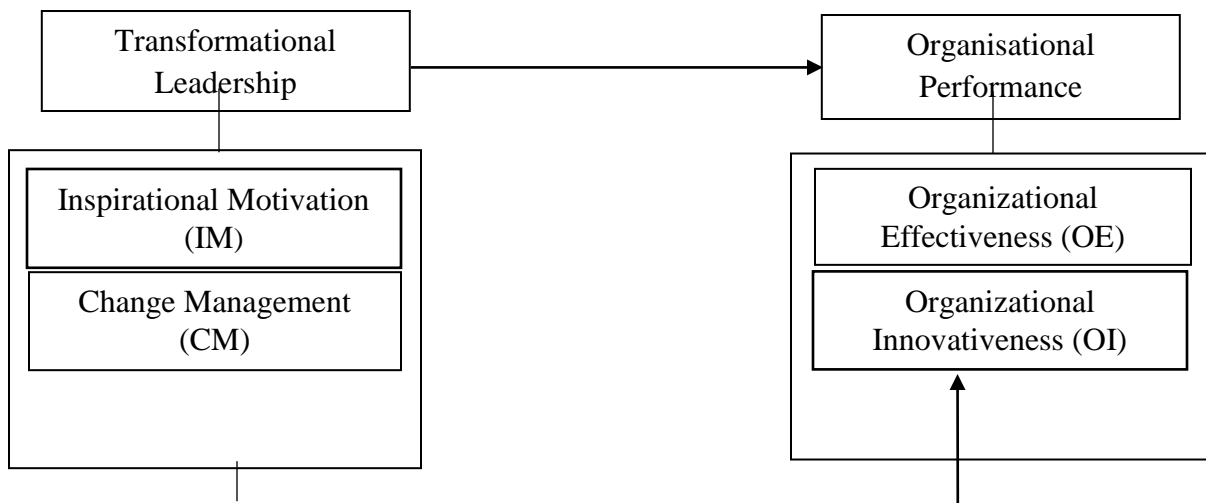


Figure 1: Conceptual Framework on the Relationship between Transformational Leadership and Organizational Performance

Source: Ojokuku, Odetayo, and Sajuyigbe, 2019; Obiwuru, Okwu, Akpa and Nwankwere, 2019.

2.2.1 Concept of Transformational Leadership

James MacGregor Burns, a presidential historian and leadership specialist, first put up the idea of transformative leadership in 1985. Transformational leadership is characterised by "leaders and followers boost one another to a greater degree of moral and drive," as stated by Burns (1978). When leaders have a compelling vision and transformative charisma, people are inspired to alter their expectations, attitudes, and motivations in order to accomplish shared objectives. Bernard M. Bass, a researcher, then expanded on Burns' original concepts to produce what is now known as Bass' Theory of Transformational Leadership. A key component of Bass's concept of transformational leadership is the influence on subordinates. Transformational leaders, in Bass' opinion, are those that instill in their people awe, veneration, and faith. The concept of transformational leadership appears to be a useful strategy for handling dynamics by bringing about changes in organisations and communities.

2.2.1.1 Inspirational Motivation

Inspirational motivation is the mechanism by which leaders encourage their followers to endorse the organization's goal, hence enhancing performance outcomes (Bass & Riggio, 2006). Transformational leadership influences individual performance by enhancing a person's drive to attain performance objectives. When an individual is driven, efficient, and content with their employment, they exert more effort and perform beyond contractual obligations (Bass, 1985). To inspire their followers to attain organisational objectives, charismatic leaders can cultivate a robust feeling of collaboration among them (Bass & Riggio, 2006). The objective of inspiring motivation is to enhance employee involvement and engagement by emphasising a more significant purpose (Barine & Minja, 2014).

2.2.1.2 Change Management

Change management, as defined by Khalid (2011), poses a threat to the status quo inside a company, causing employees to experience anxiety, tension, and worry that they won't be able to adapt to the new circumstances. Change management, according to Thompson (2010), is "any shift in an organization's purpose, structure, or practices. He defines organisational shift as the creation of new information that guides management in making better choices. Change management, according to Aduku et al. (2021), is any shift, intentional or otherwise, in an organization's structure, its processes, its personnel, or the relationships between them.

