The role of transformational- and servant leadership in a governmental agency (Bank of the Lao PDR) in order to build an effective working environment

By

VIENGSAVANG LATSACHANH

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Master of Business

Department of Management and Marketing
Unitec Institute of Technology, New Zealand

Principal supervisor: Dr Andries Du Plessis

Associate supervisor: Malama Saifoloi

2016
DECLARATION

Name of candidate: Viengsavang Latsachanh

This thesis entitled: “The role of transformational- and servant leadership in a governmental agency (Bank of the Lao PDR) in order to build an effective working environment” is submitted in partial fulfilment for the requirements for the Unitec degree of Master of Business.

Candidate’s declaration

I confirm that:

- This thesis project represents my own work.

- The contribution of supervisors and others to this work was consistent with the Unitec regulations and policies.

- Research for this work has been conducted in accordance with the Unitec Research Ethics Committee Policy and Procedures, and has fulfilled all requirements set for this project by Unitec Research Ethics Committee.

Research Ethics Committee Approval Number: 2015-1039

Candidate signature: [Signature]

Date: 20/04/2016

Student number: 1430688
ABSTRACT

Leadership is very crucial for any type of organisations, especially leadership that stresses the importance of leaders and followers interaction. In a Lao governmental agency, the Bank of the Lao PDR (BOL), this type of leadership is highly required in order to develop employees and build an effective working environment. Transformational leadership is considered to be one of the most effective leadership approaches in terms of developing employees. It focuses on the process that changes and transforms people. It is concerned with emotions, values, ethics, and long-term goals. Similarly, servant leadership emphasises that leaders be attentive to the concerns of their followers, empathise with them, and nurture them.

This qualitative research study attempts to gain an insight into transformational- and servant leadership in relation to building an effective working environment in BOL. This includes the perspectives and real practices of these types of leadership as well as the factors that support or prevent the practice of them. This research study uses semi-structured interviews to collect relevant data from ten leaders in BOL.

The findings of the research reveal that leaders in BOL practice transformational- and servant leadership to some extent. Regarding transformational leadership, leaders focus on its four main behaviours (4Is): idealised influence, inspirational motivation, intellectual stimulation, and individualised consideration. The practice of servant leadership is also focused on its seven core behaviours: conceptualising, emotional healing, putting followers first, helping followers grow and succeed, behaving ethically, empowering, and creating value for the community. These key behaviours of transformational- and servant leadership play a very crucial role in increasing effectiveness of the working environment in BOL.

Finally, this study concludes that transformational- and servant leadership is fundamental for BOL. This is because these types of leadership can help to improve a wide range of components that are crucial for organisational success such as employee working commitment, employee empowerment, ethical behaviours, employee motivation, and employee creativity. Without transformational- and servant leaders, it is hard that the organisation to be prosperous.
ACKNOWLEDGEMENT

This thesis would not have been completed if it lacks the love and support from many wonderful people who have always encouraged me throughout this incredible journey.

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Without the assistance of all the participants, this thesis might not have been completed. Therefore, I wish to express my gratitude to all the participants who voluntarily contributed their valuable time to participate in the semi-structured interviews. I highly appreciate their participations and contributions.

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<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>AEC</td>
<td>ASEAN Economic Community</td>
</tr>
<tr>
<td>ASEAN</td>
<td>Association of South East Asian Nations</td>
</tr>
<tr>
<td>WTO</td>
<td>World Trade Organisation</td>
</tr>
<tr>
<td>BOL</td>
<td>Bank of the Lao PDR</td>
</tr>
<tr>
<td>OLA</td>
<td>Organisation Leadership Assessment</td>
</tr>
<tr>
<td>TSL</td>
<td>Transformational-Servant Leader</td>
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</table>
CHAPTER 1 INTRODUCTION TO THE STUDY

1.1 Background

1.1.1 Rationale

Undoubtedly, leadership is highly required in many corporations because it is believed that employees with leadership ability can add special value to the organisation thereby increasing organisational effectiveness. Many people think of leadership as a way to improve personal, social and professional lives. The term “Leadership” has gained major attention from many scholars and researchers over the world, which included Bass, 1990; Gardner 1990; Rost, 1991; Bryman, 1992; Mumford, 2006; Hickman 2009; Bryman, Collinson, Grint, Jackson and Uhl-Bien, 2011; and Day and Antonakis, 2012, as cited in Northouse (2015).

There are many approaches of leadership that is differentiated according to its focuses, practices and procedures. The famous approaches of leadership that are usually practiced in many organisation include trait approach, skills approach, style approach, situational approach, transformational leadership, authentic leadership, and servant leadership (Daft, 2015; Day, 2014; Du Plessis, 2015; DuBrin, 2013; Rowe & Guerrero, 2013; Yukl, 2012).

Specifically, transformational- and servant leadership are two approaches that mainly focus on leader-follower interaction, follower motivation and satisfaction of followers’ needs so that followers accomplish beyond their usual expectations (Grant, 2012; Liden, Wayne, Chenwei, & Meuser, 2014). According to Zwingmann et al. (2014), transformational leadership plays a vital role in building a healthy working environment for employees. Transformational leaders place high consideration on formulating a clear vision for employees and on satisfying employees’ intrinsic needs. In addition, Van Dierendonck and Patterson, (2010), Northouse (2015) and Ehrhart, (2004) explain that the role of servant leadership is to generously serve followers and increase support of followers’ interests. As a result, it is important that the practices of transformational and servant leadership are applied in order to encourage employees’ motivation and inspiration (as cited in Zhou & Miao, 2014).
1.1.2 Problem description
Lao PDR is seen as a low-middle-income country in South-East Asia. The economy development is mainly focused on traveling trade, sustaining mining and forestry and hydro resources (Philip, 2012). The country started to decentralise control and encourage private enterprise in 1986, which made a major contribution to country development. However, Lao PDR is still in the process of developing the country with the main goal being declared the country off the UN Development Program’s list of least-developed countries in the year 2020, according to the Central Intelligence Agency (2014). In order to achieve this goal, Lao government puts a huge effort in building many excellent facilities to support the growth of the economy. In 2013, Lao PDR decided to join the World Trade Organisation (WTO) which brought about a competitive advantage to the country, especially in helping the country to be more attractive for foreign investment and to have more power in trade partners’ negotiations (Kunze, 2013; The world bank, 2012).

Another major challenge that Lao PDR is going to face is becoming a member of ASEAN (Association of South-east Asia Nations) Economic Community (AEC) toward the end of 2015. The economic integration of ASEAN emphasises 4 key characteristics: "1) A single market and production base, 2) A highly competitive economic region, 3) A region of equitable economic development, 4) A region fully integrated into the global economy” is a major challenge that urgently requires Lao PDR to prepare and adjust some policies and law in order to be aligned with the purpose of the community (Association of Southeast Asian nations, n.d). Because of this, it is important that businesses in Lao PDR improve their capabilities in order to compete with competitors from both inside and outside the country.

Together with private organisations, governmental agencies are required to enhance their quality of work and to facilitate the growth of businesses in the country. Bank of Lao PDR (BOL) was established in 1988, after the government announced its “New Economic Mechanism” in 1986. It is seen as the central bank of Lao PDR and is also a member of Lao government equivalent to a ministry in rank. Initially, BOL played a crucial role in economic management in terms of the economics of currency and credits. To do this, the Lao economic performance was improved and sustained. BOL is also seen “as supervising commercial banks and financial institutions in Lao PDR.
It safeguards the foreign currency reserves of the Government, manages the printing of currencies for circulation as assigned and authorised by Government, it arranges payment among banks, reports regularly on the economic situation to the Government and represents the Government in International Funds and exercises other functions as delegated by the Government” (Bank of the Lao PDR, n.d-a, para. 5).

Recently, BOL has consisted of 12 departments: Administration Department, Organisation and Personnel Department, Internal Audit Department, Accounting Department, Information Communication Technology of the Bank, Currency Issues Department, Printing House, Monetary Policy Department, Commercial Bank Supervision Department, Banking Operation Department, Financial Institution Supervision Department, and International Relations Department. Furthermore, there are 6 relevant institutions under leadership of BOL: Lao Securities and Exchange Commission Office, Lao Securities Exchange, Asset Management Centre, Depositor Protection Fund, Anti Money Laundering Intelligence Unit, and Banking Institute. There are 4 branches in different provinces: BOL Northern Branch at Oudomxay Province, BOL Southern Branch at Champasack Province, BOL Northern Branch at Luangphabang Province, and BOL Central Branch at Savanhnakhet Province. The total number of employees in BOL is 1,455 employees (Bank of the Lao PDR, n.d-b).

Because of the important role played by BOL, leaders and employees in this organisation are called to effectively carry out their work in order to successfully accomplish the goals assigned by the government of Lao PDR.

However, it is suggested by The Transformational Index BTI (2012), as cited in Vongphanakhone (2014) that there is unfair staff recruitment in many organisations in Lao PDR. The process of recruitment is not clearly stated and is full of many kinds of bias, namely political contacts and competitive interests of powerful individuals. This issue creates the feeling of inequality among employees as some employees might have more power and potential growth or promotion than other employees. When unequal situations happen, they can be a main cause that reduces employees’ motivation, inspiration and work commitment in the organisation, according to (Northouse, 2015).
Furthermore, according to the author’s experience in working in a Lao governmental agency, there is still a lack of effective interaction between leaders and employees, which leads to low motivation and inspiration of employees and ultimately brings about lower performance than what is expected of them. The working environment in a governmental agency is unproductive, which does not encourage employees to do their work as effectively as expected of them. Therefore, leaders with abilities to create leader-member exchange, employee motivation, employee inspiration and work commitment, and to effectively enhance work life are required in the governmental agencies. Based on Tyssen, Wald, and Heidenreich (2014) and Tabassi, Ramli, Bakar, and Pakir (2014), transformational leadership is suitable for governmental agencies. This is because this type of leadership is likely to focus on transforming employees’ values and beliefs which helps in increasing effectiveness of their working capacities. Transformational leaders attempt to enhance employees’ working commitment and motivation by employing leader-follower exchange and task-oriented approach. Subordinates’ satisfaction is considered very crucial for these leaders which leads to enhancing organisational performance. Similar to servant leadership, according to Dierendonck (2011), servant leadership pays attention to empowering and developing people; by expressing humility, authenticity, interpersonal acceptance, and stewardship; and by providing direction. In this process, strong relationships, trust, and fairness between leaders and followers are the most significant mediating processes to encourage self-actualization, positive job attitudes, performance, and a stronger organizational focus on sustainability and corporate social responsibility.

According to the Bank of Lao PDR (2008) as cited in Vongphanakhone (2014), leadership that highlights the importance of organisational development both in governmental and private organisations is not well-known in Lao PDR. The problem statement is: “How can leaders in BOL create a productive working environment that can encourage employees to work effectively”.

1.2 Aim and objectives of the research project

Transformational- and servant leadership play a pivotal role in enhancing employee motivation, employee satisfaction and focus on employees as full human beings. Especially in governmental agencies, where employees seem to have less motivation and inspiration than private
organisations, transformational- and servant leadership will have an influence on organisational performance. Therefore, the main aim of this research is:

To identify the role of transformational- and servant leadership in building an effective working environment in BOL.

The following objectives are designed in order to achieve the research aim:

- To identify the leadership approaches that leaders in BOL are currently employing
- To investigate the perception of leaders in the governmental agency about transformational- and servant leadership
- To identify how transformational- and servant leadership plays a role in BOL
- To assess the current practice of transformational- and servant leadership
- To determine the challenges of applying transformational- and servant leadership in the governmental agency
- To identify whether transformational- and servant leadership is acceptable in BOL

1.3 Research question

Based on the aim of the research, the main research question is:

“What is the role of transformational- and servant leadership in building an effective working environment in BOL?”

1.3.1 Sub-research questions

1) How do leaders in BOL practice leadership?
2) How do leaders in BOL understand transformational- and servant leadership?
3) How is transformational leadership practiced in BOL?
4) How is servant leadership practiced in BOL?
5) What are the factors that reinforce the practice of transformational- and servant leadership in the workplace?
6) What are the factors that prevent the practice of transformational- and servant leadership in the workplace?

7) How important is transformational- and servant leadership in building the effective working environment in the workplace?

8) To what extent is transformational- and servant leadership acceptable in the workplace?

1.4 Hypothesis

The research adopts five hypotheses as below:

1. Ho1 Leaders in BOL do not understand what transformational- and servant leadership is
   Ha1 Leaders in BOL understand what transformational- and servant leadership is

2. Ho2 Transformational leadership is not practiced in BOL
   Ha2 Transformational leadership is practiced in BOL

3. Ho3 Servant leadership is not practiced in BOL
   Ha3 Servant leadership is practiced in BOL

4. Ho4 There are no factors that prevent the practice of transformational- and servant leadership in BOL
   Ha4 There are factors that prevent the practice of transformational- and servant leadership in BOL

5. Ho5 Transformational- and servant leaders cannot build an effective working environment in BOL
   Ha5 Transformational- and servant leadership can build an effective working environment in BOL

1.5 Thesis overview

This thesis has six chapters:

Chapter one introduces the overview of this project. This covers the background of the project which explains the reason why the researcher wants to study and investigate the role of transformational- and servant leadership in building an effective working environment in a
governmental agency in Lao PDR. This chapter also provides the aim, objectives, research questions and hypotheses of the thesis.

Chapter two provides the critical literature reviews related to transformational- and servant leadership. This chapter is divided into three main parts. Part one focuses on the concept, behaviours and criticism of transformational leadership. Part two provides an explanation of concept, behaviours and criticism of servant leadership. The final part critically reviews the empirical research of scholars and researchers in relation to how transformational- and servant leadership play a role in building an effective working environment in an organisation.

Chapter three outlines the methodology and research method of this project. It includes the rationale and justification behind the adoption of the qualitative method, and the using of semi-structured interviews for collecting the data. Furthermore, an explanation of the research paradigms, the process of data analysis, validity of result, and ethical consideration will also be provided in this chapter.

Chapter four presents the data results and findings of the semi-structured interview which were gained from the process of coding and thematic techniques of data analysis. In this chapter, the results and findings are organised and categorised based on the questions of the semi-structured interviews.

Chapter five provides the findings discussion by using the data from chapter four. In this chapter, relevant theories and literature are referred to in order to support the research results and findings. This chapter also provides the answers to the research questions that were mentioned in chapter one.

Chapter six shows the conclusion reached and the key findings of the research. It also provides the recommendations to the leaders in BOL so that they could make a contribution to improving the working environment of the organisation. Finally, this chapter also addresses the strengths and limitations of the study.
1.6 Conclusion

From the research background and problem description explained above, it is an interesting idea to try to understand how transformational- and servant leadership is practiced in BOL. Furthermore, from the data collection process that the researcher undertook in BOL would bring about an understanding of transformational- and servant leadership to leaders in BOL, so that they can put that understanding into practice which finally enhances the effectiveness of the working environment.

1.7 Chapter summary

Chapter one introduced the big picture of the research that included the background of the research, aim and objectives of the project, research questions, and hypotheses of the project. Particularly, it explained the reasons why transformational- and servant leadership need to be practised in order to improve the working environment in governmental agencies in the Lao PDR.
CHAPTER 2 LITERATURE REVIEW

2.1 Introduction

Chapter one is the introductory chapter and covers the introduction and also gives an outline of the thesis. In this chapter the literature review that is related to transformational- and servant leadership will be presented.

To understand the role of transformational- and servant leadership in terms of building an effective working environment in an organisation, it is necessary to initially understand the nature or concept of them and they are discussed in this chapter. Furthermore, the focus of this chapter involves critical behaviours, and criticisms of transformational- and servant leadership. Finally, a wide range of research in relation to the role of transformational- and servant leadership in building an effective working environment in an organisation is raised and discussed in this chapter.

2.2 Definition of leadership

There are many definitions of leadership which were defined and explained by many experts in various books. A recent study (Northouse, 2015) suggests that “leadership is a process whereby an individual influences a group of individuals to achieve a common goal” (p. 5). This means leaders and followers affect and interact with each other in the leadership process. Moreover, leadership happens in a group. One leader influences a group of other people who have the same purpose to attain desired goals. In addition, influence is a vital part of leadership. Encouraging individuals or a group of people is indispensable in leadership. Leaders get jobs done via other people and they also motivate, inspire and direct other people to achieve shared goals. Without influence, leadership cannot succeed (Northouse, 2015; Rowe & Guerrero, 2013).

Others argue, as Bruke (2014) has noted, that leadership is a process of acting that makes something happen. This definition is exercised when a person can get another person or a group of members to accomplish something that they might not be able to do. Furthermore, Gill (2011) elucidates that “leadership is showing the way and helping or including others to pursue it. This
entails envisioning a desirable future, promoting a clear purpose or mission, supportive values and intelligent strategies, and empowering and engaging all those concerned” (p.9).

Yukl (2012) states that leadership is “the process of influencing others to understand and agree about needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives” (p. 8). It is undeniable to say that (a) leadership is a process that influences other people, (b) leadership involves change,(c) leadership is related to obtaining goals shared by leaders and followers (Daft, 2015). Pardey (2013) also claims that leaders and followers influence each other in order to attain desired and shared goals. Leaders are those who bring positive change into the organization by establishing direction, creating a vision for employees. In addition, the leaders have to make sure that everyone in the organization shares the same view and goal by cultivating the ideal of success together. Therefore leadership is about setting strategies, building teams, motivating and inspiring followers in order to accomplish tasks or reach the desired goals (Gallos & Heifetz, 2014; Rowe & Guerrero, 2013).

**Figure 1: What leadership involves**

Source: Compiled by the author based on Daft (2015)
2.3 Transformational leadership

2.3.1 Concept of transformational leadership

McCleskey (2014) notes that the term ‘transformational leadership’ was seen as an important approach to leadership because of the work of Burns (1978) which operationalised the theory of transformational and transactional leadership. Burns claimed that transformational leaders are people who are able to enhance the level of consciousness in relation to the significance and value of preferred goals and the approaches to accomplishing those goals. This concept is supported by Tyssen et al. (2014) who say that transformational leadership is the process of the transforming of followers’ values and beliefs in order to achieve the objectives of an organisation. In order to increase followers’ working commitment and motivation, those types of leaders highlight the significance of leader-follower exchange and the task-oriented approach. Tabassi et al. (2014) agree with the concept of transformational leadership, pointing out that it can raise the level of subordinates’ satisfaction which is a key factor to enhance organisational performance.

Transformational leadership has gained its popularity among scholars and research because it focuses on intrinsic motivation and follower development which, according to Northouse (2015) is highly needed in the work group today. He further explains that transformational leadership is a process in which a person engages with others to form an interaction which increases the motivation and morality of both followers and leaders. A definition of transformational leadership is also given by Samson and Daft (2009): “transformational leaders are similar to charismatic leaders but are distinguished by their special ability to bring about innovation and change. They lead changes in vision, mission, strategy structure, and culture, and they support innovation and technology development. They focus on intangible issues such as vision, shared values, ideas to build relationships and diversify activities, and to find common ground to engage followers in the change process” as cited in (Nel et al., 2012, p. 373).

There are a huge number of cases that illustrate transformational leaders making positive changes in each industry, according to Duggan (n.d.). In this research, many transformational leaders in different industries are given as examples. Bill Gates is a transformational leader who
has played a vital role in transforming not only the computer industry, but also changing how businesses work nowadays. In the process of transforming, this leader focuses on employee motivation and inspiration by creating a strategic vision and identifying ways to accomplish it.

There are also several perspectives about transformational leadership that have been summarised in the table below:

Table 1: Summary of transformational leadership definition

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td><strong>Group</strong></td>
<td>Executive management (CEOs and the top management team)</td>
<td>All leaders and employees</td>
<td>Senior management</td>
</tr>
<tr>
<td></td>
<td>• Senior management</td>
<td></td>
<td>• Managers</td>
</tr>
<tr>
<td></td>
<td>• Managers</td>
<td></td>
<td>• Employees</td>
</tr>
<tr>
<td><strong>Behaviour</strong></td>
<td>• Individualised influence</td>
<td>Role modelling</td>
<td>Individualised influence</td>
</tr>
<tr>
<td></td>
<td>• Inspirational motivation</td>
<td>• Inspirational motivation</td>
<td>• Inspirational motivation</td>
</tr>
<tr>
<td></td>
<td>• Intellectual stimulation</td>
<td>• Visionary leadership</td>
<td>• Intellectual stimulation</td>
</tr>
<tr>
<td></td>
<td>• Individualised consideration</td>
<td>• Individualised consideration</td>
<td>• Individualised consideration</td>
</tr>
<tr>
<td><strong>Focus</strong></td>
<td>• Future</td>
<td>• Future</td>
<td>• Future</td>
</tr>
<tr>
<td><strong>Goal</strong></td>
<td>• Change and transform people</td>
<td>• Change</td>
<td>• Create change of followers, organisations, or even whole nations</td>
</tr>
<tr>
<td><strong>Process</strong></td>
<td>• Emphasise intrinsic motivation and employee development</td>
<td>• Envision the future state and communicate it to followers</td>
<td>• Make a compelling case for change</td>
</tr>
<tr>
<td></td>
<td>• Concern with emotions, values, ethics, and standard</td>
<td>• Generate support and followership</td>
<td>• Inspire a shared vision</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Lead the transition</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Implant the change</td>
</tr>
</tbody>
</table>

Source: Compiled by the researcher based on Northouse (2015); Parry (1996); Rowe and Guerrero (2013)
2.3.2 Behaviour of transformational leadership

According to Bass and Riggio, 2006 as cited in McCleskey (2014), and Roe (2014) transformational leadership is a collection of four important factors of leader behaviour (4Is): charisma or idealised influence, inspirational motivation, intellectual stimulation and individualised consideration.

Table 2: Transformational leader behaviour

<table>
<thead>
<tr>
<th>Behavioural Dimension</th>
<th>Description</th>
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<tr>
<td>Idealised influence</td>
<td>Behaviour that conveys an ideal future that is much better than the present. The leader's behaviour is aimed at inspiring followers to share in his or her vision</td>
</tr>
<tr>
<td>Inspirational motivation</td>
<td>Passionate communications of better days ahead that motivates followers to buy into the leader's vision</td>
</tr>
<tr>
<td>Individual consideration</td>
<td>Behaviour that employs an individualised development model that responds to follower needs and concerns</td>
</tr>
<tr>
<td>Intellectual stimulation</td>
<td>Behaviour that challenges followers to think &quot;outside of the box&quot; and re-examine old ways and methods</td>
</tr>
</tbody>
</table>

Source: Compiled by the researcher based on Lussier and Achua (2013)

2.3.2.1 Charisma or idealised influence

This behaviour of transformational leaders refers to how a leader acts to gain respect and pride from followers. This action happens when the leader has a discussion on followers’ values and beliefs, making followers feel a sense of purpose, and encouraging followers to focus on collective interests (Grant, 2012). This is similar to the work of Belcher (2015), who said that idealised influence is how a leader earns the confidence and trust of employees through the way the leader explains and performs to deliver the values and visions of the organisation. Based on Roe (2014), “leaders with idealised influence ability will act and behave as role models for their followers. They are admired and respected as individuals with high moral code and can be relied
upon to ‘do the right thing’. Because of these characteristics, followers attribute other positive capabilities to the leader and the leader gains further trust from the group as a result” (p. 140).

The concept of idealised influence is also explained by Northouse (2015) who states that this factor describes a leader who is seen as a model of followers whom they want to emulate and place a great deal of trust in. High standards of moral and ethical conduct are the key traits of this approach of a leader that leads to making the right decision and doing the right things. He further explains that idealised influence can be measured by two components: an *attributional component* which links to the attribution of a leader made by employees based on their perception of the leader, and a *behavioural component* which refers to followers’ observation of the behaviours of the leader.

Specifically, the research of Sosik and Jung (2010) shows a list of behaviours that leaders can behave in order to be idealised influence:

- Talking about leaders’ most important values and beliefs
- Talking about the importance of trusting each other
- Specifying the importance of having a strong sense of purpose
- Considering the moral/ethical consequences of leaders’ decisions
- Emphasising the importance of teamwork
- Championing exciting new possibilities that can be achieved through teamwork

### 2.3.2.2 Inspirational motivation

Inspirational motivation refers to the behaviour of transformational leaders in communicating high expectations, motivating and inspiring employees in order to enhance their commitment in the shared vision of the organisation. This type of leadership focuses on enhancing team spirit, enthusiasm and optimism in the organisation (Joo & Nimon, 2014). According to Bacha and Walker (2013), inspirational motivation is the way a leader delivers a vision, shared purpose, and goals that are appealing and inspiring to employees. This type of leader challenges employees with high standards, talks to employees about future goals and explains the meaning for the task at hand which assists employees to work beyond what they can do for their own self-interest.
Communication is the best way to motivate employees, suggested by Sosik and Jung (2010). Leaders have to use communication skills to articulate personal vision in a compelling way to energise employees. The authors further explain that the high level of motivation is gained from a message that shows meaning to what they aim to accomplish. Leaders can practice as follow:

- Talk optimistically about the future
- Talk enthusiastically about what needs to be accomplished
- Articulate a compelling vision of the future
- Provide an exciting image of what is essential to consider
- Express confidence that goals will be achieved

According to Nel et al. (2014), motivating employees is considered to be the most significant part of managerial functions. The authors further explain that “motivation can be described as intentional and directional. The word ‘intentional’ refers to personal choice and persistence of action. The word ‘directional’ indicates the presence of a driving force aimed at attaining a specific goal. A motivated person is always aware of the fact that a specific goal must be achieved, and continuously directs his or her efforts at achieving that goal, even in the face of adversity” (p. 326). Bérard (2013) also says that motivated employees refer a group of individuals who tightly connect with the organisation. Simply said, this group of employees believe that their personal and organisational success are connected rather than independent. Because employee motivation can increase productivity, it is important that leaders can understand how to motivate employees to achieve the vision and goals of the organisation (Daft, 2015).

