LEADERS’ BEHAVIOUR AND SITUATIONAL FACTORS ON THE ORGANIZATIONAL PERFORMANCE AT ABU DHABI NATIONAL OIL COMPANY (ADNOC)

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Abstract:
In both public and private businesses, to capacity building and sustenance of competitive advantage, the necessity of effective leadership has remained critical. Yet, leadership effectiveness has continued to be a multi-dimensional construct, and not many efforts have been done to conceptualise models in this level. In view of the case of Abu Dhabi National Oil Company (ADNOC), to attain a more reliable model that is suitable for modern organisations, the major objective of the current study was to update and empirically support the traditional Contingency Model of Leadership Effectiveness. Leader characteristics and hierarchy structure are not suitable factors of leadership behaviour in the organisation. To validate the Contingency Model of Leadership Effectiveness through the assistance of data collected in the current study, a final effort was made. Data validates the traditional model of leadership to a large degree; this is particularly factual for task-oriented leadership behaviour as contrasting to relationship-oriented leadership behaviour. Future researchers should consider activity-based constructs for the measurement of variables to find more significant and validate critical relationships in the model. Furthermore, the ADNOC and other corporations are recommended in the region stretch equal attention to male and female employees and leaders. Where leader-subordinate relationships are critical for complete organisational accomplishment, females would predominantly endeavour in positions.

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JEL: L20; L22; L72

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1. Introduction

Generally, in the specific organizational contexts, the multi-dimensional characteristics of leadership permits specific leadership formats are suggested. The topic of leadership effectiveness and its measurement is dependent on multiple independent factors, inhibiting a clear consensus on any single widely accepted leadership effectiveness model. To establish any robust model of leadership effectiveness, the consideration of leadership contribution to performance has been deemed paramount. According to McFarlane & Cooper (2014), leadership effectiveness is reflected in team and organizational performance and requires the right combination of strategies that allow the understanding of team needs and processes.

Schermerhorn et al., (2012) add that there is the need to focus on team and organizational performance that arise as a result of leadership, in order to assess leadership effectiveness. Developing high performance organizations through effective leadership is critical to ensure that the challenges and problems that are associated with the 21st century business development are solved. Well-managed followers have the capability to convert a general sense of purpose into desired performance objectives (Erkutlu, 2008). The need for effective leadership has remained critical to capacity building and sustenance of competitive advantage in both public and private businesses (Belias & Koustelios, 2014; Caligiuri & Tarque, 2012; Wallis & McLoughlin, 2007). The global economy has taken a competitive landscape, increased in complexity and become more dynamic and ambiguous to manage (Caligiuri & Tarque, 2012). Bridging the gap towards improved performance on the global platform has become more challenging (Caligiuri & Tarque, 2012). The Global financial crisis, increasing economic turbulence, unending scandals involving leaders around the globe, has among others triggered the need to pay attention to leadership effectiveness (De Cremer et al., 2011). Aside from the established need to associate leadership with performance in effective leadership models, Schermerhorn et al., (2012) assert that the correct blend of skill in the areas of technical, decision making, problem solving as well as inter-personal skills are all critical to guide followers’ attitudes and behaviours towards the achievement of organizational goals. Yukl (2006) agree with this assertion that leadership effectiveness closely depends on the outcomes and consequences of the leaders’ actions and activities within the group and organizational environment. These environmental considerations are equally important as situational factors (Kabanoff, 1981). Leadership plays a fundamental role in overcoming institutional and national financial challenges and complications.

To ensure that the business community remains highly attractive and that key sectors are protected, the leadership of UAE has put in place measures according to UAE
Interact (2016). Other national economic decisions such as pegging of the United Arab Emirates Dirham (AED) against the United States Dollar (USD), the removal of taxes from imports and personal income, among others have altogether contributed to the establishment of a lucrative environment for business success (ORYX World, 2013; Khamis et al., 2010). The UAE remains an active member of the World Trade Organization (WTO), General Agreement on Tariffs and Trade (GATT) and the Greater Arab Free-Trade Area (GAFTA). Despite these resilient measures which have been adapted to nurture the UAE economic environment over the last several decades, the country has remains largely oil dependent (Mills, 2016). The download slope of global oil prices has taken a significant toll on economies in the Gulf Corporation Council (GCC) and other oil dependent countries including UAE. Even though the oil producing communities have taken several stands for mega producers like Iran and the Kingdom of Saudi Arabia to control production, no stringent enforcement measures exist, and these stands have been largely unsuccessful (McDonald 2016). Others including Raval (2016) have highlighted that disagreements among oil producers exist as some producers agree to tighten production only after other countries make initial moves in this direction.