2.2.2 Organisational Performance

Organisational performance is a crucial, multifaceted notion closely linked to an organization's strategic objectives (Mwita, 2010). Tangen (2005) asserts that the phrase "organisational performance" encompasses any notion that evaluates the success and operations of a firm. Managers inside any organisation are responsible for enhancing and elevating performance. Consequently, managers are pivotal in these events by inspiring and supporting personnel in their pursuit of innovative ideas to improve their job. Ouma and Kombo (2016) assert that organisational performance is essential as it reflects a company's effectiveness in achieving its articulated objectives.

2.2.3 Transformational Leadership and Organizational Performance

A multitude of studies Karanja (2015) and Khosa et al. (2015) have performed studies about change management in Nigeria and internationally. Khosa et al. (2015) said that "change management significantly positively influences employee performance in the banking sector of Pakistan." Tefera and Mutambara (2016) assert that employee involvement in change management can enhance employee motivation. Contartesi (2010) discovered a favourable correlation between leader communication and staff performance. Based on the above studies, we propose the following hypotheses:

- H₀₁:** Inspirational motivation has no significant relationship with organisational effectiveness of telecommunication companies in Rivers State.
- H₀₂:** There is no significant relationship between inspirational motivation and organizational innovation of telecommunication companies in Rivers State.
- H₀₃:** Change management does not significantly relate with organisational effectiveness of telecommunication companies in Rivers State.
- H₀₄:** There is no significant relationship between change management and organizational innovativeness of telecommunication companies in Rivers State.

3. Methodology

This study employed a cross-sectional methodology, predicated on the selection of samples from the population of interest that are quantifiable at a certain moment in time. The rationale for employing cross-sectional research is its suitability for academic objectives and time constraints. The population of this study consist of senior staff of the four major telecommunication companies in Rivers State. They are MTN, Globacom, Aitel, and 9mobile. Preliminary investigation across these companies revealed that there is a total of forty-six (46) senior regular staff in both their head and regional offices in Rivers State. This study adopted census sampling methods as the size of population (46) is such that the researcher can effectively manage. Thus, the researcher will reach out to these designated respondents for the purpose of administering questionnaire to them.

The study utilised primary data sources. Primary data sources furnish data in its original form, but obtained for a specific reason. The research gathers firsthand accounts of change management from both managers and their subordinates within the aviation industry. This study will provide primary data by meticulously designing data collecting devices to get valid, pertinent, and standardised information from the individuals.

Furthermore, the instrument underwent assessments of construct validity and content validity; the researcher solicited the evaluation of supervisors, coworkers, and other knowledgeable individuals to confirm that the items appropriately stem from theories and accurately reflect the construct being measured. Construct validity was guaranteed since the framework comprises thoroughly explored constructs accompanied by established measurements and scales; the items were derived from existing literature and theories. Reliability, conversely, assesses the empirical consistency of findings; it evaluates the degree to which a given collection of questions produces

identical outcomes when duplicated in analogous contexts. This study employed the Cronbach alpha test with results over 0.7.

Spearman's Rank Correlation Coefficient was employed to analyse data collected from the field via questionnaire administration. Finally, it is essential to acknowledge that all statistical analyses will be conducted utilising the Statistical Package for Social Sciences (SPSS) version 26.

4. Results And Discussion

4.1 Data Analysis and Results

Table 1: Questionnaire Distribution

Details	Questionnaire	Percentage (%)
Distributed	46	100
Returned	36	78
Not Returned	8	17
Returned completed	34	94
Returned incomplete	2	5

A total of forty-six (46) questionnaires were sent, but only thirty-six (36) copies, representing 78%, were recovered; hence, eight (8) copies, representing 17%, were not returned. Furthermore, of the returned copies, only thirty-four (34), constituting 94%, were fully completed and deemed useful for the study. Only two copies were discarded.

4.2 Reliability Test

The following table shows the summary of reliability statistics for the first model includes two independent variables which inspirational motivation and change management; and two dependent variables which are organizational effectiveness and organizational innovativeness. This reliability test included all items in each variable as shown below:

Table 2: Summary of Reliability Analysis

Constructs	Cronbach Alpha
Inspirational Motivation	0.885
Change Management	0.813
Organizational Effectiveness	0.838
Organizational Innovativeness	0.846

Based on Table 2, the Cronbach's Alpha value for inspirational motivation is 0.885, while change management is 0.813; organizational effectiveness is 0.838; is 0.846; while organizational innovativeness is 0.804. As can be noticed above, all Cronbach's Alpha values for each construct are more than 0.70. Thus, it can be concluded that all items for each construct is in the range of acceptability.