Usually, the process of motivation happens in two ways, internal and external. According to Nel et al. (2014), internal factors refer to employees’ personal needs and expectation, while external forces refer to the presence of organisational reward systems. Specifically, the needs and expectations that can affect people’s motivation are linked to friendship, recognition, monetary gain and personal goals, whereas the external factors include intrinsic and extrinsic reward systems (Daft, 2015). Intrinsic rewards are described as internal satisfactions a person receives in the process of performing a particular action. Conversely, extrinsic rewards are interpreted as
rewards given by another person, typically a supervisor, such as pay increases and promotion (Redman & Wilkinson, 2013).

In another viewpoint, de Waal (2012) claims that there are two main ways that leaders can effectively inspire followers: 1) changing leaders’ behaviours to become more inspirational, 2) Creating specific working conditions for followers to enhance their motivation.

2.3.2.3 Intellectual stimulation

Intellectual stimulation is another key behaviour that is described as a characteristic of transformational leaders. This factor is shown in the process by which a leader stimulates followers to analytically deal with organisational problems. In this process, a transformational leader will encourage followers to be creative and innovative by questioning assumptions, deal with problems in different ways, and address the same issues in new approaches (Birasnav, 2014). This is similar to the work of Jha (2014) as cited in Irshad and Hashmi (2014), where intellectual stimulation is described as the way that a leader puts in a huge effort to build a healthy environment at the workplace by encouraging employees to question and think about their work, and try to deal with problems in creative ways. The leader also tries to create opportunities for employees to learn and study in order to have innovative ideas.

The concept of intellectual stimulation is also mentioned in the work of Northouse (2015) who says that “Intellectual stimulation of transformational leadership includes leadership that stimulates followers to be creative and innovative and to challenge their own beliefs and values as well as those of the leader and the organisation” (p. 169). It is further interpreted by Roe (2014) who says that intellectual stimulation refers to the process the leaders teach followers to be clever. Asking employees to challenge the status quo will be focused in this process in order to create creativity and innovation among followers. Making mistakes will be seen as a process of learning and there will be no public admonishment.

Interestingly, Sosik and Jung (2010) explain the behaviours that leaders need to practice in order to display intellectual stimulation. There are six key behaviours as follows:

- Re-examine critical assumptions to question whether they are appropriate
• Seek different perspectives when solving problems
• Get others to look at problems from many different angles
• Suggest new ways of looking at how to complete assignments
• Encourage non-traditional thinking to deal with traditional problems
• Encourage rethinking of those ideas that have never been questioned before

2.3.2.4 Individualised consideration

This behaviour of transformational leaders refers to personalised interaction between the leader and followers in the ways the leader carries things out, provides relevant mentoring, and understanding followers. It describes the extent to which followers’ individual needs and concerns are put in consideration of the leader (Grant, 2012; Zwingmann et al., 2014). A comprehensive explanation is given by Northouse (2015) who is of the opinion that this factor of transformational leadership refers to behaviours by which a leader builds a supportive climate for employees. The leader will carefully listen to employees’ individual needs and concerns. The leader plays a role as adviser and coach in order to help employees to become fully actualised and grow through personal challenges.

Furthermore, Sosik and Jung (2010) say that “Individualised consideration means being empathetic toward the followers, understanding what he or she is about, and being developmentally focused by encouraging continuous improvement. These characteristics of individualised consideration are achieved by being alert to each follower’s needs and providing learning opportunities to them” (p. 195). They also add that practicing individualised consideration, leaders’ behaviours should show care, concern, and empathy for employees. Leaders can specifically practice as follows:

• Consider individuals as having different needs, abilities, and aspirations from others
• Treat others as individuals rather than a member of a group
• Listen attentively to other’s concerns
• Help others develop their strengths
• Spend time teaching and coaching
• Promote self-development
Regarding to the needs of employees, Bass (2008) says that “the transformational leader convinced his followers to transcend their self-interest for the sake of organisation, while elevating the followers’ level of need on Maslow’s (1954) hierarchy from lower-level concerns for safety and security to higher-level needs for achievement and self-actualisation” (as cited in McCleskey, 2014, p. 120).

**Figure 2:** How organisations motivate with hierarchy of needs theory

![Hierarchy of Needs Diagram]

Source: Compiled by the researcher based on Daft (2015) and Lussier and Achua (2013)

**Maslow’s hierarchy of needs:** Maslow’s motivational theory explains that people’s behaviours are controlled by a limited number of fundamental needs which sequentially emerge. He says that needs are intrinsic in the structure of human nature itself (Sengupta, 2011). According to Du Plessis (2015), Cao et al. (2013), Rahman and Nurullah (2014), Lussier and Achua
(2013) and Cutler (2014), the theory of Maslow (1954) indicates that everyone has a hierarchy of motivational needs. It starts from the most basic needs, 1) physiological needs include food, sleep and air to breath which refer to adequate salary, working conditions and breaks in working context; 2) safety needs include security and stability needs that are explained in the working context as safe working conditions, job security, salary increase to meet inflation, fringe benefits that can cover the basic needs, health insurance, union, severance pay, pension, and employee assistance plan; 3) social needs encompass a sense of belonging, love and being loved which refer to professional friendship, opportunity to interact with others, to have friends and to be accepted in the organisational context; 4) self-esteem needs include power, respect, a feeling of self-confidence and prestige, recognition from others and achievement that is explained in the working context as participation in decision making, the satisfaction of completing the job itself, title, merit pay raises, and challenging tasks; 5) self-actualisation needs is the highest level of need which refers to the development of one’s full potential. In the organisational context, this need is interpreted as the development of employees’ skills, the chance to be creative, chance for advancement, achievement and promotions, and the ability to have complete control over their job.

2.3.3 Criticism of transformational leadership

Along with its strengths, transformational leadership also has several limitations. Firstly, transformational leadership is criticised on its ambiguous conceptualisation. This criticism is noted in the work of Northouse (2015) and Nemiro, Beyerlein, Bradley, and Beyerlein (2008) who claim that it is difficult to define the exact parameters of transformational leadership. It is because it encompasses a large variety of activities and characteristics of leadership namely developing a vision, inspiring followers, acting as a change agent, engendering trust, mentoring, and being a social architect. Furthermore, Yukl (1999) explains that “The identification of specific types of transformational behaviour seems to be based mostly on an inductive process (factor analysis), and the theoretical rationale for differentiating among the behaviours is not clearly explained. Each transformational behaviour includes diverse components, which makes the definition more ambiguous” (p. 288).
The second weakness of transformational leadership is related to how it is measured. Den Hartog, Van Muijen, and Koopman (1997), Tejeda, Scandura, & Pillai (2001), and Traycey and Hinkin (1998) as cited in Day (2014) maintain that there is a significant overlap between the four I’s (Idealised influence, Inspirational motivation, Intellectual stimulation, and Individualised consideration) of transformational leadership. Similarly, Tejeda, Scandura, & Pillai (2001) utilises the MLQ (Multifactor Leadership Questionnaire) to examine the correlation of four I’s of transformational leadership. The result shows that these I’s are highly correlated which can be claimed that they are not the unique factors. In addition, Tejeda et al., (2001) notes that transactional and laissez-faire factors have a high correlation with some factors of transformational leadership, which also supports that four I’s are not distinct factors, as cited in Northouse (2015).

Another criticism of transformational leadership is that it treats leadership as a personality trait or personal predisposition rather than a behaviour that people can learn. Based on Bryman (1992) as cited in Nemiro et al. (2008), transformational leadership refers to personalities which people cannot be trained. Even though there are some researchers, such as Bass and Avolio (1994) that claim people can use MLQ to identify their strengths and weaknesses in connection with the degree of transformational leadership characteristics, it is claimed by Northouse (1997) that it still takes up to five years for people to gain an insight about transformational leadership practices.

In addition, transformational leadership is criticised as it is only associated with positive outcomes, such as organisational effectiveness, but it is not clear that transformational leadership is able to transform individuals and organisation (Northouse, 2015). In the research of Day and Antonakis (2012), the authors claim that there are no studies that can make a causal link between development of subordinates or organisations and transformational leaders.

Transformational leadership is criticised to be elitist and antidemocratic, according to Avolio (1999), Bass and Avolio (1993) as cited in Eden and Fagan (2014). It is because leaders who practice transformational leadership usually focus on making changes, creating a vision, and establishing a new direction for employees. Therefore, it can be claimed that transformational
leaders behave independently of followers, and put themselves above the needs of followers. Iszatt-White and Saunders (2014), also supports that transformational leaders enthusiastically work on changing the values and visions of subordinates, without giving consideration to whether those changes are for the good.

There are some studies explaining that transformational leadership is associated with “heroic leadership” bias. This concern is raised because transformational leadership emphasises that only leaders develop followers to do exceptional things without paying attention to shared leadership or reciprocal influence. This is supported by a study by Yukl (1999) as cited in Agard (2011) and Dwyer (2013), Yukl notes that transformational leadership has its implicit assumptions connected with the word “heroic leadership bias”. It is described in a situation when high level employee commitment or performance occurs in an organisation. This result is usually interpreted as showing that only leaders who encourage followers have a high level of work commitment, without considering the reciprocal influence process between leaders and followers.

Based on Northouse (2015), the final criticism is that transformational leadership might not make better changes in an organisation. The main concept of transformational leadership is to change people’s values and attempting to move them to a new vision. However, it is not clear that the new direction will be better. Bertocci (2009) further explains that transformational leaders usually focus on transforming, however, when organisations are satisfied with their current situations and people are able to work effectively, then transformational leaders will become frustrated.

2.4 Servant leadership

2.4.1 Concept of servant leadership

Servant leadership is an approach of leadership that is highly called for in many organisations. This concept of leadership firstly emerged in the work of Greenleaf (1970) and has gained a lot of interest from many researchers and scholars. According to Northouse (2015) and Dierendonck and Patterson (2015), servant leadership focuses on how the leaders satisfy the needs and concerns of followers, nurture them and empathize with them. In this process, leaders will put followers first by empowering them and assisting them to develop their full potential. Ethical
behaviours are enhanced for this type of leaders, which is shown in the way they provide good performance to the organisation, community and society.

The works of Van Dierendonck and Patterson (2010) and Ehrhart (2004) explain that servant leadership considers increased service to followers as the most important behaviour (as cited in Zhou & Miao, 2014). This is done by servant leaders behaving generously toward followers and viewing followers’ interests as the highest priority. This concept has a link with the work of Jones (2012), who concludes that the focus on followers of servant leadership leads to an increase of trust and growth in the organisation, specifically in the area of employee value to the organisation.

Furthermore, the concept of servant leadership is described in Nel et al. (2012) as “servant leadership could be described as leading by serving others. Servant leaders assume a particular mind-set of having a purpose or calling to be of service to others, and in the process experience meaning and satisfaction to themselves” (p. 375). The same authors further explain that there are four pillars of servant leadership: 1) service before self-interest: servant leaders make a conscious choice without seeking power or fame in order to help followers grow and develop, 2) listen first to affirm others: servant leaders try to understand another’s situation and build confidence in that person, 3) inspire by being trustworthy: servant leaders try to instil trust in followers by being open and honest. 4) nourish others and help them become whole: servant leaders place high consideration on followers’ well-being and functioning.

A good example of an organisation that puts servant leadership into practice is Southwest Airlines. This airline company is very famous for its generous services and goodwill toward customers and its employees. This concept was initially put into practice by Colleen Barrett, the former president of the company, and her mentor, Herb Kelleher, where they focused on developing employees first by satisfying their needs and concerns. When employees were treated in a good manner as human beings, they would treat customers in a good manner too. Because of this behaviour, the company has gained a profit for 35 consecutive years (Northouse, 2015).
Table 3: Summary of servant leadership definitions

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<tr>
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<tbody>
<tr>
<td>Behaviours</td>
<td>• Conceptualising</td>
<td>• Conceptualising</td>
<td>• Emotional healing</td>
</tr>
<tr>
<td></td>
<td>• Emotional healing</td>
<td>• Emotional healing</td>
<td>• Creating value for the community</td>
</tr>
<tr>
<td></td>
<td>• Putting followers first</td>
<td>• Putting followers first</td>
<td>• Conceptual skills</td>
</tr>
<tr>
<td></td>
<td>• Helping followers grow</td>
<td>• Helping followers grow and succeed</td>
<td>• Empowering</td>
</tr>
<tr>
<td></td>
<td>and succeed</td>
<td>• Helping followers grow and succeed</td>
<td>• Helping subordinates grow and succeed</td>
</tr>
<tr>
<td></td>
<td>• Behaving ethically</td>
<td>• Behaving ethically</td>
<td>• Putting subordinate first</td>
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<td></td>
<td>• Empowering</td>
<td>• Empowering</td>
<td>• Behaving ethically</td>
</tr>
<tr>
<td></td>
<td>• Creating value for the community</td>
<td>• Creating value for the community</td>
<td>• Behaving ethically</td>
</tr>
<tr>
<td>Focus</td>
<td>• Present</td>
<td>• Present</td>
<td>• Present</td>
</tr>
<tr>
<td>Goal</td>
<td>• Other people's highest priority needs are being served</td>
<td>• Organisational effectiveness</td>
<td>• Short-term stability</td>
</tr>
<tr>
<td></td>
<td>• Serve the greater good of the organisation, community, and society at large</td>
<td>• Sustainable community and co-operative society</td>
<td></td>
</tr>
<tr>
<td>Process</td>
<td>• Influence and serve</td>
<td>• Concern with followers</td>
<td>• Emphasise the development of employees for both in organisation, and their own personal growth and advancement</td>
</tr>
<tr>
<td></td>
<td>• Place the good of their followers over their own self-interests</td>
<td>• Emphasise with followers</td>
<td>• Go beyond advancing the needs of employees, teams, and the organisations</td>
</tr>
<tr>
<td></td>
<td>• Emphasise follower development</td>
<td>• Nurture followers to develop their full personal capacities</td>
<td>• Emphasise the health of communities</td>
</tr>
<tr>
<td></td>
<td>• Be ethical</td>
<td>• Be ethical</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Create a connection that raises the level of motivation and morality in both leaders and followers</td>
<td></td>
<td></td>
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</tbody>
</table>

Source: Compiled by the researcher based on Rowe and Guerrero (2013); Northouse (2015); Barling (2014)

2.4.2 Behaviours of servant leadership

Liden, Wayne, Zhao and Henderson (2008) conclude that there are seven dimensions of behaviour of servant leadership: conceptualising, emotional healing, putting followers first,
helping followers grow and succeed, behaving ethically, empowering, and creating value for the community (as cited in Liden et al., 2014).

2.4.2.1 Conceptualising

Conceptualising means servant leaders gain an insight into organisational purposes, complexities, vision and missions. Because of this capability, servant leaders appreciate if there is something wrong and can deal with problems in a creative way in accordance with organisational goals (Northouse, 2015). According to Daft (2015), it is vital that leaders have the ability to articulate the vision, missions and goals of the organisation to employees. By playing this role, leaders are considered as strategic leaders who think strategically to create changes in the organisation, thereby leading to high potential to increase competitive advantage in the future.

A vision of an organisation is described by many researchers and scholars as an idea description of a firm which depicts the desirable position of the firm in the future. It is usually a long-term expression and provides direction and guidelines about the firm to all stakeholders (Grant, Butler, Hung, & Orr, 2011; Hanson, Hitt, Ireland, & Hoskisson, 2014). Similar to a mission statement, as mentioned in Rajasekar (2013), the mission statement is a vital component of the organisational objective and strategic foundation. It is the representative of the firm to the public as well as an element that communicates and identifies strategic direction to various stakeholders. Approaching this meaning in a narrow perspective, Hill and Jones (2013) explain that a mission statement refers to what the company strives to do. Goals refer to the strategic objectives of an organisation that are deployed to operationalize the mission and vision statement. They are applied in the organisation as a guide to how the organisation can achieve higher objectives in a specific time frame (Dess, Lumpkin, Eisner, & McNamara, 2014).

2.4.2.2 Emotional healing

Emotional healing refers to the way servant leaders consider the well-being of followers and personal concerns are important. This behaviour is exhibited by the way that servant leaders take time to address the problems of followers, provide followers a suggestion to deal with problems and stand by them (Northouse, 2015). It is further explained by Du Plessis (2015) and Nel et al. (2014) that servant leaders pay attention to the optimal well-being and optima functioning of
employees. They usually feel a sense of sympathy and will show their own vulnerability to employees by sharing their own pain and humanity.

Specifically, servant leadership is concerned with the emotional well-being of employees. Servant leaders will always take into account the importance of overall mental and spiritual well-being of employees or with whom they are associated (Öner, 2012). In addition, Nelson and Quick (2011) claim that being empathetic listeners is a crucial part of this behaviour of servant leadership. Leaders have to use their reflective listening skills namely being patient with and responsive to the problems of employees. Leaders should respond to and engage with the concerns of their subordinates. When leaders practice empathetic listening, they will be able to deeply understand the feelings and emotional dimensions of messages delivered from employees, as well as the content of the issues.

2.4.2.3 Putting followers first
Servant leaders always put followers’ interests and successes ahead of the leaders themselves. This is the sine qua non of servant leadership. Servant leaders will act and use words or expression to demonstrate that followers’ needs and concerns must be satisfied and are seen as the priority (Northouse, 2015). Furthermore, Rowe and Guerrero (2013) state that “putting followers first is the defining characteristic of servant leadership. Putting followers first means demonstrating to followers that their concerns are a priority, by often placing followers’ interests and success ahead of those of the leader” (p. 258).

2.4.2.4 Helping followers grow and succeed
This behaviour is described as servant leaders understanding followers’ professional and personal goals and knowing how to assist them to attain those goals. This process involves mentoring followers and giving them suggestions and support in order to make followers’ career development. In the narrow point, assisting followers to grow and succeed means to help them reach their fullest potential and becoming self-actualised (Northouse, 2015). Kariv (2011) identifies two significant components: mentoring and coaching that leaders should do in order to assist employees becoming successful.
Hit (1988), and Peterson and Hicks (1996) as cited in DuBrin and Dalglish (2003) claim that the purpose of coaching is to enable others to act and to build on their strengths. In this process, the coach places importance on people and invests time in developing personal relationship with them. When employees are coached, they will have potential to become more productive, which can bring a lot of benefits to the organisation. Nel et al. (2014) add that coaching usually focuses on teaching employees to deal with a task in order to accomplish a specific performance objective.

An interesting guideline of coaching is provided in the work of Lussier and Achua (2013) as listed below:

- Develop a supportive working relationship
- Give praise and recognition
- Avoid blame and embarrassment
- Focus on the behaviour, not the person
- Have employees assess their own performance
- Give specific and description feedback
- Give coaching feedback
- Provide modelling and training
- Make feedback timely, but flexible
- Do not criticise

Furthermore, it is very important if leaders appreciate the model of coaching which is depicted in the research carried out by Prentice and Rabey (2009).
Figure 3: The model of coaching

<table>
<thead>
<tr>
<th>Model</th>
<th>Ideal image of a coach</th>
<th>Roles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coaching steps</td>
<td>Learning relationship</td>
<td>Coaching for</td>
</tr>
<tr>
<td>Goal</td>
<td>Me as a coach</td>
<td>Skills &amp; competency</td>
</tr>
<tr>
<td>Observation</td>
<td>Coaching Process</td>
<td>Performance review</td>
</tr>
<tr>
<td>Comparison</td>
<td>The people</td>
<td>Development</td>
</tr>
<tr>
<td>Feedback</td>
<td>I coach</td>
<td>Individual needs</td>
</tr>
<tr>
<td>Agreement</td>
<td></td>
<td>Team effectiveness</td>
</tr>
<tr>
<td>Alignment</td>
<td>Workplace environment</td>
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</table>

Source: Compiled by the researcher based on Prentice and Rabey (2009)

Armstrong (2012) provides a definition of mentoring as “mentoring is the process of using specially selected and trained individuals to provide guidance, pragmatic advice and continuing support that will help the person or persons allocated to them to learn and develop” (P. 295). Mentoring is different from coaching as it pays attention to helping employees to learn and develop in the long-term, which according to Nel et al. (2014) and Armstrong (2012) point to coaching focusing on directive means of increasing employees’ competence.

**2.4.2.5 Behaving ethically**

This behaviour is described that servant leaders will not compromise their ethical principle in order to accomplish their goals and success. This means that servant leaders will try to do the right thing in an ethical way, namely being fair, honest and open with followers (Northouse, 2015). According to Daft (2015), there are a lot factors that can cause leaders to behave unethically in the business environment nowadays. Pleasing shareholders by cutting costs, increasing profits, meeting the demands of vendors or business partners, achieving short-term goals, or showing returns that meet market expectations rather than ones that show real performance, putting pressure on leaders to act unethically toward employees and the whole society.
A short sentence related to ethical leadership mentioned in the work of Northouse (2012) states that “Ethical leadership involves using **morally appropriate actions** to achieve goals” (P. 233). In order to be ethical, the author also says that leaders’ actions should be based on ethical principles that have been discussed by a number of researchers such as Jonhson (2005), Ciulla (2003), Kanungo (2001), Bowie (1998), and Kanungo & Mendonca (1996). These researchers explained that there are three important principles related to ethical leaders’ actions: showing respect, serving others, and showing justice. **Showing respect** pays attention to considering others as unique human beings. This includes respecting others’ ideas, decisions, values and beliefs. This will ultimately help to increase subordinates’ confidence and they will believe that their contributions have value. **Serving others** will be considered as ethical when leaders act based on the interest of others, not the leaders themselves. As mentioned in Kanungo & Mendonca (1996), serving others in the workplace context is shown as activities of mentoring, empowering others, building team, and citizenship behaviours, as cited in Northouse (2012). Ethical leaders focus on **showing justice** in the workplace. It means that leaders emphasise the idea of being fair at the centre of making decisions. Furthermore, leaders will not offer special treatment or consideration to one specific person, unless leaders have a clear and reasonable reason.

### 2.4.2.6 Empowering

Empowering is a core behaviour of servant leadership in which servant leaders provide followers with freedom to make decisions in relation to their work. By sharing power with followers, it allows followers to have self-control, be self-sufficient and have confidence in their capacities since they can think and deal with difficult situations in the ways that they are comfortable with (Northouse, 2015). In its basic meaning, empowerment is described as sharing power, decision-making authority and responsibility from leaders or managers to other subordinates in the organisation (Daft, 2015; DuBrin & Dalglish, 2003).

It is claimed by DuBrin and Dalglish (2003) that there are four components such as meaning, competence or self-efficacy, self-determination, and impact, which identify that empowerment is in place in an organisation. **Meaning** refers to the value of the work goal, evaluated in relation to a person’s ideal or standards. The meaning of work can be created when the requirements of the work role match with an individual’s beliefs, values and behaviours. Thus, it is believed that
Empowerment is practiced when employees are assigned to do meaningful work. Competence links to the idea of empowerment when an employee believes that he or she has the capability to effectively deal with the work assigned. The performance requirement of the work is not beyond his or her competence. Employees will feel that they are empowered when they have Self-determination. This component is described as choices that a person has in initiating and regulating actions, or that he or she has power to select the best way of addressing a particular problem. Impact is related to empowerment when a person can influence administrative, strategic, or operating outcomes in his or her work. The level of these components can explain that empowerment is practiced in an organisation or not.

Similarly, the work of Daft (2015) note that there are five elements: information, knowledge, discretion, meaning, and rewards, which shows that employees are truly empowered to effectively do their work in an organisation. For the information element, employees are empowered when they have access to information in relation to company performance such as company financials and a financial literacy. Furthermore, to be empowered, employees should receive knowledge and skills to make a contribution to the goal of the company. This means that the company should organise training programs or uses other development tools to provide knowledge and skill required to employees. Discretion is explained that employees should receive power to make significant decisions. When employees are empowered, they can determine the organisational direction and work procedures. Meaning is interpreted as employees gain an insight into the meaning and impact of their work. Organisations that fully empower employees make employees see their work as meaningful and important. Employees who are empowered recognise the impact their work has on the organisation, and considered themselves as influential and capable. Rewards are related to empowerment when employees get rewards based on organisational performance. It is important that employees gain some rewards when they can accomplish the goals of the organisation.

Employee empowerment can also be classified based on two dimensions, suggested by Daft (2015). These two dimensions are: 1) the extent that employees participate in defining desired outcomes, 2) the extent that employees are included in the process of determining how to attain those outcomes.
The diagram below shows the degree of empowerment which ranges from a situation that employees do not have discretion to the full level of empowerment where employees are included in formulating organisational strategy such as defining mission and goals as well as how to attain them.

**Figure 4: Degree of empowerment**

![Diagram showing the degree of empowerment]

Source: Compiled by the researcher based on Daft (2015)

### 2.4.2.7 Creating value for the community

Servant leaders always keep in mind creating value back to the community. This behaviour is exhibited as servant leaders try to attend local activities and also encourage followers to voluntarily participate in community service. By doing this, servant leaders can link the goals and purposes of an organisation with the purposes of the community (Du Plessis, 2015; Northouse, 2015). In addition, Rowe and Guerrero (2013) add that “creating value for the community means
Abe and Chowdhery (2012) provide a definition about social leadership. They explain that leaders are required to have a long time-line, encompassing the medium to long term, as well as a basic understanding of historical lessons in relation to our society and the global environment. Because of these qualities, it demonstrates that your capacity as a leader is high, and it is easier that others would accept that leader as an effective leader. It shows that that leader cares about human beings, the world, and history. These qualities are not only good for the leader, but also for the team, society, and the world. If people damage the environment such that animals and plants cannot live, human beings cannot survive either.

### 2.4.3 Criticisms of servant leadership

In addition to many strength points of servant leadership, there are several weaknesses. The first criticism, according to Northouse (2015), is that the paradoxical nature of this approach “servant leadership” diminishes the real value of the approach. When saying servant leader, it is somehow interpreted as following, which is opposite to the idea of leading. Although servant leadership is explained as leaders influence followers, it is not clearly explicated in the approach.

Servant leadership covers multitude of behaviours, abilities, and traits which cause difficulties to define or conceptualise what servant leadership is. Van Dierendonck (2011) concludes that servant leadership covers multitude of behaviours, traits, and abilities, but nowadays there is no study that has reached the common consensus or definition of servant leadership.