Moving from the national level to the institutional level, there has been the need for effective leadership to drive institutional development and organizational performance in oil companies. Mills (2016) argued for instance on the introduction of radical measures and leadership change in oil institutions in order to tackle and reduce the negative impact of the economic trends. Subjects such as gender equality in leadership have been considered by ADNOC and other establishments in the sector to ensure that all forms of expertise are welcomed to lead such institutions (Al Hilal Publishing & Marketing Group, 2016). According to McAuley (2016), the company has considered the need for women in various roles as chief executive officers.

The effective leadership in ADNOC is critical and essential to the assumption of key strategic paths that can benefit the institution and UAE as a whole. There is no doubt that the area of leadership has received tremendous attention in literature, yet serious gaps remain on leadership effectiveness models. A model of leadership effectiveness that considers performance and key ingredients as key elements has been left unattended and misappropriated in literature. This remains the main research gap of the present study. Beside this the study considering building on the Contingency Model of Leadership Effectiveness to meet contemporay business needs. Ultimately, the search for a contemporary concept of leadership effectiveness and not just leadership models but leadership effectiveness models proved rare at the commencement of the present study. Fiedler’s (1978) Contingency Model of leadership effectiveness was considered because it has gained dominance as a leadership effectiveness model; however, to criticize or evaluate the model, it is only backed by outdated literature and studies which have attempted.
2. Literature Review

In this section, main concepts and perceptions that lie beneath the study are presented through a review of secondary literature. Attention is paid to disagreements in literature regarding concepts that have been tackled from different perspectives by different scholars.

2.1 Theoretical Background

“Susceptible to measurement” refers to the risk that is quantified and argued by Nehari Talet et al., (2014). Even though risk involves a high level of uncertainty, it may be considered that risk is a measurable uncertainty. Looking into literature concerning project management, it can be found that Knight’s argument is widely supported by other scholars in this area as established by Nehari Talet et al., (2014). Sicotte & Bourgault (2008) agreed with Nehari Talet et al., (2014) and mention that even though risk is uncertain, it is identifiable. On this note, a number of definitions of risk have been offered. Schneider & Levin (1997) for instance define risk as an event that poses a threat to the fortune of an entity if it happens. According to Richardson (2010), risk management of IT projects is not a simple concept as it seems in other aspect of business management; rather, it involves a combination of anticipation, planning, and monitoring of activities in order to be able to minimize the impact of potential unwanted events.

By taking a critical look at the concept of leadership from varied perspectives, it may nearly be accepted that a one-size fit all definition may be non-existent. The concept is ultimately dynamic in nature; the inconsistency in definitions and conceptualizations reveals this dynamism. Moreover, leadership involves a very wide range of skills, attitudes, behaviours or even accommodating situations. Leadership has therefore attracted a lot of attention as a role played by individuals, group and business processes. In this same way, leadership has evolved as function of individuals. From another perspective on the dynamic nature of leadership, Aydogdu & Basikjil (2011) considers leadership as a purpose and a part.

2.2 Leadership

The concept of leadership reveals several theories and ideas according to Dartey-Baah (2015). Some of these theories include the quite old “Great man theory” and behaviour theory, and the more recent and quite popular theories like the transactional and transformational leadership theories. In a similar scope as varied definitions, a number of theories of leadership have been proposed. One important starting point is the trait leadership theory. According to Jago (1982) and more recently by Bass (1990) and Zaccaro (2007), this line of theory emphasizes that leadership are borne and not made. Leadership were therefore believed to have certain traits originally inherent within and cannot be transferred or thought through training and development. Bass & Bass (2008) identified some of the key traits that come with leaders originally as including persistence, integrity, adaptability and esteemed socio-economic status. Theorist in this area have not been
consistent; Whetten & Cameron (1991), Kirkpatrick & Locke (1991), Lord et al, (1986), Mann (1959) and Zaccaro (2007) among several others propose unique and different traits or categorization based on which leadership traits. Originating from Jago (1982), the trait theory of leadership was founded on the notion that leaders are not trained, but rather, they are born as influential.

Following to Judge & Piccolo (2004), the trait theory of leadership remains the most honoured leadership research tradition where the individuals who are considered as leaders possess the above-mentioned attributes and qualities. It may be noted that, even in recent times, the trait theory of leadership has been given great regard, this is because, other theories of leadership when classifying leadership (with other forms of classification) tend to include some of these traits. According to Marturano & Gosling (2008), presents behaviour theory of leadership this line of theory is in an attempt to explain the different empirical explanations behind how leaders behaved and the categorization of key traits to that effect. Ghasabeh presents situational theory of leadership, the situational theory of leadership style is the third type of leadership theory and is based on the assertion that situational factors dictate leadership success and success is not based on traits or any other set of behaviour exhibited by the leader but this theory emerged as a result of the increasing significant being gained by situational factors (Ghasabeh et al., 2015).