4.3 Testing of hypotheses

Relationship between dimensions of Transformational Leadership and Measures of Organisational Performance using Spearman's Rank Order Correlation.

Table 3: Correlation Analysis showing the relationship between dimensions of transformational leadership and measures of organisational performance

Correlations

		Inspirational motivation	Change management	Organisational Effectiveness	Organizational Innovativeness
Inspirational motivation	Spearman's rho	1	.912**	.894**	.904**
	Sig. (2-tailed)		.000	.000	.000
	N	36	36	36	36
Change management	Spearman's rho	.912**	1	.901**	.899**
	Sig. (2-tailed)	.000		.000	.000
	N	36	36	36	36
Organisational Effectiveness	Spearman's rho	.894**	.901**	1	1
	Sig. (2-tailed)	.000	.000		.000
	N	36	36	36	36
Organizational Innovativeness	Pearson Correlation	.907**	.899**	.959**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	36	36	36	36

** . Correlation is significant at the 0.01 level (2-tailed).

Decision: Given that the P value (0.000) is lower to the alpha value (0.01%), in all cases; which represents the degree of significance, the null hypotheses one, two, three and four were all rejected and the alternative hypotheses accepted. This indicates a robust and substantial correlation between the dimensions of transformational leadership and measures of organisational performance.

4.4 Discussion of Findings

i. Inspirational motivation has a positive and significant relationship with organisational performance

With rho values of 0.894 and 0.904, respectively, the results from the first two hypotheses were statistically significant. The findings showed that telecommunications companies in Rivers State benefited greatly from inspiring motivation, and that this factor had a significant impact on their organisational performance. This result agrees with what Chen and Chen (2008) found: that there is a strong and positive relationship between inspiring motivation and the success of a company. Furthermore, Grace (2016) investigated the influence of inspiring motivation on organisational

performance. The author's results indicated that inspiring motivation in the public sector significantly impacts employee innovativeness and performance.

ii. Change management has a positive and significant relationship with organisational survival

The outcomes of hypotheses three and four indicated correlation coefficients of $\rho = 0.901$ and 0.899 , respectively. In contrast to similar existing research, Edward (2008) asserted that change management serves as a strategic instrument for augmenting efficiency and service quality, therefore fostering employee innovation. Moreover, organisational flexibility can result in substantial enhancements in employee engagement, as conventional service delivery methods are supplanted by multi-skilled individuals doing demanding jobs. Furthermore, study conducted by Galinsky (2008) indicated that flexible employees are more inclined to exhibit innovative behaviour, experience work satisfaction, remain with the organisation, and contribute to organisational success. Additionally, Bhattacharya et al. (2005) investigated three characteristics of adaptability to change. Research findings on functional flexibility have affirmed its favourable and strong correlation with organisational success and sustainability.

5. Conclusion and Recommendation

5.1 Conclusions

This investigation led to the following conclusions:

- i. Inspirational motivation has been validated as a dependable management technique for enhancing organisational performance, fostering innovation, and increasing employee engagement. Furthermore, the organisational perspective of empowerment provides workers with essential advice and abilities to make autonomous decisions, along with the accountability and responsibility for those choices.
- ii. Change management is a key capability that allows firms to navigate environmental swings, enhancing their responsiveness to change. Flexibility is a dynamic attribute that enables organisations to address change. Thus, the ability to adapt is crucial for establishing sustained survival.

5.3 Recommendations

In view of the results and conclusions of this research, the following recommendations were advanced:

- (i) Management of telecommunications businesses seeking to enhance organisational performance is urged to actively inspire and engage staff by assigning them meaningful responsibilities or activities. This will foster a sense of belonging, so enhancing their commitment to not only do their immediate responsibilities but also to contribute to the general objectives of the organisation. This signifies that management must choose leaders who inspire employees to foster motivation, commitment, satisfaction, and support the organisation in attaining its objectives and aims.
- (ii) Management of telecommunication should put in place systems that would keep abreast with changes especially in the macro-environment of the business. This will enable the organization build resilient and adapt to changing business dynamics.

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