Another weakness of servant leadership is that one of its behaviours “put others first” is not aligned with the real meaning of leadership. It is because the general principles of leadership are to establish direction, set goals, concern for production, and create vision for followers, based on Cutler (2014), Tyssen et al. (2014), and Bérard (2013), which seem to be opposite to the idea of putting other people first. Northouse (2015) further explains that “along with the “value-push” perspective quality, there is an almost moralistic nature that seems to surround servant leadership. As a result many practitioners of servant leadership are not necessarily researchers who want to conduct studies to test the validity of servant leadership theory” (p. 241).
The final limitation of servant leadership concerns with the real meaning of one behaviour “conceptualising” which somehow is explained as a cognitive ability in other approaches of leadership. It is claimed in the work of Northouse (2015) that there is no explicit reason to identify conceptualising as a main behaviour of servant leadership. Conceptualising is considered as a significant cognitive ability of other types of leadership. Therefore, defining conceptualising as a behaviour of servant leadership still requires a clear explanation.

2.5 Research of transformational and servant leadership

2.5.1 Research of transformational leadership

Transformational leadership has gained a huge amount of attention from many scholars and researchers in the last half century. The literature below is evidence of the relationship between transformational leadership and organisational effectiveness.

An empirical study on the relationship between transformational leadership and emotional intelligence (EI) which has an impact on organisational citizenship behaviour (OCB) is conducted by Irshad and Hashmi (2014). This study reveals that EI is the cornerstone of transformational leadership and it plays a role as the mediator to boost the effectiveness in the organisation. It is important to appreciate the linkage between EI and effective leadership and OCB which leads to practical and managerial implications, especially in management development and in the leader selection area.

Birasnav (2014) undertook a research study which sought to explore the relationship between transformational and transactional leadership, knowledge management (KM) process, and organisational performance. The finding of the research proves that transformational leadership plays a more significant role than transactional leadership in KM processes and organisational performance. It also further reveals that transformational leaders make a great contribution in implementing KM process in their workplaces. This type of leader is able to acquire missing knowledge from the external environment, then transfer that knowledge to employees.

Another research study carried out by Qu, Janssen, and Shi (2015) also sought to examine the correlation between transformational leadership and follower creativity by using 420 samples from an energy company in China. This survey found that follower relational identification with
the leader was the mediator of the relationship between follower creativity and transformational leadership. Furthermore, follower perceptions of expectation for creativity set by the leader also plays a vital role in enhancing follower creativity in the organisation. Similarly, in the indirect relationship between follower creativity and transformational leadership, followers can become creative when only if high level of creativity expectations are set by their transformational leaders. Therefore, it can be said that leaders who practice transformational leadership are able to assist employees to increase their creativity in an organisation.

Tabassi et al. (2014) conducted a study on the relationship between transformational leadership practices and teamwork improvement in the construction companies in Iran. The research analysis was conducted by collecting data in relation to transformational leadership from 107 managers within nominated construction companies. Regression-based and descriptive analyses were used as the analysis methods, and a co-relational study was employed as the type of investigation. This study concluded that transformational leadership which includes many factors namely developing employees to become leaders, providing inspiration for followers to accomplish more than their expectations, and empowering followers increased the teamwork activities in nominated organisations. Similarly, team and organisational goals were accomplished when leaders practice transformational leadership.

2.5.2 Research of servant leadership

Because of the lack of empirical studies on servant leadership, especially the work of Greenleaf (1977), some researchers and scholars have attempted to provide an overview and summary of the past writings on the topic. The literature below shows a small number of researchers that have undertaken research in the area of servant leadership.

A research that attempts to examine the correlation between trust and servant leadership is conducted by Sendjaya and Pekerti (2010). The research shows that a high level of trust from followers is placed in leaders in organisations where servant leadership is put into practice. There are many aspects of servant leadership that are considered important for creating a sense of trust in leaders such as relationship, spirituality, morality, authenticity, and transforming influence.
Laub (1999) carried out a doctoral research study which made a contribution in the development of the Organisation Leadership Assessment (OLA) instrument. This instrument has been employed in many empirical studies in relation to servant leadership. The research of Laub explains that the way servant leaders treat people, the personal qualities, the characteristics contributing in the development of followers and the building of community are a significant number of characteristics of servant leadership.

A research project carried out by Joseph and Winston (2005) in order to explain the correlation of employees’ perception in relation to servant leadership and leader and organisational trust. The well-known research of Laub (1999) is employed in this study in order to develop an Organisational Leadership Assessment tool. It is explained in this study that organisations where servant leadership is practiced establish a high level of trust in both organisations and leaders. The study also shows that trust is integral to servant leadership.

Zhou and Miao (2014) provide a report in conjunction with servant leadership and effective commitment in the Chinese public sector. The finding of the report shows that managers who practice servant leadership emphasise the importance of assisting and developing employees. Employees want to learn and emulate the manager servant conduct. The behaviours of those managers, namely forming quality relationships with employees, prioritising subordinates’ personal development, creating a sense of community, considering team members’ opinions when making decision are the factors that lead to an effective working environment. This environment makes employees feel a sense of caring and valuing their contribution from the organisation which brings about more commitment at work in response.

2.6 Conclusion

It is concluded that the behaviours of both transformational- and servant leadership are so crucial for enhancing effectiveness of the working environment. The factors related to transformational leadership such as ideally influence, inspirational motivation, intellectual stimulation, and individualised consideration, play a very important role in building an effective working environment. Together with servant leadership, key factors such as emotional healing, helping followers to grow and succeed, behaving ethically, and empowering can lead to a higher level of
employee satisfaction which finally enhances the effective working environment. Furthermore, there are a huge number of empirical studies that prove that the practice of both transformational and servant leadership can bring about a healthy working environment in organisations.

2.7 Chapter summary

In this chapter, the researcher provides three main parts of literature review in relation to how transformational- and servant leadership play a role in enhancing the working environment in a workplace. Furthermore, the literature review in this chapter is also important as it provides the overall idea related to the sub-questions of the research. The first part of the literature review focuses on the concept of transformational leadership. This part explains what transformational leadership is, what behaviours that are considered important for practicing transformational leadership, and criticism of transformational leadership.

The second part includes a literature review in connection with servant leadership. Specifically, the concept of servant leadership, behaviour of servant leaders, and criticism of servant leadership are discussed in this part.

The final part critically reviews some empirical research related to transformational- and servant leadership in the real-life situation. In this part, the correlation between transformational- and servant leadership, and an effective working environment are discussed to explain the importance of these leadership styles in the workplace.

The next chapter will discuss and consider the research methodology that will be adopted in this study.
CHAPTER 3 METHODOLOGY AND METHODS

3.1 Introduction

In chapter two, the literature review on the topic of transformational- and servant leadership was discussed. The concepts of both types of leadership and their roles in increasing effectiveness of the working environment were explained. The literature also supports the later findings of the research, and responds to the research question of this study.

Chapter three begins with research methodology, research paradigms, concept of quantitative and qualitative research approach, and the rationale for selecting qualitative approach to this research. In addition, major matters in relation to appropriateness of sampling design are explained. The research method for this study which includes the data collection process of this study, the semi-structured interview, and the pilot study are also discussed. This chapter critically explains how data analysis is conducted. Finally, critical issues relating to ethics is discussed in order to ensure that those issues are addressed within the concept of the research study.

3.2 Methodology

3.2.1 Research methodology

Bellamy and Perri (2012) claim that methodology is the most important part of doing research. It refers to how a researcher uses appropriate techniques or approaches such as a focus group, questionnaires, interviews, observations, survey or other approaches in order to get the answer for the research question. Creswell (2014) explains that methodology is how we know the world, or gain knowledge of it. To conduct a research, methodology is the overall approach to the research process. It derives from the precise aims of the research and also refers to the ideas underpinning the research design. Furthermore, it refers to the methods of data collection and procedures used for data analysis.

Irny and Rose (2005) note that methodology is the basic notion theories and paradigms of the research. It is important that the researcher appreciates the concept of paradigms (how the world works and how humans understand it), so that it assists the researcher to make a suitable research design. This notion is supported by Coleman and Briggs (2002) who note that research
methodology means the action process or plan which is used to link methods to outcomes when researchers are undertaking theoretical aspects of research studies.

3.2.2 Research paradigms

Research paradigms play a significant role when conducting research. Based on Jonker and Pennink (2010), research paradigms are fundamental beliefs or assumptions about how the world works, and how reality is perceived. Those beliefs affect researchers on how they investigate the world. In addition, research paradigms are called “a basic orientation to theory and research”, according to Collis and Hussey (2014).

It is important to think of research paradigms before conducting a research. This is because they will directly influence the research practice as well as provide researchers a direction about the research study. In contrast, if research paradigms are not taken into account by researchers in the beginning, research methods that conflict with the beliefs of the researchers might be employed, and ultimately lead to invalid and biased results of the research (Creswell, 2014; Neuman, 2011).

According to Kalof, Dan, and Dietz (2008), Saunders, Lewis, and Thornhill (2009) and Laughlin (1995), there are two main research paradigms that provide different views about how research should be conducted: Positivism and Interpretivism (Phenomenology). The positivists assume the existence of a set of universal laws waiting to be discovered. It is believed that only the observable and measurable phenomena is accepted as valid knowledge (Rubin & Babbie, 2012). This paradigm is also known as the scientific method, quantitative techniques or positivist research. Positivism usually involves large samples and focuses on observation. The logic of this paradigm is deductive research in which the research is conducted from the general to the specific context. The preferred method of collecting data for this paradigm is using a standardised written questionnaire (Saunders et al., 2009).

Phenomenology is the opposite of Positivism. Phenomenologist takes a holistic view and is interested in gaining an understanding of the lived experience of the people, according to Cavana, Delahey & Sekaran (2001) as cited in Unitec (2015). Typically, phenomenologist believes that people experience the social world and physical one in many different ways. It is assumed
that the world is what people perceive it to be (Hennink, Hutter, & Bailey, 2011). Furthermore, in order to allow people to understand the world of subjects investigated, the phenomenologist presents a complex explanation of how people think, feel and react in some specific circumstances. This paradigm is also known as qualitative research that is mostly conducted as an inductive research (from specific to general context) (Saunders, Lewis, & Thornhill, 2012).

When comparing the aim of this research with the two paradigms mentioned above, interpretivism is more suitable for the aim of this research. Also, the researcher believes in contextualising phenomena and understands that social characteristics of the working environment and actors, transformational- and servant leadership, are too complicated to measure. Therefore, qualitative approach is the most appropriate method for such complex issues.

### 3.2.3 Quantitative and qualitative approach

#### 3.2.3.1 Quantitative approach

Creswell (2014) maintains that there are two main approaches to research such as the quantitative approach and qualitative approach that are widely employed when conducting business research.

Weathington, Cunningham, and Pittenger (2012) and Tracy (2013) note that quantitative research is suited to test predetermined hypotheses that are developed based on theories (a deductive process). This type of research is served to find the answer to how often things happened. Usually, the form of quantitative data is numbers, which can be achieved by a variety of research methods: questionnaires (answers to closed-ended questions), interviews (content analysis of transcripts), observation (getting data from experiment) and documents (official statistic, business data and content analysis of company), as suggested by Denscombe (2010).

Based on Bryman (2012), the quantitative approach is based on a deductive theory which is used for the purpose of measuring or testing hypotheses against the existing theories. It is also explained that when employing quantitative research methods, researchers use hypotheses, mathematical models, and theories to systematically measure, appreciate, and explain complicated phenomena (Cooper & Schindler, 2014; Given, 2008; Grinnell, 2012). Because of the
nature of the deductive paradigm, in which research study is carried out from a general to specific issues, it can be explained that quantitative research study is designed for research that has an explicit research questions and research objectives (Venkatesh, Brown, & Bala, 2013).

Quantitative approach is also described as a survey of data collection that assists researchers to carry out a study in breadth. Simply said, this approach allows researchers to conduct a data collection about a wide range of perspectives of phenomena from many respondents or participants (Venkatesh et al., 2013). Similarly, Zikmund, Babin, Carr, and Griffin (2010) explain that empirical assessment which includes numerical measurement and analysis approaches is the main tool of the quantitative method that is used to address research objectives. Another explanation of quantitative approach is also provided in the work of Frels and Onwuegbuzie (2013), who note that the quantitative approach is designed to gain the findings of researches that aim to answers the question of who, where, what, how many, and how much.

According to VanderStoep and Johnson (2009) and Mukherji and Albon (2009), the advantage of quantitative methods is that it can provide more accurate results as a hole of the population based on the large sample of data collected that is used in the analysis process. It is also a cost effective method, since the process of collecting data by using the questionnaire is cheaper than conducting interviews. It is further explained by Christodoulides, Jevons, and Bonhomme (2012) that researchers can collect quantitative data in a much easier way nowadays. By utilising the internet tool such as social networks, e-mails, blogs and other sharing website, researchers can gather data from a large group of participants.

However, the weakness of this method is that it cannot analyse the insight and narrative data such as respondents’ feelings and thoughts toward some certain activities in business (Cooper & Schindler, 2014). Gruyter (2011) further says that the quantitative approach simply deals with complicated context or reality and overlooks significant features that are difficult to quantify. Because of that, the quantitative approach does not cover all impacts of reality. Another limitation, based on Zikmund et al. (2010), is that the quantitative approach is too structured compared with the qualitative approach. The data collected is only gathered from structured response format.
3.2.3.2 Qualitative approach

According to Weathington et al. (2012), qualitative research is usually conducted to develop theories and principles from the data collected (an inductive process). It is a type of research method that researchers always use to get the answers of how (process) and why (meaning) things happen, according to Cooper and Schindler (2014). The author also further explains that this approach is served to find a variety of meanings that people place on experiences. Braun and Clarke (2013) claim that qualitative research always uses words or understanding (written or spoken language) and images as data collected and analyses the data in all sorts of way. Similarly, the work of Bryman (2012) and Saunders et al. (2012) provide the meaning of the qualitative approach as it focuses on words rather than quantification in data collection and analysis. It often employs methods that are designed for collecting and analysing data that cannot be quantified.

The qualitative approach is known as an approach that is used to explore and discover ideas or a wide range of perspective of respondents. It is important that researchers employ this approach when they want to gain an insight into the feeling or experience of participants in a particular situation (Babbie & Rubin, 2011; Cohen, Manion, & Morrison, 2011). An important explanation about the qualitative approach is discussed in the work of Johnson and Christensen (2010), and Harwell (2011). They present that the qualitative approach is suitable when conducting a study that is little known, the objectives of the research are not explicit and clear, or when the researchers want to gain more understanding about the phenomena. It can be concluded that qualitative approach will be employed when researchers emphasize obtaining a new theory rather than measuring and testing hypotheses and a specific research question about a particular phenomenon.

The qualitative approach is an “array of interpretive techniques, which seek to describe, decode, translate, and otherwise come to term with meaning, not frequency, of certain more or less naturally occurring phenomena in the social world”, as suggested by Cooper and Schindler (2014), p. 144. Denscombe (2010) explains the strategy to collect data for qualitative approach. There are 4 main types of research method that are employed to get qualitative data: 1) interview (interview talk), 2) documents (minutes of meeting script and reports), 3) questionnaires (the
answers gained from open-ended questions), 4) observation (people interaction, events and artefacts).

The qualitative approach is a widespread use of research method as the aim of it is to achieve a deep insight into a situation. Nevertheless, a lot of researchers claim that the problem related to qualitative method is that its data collected is too subjective and susceptible to human error. It also has bias in the process of data collection and interpretation, which leads to an unstable foundation and cannot be generalised from a qualitative study to a larger population (Cooper & Schindler, 2014). Qualitative approach is also criticised by Hammersley (2012) and Wahyuni (2012) that it could only depict the features of perspectives and thoughts of people in one certain culture of those respondents. Thus, it could not be claimed that those features are the same in different cultures across social groups.

It is important for researchers to choose any approach or mixed approaches when conducting a research, since both quantitative and qualitative approach have its limitations. For this research, only qualitative approach will be used. The researcher believes that the qualitative approach is the most suitable for the research context. The rationale why this approach is used for this research will be discussed below.

3.2.4 Rationale for a qualitative approach to research

Next, this research supports that qualitative approach is the most suitable tool in order to achieve the aim of the research. There are a wide range of reasons why, for this study, it was decided to employ qualitative approach as a process of data collection namely: 1. The complex nature of leadership, 2. The appropriateness of semi-structured interviews, 3. The focus of a qualitative approach, 4. The limited number of participants.

> It is because of the complex nature of leadership in the context of human interactions and behaviours, this research has to apply the approach that allows the researcher to gain an insight into a situation, which includes people experiences, and motivation and inspiration of employees in the workplace. Psychogios and Garev (2012) explain that “leadership is considered as a complex dynamic process that emerges in the relationships between individuals and does not lie within a single individual - the leader. It is a product
of interaction, exchange of information and inter-agent tension that occurs in the emergent context” (p. 4).

- The aim of the research is to understand transformational- and servant leadership in BOL, which requires a thorough explanation from participants. This is suited with the purpose of the semi-structured interview which makes participants feel more comfortable and to understand what the researcher wants to address in the session (Braun & Clarke, 2013; Martin & Hanington, 2012). By providing the list of themes of the interview, it assists respondents to understand the purpose of the research which brings about the enhancing of validity and reliability of data (Saunders et al., 2012). Furthermore, semi-structured interviews provide some space for interviewees and interviewers to discuss unclear terms, and concepts during the interview (Hammersley, 2012), thus, the researcher ensures that all participants understand the terms or overview of the questions.

- Qualitative approach is interpreted as an inductive process of exploring and discovering ideas or a wide range of perspective of respondents in particular situation. The purpose of this approach is to find the answers of how and why some things happen. Employing this research, researchers will gain an insight into the feelings, experiences, perspectives, and thoughts of participants (Cooper & Schindler, 2014; Weathington et al., 2012). Thus, it can be seen that the purpose of the qualitative approach is similar to the aim of the research which wants to discover how transformational- and servant leadership play a role in enhancing a working environment in BOL.

- The target respondents of this research are leaders who hold managerial positions in BOL. However, the number of this population is low and not sufficient to be measured by applying the quantitative approach. As mentioned in the work of VanderStoep and Johnson (2009) and Mukherji and Albon (2009) that quantitative approach will provide more accurate results when a large number of participants is used in the analysis process.
Even though the number of participants of this research is low, it does not cause any problem to the quality of the research. In contrast, conducting semi-structured interviews with managers of BOL who thoroughly understand leadership in the organisation enhances flexibility, validity, and a high response rate of the research.

Therefore, by utilising the qualitative method, it can help the researcher to be able to identify the role of transformational and servant leadership in BOL.

3.3 Sampling design

Sampling design is considered very important for this research. The rationale of the selecting sample should be linked with the aim and objectives of the study. Therefore, purposive and non-probability sampling is seen to be the most appropriate sampling for this study. As mentioned in the work of Wahyuni (2012) selecting the sample for the qualitative approach is different from that of the quantitative approach. The quantitative approach focuses on generating a basis for generalisation, while the qualitative approach highlights the importance of developing and extending theory through analytical generalisation. Thus, when choosing the sample for the qualitative method, researchers have to keep in mind the characteristics of the case which are reflected through the research questions, and ensure that the sampling procedure is derived from the main purpose under the examination in order to deliver empirically-generalisable findings (Higginbottom, 2004; Wahyuni, 2012).

Based on Bloor and Wood (2006), non-probability sampling refers to how researchers select a representative sample based on pre-determined reasons. Aim and objectives of the research must be primarily considered when choosing a targeted sample. In this process, it is important that participants who are information-rich, have experience and knowledge related to the research questions are selected as the targeted sample. It is added by Neuman (2003) that a purposive sample is the most suitable for the for the research that focuses on a specific case study such as exploratory or field research study.

The purpose of this research is to determine the role of transformational- and servant leadership in enhancing an effective environment in BOL. Thus, the samples of this research are leaders in each department of BOL. The criteria for selecting these participants are that participants must
be holding managerial positions or playing a role in building the effective working environment in the organisation. It is seen that these participants are non-random and pre-determined, and the reasons for selecting them are based on their characteristics, experience and particular knowledge.

At the beginning, the planned sample size of this research was determined at 12 participants according to the structure of BOL which consists of 12 departments. At least one participant from each department of BOL were expected to participate in this project. However, 2 participants rejected from the project because of personal issues and tight schedules. Thus, there were only 10 participants that took part in this project.

Even though there were only 10 participants in this research, it is a satisfactory number for the qualitative research and does not pose any negative effects on the validity of the research’s result. The explanation of selecting the sample size is explained in the work of Fossey, Harvey, McDermott, and Davidson (2002), Kumar (2014), Martyn (2010), and Dawson (2009) who note that a small-scale of sample size is usually selected for qualitative research. It is because this small-scale sample is enough for researchers to understand about different opinions and obtain in-depth information from participants.

Moreover, it is believed that the in data gained for this research from semi-structured interviews is of sufficient depth for the phenomena. This is because the researcher observed that the data gathered from 10 respondents is repetitive. Based on Sargeant (2012) and Parahoo (2006), the data collected for qualitative research is sufficient when researchers can notice that there are no new concepts occurring in the process of data collection.

Therefore, it can be seen that this research has adopted the most suitable sampling design. The participants of this research were selected by considering knowledge, experience level, roles, and perspective, which ultimately lead to a high level of trustworthiness of the data collected.

3.3.1 Selection of participants

The process of selecting participants for this research is explained as follows:
The organisation and personnel department of BOL, on behalf of the researcher, invited potential managers to participate in the project. They also informed all potential participants that the research was completely voluntary and there were no adverse consequences for individuals who did not want to participate in the project. The executive board of BOL was not aware of who has agreed or declined to participate in the project.

After that, the organisation and personnel department sent all relevant information such as the information sheet, and interview questions to all potential participants. Then the researcher contacted all potential participants if they agreed to participate in the study.

After getting an adequate number of participants, the researcher informed all participants that they were selected to participate in the project. The researcher also informed participants about their eligibility as well as the interview schedule and interviewed them at a convenient time as pre-arranged.

3.4 Scope of the research project

The scope of this study will be in the area of the practice of transformational- and servant leadership in order to enhance a working environment in BOL. The reasons why the researcher chooses to study about transformational- and servant leadership in a governmental organisation will be explained as follow:

- Firstly, Lao People’s Democratic Republic (PDR) is in a period of dynamic change and the government aims to bring Laos out of the least developed country status by 2020 and requires both governmental and private organisations to enhance their work quality. Since BOL plays a very important role in developing the country, it is strongly required to pay more effort to improve soundness, efficiency and good performance. Hence, BOL needs to have effective leadership approaches and sound human resource management to improve both individuals and organisational performance.

- Secondly, the integration into ASEAN Economic Committee (AEC) by 2015 has generated a high level of competition in Laos. This will lead to a free movement of services, goods, investments, skilled labour, and free flow of capital. Hence, if leaders of governmental agencies, especially BOL, do not have sufficient capabilities to encourage employees to work effectively,
the country may lose competitive advantage to multinational companies which are from more
developed economic countries such as Singapore, Malaysia, and Thailand.

- Thirdly, the term ‘transformational- and servant leadership’ is not very common in Laos. Additionally, there are some leaders who do not see the importance of building an effective working environment in order to achieve the long-term goals of the organisation. Hence, this study may help the leaders understand more about the important role of transformational- and servant leadership. This could help them to build an effective working environment for their employees, so that employees are developed and to be prepared for dealing with changes in the future.

- Fourthly, the researcher has work experience working with a governmental agency. As a result, the researcher is very interested in how to improve the working environment of governmental organisations. Moreover, the researcher notes that the right, and modern, leadership style such as transformational- and servant leadership can help BOL to improve their organizational performance.

- Finally, this research study is likely to support the researcher’s career growth in the future. Additionally, the researcher can share this new knowledge and experience from the study with other Lao leaders and researchers to develop further within the Lao context. Taking this approach the researcher can make a contribution to enhancing the working environment in Lao PDR.

3.5 Research method
In order to effectively execute research, it is highly required that researchers understand what type of research method will be used in the research. Wahyuni (2012) and Sarantakos (2005) claims that there is a difference between research method and research methodology, and they can be independent from each other in some cases. Research method refers to a practice set of research applications such as tools and techniques of data collection and analysis, while research methodology is the ideological groundwork of a method which affects the entire process of the research. Cohen et al. (2011) further explain that researchers could use one or more research method in one study. The research method means instruments, tools, procedures, techniques or approaches that are used to collect data for interpreting and writing a research.
3.5.1 Research method: Semi-structured interview

In this research, only the semi-structured interview was employed as the research method for collecting the data. This is considered to be the most appropriate tool for this research since it can help the research to gain an insight about the role of transformational- and servant leadership in the organisation of Lao context. Furthermore, according to Bryman and Stephens (1996), this method is used widely in the context of leadership in the last decade.

Barbour (2014) states that “the ‘semi-structured’ aspect is crucial as it refers to the capacity of interviews to elicit data on perspectives of salience to respondents, rather than the researcher almost entirely dictating the direction of the encounter, as would be the case with a more structured approach” (p. 120). The author further explains that the key point of this interview is that it balances the researcher’s agenda (both over-arching questions and specific detailed questions) with some room for the interviewee to explain his/her insights and reflections which is partly a matter of personal style or experience. Saunders et al. (2012) assert that utilising semi-structured interviews as the research method brings about many advantages for the research: to get in depth information; validity; high response rate, develop insights; and gain information is a priority.

The interview questions for this study were developed in English then translated into the Lao Language, which was used in the interviews. Each interview was recorded, transcribed into written English language and then analysed.

3.5.2 Data collection

Only qualitative data will be gathered and analysed in this research. According to Jha (2008), qualitative data refers to detailed explanations of circumstance, events, people, interactions, observed habit, direct quotations from participants based on their work experiences, perspective, attitudes, and excerpts, or all passages, from documents, records, mail, and historic cases. In order to collect qualitative data, researchers employ a wide range of methods such as interview (interview talk), documents (minutes of meeting script and reports), questionnaires (the answers gained from open-ended questions), and observation (people interaction, events and artefacts), suggested by Denscombe (2010). Because there are many methods for collecting
qualitative data, researchers have to ensure that they use suitable methods to collect needed data which can address the research objectives and questions (Saunders et al., 2012).

In this research, only semi-structure interviews were employed to collect the data. The participants of this project were 10 leaders who play an important role in building an effective working environment and hold managerial positions in 12 departments of Bank Lao PDR.

All research participants were free from any perceived coercion or gift or any inducement. After finishing the interviews, the researcher sent transcripts to the participants who were interviewed to have them check for accuracy. The participants were informed that they have the right to amend the transcript or to withdraw from the project within two weeks of reviewing it.

The interviews were conducted in August and September 2015. The interviews were face-to-face interviews that were undertaken person by person in order to make sure that participants’ names were confidential and could not be identified. The interview questions were sent to participants in both Lao and English version in order to enable them to become familiar with the questions. The duration for the interviews were around sixty minutes to ninety minutes.

An information sheet, participant consent form, and interview questions were sent to potential participants before the data collection was conducted. This allowed those participants to have opportunities to read those documents and know their rights relating to the research project. All interviews were audio recorded, noted and transcribed by the researcher. It is suggested by Cohen et al. (2011) that researchers should record and transcribe interviews. Audio-recording and note taking can help researchers to ensure that data will not be lost (Saunders, Lewis, & Thornhill, 2007).

3.5.3 Pilot study

There is a wide range of studies such as Bhattacherjee (2012), Blessing and Chakrabarti (2009) and Wilson (2010) claim that a pilot study is one of the most important parts of research and it musts be conducted before the real data collection. A pilot study helps researchers to be informed in advance about problems in relation to instruments or research design. This can ensure that validity and reliability of instruments for testing the studied phenomenon is in place.
(Bhattacherjee, 2012). Cooper and Schindler (2014) say that a pilot test is a process of detecting weaknesses in instrumentation and design and to provide possible participants data for selection of a probability sample. The pilot testing includes asking colleagues, respondent surrogates or actual respondents to identify and change confusing or offensive questions and techniques.

Therefore, the researcher conducted a pilot study in order to examine grammar, wording, translating of interview questions, and understanding of respondents in relation to interview questions. Especially for translating of interview questions, the researcher has consulted with a local translating company who has professional expertise in translating and understands the leadership context, thus it ensures that the objectives of the research are clearly explained. Furthermore, three managerial leaders who work at the Financial Institution Supervision Department of BOL and deeply understand leadership context of BOL were invited to participate in the pilot study. The researcher has discussed with these leaders in different areas: 1) understanding of concept and terms, 2) amount of time for the interview, 3) general ideas that can further develop interview questions. After finishing the pilot study, some changes were made namely rearranging the questions, removing jargon and repetitive words, thus it helped to avoid misunderstanding of the questions, bias answers, and ambiguities.

### 3.6 Data analysis

After the process of data collection, the researcher conducted the data analysis. Braun and Clarke (2013) define data analysis as a transformative process of raw data into findings. It is further explained by Merriam (2009) that data analysis means the process of interpreting and translating data that is used for the purpose of achieving the aim of the research. In addition, data analysis is interpreted as the practice of “examining, sorting, categorizing, evaluating, comparing, synthesizing, and contemplating the coded data as well as reviewing the raw and recorded data” (Neuman, 2011, P. 448).

In a recent study, Boeije (2010) shows that the analysis strategy of qualitative data usually encompasses the process of dismantling, sectioning, and reassembling information, which ultimately can produce valid findings. Similarly, Merriam (2009) and Bradley (2013) easily concludes that the main purpose of qualitative data analysis is consolidating, reducing, and
interpreting the qualitative data (participants’ words) and what the researcher saw and read. However, the author also adds that it is quite difficult that a wide range of data collected from an in-depth interview, or written document will be reduced and interpreted.

In this research, TSL1-TSL10 was used as letter and number coding of the participants in the interview. This helped the researcher to easily organise and analyse the raw data into conceptual categorises. The codes and themes in relation to the practice of transformational- and servant leadership were identified as significant part of this research.

According to various researchers such as Lofland, Snow, Anderson, and Lofland (2006), Merriam (2009), Saunders et al. (2012), Lee and Lings (2008) and Lyons and Coyle (2007) they assert that there are a wide range of approaches that are used to analyse qualitative data. Therefore, after reading a lot of books and articles, the researcher decided to employ five analytical procedures of data analysis developed by Braun and Clarke (2006) such as transcribing the data; generating into codes; developing themes and patterns; reviewing themes; and writing the report.

- The first stage: the data gained from conducting the semi-structured interview was transcribed into written content. Then, the process of organising the data was conducted in order to manage the data to appropriate text units (e.g., a word, a sentence, an entire story) (Creswell, 2013). Reading the data and memoing were conducted to help the researcher to get a sense of the whole database (Wilson, 2010). According to Agar (1980) as cited in Creswell (2013), “researchers should read the transcripts in their entirety several times. Immerse themselves in the details, trying to get a sense of the interview as a whole before breaking it into parts” (p. 183). Furthermore, writing notes or memos in the margins of field notes or transcripts were conducted to help in this initial process of exploring database (Saunders et al., 2012).

- The second stage: after reading and identifying key points, classifying data into codes was conducted in this research. Rossman and Rallis (2012) as cited in Creswell (2014) suggests that coding is the process of organising the data by writing a word to be the representative of a category (theme) in the margins. Zikmund, Babin, Carr, and Griffin (2013) and Wilson (2010) point out that the purpose of the research plays a significant
role in identifying the codes. It is because coding refers to the process of selecting elements that the researcher thinks interesting and relevant to the research project. Coding is very important for the research since it helps the research to sort the information into a variety of categories.

- The third stage: this study identified the themes that addressed the research objectives and questions by studying coded and formatted. Creswell (2013) says that themes refer to broad units of data that consist of several codes, which are seen as a common idea of the research. In this process, the codes were collated into themes. The researcher used visual representations, such as highlighting and post-it notes to help categorising the codes. After that, sorted codes were put into the table creating the different themes for the classified codes extracted from the entire data set. In addition, the conceptual level of memo deploys integrative memos and these were applied to theorize the concepts, properties, themes, and categories and the connections among them (Groenewald, 2008).

- The fourth stage: this stage was about reviewing the themes. The main practice of this stage was investigating the connections among themes that were identified within each transcript. According to Saunders et al. (2012) and Wilson (2010), in this stage, the researcher has to find relationships and develop categories, which sometimes it requires the researcher to revise the categories or themes and keep rearranging the data when the researcher can find meaning in the data set. Furthermore, if the theme itself was problematic, or the coded data entered into a particular category that did not fit with the themes, the researcher created new themes for the data extracts that did not fit into an existing theme, or removed any theme that did not have enough data extracts to support it. Once everything was fitted, the name for each theme was created based on what aspect the data in each theme captured.

- The final stage: in this stage, developing the report, testing hypotheses, and writing conclusion were conducted, as suggested by Saunders et al. (2012) and Lee and Lings (2008). At this stage, the researcher presented the analytic narrative by discussing the compelling extracts, examples that illustrate the data story, so that the researcher could
make an argument relating back to the research questions and literature. Furthermore, the hypotheses that are mentioned in chapter one are tested against the finding results, so that the researcher understood if the hypotheses are true or false, and seek for reasons if unexpected results occur. Finally, the valid conclusions and explanatory theory of the research are drawn (Saunders et al., 2012)

3.7 Validity of result

The researcher considers validity of results very important for this research. It is mentioned by Davidson and Tolich (1999) that validity refers to “the extent to which a question or variable accurately reflects the concept the research is actually looking for” (P. 31). Bryman (2012) adds that validity is a complex matter which calls for researchers to ensure that the concept of the research will be measured by the question employed. Therefore, when conducting a semi-structured interview or in-depth interview, it is highly required that researchers take into consideration the matter of reliability, form of bias, validity and generalizability which help to increase validity of the result.

In quantitative research, external standards such as statistics and past research play a very important role in reaching validity of result, whereas validity in qualitative research is based more on participants and the researcher by using a variety of methods to guarantee accuracy of the final findings such as member-check, or data triangulation (employing many data sources to validate a theme).

Therefore, the researcher has been rigorous throughout the research process to overcome the matters above. The interviews were carefully prepared and the researcher also considered the five Ps: prior planning prevents poor performance, according to Saunders et al. (2012). Moreover, based on the level of the researcher’s experience working with governmental agencies in Laos, this enabled the researcher to demonstrate credibility, assess accuracy of responses and motivate participants to provide more detail related to the discussion questions.

Furthermore, the researcher sent all relevant information including an information sheet, a list of interview questions or themes and consent forms to all participants before the interviews. As mentioned by Saunders et al. (2012), this information can enhance validity and reliability because
it enables participants to consider the information that is requested by researchers. Thus, they can prepare themselves before engaging in the interviews.

All the interviews were taken in the appropriate place such as participants’ individual or meeting rooms in their banks. This helped the researcher ensure that the quality of audio-recording and taking notes of the interview remain confidential. Participants were confident to provide their opinion and information. This can reduce resulting bias that could affect the reliability of the data, as claimed by Robson (2002) and Ghauri and Gronhaug (2005). Moreover, by using audio-recording for the interviews and securely keeping the original data, this can provide accurate and unbiased recordings. Thus, the validity has been addressed in terms of authenticity and credibility (Cohen et al., 2011; Easterby-Smith, Thorpe, & Jackson).

The validity of the result is a very significant issue that every researcher needs to sincerely address, including this researcher. As a result, the researcher intensively paid attention to the validity of the result by considering relevant actions and issues in the project. For example, keeping rigour through the research process, sending all relevant information to participants before the interviews, and appropriately dressing for the interviews.

### 3.8 Ethical consideration

Based on the work of Beauchamp and Childress (1989) as cited in Aluwihare-Samaranayake (2012), ethics is described as actions that are considered to be good and do not pose any harms to others. Furthermore, it is explained by Mauthner and Birch (2002) that considering ethical issues in qualitative research refers to how a researcher focuses on conducting the research under the principle of justice, respect, confidentiality, beneficence, and autonomy. Additionally, Oliver (2010), and Zikmund et al. (2013), maintain that ethical issues need to be considered from the early stage of a research project to avoid causing harm, anxiety, pain, distress or any other negative feelings to participants.

The researcher recognized and acknowledged that ethical issues include participants’ rights and privacy, social sensitivities, welfare and health can become a key problem for the research. Therefore, this research has followed the guidelines of Unitec Research Ethics Committee (UREC)
and the process of collecting data for this research did not start until UREC approval was given (UREC, 2009).

This research was conducted in Lao PDR where there are several ethnic minority groups and tribes, the researcher recognized the potential effects of ethnic status. Therefore, the researcher has avoided focusing on particular ethnic groups that can possibly create ethical problems. This study has only focused on the context of organisational management in relation to transformational and servant leadership in BOL. The researcher has tried to protect the participants’ rights and privacy through the provision of confidentiality and has ensured that ethical issues do not happen in conducting the research.

To avoid a key ethical issue in this research, prior to conducting the interview, the researcher asked for research approval by sending a formal request letter in accordance with the UREC guidelines to the related organisations. It is critical to fully inform potential participants about the scope of relevant aspects and the purpose of the research before their agreement to take part in the research. Therefore, together with the request letter, documents in relation to information for participant, content and objectives of the research was provided to potential participants in order to help them understand the information needed for the research.

Confidentiality, respecting people, cultural and social sensitivities are considered very significant to this research. This is shown as the research focused on confidentiality and was carried out professionally in terms of maintaining the rights and privacy of respondents. In this research, the name of departments and respondents who contributed to the interviews were not shown. By doing this, it can protect the important information of the participants and organisations from being disclosed to the public.

Another vital ethical matter that was considered when conducting this research is Contributing Justice. The researcher highlights the importance of conducting the research lawfully and fairly by retaining collected information in a safe place and not distributed. This data was only used to complete the research. It was accurately analysed which contributes to providing accurate result of the research.
3.9 Conclusion
This research was undertaken with the consideration of ethical issues. This is to ensure that there were not any serious problems occurring while conducting the research. The semi-structured interview is used as the main tool for data collection for this research. In relation to the clarity of interview questions, the researcher understands that conducting a pilot project is vital. In the data analysis process, text coding, thematic analysis, narrative analysis and comparative analysis were employed for analysing the data obtained from interviews.

3.10 Chapter summary
In this chapter, the methodology adopted in this study was discussed together with the research methodology and research paradigms. Furthermore, in order to gain data that can be used to answer the research questions, this study was based on an interpretivist paradigm and qualitative approach. The semi-structured interview was the only research method of this research. The number of participants of this research is 10. All participants are leaders who are holding managerial positions and playing a role in establishing effective working environment in BOL. The project is an exploratory research study. The researcher also explained the research principles, sample selections, recruitment process, pilot study and its strengths. In addition, the four stages of data analysis process associated with this method were explained. At the end, this chapter highlighted the importance of addressing ethical issues that can pose negative effects to the researcher.

The next chapter discusses the results of the semi-structured interviews with the 10 participants. These will provide an insight into the views of the research participants regarding their understanding, perspectives and the real practices of transformational- and servant leadership in BOL.
CHAPTER 4 FINDINGS

4.1 Introduction

Chapter four outlines and summarises the data results and findings that the researcher gathered from 10 participants in the BOL by employing semi-structured interviews. This research design focused on investigating the role of transformational- and servant leadership that leaders in BOL practice in order to enhance a working environment. To do that, this study also investigated the understanding of leaders in BOL of transformational- and servant leadership.

The findings explicitly reflect and generate the answers to the research questions as well as the research objectives. In essence, the chapter provides the write-up of a thematic analysis of the research in which sufficient evidence of the themes within the data is provided. The analytical findings are presented based on the ten research questions. Selected participant comments are provided to exemplify responses.

By conducting the semi-structured interviews, the findings have identified and contributed new knowledge to the concept of transformational- and servant leadership to leaders in a governmental agency in Laos. In essence, it helped them to clearly understand about the role of transformational- and servant leadership for increasing effectiveness of the working environment in BOL.

4.2 Interview results and findings

The chapter provides a summary of the study findings regarding the individual interviews with 10 leaders in BOL. All participants were simply coded by letters and numbers, including TS1, TS2, TS3, TS4, TS5, TS6, TS7, TS8, TS9, and TS10. TS is the abbreviation for Transformational- and Servant leader. All interviews were related to the experience, role, understanding, and perceptions of leaders associated with transformational- and servant leadership matters.

The interview questions (see Appendix 1) were designed for participants who are holding a role in improving the working environment in BOL. These questions not only helped the researcher to answer the research questions but also to understand perspectives of transformational- and servant leadership practitioners within the Lao context.
To answer all the research questions, the interview questions were designed from general or easy questions to specific questions. In addition, if it is necessary, the researcher also explained terms associated with transformational- and servant leadership to all leaders who were not familiar with them. This was to ensure that all participants clearly understood the interview questions and could provide the right information to the researcher through the data collecting process in order to answer the research questions.

4.2.1 Question one of the interview
What is the understanding of leaders about leadership in BOL?

It is important to initially discuss the understanding of leaders in relation to leadership in BOL, since it could help the participants to try to recall their understanding about leadership in general before the extensive discussion on transformational- and servant leadership. It also answers the first sub-question of the research. Regarding the understanding of leaders about leadership in the case organisation, the responses to the first interview question were categorised into five main themes: leadership is understood as leaders provide directions for employees; leadership is concerned with aligning followers; leadership focuses on building relationships; leadership is determined by personal leadership qualities; and leadership is shown through creating leader outcomes.

❖ Theme 1: Leadership is understood as leaders providing direction to employees

The interviews indicated that nine out of ten leaders mentioned “leaders providing directions” as their understanding of leadership in BOL. They said that leadership in BOL is known as leaders gain an insight into vision, mission and goals of the organisation. Furthermore, leadership refers to how leaders assist followers by providing directions and using approaches to assess and evaluate followers in order to accomplish the goals of the organisation.

_in my view, leadership is understood as leaders appreciate the vision, mission and goals of the organisation (TS6, TS10).

Leadership in BOL is understood as a person who is a leader who supervises subordinates to perform work (TS1, TS2, TS3, TS5, TS7, TS8, TS9, TS10).
Leadership is known as leaders are able to give directions, establish methods of evaluation; define roles; set timeline; and show how the goal to be achieved (TS1, TS2, TS6, TS8, TS10).

**Theme 2: Leadership is concerned with aligning followers**

It can be observed that six participants cover “aligning followers” as their understanding of leadership in BOL. They described that leadership means the goals, mission and vision of the organisation were delivered to employees by leaders. In addition, it is important that leaders can together work with employees and create a shared culture and core value in the organisation.

Leadership is expressed as leaders are able to clearly articulate the goals, mission and vision of the organisation to followers (TS1, TS2, TS6, TS8, TS10).

Leadership is described as leaders who can fully communicate shared culture and core value of the organisation as well as interact with employees (TS4).

Leadership is seen as leaders collaboratively work with employees to succeed (TS1, TS10).

**Theme 3: Leadership focuses on building relationships**

Based on the data gathered from interviews, it is seen that “leadership focuses on building relationships” were mentioned by four leaders in relation to the idea of leadership in BOL. These participants said that leaders encourage employees to get involved in organisational plans is a core element of leadership. Furthermore, relationship is built based on personal influence and trust in the organisation. Therefore, it is vital that leaders can create a sense of trust, harmony and solidarity between leaders and followers.

Leadership is understood as leaders who encourage employees to become involved in the planning of the organisation (TS4, TS8).

In my perspective, leadership is understood as leaders who create an atmosphere of trust, harmony and solidarity where employees can feel comfortable and secure (TS4, TS5, TS6).
Theme 4: Leadership is determined by personal leadership qualities

There were five participants that considered “personal leadership qualities” of leaders as parts of leadership in the organisation. This means that leadership is seen as leaders in the organisation that are the models for employees, competent, responsible, empathic, and good in decision making.

For the Leadership context in BOL, it is understood as competent leaders are able to influence individuals in the organisation to do work (TS3, TS4).

In BOL, leadership is appreciated as leaders set themselves as strong model for employees (TS9).

Leadership in BOL is seen as leaders are responsible for their behaviours and works (TS7).

Leadership refers to qualities of leaders namely leader are good in decision making (TS6).

Leadership in BOL is seen as leaders create a sense of empathy toward employees (TS4).

Theme 5: Leadership is related to creating leader outcomes

Interestingly, there was only one leader that considered “creating leader outcomes” as part of leadership in the case organisation. This leader explained that creating a sense of fairness and justice is considered very important as leadership in BOL, so that openness, honesty, positive relationship occur in the organisation.

Leadership is understood as leaders behave ethically to create a sense of fairness and justice. Furthermore, leaders are able to encourage employees to ethically behave and have positive perspectives on the organisation (TS3).

4.2.2 Question two of the interview

What approach of leadership is currently practiced in BOL?

It is necessary to know the types of leadership that are currently practiced in BOL before discussing in detail about transformational- and servant leadership in the next question. The matters of current leadership styles practiced in BOL also links to the first research sub-question.
According to a wide range of researches such as Northouse (2015), Roe (2014), Daft (2015) and Schedlitzki and Edwards (2014), there are many approaches of leadership that are practised in various types of organisation worldwide such as trait approach, skills approach, style approach, situational approach, authentic leadership, transformational leadership- and servant leadership.

During the interview, the researcher observed that participants were not quite sure about which types of leadership that suited the leadership practiced in BOL. Therefore, they just tried to explain the behaviours of leadership in general and asked the researcher to consider whether those behaviours matched with any types of leadership. Based on the interviews, the findings for this question have been grouped by the researcher into five themes based on the types of leadership such as situational approach, style approach, trait approach, transformational leadership and servant leadership. It can be observed that one participant said that situational leadership is currently practiced in BOL, while three leaders explained that style approach is more practiced. In relation to trait approach, there were four respondents said that it is practiced in BOL. It also had three participants explain that transformational leadership is also put into practice in BOL, while the current practice of servant leadership in BOL was claimed by two participants.

Theme one: Situational approach

In terms of situational approach, leaders in BOL practice this approach because the nature of work in BOL is very challenging. In some situations, it is necessary that leaders have to focus on directive behaviours in order to accomplish the goals, while in other situations leaders can balance their directive behaviours (task accomplished) and supportive behaviours (relationship focused) in the organisation.

Because the work in BOL is engaged with the real situation of work economy which usually changes day by day, leadership in BOL depends on situation. Sometimes, when the work is very urgent, leaders have to just focus on directive behaviours in order to show employees how to achieve the goal. In some situations, supportive behaviours are more needed in the organisation (TS1).
Theme two: Style approach

Style approach is also practised in BOL, especially team management and getting everyone to be involved in accomplishing the organisational aim. The leaders also require employees to enjoy their work and have high a level of work commitment.

- It is likely that many leadership styles are practiced in BOL. However, style approach is practiced the most. This is because the nature of the work and course of conduct in the organisation which require team management style to be practiced. Leadership in BOL places strong emphasis on both tasks and interpersonal relationship. High degree of participation and teamwork are promoted as well as satisfying the needs of employees in order to make them to get involve and commit to their work. Therefore, in BOL, stimulates participation, make priorities clear, behave open-mindedly, enjoy working, and act determined are focused (TS2, TS3, TS4).

Theme three: Trait approach

In addition, four participants talked about trait approach that leaders should possess some good traits and characteristics such as intelligence, problem solving, decision making, sociability, competence and self-confidence in order be able to influence employees.

In BOL, leadership emphasises the traits and characteristics of leaders. Individuals who are leaders will be selected based on their traits and characteristics such as intelligence, problem solving, decision making, sociability, and determination. It is to ensure that selected leaders will be able to lead the organisation and accomplish the goals (TS5, TS8).

It is because the nature of the work in BOL is complicated and engaged with many sectors of Lao economy, leaders are required to be competent, intelligent, responsible, opened and self-confident, in order to be able to deal with a variety of difficulties facing the organisation (TS6, TS7).
Theme four: Transformational leadership

Leaders in BOL also practice transformational leadership. As three participants said that “inspirational motivation” is a key behaviour of leaders to motivate employees to work and take part in the organisational plan.

Transformational leadership is practiced in BOL, especially the transformational leader’s behaviour “inspirational motivation”. It is because leaders usually motivate employees to work and get involved in the plan of the organisation (TS8, TS9, TS10).

Theme five: Servant leadership

Based on the interviews, servant leadership was also mentioned that it is practiced in BOL. Two participants said that leaders in BOL highlight the importance of employees’ well-being and addressing employees’ personal issues.

Leaders in BOL usually emphasise the importance of employees’ well-being and personal issues. Since these problems can negatively affect the organisation (TS9, TS10).

4.2.3 Question three of the interview
What are the understandings of leaders on transformational- and servant leadership?

After gaining some understanding about leadership in BOL, this research question aimed to investigate whether the participants understand the term “transformational- and servant leadership”. The issue of understanding of transformational- and servant leadership was seen as the second research sub-question, as mentioned in chapter 1.

The findings for this question have been categorised into two main themes: not familiar with the terms, and familiar with the terms to some extent. It can be observed that most of the participants (nine out of ten) were not familiar with the term, and only one participant was familiar with the term.

Theme one: Not familiar with the terms

Based on the interviews, it is clear that many leaders (nine out of ten) in BOL are not familiar with the term “transformational- and servant leadership”.
Transformational- and servant leadership is very new terms for me. I have never heard about them before (TS1, TS3, TS4, TS6, TS7, TS9).

I am not familiar with the terms “transformational- and servant leadership”. In Laos we just say leadership in general but not specific type of leadership. Could the researcher explain the meaning of these types of leadership for me please? (TS2, TS5, TS8).

Theme two: Familiar with the terms to some extent

Interestingly, it was observed that only one out of ten participants who reported that she had studied this term for her master degree and was familiar with the term to some extent.

I used to study the terms “transformational- and servant leadership” when I studied for my master degree. Transformational leadership means leaders can transform an organisation to better by focusing on creating working motivation for employees and trying to enhance employees’ innovation and creativity. Similarly, servant leadership also aims to improve the working condition in an organisation. The key idea of this leadership is leaders try to serve and help other to be successful and accomplish the goals (TS10).

4.2.4 Question four of the interview

What are the perspectives of leaders on the roles of transformational leadership in terms of the real practice in BOL?

The findings for this question are considered to be one of the most required content for this research. It aims to investigate the real practice of the role of transformational leadership in BOL. This findings is to answer the third research sub-question.

As mentioned in Roe (2014), Bass and Riggio, 2006 as cited in McCleskey (2014), and Northouse (2015), there are four main roles (4Is) of transformational leadership in an organisation: Idealised influence, inspirational motivation, intellectual stimulation and individualised consideration. Therefore, these four main issues of transformational leadership discussed in this section, including being ideally influential for employees, creating inspirational motivation, promoting intellectual stimulation, and Supporting individualised consideration.
4.2.4.1 Role in being ideally influential for employees to transform

Regarding the role of being ideally influential for employees in the case organisation, it appeared that there were two key themes that could be extracted from the data: working abilities and personal leadership qualities, and providing directions for employees.

Theme one: The influence of working abilities and personal leadership qualities

Under this theme, there were various working abilities and personal leadership qualities provided as to why the participants think that they are perceived to be the factors that ideally influence employees in BOL. For example, ethical behaviours, competence and self-confidence, gaining an insight into organisational purpose, and creating effective working atmosphere.

I can say that there are a lot of factors that leaders possess which can ideally influence employees and make leaders to be perceived as strong role model. However, working abilities and personal leadership qualities play the most important role for this matter. It can be seen that leaders in BOL behave ethically, being good in decision making, problem solving and time management, showing competence and self-confidence, being responsible, fully understanding of organisational work, scarifying, (TS1, TS2, TS3, TS4, TS5, TS6, TS7, TS8, TS10).

In order to ideally influence employees in BOL, many leaders try to create facilities for employees to learn and effectively work; employees are given opportunities to do meaningful work and share ideas; leaders understand employees’ talents and put them to work with what they like. Furthermore, leaders always listen to employees and try to create a sense of fairness in the organisation (TS6, TS7, TS8).

Leaders usually learn about work to gain an insight into organisational mission. This is because the work in BOL is engaged with the world economic situation and always requires new approach of problem solving to deal with the organisational issues (TS9).

Theme two: The influence of leaders providing directions for employees

Furthermore, there was another type of behaviour that leaders in BOL practice and is seen to ideally influence employees. When leaders can explain the vision, mission and goals of the
organisation to employees as well as supervise them to do work, leaders are perceived as role models for employees. The rationale behind these views were coded as follow:

*Providing subordinates the vision of the organisation and articulating the mission and goals of the organisation to employees is seen as leaders are playing an important role in the organisation (TS1, TS2, TS4, TS5, TS6, TS7, TS8, TS10).*

*Leaders are seen as the model in the organisation when they supervise employees to work (TS6, TS9).*

4.2.4.2 Role in creating inspirational motivation for employees to transform

Referring to the second role of transformational leadership, the participants were asked about the real practice that leaders in BOL adopt in order to create inspirational motivation for employee. They said that leaders in BOL practice many approaches to encourage employees. The approach used also depends on characteristics of employees. Some employees are enthusiastic to do the work, but some employees have a low level of motivation. Based on the findings, it appeared that there were four important themes: shared purpose, meaningful work and freedom, communication, and intrinsic rewards.

**Theme one: Creating a shared purpose and effective working condition**

Seven out of ten participants clearly said that a shared purpose and effective working conditions play a very vital role in enhancing employees’ motivation. This is because employees will think that their work will contribute to the success of the organisation (TS6, TS10).

*To increase employee’s motivation, leaders try to get employees to be involved in the plan for achieving something. For example leaders try to reach the vision and goals of the organisation which can be done when employees take part in it (TS1, TS6, TS7, TS10).*

*Leaders practice many ways to increase employee motivation namely they try to increase team spirit in the organisation and create enjoyable working environment (TS3, TS4, TS5).*
Theme two: providing meaningful work and give freedom for employees to work

Four out of ten participants commented that asking employees to do meaningful work and empower them to make decisions on it can increase employees’ inspirational motivation.

The obvious way that Leaders can make employees become motivated is leaders ask employees to do challenging and meaningful work (TS1, TS6).

Furthermore, leaders like to empower employees when they are working. Leaders give employees opportunities to work and support them when things go wrong. This can increase employees’ confidence and motivation (TS4, TS10).

Theme three: meaningful communication

It appeared that all participants agreed that communication is the most important tool that leaders use to motivate employees in BOL. They said that leaders will talk to employees if they see that employees lack motivation to work.

When employees have to do important and urgent work, leaders will try to arouse motives and communicate high expectations with employees both in a big group and individual (TS1, TS2, TS3, TS4, TS5, TS6, TS7, TS8, TS9, TS10).

Leaders usually try to inspire employees to love what they are doing. Seeing this, I think that it is a way that leaders try to motivate employees (TS4).

Theme four: providing intrinsic rewards

Furthermore, most of participants mentioned that leaders in BOL focus on giving intrinsic rewards to employees to motivate them to work.

I think that leaders pay compliment to employees when they can finish an important task is one behaviour that leaders do to increase employee motivation (TS1, TS2, TS3, TS4, TS5, TS6, TS8, TS10).
4.2.4.3 Role in promoting intellectual stimulation for employees to transform

Subsequently, the participants were asked how leaders performed the role in promoting intellectual stimulation in BOL. Those participants explained that it is crucial that employees in BOL are motivated to keep learning new things and enhance their knowledge. This was because the work in BOL is very challenging and connected to the unstable world economy which requires employees to wisely deal with it. Based on the data gathered, the findings for this question have been grouped into two key themes: leaders play an important role in enhancing employees’ intellect, and leaders create an environment for employees’ self-learning.

Theme one: Leaders take part in enhancing employees’ intellectual development

Under this theme, three participants explained that leaders themselves play a very important role in organising trainings and workshop or shaping innovative strategy for employees, so that employees can see ways to increase their intellectual ability and be able to deal with organisational issues wisely.

*The strategy that I usually launch to increase employees’ intellectual capacity is I initially try to show employee how to deal with problems, then provide them the freedom to develop the ways to solve the problem (TS1).*

*I will try to think of problems in relation to work ahead and encourage employees to find the solutions. Therefore, when employees face with similar situation, they can cope with the problem better (TS10).*

*Leaders like to organise trainings and workshops for employees to learn thing (TS6).*

Theme two: leaders create environment that support employees’ self-learning

In addition, another way that leaders in BOL practice to help employees to be wiser is to build the working environment that facilitates employees’ self-learning.

*In BOL, all employees are encouraged to use new approach and develop innovative ways of dealing with organisational issues (TS1, TS2, TS4).*
Working environment that is full of ways to learn new things is built, so that employees are enthusiastic to learn new things (TS1, TS6, TS8, TS9, TS7).

Employees are encouraged to think out of the box, and do their work more than their expectation (TS4).

I always tell employees to think out on their own to address new issues, and to engage in careful problem solving (TS1, TS3, TS5, TS9).

4.2.4.4 Role in supporting individualised consideration for employees to transform

The last role of transformational leaders is to highlight the importance of individualised consideration. Some participants explained that satisfying employees’ needs is similar to helping employees do their work which leads to accomplishing organisational goals. If one individual in the organisation suffers from his or her problems, it somehow negatively affects his or her abilities to work which will also decrease the capacity of teamwork in the organisation (TS1, TS7, TS10).

The findings for this question were categorised into four main themes: physiological needs, safety needs, social needs, and self-esteem needs. The theory of Maslow’s hierarchy of needs that was adapted to organisational context by Cao et al. (2013), Rahman and Nurullah (2014) and Cutler (2014) and was linked to how the researcher categorised this findings.

Theme one: Physiological needs

In terms of physiological needs, leaders in BOL considered it very important in order to ensure that these issues did not affect their employees working abilities.

In BOL all leaders always take into consideration to offer adequate salary to employees. Furthermore, we emphasise that it is very important to provide suitable and safe working condition and working time to employees (TS1, TS2, TS3, TS4, TS5, TS6, TS8, TS9).
Theme two: Safety needs

Employees’ safety needs were also satisfied by leaders in BOL. Based on the data collected, it appeared that all participants mentioned that leaders in BOL practiced satisfying employees’ safety needs.

All employees in BOL are covered by health insurance. We as leaders in BOL, pay very much attention to the health issues of employees (TS3, TS4, TS5, TS9, TS10).

We do practice the role in taking care of employees’ safety needs by providing fringe benefit, job security and pension and so forth (TS1, TS2, TS3, TS4, TS6, TS7, TS8).

It is important that the employees’ salary is in line with inflation (TS5, TS7, TS9).

Theme three: Social needs

It was observed that five participants mentioned that leaders in BOL put social needs’ satisfaction into practice.

We are concerned about this kind of needs in our workplace. To work effectively, employees in BOL have professional friendship, and also opportunities for human interact (TS1, TS4, TS5, TS8, TS9).

Theme four: Self-esteem needs

The last findings for this question concerned with self-esteem needs that leaders in BOL stress the importance on. This type of need was considered to a very high level of employees’ needs in BOL. Therefore, BOL’s leaders satisfy this type of need starting from providing employees freedom to work, participation in organisational planning, recognition when accomplishing important work, and increase in responsibility.

As a leader in BOL, I usually focus on giving employees credit for contribution to the organisation, recognition, and increase in responsibilities if they require (TS1, TS4, TS6, TS7, TS9, TS10).
4.2.4.4.1 The understanding of leaders of Maslow’s hierarchy of needs in organisational context

This question was aimed to gain an understanding whether leaders in BOL understood Maslow’s hierarchy of needs in organisational context in order to effectively satisfy the needs of employees. Based on the interviews, there was not any leader who gained an insight into the theory of Maslow’s hierarchy of needs in the organisational context. Therefore, regarding this question there was only one main theme: not familiar with the theory.

Theme one: Not familiar with the theory

It is because Maslow’s hierarchy of needs has not been paid much attention in Laos, this leads to the lack of clear understanding of leaders in BOL.

*I have never heard about the theory of Maslow’s hierarchy of need, it is a new theory for me (TS1, TS5, TS7, TS9, TS10).*

*I am not familiar with this theory, but I guess it would talk about the needs of employees in an organisation that make them to develop their career (TS2, TS3, TS4).*

*I have no idea about this theory (TS6, TS8).*

4.2.5 Question five of the interview

What are the perspectives of leaders on the roles of servant leadership in terms of the real practice in BOL?

Apart from discovering how leaders in BOL practice transformational leadership, this question was purposefully aimed to investigate the real practice of servant leadership in BOL. The findings for this question were also considered as core content for this research and were linked to the fourth research sub-question.

In order to gain an insight into the role of servant leaders in BOL, the researcher decided to investigate servant leader’s behaviours that were suggested by Northouse (2015). This author explains that there are seven main behaviours of servant leaders: conceptualising, emotional healing, putting followers fist, helping followers grow and succeed, behaving ethically,
empowering, and creating value for the community. Therefore, this research tried to investigate each of these roles in order to gain an insight into the practice of servant leadership in BOL.

4.2.5.1 Role in being conceptualising servant leader in BOL

Without being conceptualising, leaders cannot lead the organisation to be successful. This behaviour of servant leader is considered to be the prerequisite for being a leader in BOL (TS6). Based on the data gathered, it observed that there were two main themes for this behaviour: leaders understand the big picture of the organisation, and leaders are able to address the organisational problems.

Theme one: Leaders understand the big picture of the organisation

All participants claimed that leaders in BOL understood the big picture of the organisation. The most important criteria for becoming a leader in BOL is thorough understanding of the organisation such as purpose, complexity, mission, and vision of the organisation. Therefore, I can say that leaders in BOL have conceptualised skill (TS1, TS2, TS3, TS4, TS5, TS6, TS7, TS9, TS10).

Theme two: leaders are able to address the organisational problems

Apart from gaining an insight into the big picture of BOL, there were seven participants mentioned that leaders in BOL were good in addressing organisational problems which showed that they are conceptualising.

We usually see that Leaders think through multifaceted problems which help them to be able to address the problems creatively (TS2, TS3, TS5, TS6, TS7, TS9).

Another viewpoint which proves that leaders in BOL are good in problem solving is leaders can give suggestions to employees when they have problems about their work (TS4).

4.2.5.2 Role in practicing emotional healing in BOL

In term of the second role of servant leaders, all participants agreed that this role is important for BOL. The reasons for this were grouped into one theme which is “leaders help employees to solve personal issues”.
Theme one: Leaders help employees to solve personal issues

Leaders in BOL stress the importance of emotional healing of employees. It is because if an employee is suffering from personal issues, it not only negatively affects that employee’s working abilities but also teamwork and the whole organisation. Leaders usually observe employees if they have personal problems, so that leaders can help them to find a proper solution. To do this, leaders can ensure that the well-being of employees is met (TS1, TS2, TS10).

Leaders in BOL recognise followers’ problems, concerns and well-being. If employees have personal problems, leaders will talk to employees and try to provide supports and ways to solve the problems (TS1, TS2, TS3, TS4, TS5, TS6, TS8, TS9, TS10).

Leaders try to create a sense of empathy for employees when they suffer from personal issues (TS3, TS4, TS5, TS6, TS7).

Leaders seek to know the living conditions of employees and help them when they have problems (TS4, TS8).

4.2.5.3 Role in practicing putting followers first in BOL

Regarding the main responsibilities of this role in the case organisation, the responses to this question were categorised into only one main theme: leaders create favourable conditions for employees to develop.

Theme one: Leaders create favourable conditions for employees to develop

Leaders in BOL consider putting employees to be successful important. In the same way, leaders think that aiding followers to achieve their goals is a way to motivate them to work in the organisation. When employees have brilliant ideas for their work, leaders will support those ideas and assist employees to be successful in doing their work (TS2, TS3).

We as leaders in BOL place followers’ interest and success as important. All employees are provided opportunities to work on important tasks and are encouraged to advance their work, so that employees will be successful (TS1, TS4, TS5, TS9).
In BOL, we usually give employees deserved credit when they can finish important work for the organisation (TS1, TS2, TS3, TS4, TS5, TS6, TS7, TS8).

In relation to the idea of putting employees first in BOL, leaders encourage employees to produce quality work, so that it helps them to be successful (TS8, TS10).

4.2.5.4 Role in helping followers to grow and succeed in BOL

It is revealed that two major aspects were mainly reported as how leaders help employees to develop and succeed in BOL. Thus, generating two main themes for the research result: coaching and mentoring.

Theme one: Coaching

Two out of ten participants explained that leaders in BOL practice coaching as a way to help employees to deal with their work.

Leaders in BOL consider helping employees as their responsibilities. Leaders will organise workshops for employees when they do not gain an insight into their work (TS1).

As a leader in BOL, I usually closely work with followers and providing supports and suggestions when employees have no idea in relation to a specific task (TS8).

Theme two: Mentoring

Under this theme, it is observed that all participants said that leaders in BOL focus on mentoring in order to develop employees. This practice was ranked from recognising employees’ goals, providing guidance, and assessing employees’ work.

Leaders encourage employees to set their own professional and personal goals and try to recognise these employees’ targets and help to accomplish them (TS1, TS2, TS4, TS6, TS7, TS8, TS10).

I usually see leaders practice mentoring and providing supports to employees (TS1, TS2, TS3, TS4, TS5, TS6, TS8, TS9, TS10).
Leaders provide guidance to employees and try to help them to accomplish their missions (TD4).

Leaders carefully assess the work of employees to find out which area of work needs to be improved (TS9).

4.2.5.5 Role in behaving ethically in BOL

Behaving ethically was a crucial quality of all leaders. Especially in the unstable world business environment nowadays, there were a lot of factors that can affect leaders to behave unethically. In BOL, leaders placed emphasis on their behaviours in order to ensure that a sense of fair was created in the organisation. They tried to look for appropriate reasons when making decisions in relation to work and general behaviours. This was because ethical behaviour was very essential, especially in terms of promoting employees or providing opportunities for advancement. If unethical behaviours occurred in the organisation, it could negatively affect the organisational solidarity and working environment (TS1, TS2).

This question was aimed at gaining understanding about ethical behaviours in BOL. Therefore, based on the interviews, the responses to this question were categorised into two main themes: “showing respect” and “showing justice”.

Theme one: Showing respect

Interestingly, there were only two participants who mentioned that leaders in BOL behaved ethically in the area of showing respect. Under this theme, it could be seen that listening to employees was the skill that leaders used to show respect to employees.

In order to be fair with employees, I notice that leaders provide opportunities for employees to complain about their’ behaviours, so that they know where they should make changes to create fair and ethical atmosphere in the organisation (TS6).

Leaders will listen to employees’ ideas when making decisions (TS10).
Theme two: Showing justice

All participants talked about leaders’ ethical behaviours in relation to showing justice in the organisation. They said that all employees highly require leaders to be fair with everyone, so that equality was met in the organisation.

*I see that leaders try to be honest, open and fair with followers (TS1, TS2, TS4, TS5, TS6, TS8, TS9, TS10).*

*I agree that ethical behaviour is very important. Therefore, when promoting employees, leaders focus on organisational standards and the performance of employees in order to make sure that other employees will not feel disappointed (TS1, TS2).*

*Leaders try to create a sense of equality in the organisation (TS5).*

4.2.5.6 Role in empowering employees in BOL

It was important that employee empowerment was practiced in BOL. This was because the work in BOL was very challenging which required employees to enjoy freedom in making decision, have self-control, self-sufficiency, and confidence (TS2).

In relation to employee empowerment, it was observed that there was only one main theme: “self-determination” which referred to the entire aspect of responses to this question.

Theme one: Self-determination

All participants agreed that leaders in BOL allowed employees to have self-determination which showed as employees had freedom to do their work as well as sharing ideas for making the organisational plan.

*The way that leaders empower employee in BOL is shown that leaders provide followers freedom and independence, make decisions on their own, and be self-sufficient (TS1, TS2, TS3, TS4, TS5, TS6, TS8, TS9, TS10).*

*Leaders share power with followers and let them to make decision about some specific work, especially when leaders are not in the workplace (TS1, TS2, TS3, TS5, TS6, TS7, TS8).*
Empowering in BOL is showed as employees have power to share ideas when leaders want to make decision about work and organisational plan (TS8).

4.2.5.7 Role in creating value for the community

One component of servant leadership that is totally different from behaviours of other leadership styles is building a prosperous community. This question was aimed to discover how leaders in BOL practice the role in creating value for the community.

All participants explained that Organisation and personnel department was responsible for activities in relation to supporting the community. When there was an event that was organised to benefit the community, the Organisational and Personnel department would inform all leaders in BOL to encourage employees to take part in that event.

According to the interviews, leaders in BOL made a contribution in creating value for the community in two main ways: “helping community” and “providing information to the public”.

Theme one: Helping community

Under this theme, all participants said that leaders asked for employees’ participation in helping the community, especially when serious situations occurred and help were needed.

We do a lot of things to help the community, for example leaders encourage followers to volunteer for community service such as blood donation and flood helping. Furthermore, we sometimes collect educational tools and book to provide them to poor schools. We collect second-hand clothes to give to poor people in rural area (TS1, TS2, TS3, TS4, TS5, TS6, TS7, TS8, TS9, TS10).

Theme two: Providing information for the public

There were three participants who mentioned this type of creating value for the community in their interviews. They said that the role of providing useful information to the public is a way that BOL helped people in the community.
We provide useful information such as annual economic report to the public. This report is useful for researchers or businessman since they can use economic statistic and information for their business analysis (TS7, TS8).

We try to help community by issuing rules and policies in relation to banking service to public. This will help the public to understand their rights and do not be taken advantages when using banking service (ST9).

4.2.6 Question six of the interview

What are the factors that reinforce the practice of transformational- and servant leadership in BOL?

In order to thoroughly understand how transformational- and servant leadership work in BOL, it is crucial that the factors reinforcing these types of leadership are discussed. Therefore, the participants were asked to explain what the factors are that support leaders to practice transformational- and servant leadership from their point of view. This question was linked to the fifth sub-question of the research.

In order to make it more effective to explain, the findings for this question they have been grouped into two main themes: “leaders’ personal qualities” and “organisational factors”.

Theme one: Leaders’ personal qualities

Five out of ten participants explained that some key qualities of leaders played an important role in the practice of transformational- and servant leadership in BOL. They said that transformational- and servant leadership would be practiced effectively or not depending on the personal qualities of leaders.

When leaders want employees to be confident and succeed, they will try to practice these types of leadership (TS2).

I understand that sense of leadership or responsibilities is one factor that support the practice of these types of leadership. For example, an individual who is a leader will try to
learn to be a good leader and finally he/she will recognise and understand how to lead employees in an organisation (TS4, TS5).

Past experience and human nature can somehow support leaders to practice transformational- and servant leadership (TS5).

Leaders’ personalities can be a factor that strengthens the practice of these approaches of leadership in BOL (TS6, TS10).

One factor that can reinforce the practice of transformational- and servant leadership is leaders’ knowledge and experience about leadership, especially these two styles of leadership (TS9).

**Theme two: Organisational factors**

The responses to the question showed that eight participants appeared to understand that organisational factors also reinforce transformational- and servant leadership to be practiced in BOL.

Another factor that assist leaders to practice these styles of leadership is the course of conduct in BOL (TS1, TS3).

The factors that can support these style of leadership can be governmental influences, supervision form directors and policies of BOL (TS1, TS5).

The vision of the organisation is one factor that support this practice. For example, leaders and employees want the organisation to be successful (TS2, TS3).

Organisational culture will reinforce these leadership styles to be practiced in BOL (TS6, TS8).

Leaders practice these types of leadership because of employees’ requirement. From my perspective, I would say that all employees here want leaders to practice these types of leadership (TS7).
Capacities and behaviours of employees can be a factor that supports these types of leadership to be practiced. If employees cannot work very well, it requires leaders to practice transformational- and servant leadership (TS8).

Leaders will practice transformational- and servant leadership when they receive suggestion from other people (TS9).

4.2.7 Question seven of the interview

What are the factors that prevent the practice of transformational- and servant leadership in BOL?

After gaining understanding about the factors that reinforce the practice of transformational- and servant leadership, then it was important to appreciate barriers to these styles of leadership. This section also addresses the sixth research sub-question.

The information regarding the factors that prevent leaders to practice transformational- and servant leadership were classified into two main themes: “leaders’ personal factors” and “organisational factors”.

Theme one: Leaders’ personal factors

Under these themes, there were seven participants who mentioned that the practice of transformational- and servant leadership in BOL could be prevented by leaders’ personal factors.

These leadership styles will not be practiced if leaders lack passion and are not enthusiastic in leading employees in the organisation. In addition, the factors like leaders’ past experience, human nature, personalities, egos, and abilities to work can also prevent these leadership styles to be practiced (TS1, TS2, TS4, TS6).

As I understand, the factor like desire to show off and specific relationship with other people can stop the idea of transformational- and servant leadership in BOL (TS5).

Transformational- and servant leadership will not be practiced if leaders don’t understanding their responsibilities and work (TS7).
Leaders’ personal issues can prevent any style of leadership not to be practiced (TS9).

Theme two: Organisational factors

Organisational factors also were seen as factors that can prevent the practice of transformational- and servant leadership in BOL. There were four participants who mentioned these factors during their interviews.

I would say that government regulators and policies of the government can somehow stop the practice of transformational- and servant leadership in BOL. Because BOL is a governmental agency, the policies from government can affect the practice of leadership (TS3, TS8, TS9).

It is clear that organisational culture, rules and policies of BOL will prevent these types of leadership (TS6, TS8, TS9).

4.2.8 Question eight of the interview

Could transformational- and servant leadership make a contribution in building an effective working environment in BOL?

The issue of transformational- and servant leadership building an effective working environment was linked to the seventh research sub-question. This question surveyed ideas of leaders in BOL whether transformational- and servant leadership makes a contribution to creating an effective working environment. This research question enabled the researchers to understand whether these styles of leadership are suitable for the BOL organisational context.

Based on the data collected, the responses to this research question were categorised into one main theme: Suitable leadership styles for BOL.
Theme one: Transformational- and servant leadership help to enhance an effective working environment

The interviews indicated that all participants expressed their views that transformational- and servant leadership are suitable for the organisational culture of BOL in order to enhance the working environment.

*Transformational- and servant leadership are suitable leadership style in BOL. If these leadership styles are put into practice, it can enhance the working environment in BOL (TS1, TS6, TS10).*

*Transformational- and servant leadership can increase the capacities and confidence of employees to do their work (TS2, TS3, TS5, TS7, TS9).*

*These types of leadership can enhance the working environment in BOL. Furthermore, they also help to strengthen the relationship between leaders and followers (create a sense of trust and confidence) (TS4).*

*The practice of transformational- and servant leadership will increase the well-being of organisation. Leaders will be good models for employees, be conceptualising, and ethical. Furthermore, leaders will try to improve their knowledge and be able to assist employees to work (TS8).*

4.2.9 Question nine of the interview

Do leaders in BOL support transformational leadership in order to enhance an effective working environment?

Apart from the understanding of participants on whether transformational leadership can help in building an effective working environment, the researcher interviewed further if the participants support transformational leadership in BOL in order to answer the eighth research sub-question.

Because all participants like and support transformational leadership, the information collected for this question were grouped into one theme: support of transformational leadership.
Theme one: Support of transformational leadership

It was because the behaviours of transformational leadership could respond to the employees’ requirements in BOL namely, enhancing employees’ working motivation and intellectual stimulation, all participants supported transformational leadership.

\[\text{I do like the idea of transformational leadership, especially the behaviour that increase employees’ working motivation (TS1).}\]

Absolutely, transformational leadership is important for BOL. When practicing this leadership style, leaders themselves also can learn and get new ideas from employees (TS2).

\[\text{In an organisation where work is very challenging, it is particularly significant that employees are very competent and have abilities to work. In order to have these component, leaders play a crucial role in influencing employees. The transformational leaders have most of qualities such as excellent models for employees, can motivate employees, can help employees to be more intelligent, and satisfy employees’ needs, which can develop employees to be more effective for BOL (TS7, TS9, TS10).}\]

\[\text{I would say that not only me but all leaders in BOL support the idea of transformational leadership. The behaviours of transformational leadership emphasise most of matters that leaders in BOL are focusing on (TS3, TS4, TS5, TS6, TS8).}\]

4.2.10 Question ten of the interview

Do leaders in BOL support servant leadership in order to enhance an effective working environment?

After gaining some understanding about support of transformational leadership, the last research question for this study was designed to investigate the extent to which the participants support the idea of servant leadership. The answer for this question was also linked to the eighth sub-question of the research.

It seemed like all participants favour the idea of servant leadership to be practiced in BOL. However, there was one participant who said that he supported this style of leadership, but he
preferred transformational leadership to servant leadership. Therefore, the findings for this question have been grouped into two main theme: “support of servant leadership” and “support servant leadership but less than transformational leadership”.

**Theme one: Support of servant leadership**

It was observed that all participants favour servant leadership because it helped to increase effectiveness of the working environment in BOL. Servant leadership particularly focused on people relationship and was suitable for BOL’s organisational culture (TS6, TS9).

> I do support servant leadership to be practiced in BOL. The behaviours of servant leadership are seen to be very suitable the organisational culture in BOL. Therefore, this style of leadership can bring about effective working environment and ultimately leads the organisation to be successful (TS1, TS2, TS4).

> Both transformational- and servant leadership is needed in BOL. Transformational leadership which focuses on task, whereas servant leadership focuses on relationship or people. When these leadership styles are practiced, the organisation will be more effective and successful (TS3, TS5, TS6, TS7, TS10).

> I support servant leadership in BOL. The work of employees are also important for the organisation, so it is necessary that the issues of employees are taken into consideration of servant leaders (TS9).

**Theme two: Support of servant leadership but less than transformational leadership**

There was one out of ten participants explained that he liked the idea of servant leadership to be practiced in BOL. However, he further said that transformational leadership was more suitable for the working environment of BOL. The nature of work in BOL was very challenging which required employees who were innovative, creative, enthusiastic and determined to achieve success. When comparing servant leadership with transformational leadership, it was clear that transformational leaders were better than servant leaders in terms of providing those qualities to employees.
Servant leadership is considered important in BOL. However, if I have to choose between transformational- and servant leadership which one is the most preferable, I would say transformational leadership. This is because transformational leadership focuses more on quality of work which is the most required in BOL. The behaviours of transformational leadership emphasise the vital factors that make a lot of contribution in producing quality work (TS8).

4.3 Conclusion
In conclusion, it is seen that leaders in BOL are not familiar with the idea of transformational- and servant leadership. These types of leadership are seen as very new and specific for them. However, when the conducting in-depth interviews, it was observed that transformational- and servant leadership are put into practice to some extent. Moreover, it can be seen that the majority of participants agree that transformational- and servant leadership are suitable to be practiced in BOL, since they can assist in enhancing an effective working environment.

4.4 Chapter summary
In chapter four, the outcomes of semi-structure interview was demonstrated. The researcher decided to explain the findings according to the number of interview question which start from general to specific question. The content of interview questions are as follow:

- The perspectives of research participants on leadership in BOL
- Types of leadership that are currently practiced in BOL
- The understandings of transformational- and servant leadership of research participants
- The real practice of transformational leadership in BOL
- The real practice of servant leadership in BOL
- The factors that support the practice of transformational- and servant leadership
- The factors that prevent the practice of transformational- and servant leadership
- The perspectives of research participants whether transformational- and servant leadership can build an effective working environment in BOL
- The extent that research participants support transformational leadership
- The extent that research participants support servant leadership
The findings of the interviews reveal that there are a wide range of types of leadership that are currently practiced in BOL such as situational approach, skills approach, traits approach, transformational leadership, and servant leadership. These types of leadership are perceived in different ways namely providing direction, aligning followers, building relationships, developing personal leadership qualities, and creating outcomes.

Regarding transformational- and servant leadership, these types of leadership are practiced to some extent which help to increase the effectiveness of the working environment in BOL. However, there are still some practices of these two types of leadership that leaders in BOL not gained an insight into and do not practice. The content of these practices will be discussed in the next chapter. Furthermore, the findings of the interviews also present the factors that reinforce, and prevent, the practice of transformational- and servant leadership.
CHAPTER 5 DISCUSSION OF THE FINDINGS

5.1 Introduction
The previous chapter provided the detail of data findings gained from undertaking semi-interviews of ten participants in BOL. Subsequently, in chapter five, the researcher takes the significant findings or themes to discuss with the support from literature in chapter two. In other words, the discussion of the findings will also help to address the research objectives, sub-questions and hypotheses that were mentioned in chapter one. The process of discussion in this chapter is respectively based on ten research questions.

5.2 Discussion of interviews

5.2.1 Question one of the interview
What is the understanding of leaders about leadership in BOL?

The first question of the research aims to gain the leaders’ understanding about leadership in BOL. It addresses the first sub-question of the research. This question also helps the researcher to have a vivid imagination about the general idea of leadership in BOL, before having an in-depth discussion on the practice of transformational- and servant leadership.

The findings of this question shows that leadership in BOL is understood in five areas that are important to organisational performance. These five crucial areas include providing direction, aligning employees, building relationship, developing personal leadership qualities, and creating outcomes.
It is observed that nine participants link their understandings about leadership as leaders gain an insight into the organisation. Those participants reported that leadership occurred when leaders deeply understand about organisational vision, mission and goals. In addition, leaders assist followers by providing directions and using approaches to assess and evaluate followers in order to accomplish the goals of the organisation was also considered as effective leadership in BOL. As stated by Waddell, Creed, Cummings, and Worley (2014) and Bérard (2013), a key responsibility of leaders is to create an effective vision which can refer to the desired future of the organisation. Bertocci (2009) also adds that leaders will always be able to create strategies to make their organisations be aligned with the environment. They need to embrace changes that can pose many negative effects to the organisation.
Leadership in BOL is also appreciated as leaders aligning followers. This process referred to how goals, mission and vision of the organisation were delivered to employees by leaders. In addition, it is important that leaders can together work with employees and create a shared culture and core value in BOL. The findings are consistent with studies by Bérard (2013), who mentions leadership in aligning the followers area. He claims that leaders are responsible for demonstrating organisational goals in the big picture to employees. It is because leaders have an ability to articulate the big picture of an organisation to employees and can influence them to make contributions to accelerate organisational goal attainment. Aligning followers covers goal communication between leaders and followers which helps to enhance organisational motivation, according to Hackman and Johnson (2013). He adds that leaders can clearly communicate organisational goals to employees by explaining what expectations the organisation has of employees and what positive outcomes the employees and the organisation will achieve. As Lorinkova, Pearsall, and Sims Jr (2013) states, building team work and coalition are also considered to be a part of the process of aligning people in an organisation. The interplay between leaders and teamwork can happen when leaders allow subordinates to participate more in their tasks. It is shown through the way that subordinates have specific behaviours such as sharing perspectives about certain issues which can lead to a very strong level of team work in an organisation.

Some participants included building relationship as their understanding of leadership in BOL. This process was shown as leaders encourage employees to get involved in organisational plans and strategies. Moreover, relationship in the organisation is built based on personal influence and trust in the organisation between leaders and followers. Therefore, it is vital that leaders can create a sense of trust, harmony and solidarity between leaders and followers. The aforementioned findings are supported by various authors. Keskes (2014) explains how leaders use personal influence to motivate followers to have more work commitment. He states that leaders appreciate how to motivate subordinates to have commitments about their tasks and feel more interconnected with organisational goals. This behaviour leads to a strong relationship between leaders and followers. Northouse (2013) and Lewis (2011) also maintain that Leaders will always try to involve subordinates in sharing of organisational vision and focusing on their
tasks more than just their self-interest. This helps followers to have more prominent power or intrinsic motivation and can identify their strengths that may lead to successfully completing their tasks.

It is interesting that leadership in BOL is also understood through leaders’ personal qualities. Some participants said that this factor was seen as a priority for employees who want to be leaders in BOL. Specifically, leadership in BOL was clearly seen as leaders possess important leadership qualities such as competence, have a responsibility, have a sense of empathy, good in decision making, and can be a model for employees. As Nel et al. (2014) suggest, leaders usually have a mental agility which enables them to make effective decisions quicker than other people. This is similar to Du Plessis (2015), who claims that effective leaders should be well educated. This factor is a key power for leaders to be successful in leading others. In addition, Northouse (2015) concludes that effective leaders need to have higher competence and engage with high morals. This can enable them to effectively lead other people as they can utilise their knowledge and profound insight to deal with organisational issues.

Lastly, leadership in BOL is also linked to how leaders create outcomes for the organisation. Effective leadership was seen as leaders who could create a sense of fairness and justice in the organisation. Openness and honesty were stressed as very important. As one participant said: *leadership is understood as leaders behave ethically to create a sense of fairness and justice. Furthermore, leaders are able to encourage employees to ethically behave and have positive perspectives on the organisation (TS3)*. Regarding this area of leadership, Parumasur (2012) claims that leaders are necessary in implementing a culture of integrity in a workplace. Leaders and followers need to be integrated with each other if an organisation is to prosper. In addition, McCann and Holt (2013) state that leaders not only play a very important role in establishing benchmarks for organisational goals but also in encouraging employees to behave in an ethical way in the workplace. Explaining the valuable purpose of the organisation toward employees can help employees to create effective outcomes.
5.2.2 Question two of the interview
What approach of leadership is currently practiced in BOL?

Before the full discussion on transformational- and servant leadership, the researcher decided to gain an understanding of types of leadership that are practiced in BOL. The findings of this question assists the researcher to distinguish behaviours of other types of leadership from transformational- and servant leadership. It also answers the first sub-question of the research. The finding from this question shows that there are five leadership styles that are practiced in BOL: situational approach, style approach, trait approach, transformational leadership and servant leadership.

Situational approach is practiced in BOL. This is because the nature of work in BOL is very challenging. In some situations, leaders can balance their directive behaviours (task accomplished) and supportive behaviours (relationship focused), while in some circumstances it is necessary that leaders have to focus on directive behaviours in order to accomplish the goals. As one participant explained that because the work in BOL is engaged with the real situation of work economy which usually changes day by day, leadership in BOL depends on situation. Sometimes, when the work is very urgent, leaders have to just focus on directive behaviours in order to show employees how to achieve the goal. In some situations, supportive behaviours are more needed in the organisation (TS1). The findings are consistent with a study of Lussier (2011), who defines that situational leadership is the approach that attempts to determine the most appropriate leadership style (task accomplished or relationship focused) for particular circumstances. Specifically, DuBrin (2013) explains that the task-oriented style includes using one-way communication, telling subordinates what, where and when to do the tasks, and spelling out duties. In contrast, relationship-oriented style includes employing two-way communication, encouraging, listening, giving emotional support, and involving subordinates in the decision making process.

The study reveals that the style approach of leadership is put into practice by some leaders in BOL. Three participants (ST2, ST3, ST4) stated that team management and employee involvement in the goal attainment process were highly stressed in BOL. They added that the nature of work
and course of conduct in the organisation caused the existence of the team management style. Furthermore, leadership in BOL places strong emphasis on both tasks and interpersonal relationship. A high degree of participation and teamwork are promoted as well as satisfying the needs of employees in order to make them get involved and committed to their work. As noted by Northouse (2015), “style approach determined that leadership is composed of two general kinds of behaviours: task behaviours and relationship behaviours. Task behaviours facilitate goal accomplishment: They help group members to achieve their objectives. Relationship behaviours help subordinates feel comfortable with themselves, with each other, and with the situation in which they find themselves. The central purpose of the style approach is to explain how leaders combine these two kinds of behaviours to influence subordinates in their efforts to reach a goal” (p. 75).

Another leadership style practicing in BOL that can be observed from the interview is the trait approach. Leaders are required to be able to influence employees to change and develop, so it is important that their traits are admirable. As two participants (TS5 and TS8) stated that leadership in BOL emphasises the traits and characteristics of leaders. Individuals who are leaders will be selected based on their traits and characteristics such as intelligence, problem solving, decision making, sociability, and determination. It is to ensure that selected leaders will be able to lead the organisation and accomplish the goals (TS5, TS8). The findings are well supported by Daft (2015) and Du Plessis (2015), who claims that leaders’ traits or characteristics are seen as very important in differentiating leaders and non-leaders. The traits such as intelligence, determination, well educated, open-minded, and open to change play a very important role in helping leaders to effectively lead followers.

From the finding of semi-structure interviews, three participant (ST8, ST9, and ST10) mentioned that transformational leadership was also put into practice in BOL. They further explained that employee motivation and inspiration were highly needed in order to make employees to be determined to do their work and have a high level of work commitment. According to Tyssen et al. (2014), transformational leadership is the process of transforming of followers’ values and beliefs in order to achieve the objectives of an organisation. In order to increase followers’ working commitment and motivation, those types of leaders highlight the significance of the
leader-follower exchange and task-oriented approach. In addition, Northouse (2015) states that transformational leadership focuses on intrinsic motivation and follower development which is highly needed in the work group today.

Lastly, based on the interview, servant leadership is highlighted in BOL. As a governmental agency, employees’ well-being and personal issues are marked as an important issue for leaders. This is because if the matters of employees are not properly addressed, they might lead to negative effects on the organisation. Therefore, all leaders are encouraged to satisfy the needs of employees, if the organisation is to prosper. As Dierendonck and Patterson (2015) state, servant leadership focuses on how the leaders satisfy the needs and concerns of followers, nurture them and empathize with them. In this process, leaders will put followers first by empowering them and assisting them to develop their full potential. The findings are also well supported by Jones (2012), who concludes that the focus on followers of servant leadership leads to an increase of trust and growth in the organisation, specifically in the area of employee value to the organisation.

5.2.3 Question three of the interview
What are the understandings of leaders on transformational- and servant leadership?

➢ Hypothesis one:

\( H_01 \) The terms “transformational- and servant leadership” are not common for leaders in BOL

This question addresses the second research sub-question and \( H_01 \). The findings for this question shows that several leaders in BOL are not familiar with the term “transformational- and servant leadership”.

There are nine out of ten leaders in BOL who said that they were not familiar with the term “transformational- and servant leadership”. This term was not common in Laos. They added that they just knew about leadership in general, but not the specific type of leadership. However, there is one participant who said that she studied transformational- and servant leadership when she took a master course in Laos.
That research participant responded to the research question 3.1 “what is your understanding about transformational- and servant leadership?” She answered that transformational leadership means leaders can transform an organisation to do better by focusing on creating working motivation for employees and trying to enhance employees’ innovation and creativity. Similarly, servant leadership also aims to improve the working conditions in an organisation. The key idea of this leadership is leaders try to serve and help others to be successful and accomplish the goals.

The thematic findings of the empirical data are supported by many famous researchers about transformational- and servant leadership:

A transformational leader cares about employees through a commitment to meeting employees’ interests and needs. This group of leaders are competent and able to create changes in vision, mission, strategy and culture. They focus on showing integrity, promoting innovation and building relationships with employees (Du Plessis, 2015). Furthermore, Burns (1978) originally theorised that transformational leaders are people who are able to enhance the level of consciousness in relation to the significance and value of preferred goals and the approaches to accomplishing those goals, as cited in McCleskey (2014).

In addition, Samson and Daft (2009) as cited in Nel et al. (2012), P. 373, note that “transformational leaders are similar to charismatic leaders but are distinguished by their special ability to bring about innovation and change. They lead changes in vision, mission, strategy structure, and culture, and they support innovation and technology development. They focus on intangible issues such as vision, shared values, ideas to build relationships and diversify activities, and to find common ground to engage followers in the change process”.

Regarding servant leadership, this type of leadership focuses on how the leaders satisfy the needs and concerns of followers, nurture them and empathise with them. According to Northouse (2015) and Dierendonck and Patterson (2015), servant leaders will put followers first by empowering them and assisting them to develop their full potential. Furthermore, “servant leadership could be described as leading by serving others. Servant leaders assume a particular
mind-set of having a purpose or calling to be of service to others, and in the process experience meaning and satisfaction to themselves” (Nel et al., 2012, P. 375).

The findings reject $H_{a1}$ and support $H_{01}$ that the term “transformational- and servant leadership” are not common for leaders in BOL as only one participant is familiar with the concept of transformational- and servant leadership.

5.2.4 Question four of the interview
What are the perspectives of leaders on the roles of transformational leadership in terms of the real practice in BOL?

➢ Hypothesis two:

$H_{02}$ Transformational leadership is not practiced in BOL

This question is designed to accomplish one of the main aims of this research which is how transformational leadership is practiced in BOL. The findings for this question also address the third sub-question and $H_{02}$.

To answer the above research question, the research study focuses on four important roles of transformational leadership (4Is) that are mentioned in the work of Northouse (2015) and Roe (2014); namely the role of being ideally influential for employees, creating inspirational motivation, promoting intellectual stimulation, and supporting individualised consideration.

5.2.4.1 Role in being ideally influential for employees to transform

The role in being ideally influential for employees is considered very important for leaders to become transformational leaders. Based on the findings, it is observed that this role is classified under two main dimensions: demonstrating effective working abilities and personal leadership qualities, and providing direction for employees.

Regarding the effective working abilities and personal leadership qualities, the research participants said that leaders’ ethical behaviours, competence and self-confidence, displaying an insight into organisational purpose, and creating effective working atmosphere strongly influenced employees to develop and grow, since employees perceived those leaders’ behaviours
as a model of best practice and tried to emulate them. They added that it is ideally influential for employees to transform when leaders are good in decision making, problem solving and time management; leaders try to create facilities for employees to effectively work and learn; and leaders give opportunities for employees to do meaningful work and share ideas.

As described by Northouse (2015), idealised influence occurs when leaders are seen as models whom employees want to emulate and place a great deal of trust in. High standards of moral and ethical conduct are the key trait of this approach of a leader which leads to making the right decision and doing the right things. It also links to the literature of Roe (2014) who says that leaders with an idealised influence ability will act and behave as role models for their followers. They are admired and respected as individuals with high moral code and can be relied upon to ‘do the right thing’.

However, based on the literature, it appears that effective working abilities are not the key factor that determine whether that leader can ideally influence employees. As Barling (2014) and Zehndorfer (2014) state, leaders who behave in a manner consistent with the idea of idealised influence act in ways that are good for organisations and employees, together with avoiding behaving only for self-interest. Higher preferences for ethical moral reasoning is practiced. Leaders focus on a moral commitment to the collective good instead of emphasising what is good for themselves. In addition, these leaders show a high level of integrity and humility in the organisation.

This can be explained as the literature supporting might not fit with the context of Lao governmental agencies, since leaders in this section are seen to be an idealised influence when they can show effective working capabilities to employees.

Leaders providing direction for employees also play an important role in ideally influencing employees to transform. The majority (nine participants) affirmed that explaining the vision, mission and goals of the organisation to employees; and supervising employees to work caused leaders to be perceived as role model in the organisation. This significant finding is supported with the literature by many researchers. As Belcher (2015) states, idealised influence is how a leader earns confidence and the trust of employees through the way the leader explains and
performs to deliver values and visions of the organisation. Furthermore, Grant (2012) notes that idealised influence happens when the leader has a discussion on followers’ values and beliefs, make followers feel a sense of purpose, and encourage followers to focus on collective interests.

It appears that leaders in BOL practice the role of being idealised influence to some extent. In order to be fully idealised influence, it is important that leaders in BOL stress the importance of moral or ethics in ways they interact with employees. This idea is explained in the work of Northouse (2015) and Sosik and Jung (2010). The authors say that employees are influenced when high standards of moral and ethical conduct are focused in leaders’ behaviours which makes leaders engaged in making the right decision and doing the right thing.

5.2.4.2 Role in creating inspirational motivation for employees to transform

Inspirational motivation is considered to be a much needed factor in all organisations in the 21st century. Under this role, it appears that leaders in BOL focus on four key aspects: creating a shared purpose and effective working conditions, providing meaningful work and giving freedom for employees to work, meaningful communication, and providing intrinsic rewards.

Figure 6: The process of employee inspirational motivation in BOL

Source: Developed by the author as based on this study (2016) based on Sosik and Jung (2010), Nel et al. (2012), Bacha and Walker (2013), and Bérard (2013)
In relation to creating a shared purpose and healthy working condition, the participants explained that employees in BOL usually wanted to take part in making a contribution in attaining organisational goals. Therefore, in order to enhance their motivation, leaders created a shared purpose for them, and attempted to build healthy working conditions, so that it increased their working capacity. The findings are highlighted by Bacha and Walker (2013) who state that inspirational motivation happens when a leader is able to deliver a vision, shared purpose, and goals that are appealing and inspiring to employees. Furthermore, de Waal (2012) mentions that creating specific working conditions for followers is an effective way to enhance employees’ motivation to work.

Leaders in BOL also providing meaningful tasks and give space for employees to work as a way to motivate employees. Many leaders said that: the obvious way that Leaders can make employees become motivated is leaders ask employees to do challenging and meaningful work. Furthermore, Leaders give employees opportunities to work and support them when things go wrong. This can increase employees’ confidence and motivation (TS1, ST4, TS6 and ST10). These behaviours are consistent with the research of Bacha and Walker (2013). The authors say that explaining the meaning of the task at hand can help in building employees’ inspirational motivation and assist them to work beyond what they can do for their own self-interest. Moreover, the level of employees’ motivation is high if employees are empowered as they can work independently and be able to make an important decision for the organisation (DuBrin, 2013).

Effective communication is another key factor that can enhance employees’ inspirational motivation. Based on the findings, it reveals that all participants agreed that communication is the most important tool that leaders use to motivate employees in BOL. They said that leaders will talk to employees if they see that employees lack motivation to work. Leaders focus on arousing motives and communicating high expectations, and inspiring employees to love their work. The approaches leaders employed to motivate employees reflect the concept found in the literature. Sosik and Jung (2010) note that leaders talking optimistically about the future, and what needs to be accomplished together with employees can energise employees and makes them more motivated. Similar to Joo and Nimon (2014), inspirational motivation occurs when
leaders communicate high expectation to employees, then employees become more committed in the shared vision of the organisation.

Intrinsic reward is employed as a tool to inspire employees in BOL. It can be seen that most of participants mentioned that leaders in BOL focus on giving intrinsic rewards to employees to motivate them to work. As they said: *I think that leaders pay compliments to employees when they can finish an important task is one behaviour that leaders do to increase employee motivation (TS1, TS2, TS3, TS4, TS5, TS6, TS8, TS10)*. Nel et al. (2014), and Redman and Wilkinson (2013) include intrinsic rewards in the process of employee motivation. Intrinsic rewards are described as internal satisfactions a person receives in the process of performing a particular action. Regarding the concept of transformational leadership, intrinsic reward is considered very crucial to transform employees. Especially in the 21st century, when people turn to work in a challenging field of work, and appreciate gaining an internal reward rather than an external or extrinsic incentive.

5.2.4.3 Role in promoting intellectual stimulation for employees to transform

To develop breakthrough strategies and create an innovative environment, transformational leadership stresses the significance of promoting intellectual stimulation for employees. Regarding this role, the findings are classified into two main ways: leaders play an important role in increasing employees’ intellect, and leaders build an effective environment for employees’ self-learning.

The findings depict that some leaders in BOL attempt to get themselves involved in the process of enhancing employees’ intellectual ability. Leaders themselves play a very important role in organising trainings and workshop or shaping innovative strategy for employees, so that employees can see ways to increase their intellectual ability and be able to deal with organisational issues wisely. As the participants said: *I initially try to show employee how to deal with problems, then provide them the freedom to develop the ways to solve the problem (TS1), and I will try to think of problems in relation to work ahead and encourage employees to find the solutions. Therefore, when employees are faced with similar situation, they can cope with the problem better (TS10).*
These perspectives are supported by Roe (2014). Intellectual stimulation is interpreted as the process leaders teach followers to be clever. Leaders focus on asking employees to challenge the status of quo in order to create creativity and innovation among followers. In this process, making mistakes will be understood as a process of learning and broadening experience, and there will be no public admonishment. Leaders stimulate followers to be creative and innovative and to challenge their own beliefs and values as well as those of the leader and the organisation (Northouse, 2015).

Interestingly, Sosik and Jung (2010) suggest some effective behaviours that leaders in BOL should practice in order to increase employee intellectual stimulation. These are:

- Re-examine critical assumptions to question whether they are appropriate
- Seek different perspectives when solving problems
- Get others to look at problems from many different angles
- Suggest new ways of looking at how to complete an assignment
- Encourage non-traditional thinking to deal with traditional problems
- Encourage rethinking those ideas that have never been questioned before

These concepts focus on employees to have rational thinking, creativity, and the freedom of failure. Employees will think for themselves in ways that challenge conventional wisdom and also seek for continuous process and employee development.

Another leadership behaviour that leaders in BOL display in order to enhance employee intellectual stimulation is creating a healthy working environment for employees’ self-learning. According to the findings, a working environment that is full of ways to learn new things is created. All employees are encouraged to think out of the box, and use a new approach and develop innovative ways of dealing with organisational issues. These findings are consistent with the studies by Jha (2014) as cited in Irshad and Hashmi (2014), intellectual stimulation is described as the way that a leader puts a lot of effort to build a healthy environment in the workplace by encouraging employees to have a question and think about their work, and try to deal with problems in creative ways. The leader also tries to create opportunities for employees to learn and study in order to have innovative ideas. According to Lussier and Achua (2013), an
organisation that supports employees’ self-learning is described as “an idealised vision of an organisation where work patterns, structures, and routines are open to continuous adaptation and improvement, where everyone engages in continuous learning, where the culture is supportive of continuous learning, and where strategic decision making is informed by and responsive to relevant data analysis and feedback” (p. 446).

5.2.4.4 Role in supporting individualised consideration for employees to transform

Leaders in BOL claim that individualised consideration is most effectively practiced in BOL. Leaders consider the well-being and needs of employees very important. If one individual in the organisation suffers from his or her problems, it somehow negatively affects his or her abilities to work which will also decrease the capacity of teamwork in the organisation. The findings on this role reveal that leaders in BOL put individualised consideration into practice in four main aspects: satisfying physical needs, satisfying safety needs, satisfying social needs, and satisfying self-esteem needs.

In BOL, the importance of physical needs is stressed in order to ensure that these matters do not negatively affect employees’ working ability. As some of the participants state: in BOL all leaders always take into consideration to offer adequate salary to employees. Furthermore, we emphasise that it is very important to provide suitable and safe working conditions and working time to employees (TS1, TS2, TS3, TS4, TS5, TS6, TS8, TS9). There is a huge amount of literature to support this perspective such as Du Plessis (2015), Nel et al. (2014), Rahman and Nurullah (2014) and Sengupta (2011). According to Lussier and Achua (2013), if employees’ physical needs are satisfied, it means that leaders focus on providing adequate salary, working conditions and break time for employees in the organisation. Therefore, it can be said that employees’ physical needs are fulfilled in BOL.

Regarding safety needs, it appears that all participants mentioned that leaders practice satisfying employees’ safety needs in BOL. They said that: all employees in BOL are covered by health insurance (TS3, TS4, TS5, TS9, TS10); We do practice the role in taking care of employees’ safety needs by providing fringe benefit, job security and pension and so forth (TS1, TS2, TS3, TS4, TS6, TS7, TS8); It is important that the employees’ salary is in line with inflation (TS5, TS7, TS9). Based
on Daft (2015), safety needs are placed at the second level of the people hierarchy of needs. In organisations, employees are satisfied with these needs as their leaders emphasise safe working conditions, job security, salary increase to meet inflation, and fringe benefits that can cover the basic needs, health insurance, union, severance pay, pension, and an employee assistance plan.

The third level of people’s needs are social needs. There are five participants who explain that leaders in BOL practice satisfying social needs of employees. They say that professional friendship, and opportunities for human interact are very crucial for working in BOL. The work in BOL is very challenging which requires employees to exchange their ideas, share responsibilities, and work as a team. Thus, without effective employee interaction, the organisation cannot attain the final goals. Armstrong (2012) provides a perspective in relation to satisfying employees’ social needs in an organisation. To fully fulfil this type of need, leaders should include a sense of belonging, love and be loved which refer to professional friendship, opportunity to interact with others, to have friends and to be accepted in their transforming process.

In relation to self-esteem needs, leaders in BOL pay attention to providing employees freedom to work, participation in organisational planning, recognition when accomplish important work, and an increase in responsibility. These perspectives are consistent with the studies of Cao et al. (2013), and Rahman and Nurullah (2014). These authors note that the needs for esteem related to a motivation for recognition, participation in decision making, the satisfaction of completing the job itself, title, merit pay rises, and challenging tasks, which leaders provide to employees in an organisation.

5.2.4.4.1 The understanding of leaders in relation to Maslow’s hierarchy of needs in an organisation.

This section attempts to discover whether leaders in BOL understand the premise of Maslow’s hierarchy of needs, so that they can satisfy the needs of employees effectively in the organisation. The results illustrate that there is no participant appreciation of this theory. The participants said that they are not familiar with this hierarchy of needs and it is a new theory in the Lao organisational context.
Du Plessis (2015) and Nel et al. (2014) argue that the theory of Maslow categorises human needs into lower and higher orders. These levels of needs are activated in order; the lower needs must be initially fulfilled, so that the next level of needs can be activated. In the organisational context, Maslow’s hierarchy of needs are described:

1) Physiological needs: refer to adequate salary, working conditions and breaks in the working context.

2) Safety needs: include safe working conditions, job security, salary increase to meet inflation, fringe benefits that can cover the basic needs, health insurance, union, severance pay, pension, and an employee assistance plan.

3) Social needs: encompass a sense of belonging, love and being loved which refer to professional friendship, opportunity to interact with others, to have friends and to be accepted in the organisational context.

4) Self-esteem needs: include participation in decision making, chances for advancement, the satisfaction of completing the job itself, title, merit pay raises, and challenging tasks.

5) Self-actualisation needs: refer to the development of employees’ skills, the chance to be creative, chance for advancement, achievement and promotions, and the ability to have complete control over their job.

It is because leaders in BOL do not gain an insight into the theory of Maslow’s hierarchy of needs in terms of organisational context, they seem not to fully satisfy self-actualisation needs in the organisation. This can be observed as not many participants focused on these needs during the interview. According to Daft (2015), developing employees to be self-actualised is significant, if the organisation is to prosper. Employees who reach the level of self-actualisation are considered to be a very effective human resource, and can bring about a competitive advantage to the organisation. The author also adds that “self-actualisation is the highest need category, it represents the need for self-fulfilment: developing one’s full potential, increasing one’s competence, and becoming a better person. Self-actualisation needs can be met in the
organisation by providing people with opportunities to grow, be empowered and creative and acquire training for challenging assignments and advancement” (p. 230).

The findings support $H_{o2}$ and reject $H_{a2}$ that transformational leadership is not practiced in BOL as leaders in BOL practice transformational leadership to some extent.

**5.2.5 Question five of the interview**

What are the perspectives of leaders on the roles of servant leadership in terms of the real practice in BOL?

- **Hypothesis three:**

$H_{o3}$ Servant leadership is not practiced in BOL

The practice of servant leadership is considered to be another core content that needs to be discovered in this research. This section addresses the forth research sub-question and $H_{o3}$.

In order to gain an insight into the practice of servant leadership in BOL, the researcher decides to use the behaviours that are mentioned in the model of servant leadership in the work of Northouse (2015). It explains that there are seven key behaviours of servant leadership: conceptualising, emotional healing, putting followers first, helping followers grow and succeed, behaving ethically, empowering, and creating value for the community. Therefore, this question focuses on these roles of servant leadership in BOL.

**5.2.5.1 Role in being conceptualising servant leadership in BOL**

The results illustrate that all the participants regard this role as the prerequisite for being a leader in BOL. The findings reveal that there are two core ways of behaviours under this role: leaders understand the big picture of the organisation, and leaders are able to address the organisational problems.

Nine participants report that leaders in BOL play a role in being a conceptualising servant leader as they profoundly appreciate the big picture of the organisation. They state that: the most important criteria for becoming a leader in BOL is a thorough understanding of the organisation such as purpose, complexity, mission, and vision of the organisation. Therefore, I can say that
leaders in BOL have conceptualised skill (TS1, TS2, TS3, TS4, TS5, TS6, TS7, TS9, TS10). Leaders have the ability to articulate the vision, missions and goals of the organisation to employees. According to Daft (2015) by playing this role, leaders are considered as strategic leaders who think strategically to create changes and develop the organisation, thereby leading increasing of competitive advantage in the future. This role of servant leadership is also further explained by Northouse (2015). Conceptualising is described as leaders thoroughly understanding the organisational purpose, complexities, vision and missions. Thus, leaders appreciate if there is something wrong and can deal with problems in a creative way in accordance with organisational goals.

In relation to leaders know how to address the organisational problems, leaders think through multifaceted problems which helps them to be able to address the problems creatively. Leaders have problem solving skills and can give suggestions to employees when they have problems about their work. As stated by Rowe and Guerrero (2013), “problem-solving skills are a leader’s creative ability to solve new and unusual, ill-defined organizational problems. The skills include being able to define significant problems, gather problem information, formulate new understandings about the problem, and generate prototype plans for problem solutions” (p. 85).

5.2.5.2 Role in practicing emotional healing in BOL

The concept of servant leadership is to serve employees. With regard to this role, leaders in BOL focus on helping employees to solve personal issues. The participants explained that if an employee suffered from personal issues, it not only negatively affected that employee’s working abilities but also teamwork and the whole organisation. Therefore, leaders usually observed employees if they had personal problems, so that leaders could help them to find a proper solution and ensured that the well-being of employees was met. Empathy was highly stressed in this role.

These behaviours are discussed in the work of Nel et al. (2014). The author notes that servant leaders pay attention to the optimal well-being and optima functioning of employees. They usually feel a sense of sympathy and will show their own vulnerability to employees by sharing their own pain and humanity. Öner (2012) adds that servant leaders will always take into account
the importance of overall mental and spiritual well-being of employees or with whom they are associated with.

5.2.5.3 Role in practicing putting followers first in BOL

Leaders putting followers first means leaders place followers’ interests as very important and want to help employees to achieve them. In BOL, the interests of employees are to be successful in doing their work. Because of this, leaders strive to create favourable conditions for employees to develop and succeed in doing their work. As the participants said: *we as leaders in BOL place followers’ interest and success as important. All employees are provided opportunities to work on important tasks and are encouraged to advance their work, so that employees will be successful (TS1, TS4, TS5, TS9); in BOL, we usually give employees deserved credit when they finish important work for the organisation (TS1, TS2, TS3, TS4, TS5, TS6, TS7, TS8); in relation to the idea of putting employees first in BOL, leaders encourage employees to produce quality work, so that it helps them to be successful (TS8, TS10)*.

These perspectives link to the concept provided in the work of Rowe and Guerrero (2013) and Northouse (2015) which explain that servant leaders will act and use words or expression to demonstrate that followers’ needs and concerns must be satisfied and are seen as the priority. Leaders always put followers’ interests and successes ahead of the leaders themselves. This is the sine qua non of servant leadership.

5.2.5.4 Role in helping followers to grow and succeed in BOL

Leaders are responsible for assisting followers to reach their full potential and succeed in the organisation. In BOL, leaders focus on two main approaches to develop and be successful: coaching and mentoring.

Under the coaching process, there are two participants who say that leaders in BOL effectively coach employees when they face difficult issues and need supervision. The participants further explain that leaders consider upgrading employees’ skills as one of their main responsibilities. Hand-on workshops are arranged in order to help employees gradually gain an insight into work. Furthermore, leaders emphasise the significance of closely-working with employees as a way of coaching.
Coaching is a vital conduct for developing employees (Kariv, 2011). Coaching is usually interpreted as teaching employees to deal with a task in order to accomplish a specific performance objective (Nel et al., 2014). Furthermore, Hit (1988), and Peterson and Hicks (1996) as cited in DuBrin and Dalglish (2003) claim that the purpose of coaching is to enable others to act and to build on their strengths. When employees are coached, they will have the potential to become more productive, which can bring a lot of benefits to the organisation. The model of effective coaching, according to Prentice and Rabey (2009), is also mentioned in Chapter two, figure 3.

Mentoring is also practiced in BOL in order to help employees to succeed. Interestingly, all participants mentioned mentoring as a way leaders develop employees. This practice was ranked from recognising employees’ goals, providing guidance, and assessing employees’ work. The participants said that: leaders encourage employees to set their own professional and personal goals and try to recognise these employees’ targets and help to accomplish them (TS1, TS2, TS4, TS6, TS7, TS8, TS10); Leaders carefully assess the work of employees to find out which area of work needs to be improved (TS9).

The difference between coaching and mentoring is that mentoring pays attention to helping employees to learn and develop in the long-term, while coaching focuses on directive means of increasing employees’ competence, according to Du Plessis (2015), Nel et al. (2014) and Armstrong (2012). “Mentoring is the process of using specially selected and trained individuals to provide guidance, pragmatic advice and continuing support that will help the person or persons allocated to them to learn and develop” (Armstrong, 2012, p. 295).

5.2.5.5 Role in behaving ethically in BOL

In order to be able to influence employees and gain trust from them, leaders must be ethical (Barling, 2014; Gill, 2011). Leaders in BOL strive to be ethical to ensure that a sense of fair play was created in the organisation. They look for appropriate reasons when making decisions in relation to work and general behaviour. This was because ethical behaviour was very essential, especially in terms of promoting employees or providing opportunities for advancement. If unethical behaviours occurred, it can negatively affect the organisation as a whole. Based on the
findings, leaders in BOL focus on two aspects of ethical conduct: showing respect and showing justice.

In relation to showing respect, active listening plays a very important role in this conduct. There are two participants who explain that leaders in BOL tend to listen to employees’ ideas about work. Leaders take employees’ perspectives into account when making decisions. Furthermore, leaders listen to their feedback gained from employees about their behaviours, so that they know where they should make changes to create a fair and ethical atmosphere in the organisation. Northouse (2015) claims that showing respect is one of the important principles of ethical leaders’ actions. He describes this principle as leaders paying attention to considering others as unique human beings. This includes respecting others’ ideas, decisions, values and beliefs. This behaviour will ultimately help to increase subordinates’ confidence and they will believe that their contributions have value.

Another ethical behaviour that leaders in BOL practice is showing justice. This aspect of ethical behaviour is mentioned by all participants. They explain that leaders in BOL strive for a working environment that is full of fairness and justice, so that equality between employees is embraced. As some participants said: *I agree that ethical behaviour is very important. Therefore, when promoting employees, leaders focus on organisational standards and the performance of employees in order to make sure that other employees will not feel disappointed* (TS1, TS2). These perspectives are consistent with the studies of Northouse (2015) and Roe (2014) which note that ethical leaders focus on showing justice in the workplace. They emphasise the idea of being fair at the centre of making decisions. Furthermore, leaders will not offer special treatment or consideration to one specific person, unless leaders have a clear and reasonable reason.
The above diagram shows that effective ethical leadership in BOL should include one important principle of ethical leaders’ action “serving others”, according to Jonhson (2005), Ciulla (2003), Kanungo (2001), Bowie (1998), and Kanungo and Mendonca (1996), as cited in Northouse (2015). These researchers describe “serving others” as leaders’ actions are based on the interests of the majority in both the organisation and society, not leaders themselves. Because servant leadership is strongly connected with social responsibility, servant leaders are concerned with the have-nots in the society and should strive to remove inequalities and social injustices.

5.2.5.6 Role in empowering employees in BOL

In BOL, the work is very challenging and connected with the unstable world economy. Thus, employee empowerment is highly needed. Based on the findings, it appears that leaders in BOL practice employee empowerment in only one certain way: self-determination.

Self-determination means employees receive power to make significant decision about their work. All participants report that leaders in BOL allow employees to have self-determination
which is displayed as employees have freedom to do their work as well as sharing perspectives for making an organisational plan. As the participants stated: *the way that leaders empower employees in BOL is shown that leaders provide followers freedom and independence, to make decisions on their own, and be self-sufficient (TS1, TS2, TS3, TS4, TS5, TS6, TS8, TS9, TS10)*. These significant findings are supported with the literature by many researchers who emphasise employee empowerment. As Daft (2015) explains, when employees are self-determined as a way of empowerment, they can determine the organisational direction and work procedures. DuBrin and Dalglish (2003) add that this component is described as choices that a person has in initiating and regulating actions, or that he or she has power to select the best way of addressing a particular problem in the organisation.

In order to fully empower employees, leaders in BOL need to pay attention to the other three important components of empowerment: meaning, competence, and impact, suggested by DuBrin and Dalglish (2003). **Meaning** refers to the value of the work goal. The meaning of work can be created when the requirements of the work role match with an individual’s beliefs, values and behaviours. To empower, leaders have to ensure that employees are assigned to do meaningful work. **Competence** links to the idea of empowerment when an employee believes that he or she has adequate capability and knowledge to effectively deal with the work assigned. The performance requirement of the work is not beyond his or her competence. **Impact** is related to empowerment when an employee can influence administrative, strategic, or operating outcomes on his or her work. The high level of these components can imply that empowerment is effectively practiced in BOL.
5.2.5.7 Role in creating value for the community

The final role of servant leader is to improve the community. Leaders in BOL believe that this behaviour is effectively practiced across the organisation. In BOL, the Organisation and Personnel department is responsible for organising activities in relation to supporting the community. If there is an event that is organised to benefit the community, Organisational and personnel department will inform all leaders in BOL to encourage employees to take part in that event. Based on the findings, leaders in BOL try to create value for the community in two main ways: helping the community and providing information to the public.
Leaders attempt to ask employees to participate in helping the community. As all participants explained that: *We do a lot of things to help the community, for example we encourage followers to volunteer for community service such as blood donation and flood helping. Furthermore, we sometimes collect educational tools and books to provide them to poor schools. We collect second-hand clothes to give to poor people in rural area (TS1, TS2, TS3, TS4, TS5, TS6, TS7, TS8, TS9, TS10).* These perspectives are supported by Rowe and Guerrero (2013) who notes that “creating value for the community means to purposely give back to the community. This may include volunteering and encouraging their followers to also be engaged in community service” (p. 258).

Furthermore, there are three participants who report that the role of providing useful information to the public is a way that BOL helped people in the community. As they said: *we provide useful information such as annual economic report to the public. This report is useful for researchers or businessmen since they can use economic statistic and information for their business analysis (TS7, TS8); we try to help the community by issuing rules and policies in relation to the banking service to the public. This will help the public to understand their rights and do not be taken advantage when using the banking service (ST9).* Northouse (2015) states that creating value for the community means leaders try to encourage followers to voluntarily participate in community service. By doing this, servant leaders can link the goals and purposes of an organisation with the purposes of the community.

The findings support $H_{a3}$ and reject $H_{b3}$ that *servant leadership is not practiced in BOL as leaders in BOL practice servant leadership to some extent.*

### 5.2.6 Question six of the interview

**What are the factors that reinforce the practice of transformational- and servant leadership in BOL?**

The previous questions are developed to discover how transformational- and servant leadership is practiced in BOL. To be effective, this question aims to understand the factors that play an important role in encouraging leaders to practice transformational- and servant leadership. This section also addresses the fifth research sub-question.
The findings for this question reveals that there are two main factors that reinforce the practice of transformational- and servant leadership in BOL. These are “leaders’ personal qualities” and “organisational factor”.

**Table 4: The factors support the practice of transformational- and servant leadership**

<table>
<thead>
<tr>
<th>Leaders’ personal qualities</th>
<th>Organisational factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Desire to develop employees</td>
<td>• Course of conduct</td>
</tr>
<tr>
<td>• Sense of leadership or responsibility</td>
<td>• Supervision from broad of directors</td>
</tr>
<tr>
<td>• Past experience</td>
<td>• Policies of the organisation</td>
</tr>
<tr>
<td>• Human nature</td>
<td>• Leaders and employees want the organisation to be successful</td>
</tr>
<tr>
<td>• Knowledge and experience about leadership</td>
<td>• The vision of the organisation</td>
</tr>
<tr>
<td></td>
<td>• Government regulator</td>
</tr>
<tr>
<td></td>
<td>• Organisational culture</td>
</tr>
<tr>
<td></td>
<td>• Employees’ requirement</td>
</tr>
<tr>
<td></td>
<td>• Capacities and behaviours of employees</td>
</tr>
<tr>
<td></td>
<td>(if employees cannot work very well, it requires leaders to practice</td>
</tr>
<tr>
<td></td>
<td>transformational- and servant leadership)</td>
</tr>
<tr>
<td></td>
<td>• Suggestion from other people</td>
</tr>
</tbody>
</table>

Source: Developed by the author as based on this study (2016)

The findings of this question are not supported by the literature. This means that this research fills the gap of the literature in relation to the factors that reinforce the practice of transformational- and savant leadership in the case organisation. The table above shows that both leaders’ personal qualities and organisational factors can support the practice of transformational- and servant leadership. It can be seen that some factors are specific to the
organisation and come from the outside expectations, requirements, experiences, or situations that are out of the control of leaders, whereas the other factors are related to perceptions, attitudes, and personal qualities of leaders.

5.2.7 Question seven of the interview
What are the factors that prevent the practice of transformational- and servant leadership in BOL?

- **Hypothesis four:**

\[ H_{o4} \text{ There are no factors that prevent the practice of transformational- and servant leadership in BOL. } \]

The discussion of question four and five of the interview reveals that transformational- and servant leadership is practiced to some extent. Therefore, it implies that there might have been some factors that prevent the practice of transformational- and servant leadership. This question aims to discover the barriers to transformational- and servant leadership and also to address the sixth research sub-question and \( H_{o4} \).

Based on the findings, there are two main factors that prevent the practice of transformational- and servant leadership: “leaders’ personal qualities” and “organisational factors”.
Table 5: Barriers to transformational- and servant leadership

<table>
<thead>
<tr>
<th>Leaders' personal qualities</th>
<th>Organisational factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Lack of passion (leaders are not enthusiastic in leading employees in the organisation)</td>
<td>• Policy of the government</td>
</tr>
<tr>
<td>• Past experience</td>
<td>• Organisational culture</td>
</tr>
<tr>
<td>• Human nature</td>
<td>• Rules and policies</td>
</tr>
<tr>
<td>• Abilities to influence</td>
<td>• Government regulators</td>
</tr>
<tr>
<td>• Egos</td>
<td></td>
</tr>
<tr>
<td>• The desire to show off</td>
<td></td>
</tr>
<tr>
<td>• Specific relationship with other employees</td>
<td></td>
</tr>
<tr>
<td>• Leaders’ understanding of responsibilities and work</td>
<td></td>
</tr>
<tr>
<td>• Leaders’ personal issues</td>
<td></td>
</tr>
</tbody>
</table>

Source: Developed by the author as based on this study (2016)

The findings of this question also fill a gap in the literature since there is not any literature supporting the findings in the case organisation. The table above demonstrates two main factors: leaders’ personal qualities and organisational factors, that prevent the practice of transformational- and servant leadership in BOL. Similar to the factors supporting the practice of transformational- and servant leadership, the factors related to the organisation such as policy of the government, government regulators, and organisational culture are beyond the control of leaders, whereas the other factors which are relied on for leaders are passion, abilities to influence, egos and leaders’ personal issues.

Interestingly, human nature and past experience under leaders’ personal qualities factors are seen as both the factors that support and prevent the practice of transformational- and servant leadership. Similar to organisational culture and government regulator under organisational
factors, they are seen as the factors that support and prevent the practice of transformational- and servant leadership in BOL. It can be said that these four perspectives can both positively and negatively affect leaders to practice transformational- and servant leadership.

The findings support $H_{a4}$ and reject $H_{b4}$ that *There are no factors that prevent the practice of transformational- and servant leadership in BOL* as there are some factors that prevent the practice of transformational- and servant leadership in BOL.

5.2.8 Question eight of the interview

Could transformational- and servant leadership make a contribution in building an effective working environment in BOL?

- **Hypothesis five:**

$H_{o5}$ *Transformational- and servant leaders cannot build an effective working environment in BOL*

After gaining an insight into the practice of transformational- and servant leadership, and the factors that reinforce and prevent these styles of leadership, this question strives to discover the perspective of the participants whether transformational- and servant leadership can make a significant contribution in building an effective working environment in BOL. This section addresses the seventh research sub-question and $H_{o5}$.

Interestingly, all participants agree that transformational- and servant leadership is very suitable for the nature of work of BOL. These types of leadership play a very vital role in increasing the effectiveness of the working environment. They express their views that employees’ working capacities and confidence increase when transformational- and servant leadership is put into practice. Furthermore, the relationship between leaders and followers is stronger. Leaders will be good models for employees, be conceptualising, and be ethical in the organisation.

There are a huge amount of empirical studies claiming that transformational- and servant leadership can create effectiveness in an organisation.

Tabassi et al. (2014) conducted a study on the relationship between transformational leadership practices and teamwork improvement in the construction companies in Iran. The results of this
study shows that transformational leadership which includes many factors namely developing employees to become leaders, providing inspiration for followers to accomplish more than their expectations, and empowering followers increases the teamwork activities in nominated organisations. Similarly, team and organisational goals were accomplished when leaders practice transformational leadership. A research study which tries to examine the correlation between transformational leadership and follower creativity in China is conducted by Qu et al. (2015). The findings of this research shows that follower perceptions of expectation for creativity set by the leader also plays a vital role in enhancing follower creativity in the organisation. Similarity, in the indirect relationship between follower creativity and transformational leadership, followers can become creative only when a high level of creativity expectations is set by their transformational leaders. Therefore, it can be said that leaders who practice transformational leadership are able to assist employees to increase their creativity in an organisation. Birasnav (2014) undertook a research study which sought to explore the relationship between transformational and transactional leadership, knowledge management (KM) process, and organisational performance. The research concludes that transformational leadership plays a more significant role than transactional leadership in the KM process and organisational performance. Transformational leaders are able to acquire missing knowledge from the external environment, then transfer that knowledge to employees.

Regarding servant leadership, Zhou and Miao (2014) conducted a report to discover the relationship between servant leadership and effective commitment in the Chinese public sector. It reveals that the behaviours of servant leaders, namely forming quality relationships with employees, prioritising subordinates’ personal development, creating a sense of community, considering team members’ opinions when making decisions are the factors that lead to an effective working environment. This environment makes employees to feel a sense of caring and valuing their contribution from organisations that bring about more commitment at work in response. Sendjaya and Pekerti (2010) attempt to examine the correlation between trust and servant leadership. This empirical research reveals that a high level of trust from followers is placed in leaders in organisations where servant leadership is put into practice. There are many
aspects of servant leadership that are considered important for creating a sense of trust in leaders such as relationship, spirituality, morality, authenticity, and transforming influence.

The findings for this question support $H_{as}$ and reject $H_{05}$ that *Transformational- and servant leaders cannot build an effective working environment in BOL* since all participants agree that the practice of transformational- and servant leadership can make a great contribution in building an effective working environment in BOL. Furthermore, there are a huge number of empirical studies which support that these types of leadership can help the working environment in the organisation to be more effective.

**5.2.9 Question nine of the interview**

*Do leaders in BOL support transformational leadership in order to enhance an effective working environment?*

The findings of this question reveal whether leaders in BOL support the idea of transformational leadership to be practiced in BOL. This section also addresses the eighth research sub-question.

Based on the results of the interview, it can be concluded that all participants do support that transformational leadership should be practiced in BOL. The rationale for this notion is transformational leadership can respond to the employees’ requirements in BOL namely enhancing employees’ working motivation and intellectual stimulation. As they said that: *In an organisation where work is very challenging, it is particularly significant that employees are very competent and have abilities to work. In order to have these components, leaders play a crucial role in influencing employees. The transformational leaders have most of the qualities such as excellent models for employees, can motivate employees, can help employees to be more intelligent, and satisfy employees’ needs, which can develop employees to be more effective for BOL (TS7, TS9, TS10).*
5.2.10 Question ten of the interview

Do leaders in BOL support servant leadership in order to enhance an effective working environment?

The last question is related to the extent to which servant leadership is supported in BOL. This section also aims to address the eighth research sub-question.

It seems like all participants support the practice of servant leadership in BOL. However, there is one participant who explains that servant leadership should be focused in BOL, but less than the practice of transformational leadership. Therefore, there are two main perspectives occurring in these question: support of servant leadership, and support of servant leadership but less than transformational leadership.

All participants agree that servant leadership is suitable for BOL’s working culture. This style of leadership can bring about effective working environment and ultimately leads the organisation to be successful. They further explain that the work of employees is also important for the organisation, so it is necessary that the issues of employees are taken into consideration of servant leaders.

However, one participant raises the idea that transformational leadership outweighs servant leadership in the case context. The participant claims that the nature of work in BOL is very challenging which requires employees who are innovative, creative, enthusiastic, and determined to achieve success. When comparing servant leadership with transformational leadership, it is clear that transformational leaders are better than servant leaders in terms of providing those qualities to employees.

According to Stone, Russell, and Patterson (2004), Parolini, Patterson, and Winston (2009), and Russell and Stone (2002), transformational leadership and servant leadership is different to some extent. The most obvious difference is transformational leadership focuses more on organisational goals, while servant leadership stress more on the needs of those who are following and displays unselfish behaviours. Transformational leaders influence employees by using charisma and attributes associated with this, whereas actual service is the tool to influence
followers of servant leaders. Another view, transformational leadership attempts to transform employees by focusing on creating work commitment and being creative. Servant leaders is based strong in an ethic of care where teamwork and community are valued and decision-making is shared (Lussier & Achua, 2013; Sosik & Jung, 2010).

5.3 Conclusion
It is seen that transformational- and servant leadership is practiced to some extent in BOL. This is because there are some factors related to leaders’ personal qualities and organisational factors that prevent leaders practising these types of leadership. However, the findings show that transformational- and servant leadership can make a great contribution in enhancing an effective working environment in BOL. Furthermore, the leaders who participate in this research do support the concept of transformational- and servant leadership to be practiced in BOL.

5.4 Chapter summary
This chapter elaborates and discusses the findings of chapter four, and the research objectives and research sub-questions. In discussion process, the findings are supported by relevant literature in order to draw the conclusions of the research. Furthermore, the hypotheses of the research are addressed which bring about the fulfilment of the research objectives and the achievement of the aim of this research.

The next chapter is about conclusions, recommendations, and further areas of research.
CHAPTER 6 CONCLUSIONS AND RECOMMENDATIONS

6.1 Introduction
In chapter five, the core details and important findings gained from the data results in chapter four were thoroughly discussed and supported by the relevant literature in chapter two. The process of discussion is based on the ten question of the interview.

The aim of this study is to identify the role of transformational- and servant leadership, and whether these types of leadership can enhance an effective working environment in BOL. The data collection was conducted to gain an insight into the real practice of transformational- and servant leaders’ behaviours and how it makes a contribution to increasing organisational effectiveness. This thesis answers all the research questions with the support of relevant literature and empirical evidence. It is considered to be a valuable source of knowledge in relation to transformational- and servant leadership for the researcher and leaders in Lao governmental agencies.

This chapter provides five crucial components of the research. Firstly, final conclusions drawn from the study is provided. Secondly, contribution of the research is presented. Thirdly, significant recommendations for better transformational- and servant leaders in BOL are outlined. Fourthly, this chapter presents the limitations of the research. Finally, constructive suggestions are offered for future research opportunities.

6.2 Conclusion of the research project
The aim of this research project is to identify the role of transformational- and servant leadership in building an effective working environment in BOL. Furthermore, this research is intently set to investigate the perception of leaders in the governmental agency about transformational- and servant leadership; and the challenges in applying these types of leadership in BOL. To achieve the aim and objectives of the research and obtain the answers for the questions, semi-structured interviews were developed as a tool to obtain empirical data. Therefore, based on the research sub-questions and the in-depth discussion in chapter five, the conclusions are as below:
6.2.1 The understandings of leaders on transformational- and servant leadership

This study reveals that several leaders in BOL were not familiar with the term transformational- and servant leadership before this study. This supports hypothesis one of the research study that the terms “transformational- and servant leadership” are not common for leaders in BOL.

There are nine out of ten leaders in BOL who said that they were not familiar with the term “transformational- and servant leadership”. This term was not common in Laos. They added that they just knew about leadership in general, but not a specific type of leadership. There is only one participant who said that she had studied transformational- and servant leadership when she took a master course in Laos.

There is a huge amount of research such as Northouse (2015), McCleskey (2014), Tyssen et al. (2014), Tabassi et al. (2014), Du Plessis (2015) and Nel et al. (2014) that tries to explain that transformational leadership is a process in which a person engages with others to form an interaction which increases motivation and morality of both followers and leaders. Servant leadership also focuses on leader-follower exchange. Dierendonck and Patterson (2015), Jones (2012), Northouse (2015), Du Plessis (2015) and Nel et al. (2014) interpret that servant leadership focuses on how the leaders satisfy the needs and concerns of followers, nurture them and empathise with them. In this process, leaders will put followers first by empowering them and assisting them to develop their full potential.

A conclusion to be drawn from this study is that transformational- and servant leadership is likely to be a new concept for leaders in BOL. This is because most of participants do not understand about these types of leadership, especially in terms of enhancing an effective working environment.

6.2.2 The perspectives of leaders on the roles of transformational leadership in terms of the real practice in BOL

Regarding the real practice of transformational leadership in BOL, there are four important roles: idealised influence, inspirational motivation, intellectual stimulation, and individualised consideration, that leaders practice.
Leaders in BOL practice the role of being idealised influenced in two main ways: demonstrating effective working abilities and personal leadership qualities, and providing direction for employees. However, the perspective that employees can be idealised influenced is if leaders show effective working abilities that seem not to be supported by literature. According to Barling (2014) and Zehndorfer (2014), leaders who behave in a manner consistent with the idea of idealised influence act in ways that are good for organisations and employees, together by avoiding behaving only for self-interest. Higher preferences for ethical moral reasoning is practised. Leaders focus on a moral commitment to the collective good instead of emphasising what is good for themselves. In addition, these leaders show a high level of integrity and humility in the organisation. Therefore, it can be concluded that demonstrating effective working abilities and personal leadership qualities are seen as factors that idealised influence employees in the case organisation.

The practice of inspirational motivation is shown as leaders focus on creating a shared purpose and effective working conditions, providing meaningful work and giving freedom for employee to work, meaningful communication, and providing intrinsic rewards. These behaviours are considered as very crucial components of enhancing employees working commitment. When employees clearly understand the shared purpose of the organisation, they have opportunities to do meaningful work, and they receive intrinsic rewards from doing their work, their level of inspirational motivation is high, is suggested by Sosik and Jung (2010), Nel et al. (2012), Bacha and Walker (2013), and Bérard (2013).

Leaders in BOL focus on promoting intellectual stimulation in two main ways: leaders play an important role in increasing employees’ intellectual ability, and leaders build an effective environment for employees’ self-learning. By practicing these behaviours, employees are surrounded by many factors that increase their intellectual ability. Employees will become more creative, innovative, and be able to deal with organisational issues in more effective ways.

In relation to individualised consideration, leaders in BOL fulfil the needs employees according to the theory of Maslow’s hierarchy of needs. This theory consists of five important needs of employees: physical needs, safety needs, social needs, self-esteem needs, and self-actualisation.
needs. According to the findings, leaders in BOL effectively satisfy most of employees’ needs. However, the highest level of needs, self-actualisation needs, are seemed not to be effectively fulfilled. This is caused by the fact that leaders in BOL do gain an insight into the theory of Maslow’s hierarchy. Du Plessis (2015) and Nel et al. (2014) described self-actualisation needs as the development of employees’ skills, the chance to be creative, chance for advancement, achievement and promotions, and the ability to have complete control over their job.

It can be concluded that transformational leadership is practiced in some extent in BOL as explained above. Leaders focus on four 4Is of transformational leadership: idealised influence, inspirational motivation, intellectual stimulation, and individualised consideration. These behaviours play an important role in enhancing an effective working environment in BOL (Barling, 2014; Belcher, 2015; Du Plessis, 2015; Nel et al., 2014; Northouse, 2015). Therefore, the third sub-question of the research is addressed and hypothesis two of this study that transformational leadership is not practiced in BOL is rejected.

6.2.3 The perspectives of leaders on the roles of servant leadership in terms of the real practice in BOL

Based on the findings, it can be seen that servant leadership is practiced in BOL. Leaders practice this leadership based on its seven main behaviours: conceptualising, emotional healing, putting followers first, helping followers grow and succeed, behaving ethically, empowering, and creating value for the community.

Leaders in BOL practise the role of conceptualising in two main ways: leaders understand the big picture of the organisation, and leaders are able to address the organisational problems. These perspectives are consistent with the work of Daft (2015) and Rowe and Guerrero (2013). Leaders have the ability to articulate the vision, missions and goals of the organisation to employees. By playing this role, leaders are considered as strategic leaders who think strategically to create changes and develop the organisation. Furthermore, leaders are good in addressing organisational problems and can provide useful suggestions to employees when they face with difficult issues.
Regarding emotional healing, leaders in BOL pay attention to helping employees to solve personal issues. As described in the work of Öner (2012) and Nel et al. (2014), servant leaders will always take into account the importance of overall mental and spiritual well-being of employees or with whom they are associated. They usually feel a sense of sympathy and will show their own vulnerability to employees by sharing their own pain and humanity.

Leaders in BOL also practice the role of putting followers first. This behaviour is shown as leaders place followers’ interests as very important and want to help employees to achieve them. Because servant leadership emphasises the idea of serving employees, servant leaders will act and use words or expressions to demonstrate that followers’ needs and concerns must be satisfied and are seen as the priority. Leaders always put followers’ interests and successes ahead of the leaders themselves. This is the sine qua non of servant leadership (Northouse, 2015; Rowe & Guerrero, 2013).

Servant leaders’ behaviours include helping followers grow and succeed. Regarding this role, leaders in BOL pay attention to two main components: coaching and mentoring employees. As explained by DuBrin and Dalglish (2003) and Armstrong (2012), the purpose of coaching is to enable others to act and to build on their strengths. When employees are coached, they will have the potential to become more productive, which can brings a lot of benefits to the organisation; whereas mentoring is the process of using specially selected and trained individuals to provide guidance, pragmatic advice and continuing support that will help the person or persons allocated to them to learn and develop.

In relation to behaving ethically in the organisation, leaders in BOL focus on two aspects of ethical conduct: showing respect and showing justice. However, in order to being effectively ethical, according to Northouse (2015), leaders should pay attention to the idea of “serving others”. This idea is interpreted as leaders’ actions are based on the interests of the majority in both the organisation and society, not leaders themselves. Because servant leadership is strongly connected with social responsibility, servant leaders are concerned with the have-nots in the society and should strive to remove inequalities and social injustices. Therefore, leaders in BOL
should take this behaviour into consideration, so that the organisation is full of the atmosphere of fairness and justice.

Employee empowerment is also a core component of servant leadership. In BOL, leaders practice this behaviour in only one way: self-determination. All participants report that leaders in BOL allow employees to have self-determination which is displayed as employees have freedom to do their work as well as sharing perspectives for making organisational plans. As Daft (2015) states, when employees are self-determined as a way of empowerment, they can determine the organisational direction and work procedures. However, leaders in BOL pay attention to other important components of employee empowerment: meaning, competence, and impact (DuBrin & Dalglish, 2003). These components are described as, employees should have opportunities to do meaningful work, employees are competent to do the work, and employees understand the outcome of their work.

Leaders in BOL also emphasise creating value for the community. These behaviours are displayed as leaders strive for helping the community and providing information to the public. Leaders encourage followers to volunteer for community service such as blood donation and flood helping. Furthermore, leaders and employees sometimes collect educational tools and books to provide to poor schools. In another way, leaders try to create value for the community by providing useful information to the public such as annual economic reports, rules and policy related to the banking service.

A conclusion can be drawn that servant leadership is practiced to some extent in BOL. Leaders put seven main behaviours of servant leadership into practice even though some behaviours are not effectively practised. Because leaders stress the importance of servant leadership, it can help in improving the working environment in BOL (Armstrong, 2012; Daft, 2015; DuBrin & Dalglish, 2003; Nel et al., 2014; Rowe & Guerrero, 2013). Thus, the fourth sub-question of the research is addressed and hypothesis three of this study that servant leadership is not practiced in BOL is rejected.
6.2.4 Factors that reinforce the practice of transformational- and servant leadership in BOL

Participants agree and confirm that there are two main types of factors that support the practice of transformational- and servant leadership in BOL: “leaders’ personal qualities” and “organisational factor”. Leaders’ personal qualities include desire to develop employees, sense of leadership or responsibility, past experience, human nature, knowledge and experience about leadership. This factor is related to perception, attitudes, and personal qualities of leaders. Organisational factors that support the practice of transformational- and servant leadership include some factors that are specific to the organisation and come from outside expectations, requirements, experiences, or situations out of the control of leaders such as course of conduct, supervision from the board of directors, policies of the organisation, and government regulator. It can be concluded that the practice of transformational- and servant leadership in BOL is supported by two main factors: leader associated factors and organisation associated factors. This finding also answers the fifth sub-question of the research.

6.2.5 Factors that prevent the practice of transformational- and servant leadership in BOL

Similar to the factors that support transformational- and servant leadership, the barriers to these types of leadership are leaders’ personal qualities, and organisational factors. The participants explain that the practice of transformational- and servant leadership can be prevented by leader associated factors namely the lack of passion (leaders are not enthusiastic in leading employees in the organisation), egos, specific relationship with other employees, and abilities to influence. In relation to organisational factors, the participants claim that policy of the government, organisational culture, rules and policies, and government regulators play a vital role in preventing the practice of transformational- and servant leadership.

A conclusion to be drawn from this study is that the practice of transformational- and servant leadership in BOL is prevented by two main factors: leader associated factors and organisation associated factors. This finding also addresses the sixth sub-question of the research as well as
rejecting hypothesis four that there are no factors that prevent the practice of transformational- and servant leadership in BOL.

6.2.6 The importance of transformational- and servant leadership in building the effective working environment in BOL

The findings reveal that all participants agree that transformational- and servant leadership can make great contribution in enhancing an effective working environment in BOL. They express their views that employees’ working capacities and confidence increases when transformational- and servant leadership is put into practice. Furthermore, the relationship between leaders and followers is stronger. Leaders will be good models for employees, be conceptualising, and be ethical in the organisation.

Therefore, the conclusion for this issue is that the practice of transformational- and servant leadership is important in terms of building an effective working environment in BOL. This finding answers the seventh sub-question of the research. Thus, the hypothesis five that transformational- and servant leaders cannot build an effective working environment in BOL is rejected.

6.2.7 The extent that transformational- and servant leadership is acceptable in BOL

The final conclusion for this study is that transformational- and servant leadership is acceptable in BOL. This also answers the eighth research sub-question in relation to the extent to which transformational- and servant leadership is acceptable in BOL.

All participants state that they support the practice of transformational- and servant leadership in BOL. Even though there is one participant who claims that transformational leadership is more needed and suitable than servant leadership, that participant still supports the practice of these types of leadership.

6.3 Contribution of this research

There are not many research studies on transformational- and servant leadership in Laos and it leaves a huge gap in the literature which is covered by this research hence it fills the gap in the literature and makes it valuable not only for Laos but globally. This research focuses on the
matters of transformational- and servant leadership in BOL. Based on the findings, it confirms that this study adds to the body of knowledge in three core areas:

- Component of idealised influence of transformational leadership

According to many researchers Belcher (2015), Roe (2014), Northouse (2015), Sosik and Jung (2010), Barling (2014), and Zehndorfer (2014), leaders who behave in a manner consistent with the idea of idealised influence stress the importance of high standards of moral and ethical conduct. Leaders focus on a moral commitment to the collective good instead of emphasising what is good for themselves. In addition, idealised influence is how a leader earns confidence and trust of employees through the way the leader explains and performs to deliver values and visions of the organisation. It can be seen that the core components of idealised influence are abilities to deliver a shared purpose and ethical-focus. However, in this research, leaders are perceived to be idealised influence by showing effective working abilities which is different from what the literature supported. Thus it can be summarised that the context of organisation, countries, or culture also play an important role in determining how leaders ideally influence employees.

- The factors that support transformational- and servant leadership

This research discovers that there are two main factors that reinforce the practice of transformation- and servant leadership in BOL which are “leaders’ personal qualities” and “organisational factors” (see table 5 as showed as the first table in chapter 5). However, the matters of factors that reinforce the practice of transformational- and servant leadership are not supported by literature. Therefore, it can be said that the findings of the research fill the gap of literature in relation to factors that reinforce transformational- and servant leadership.

- The factors that prevent transformational- and servant leadership

The barriers to transformational- and servant leadership: “leaders’ personal qualities” and “organisational factors” are also discovered in this research (see table 6 as showed as the second table in chapter 5). Similar to the factors supporting transformational- and servant leadership, the literature related to the issues of barriers to transformational- and servant leadership is
silent. Thus, this research finding adds to the body of knowledge of the topic, and can be referred to in the future research.

This research project has also developed two models for use in BOL that did not exist before this research and could be used by transformational and servant leaders (see the models below).

6.4 Recommendation for transformational- and servant leaders in BOL

- Firstly, it is important that leaders in BOL pay more attention to employees’ self-actualisation needs as described in the theory of Maslow’s hierarchy of needs as shown in the figure 9 below. Du Plessis (2015) and (Nel et al., 2014) explain that these needs refer to the development of employees’ skills, the chance to be creative, chance for advancement, achievement and promotions, and the ability to have complete control over their job. When employees are fulfilled with these needs, they will become the most effective human resource of the organisation, thereby leading to the high potential of the organisation to be successful.

Figure 9: Model of transformational leadership in BOL

Source: Developed by the author as based on this study (2016) and adapted from Northouse (2015)
Secondly, in relation to leaders’ ethical behaviours, leaders in BOL should highlight the importance of serving others which is one important component of being ethical. This component is integrated as leaders’ actions are based on the interests of the majority in both the organisation and society, not leaders themselves. Because servant leadership is strongly connected with social responsibility, servant leaders are concerned with the have-nots in the society and should strive to remove inequalities and social injustices (Northouse, 2015).

Thirdly, in order to fully empower employee, leaders should stress the importance of the meaning of the work, competence and skill of employees, and the impacts of work of employee, according to DuBrin and Dalglish (2003).

Figure 10: Model of servant leadership in BOL

Source: Developed by the author as based on this study (2016) and adapted from Northouse (2015)

Fourthly, the findings show that most of the participants do not understand about transformational- and servant leadership. Thus, if BOL organise a program in relation to
leadership development, leaders would gain an insight into leadership and be able to effectively influence employees to achieve organisational goals (Roe, 2014).

- Finally, as servant leadership places very important focus on community, society and the environment, it would be very good if leaders in BOL pay more attention to the environment in the local area and as a whole world. This is because the entire species are threatened by global warming and climate change. This is the real problem of the world which requires all people to work collectively together to stop it. Leaders in BOL can encourage employees to protect the environment by not wasting electricity, water and natural energy and try to use it wisely. Furthermore, leaders and employees should try to become involved in activities that aim to improve the environment.

6.5 Limitations of the research

This research study has some limitations. The first limitation is that there are not many research studies on transformational- and servant leadership in Lao organisational context. Furthermore, these types of leadership are considered as very new concepts for Lao scholars and researchers. This leads to the lack of sufficient literature that is related to transformational- and servant leadership in the Lao context and this research fills that gap.

The second limitation is all literature associated with transformational- and servant leadership focuses on the context of developed countries such as Australia, New Zealand, South African, USA, Germany, and United Kingdom, but not on the least developed and developing countries. Therefore, there are some points of view in the behaviours of transformational- and servant leadership that are not consistent with the theory of these types of leadership in developed countries. Those points of view are included in the behaviours of transformational- and servant leadership in the case of organisations only.

The final limitation is that this research study focuses only on the behaviours of transformational-and servant leadership of leaders’ perspectives, but not the perspectives of employees. Therefore, all findings and discussions reflect only the perspectives of leaders or higher ranked people, and the perspectives of staff in lower positions are not revealed.
6.6 Future research opportunities

This research study focuses on the practice of transformational- and servant leadership in a governmental agency (BOL). In order to gain more understanding about these types of leadership in the Lao context, the researcher suggests two important areas that future research should be conducted in:

- The future research should pay attention to the practice of transformational- and servant leadership in Lao private organisations, NGOs, or international organisations. This might broaden our perspectives about the practice of transformational- and servant leadership in the Lao context.
- The researcher would stress that further study should focus on lower position employees in order to compare and contrast perspectives on transformational- and servant leadership amongst those occupying different positions in the hierarchy.

6.7 Closing statement

It can be concluded that transformational- and servant leadership is fundamental for improving the effectiveness of organisational working environment. Therefore, it is important that the behaviours of transformational- and servant leadership are taken into account for both leaders and employees in an organisation. To do this, the level of working relationship between leaders and followers would be high, employee commitment is enhanced, and employees are more engaged with the organisation, thereby leading to more opportunities of the organisation to be successful.

This research study is considered to be a very good source of knowledge in relation to transformational- and servant leadership for leaders to practice not only in the Lao organisational context, but globally. It also shows a suitable model of transformational- and servant leadership that Lao leaders can use as a pathway in order to help to improve the working environment. Finally, this research provides recommendations which the researcher strongly believes will be very useful for Lao leaders.
Reference list


APPENDICES

Appendix 1: Semi-structured interview

SEMI-STRUCTURED INTERVIEW QUESTIONS FOR THE RESEARCH

All participants’ comments will not be personally identified or reported back to organisations. Additionally, all information that I collect from participants will also be treated confidentially. Participants have the right to either withdraw from the interviews without consequence and/or to review transcripts as well as access to the final report.

1. How do you understand leadership in your working environment?
2. What leadership style is practiced in this organisation?
3. Do you understand the term ‘transformational- and servant leadership’?
   3.1 If yes, what is your understanding about transformational- and servant leadership?
   3.2 If no, the researcher will give a brief explanation of the term.
4. How do leaders in BOL practice transformational leadership?
   1) How do leaders in your organisation behave in order to ideally influence employees to transform?
   2) How do leaders in your organisation create inspirational motivation for employees to transform?
3) How do leaders in your organisation play a role in creating intellectual stimulation for employees to transform?

4) Do leaders in your organisation think ‘individualised consideration’ is important for transformation? If yes, how do they practice that?
   - Do you think leaders in your organisation understand Maslow’s hierarchy of needs? Do they focus on this in the organisation?

5. How do leaders in BOL practice servant leadership?
   1) How do leaders consider conceptualising servant leadership as important in your organisation? How do they practice this?
   2) Do leaders put emotional healing in practice in your organisation as part of servant leadership? If yes, how do they do it?
   3) How do leaders play a role in putting followers first in your organisation?
   4) How do leaders help followers to grow and succeed in your organisation?
   5) Do leaders think behaving ethically is important in their role as a servant leader? How do they practice this?
   6) How do leaders play a role in empowering employees in your organisation as part of servant leadership?
   7) How do leaders in your organisation create value for the community as part of servant leadership?

6. What are the factors that reinforce the practice of transformational- and servant leadership in your organisation?

7. What are the factors that prevent the practice of transformational- and servant leadership in your organisation?

8. Will it create an effective working environment in BOL if behaviours of transformational- and servant leadership are put into practice?

9. Do you support transformational leadership?

10. Do you support servant leadership?
Appendix 2: Information sheet for participants

Information for participants

Research Project Title:
“The role of transformational- and servant leadership in an governmental agency (Bank of Lao PDR) in order to build an effective working environment”

Synopsis of project:
My name is Viengsavang Latsachanh, and I am a Post-graduate student at Unitec Institute of Technology, New Zealand, studying a Master of Business. To fulfil the programme’s requirements, I will undertake a study on the role of transformational- and servant leadership in the Bank of Lao PDR (BOL) in order to build an effective working environment.

What we are doing
(Project detail)

The aim of my project is to identify how transformational- and servant leadership is put into practice in order to build an effective working environment in BOL. By taking part in this project you will help me to understand more about leaders’ perceptions and how transformational- and servant leadership can enhance organisational performance. Furthermore, this study will allow the researcher to recognise whether transformational-and servant leadership is practiced in BOL. The study could also assist in identifying the challenges or barriers in practicing transformational- and servant leadership in BOL.
What it will mean for you

(Detail of what will be involved for participants)

I would like to interview you and ask some questions related to transformational- and servant leadership. I would like to meet you for between 60 to 90 minutes to discuss the topic. I will visit your organisation at a convenient time as pre-arranged between us, between mid-July to late September 2015.

Your comments will not be identified as coming from you or reported back to your organisation. Additionally, all information that I collect from you will be treated confidentially. The interview will be recorded with a recording device and then transcribed. After that, I will send a copy of the transcript to you to check for accuracy and amend as you see fit. The researcher confirms again that there will not be any negative effects to you or your organisation as a result of your participation.

You also have the right to access to the final report if you wish.

If you agree to participate, you will be asked to sign a consent form. This does not stop you from changing your mind if you wish to withdraw from the project. However, because of our schedule, any withdrawals must be done within 2 weeks after receiving of the interview transcript.

Your name and information that may identify you will be kept completely confidential. All information collected from you will be stored on a password-protected file and only you, the researcher and the primary supervisor will have access to this information. The organisation where you work will be identified by name in the study, and some interview data you provide may be linked to the organisation. However, interviews will not cover any sensitive topics, and you may amend the responses. In addition to the thesis, the information you provide may also appear in future publications or conference presentations.

This is a voluntary process and you are under no obligation to participate in the project if you do not wish to do so.

Please contact me if you need more information about the project. At any time if you have any concerns about the research project, you can contact my primary supervisor:

My primary supervisor is Dr. Andries Du Plessis, phone +64-9- 815 4321 ext. 8923 or email aduplessis@unitec.ac.nz
Researcher: Viengsavang Latsachanh, Tel (Lao Mob): + 856 20 56879774
Tel (NZ Mob): + 64 22 1979431
Email: vsv08_lsch@yahoo.com

UREC REGISTRATION NUMBER: 2015-1039

This study has been approved by the UNITEC Research Ethics Committee from 19 June 2015 to 19 June 2016. If you have any complaints or reservations about the ethical conduct of this research, you may contact the Committee through the UREC Secretary (ph: 09 815-4321 ext 8551. Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome.
Appendix 3: Participant consent form

Participant Consent Form

Research Project Title:

“The role of transformational- and servant leadership in a governmental agency (Bank of Lao PDR) in order to build an effective working environment”

I have had the research project explained to me and I have read and understand the information sheet given to me.

I understand that participation in this project is voluntary. Furthermore, I have the right to withdraw from the project within two weeks of receipt of the interview transcript.

I understand that everything I say is confidential and none of the information I give will identify me and that the only persons who will know what I have said will be the researcher and his primary supervisor. I also understand that all the information that I give will be stored securely on a computer at Unitec for a period of 5 years.

I understand that my discussion with the researcher will be taped and transcribed.

I understand that I can see the finished research document.

I have had time to consider everything and I give my consent to be a part of this project.
Participant Name: ..............................................................................................................

Participant Signature: .......................................................... Date: ........................................

Participant contact details:..............................................................................................................
.......................................................................................................................................................
.......................................................................................................................................................

Researcher Name: ......Viengsavang Latsachanh.................................

Researcher signature: .......................................................... Date: ........................................

UREC REGISTRATION NUMBER: 2015-1039

This study has been approved by the UNITEC Research Ethics Committee from 19 June 2015 to 19 June 2016. If you have any complaints or reservations about the ethical conduct of this research, you may contact the Committee through the UREC Secretary (ph: 09 815-4321 ext 8551). Any issues you raise will be treated in confidence and investigated fully, and you will be informed of the outcome.
Appendix 4: Organisational consent

Organisational Consent

I, (name), (position in organisation) of (organisation) give consent for Viengsavang Latsachanh to undertake research in this organisation as discussed with the researcher.

The consent is subject to approval of research ethics application no 2015-1039 by the Unitec Research Ethics Committee and a copy of the approval letter being forwarded to the organisation as soon as possible.

Signature:

Date:
Full name of author: Viengsavang Latsachanh

Full title of thesis/dissertation/research project: The role of transformational- and servant leadership in a governmental agency (Bank of the Lao PDR) in order to build an effective working environment

Department of Management and Marketing

Degree: Master

Year of presentation: 2016

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