From Zhu et al. (2012), scholars in the field of organizational research have discovered that the organizational identification and work group identification of employees play strong roles in how well they perform assigned tasks (Walumbwa et al., 2008), their citizenship behaviour (O’Reilly III & Chatman, 1986), job satisfaction and other work outcomes as shown in Riketta (2005). Brouer (2012) points out that even though there has been research into collective identification with organizations and work units (Riketta, 2005; Riketta & van Dick, 2005), there is rather a lack of adequate research with regards to the personal identification of followers with leaders. Brouer (2012) argue that, in contrast to the concept of collective identification with the organization or the work unit, personal identification has more to do with the followers identifying with a single person (the leader) instead of the entire group. In contribution to this, Hobman et al., (2011) describe personal identification with the leader as a process of self-categorization in which the individual (follower) defines him or herself based on the attributes of the leader. Here, individuals pay a lot of attention to individual achievements for the leader and maintain a very strong relationship with the leader.

2.3 Behaviour Leadership
Marturano & Gosling (2008) have acknowledged that the behavioural theory of leadership emerged as a result of the challenges and difficulties in finding a working definition for leadership under the trait theory of leadership. This theory lies in the abundance of empirical researches aimed at finding out how leaders behave as well as arriving at categorizations for their behavioural attributes. Likert (1961) has also made key contributions to the behavioural theory of leadership. Likert (1961) emphasizes that
leadership can be classified into three main groups. First, the task oriented leadership involves leaders who place great focus on tasks such that need to be undertaken. Focus is placed on work planning and instructing and guiding workers towards the achievement of goals. Secondly, relationship-oriented leaders pay major attention to the development of the supportive role of followers. Lastly, participative leaders concentrate on collaborating and cooperating with followers, and have a high orientation to resolving conflicts.

2.4 Situational Theory of Leadership
As per Ghsabeh et al. (2015), situational theory of leadership style is the type of leadership theory and is based on the assertion that situational factors dictate leadership success and success is not based on traits or any other set of behaviour exhibited by the leader. The situational theory of leadership argue that leadership depends on any given situation and these two are inseparable. Aside from these theories, several others have sprung up and these include the charismatic, ideological and pragmatic leadership styles (Mumford, 2006; Bedell-Avers et al., 2009), the transformation and transactional leadership styles (Bedell-Avers et al., 2009; Conger & Kanungo 1998; Shamir et al., 1993; Dartey-Baah, 2015; Ngadiman et al. 2013; Voon, et al., 2011).

2.5 Organizational Performance
Gavrea et al. (2011) emphasize that every organization aims to sustain performance, and this is because organizations are only able to grow through sustained performance. This suggests that organizational performance is considered as one of the most important variables in management research and leadership. It must however mention that, even though organizational performance is very popular in academic literature, it has been given several meanings by different researchers and this makes it difficult to arrive at a simple definition for it. This means that there is no single definition for the concept of organizational performance that is universally accepted. Georgopoulos & Tannenbaum (1957) viewed organizations as social systems and defined organizational performance in the 50s as the degree to which organizations achieve their goals. In more recent developments, Gavrea et al. (2011) add that the focus of performance evaluation during this period was on work, people and the structure of organizations. Another dimension of the concept worth noting is that performance is subject to individual or situational interpretation (Kaplan & Norton, 1992). The subjective nature of performance here stipulates that it is possible that different people understand the performance of an organization differently. For instance, the performance of an organization maybe interpreted differently by individuals within the organization and individuals outside the organization. It is necessary to identify the elements characteristic to every area of responsibility and situational elements in order to adequately define organizational performance.

Lastly, as per Lebans & Euske (2006), the ability to quantify the results achieved by an organization is necessary to report its level of performance. Observing the global
economic conditions over the past few years, many organizations were affected worldwide (Fox, 2016). It is necessary for organizations to be have the ability to adapt and survive in the current business environment where challenges keep increasing day in day out (Gavrea et al., 2011). According to Gavrea et al. (2011), performance indicators are developed for the purpose of reporting the quality of the activities performed in an organization, they also provide support for the timely achievement of objectives within the constraints of a predetermined budget. However, Gavrea et al. (2011) argues that in order to effectively use these performance indicators, it is important to fully understand the role they play.

Based on the above discussion, three variables have been extracted with sub variables:

- Behavior leadership;
- Situational leadership;
- Organizational performance.

3. Research Methodology

A comprehensive detail on the research design and methodology that is used in this study is presented in this section.

3.1 Conceptual Framework

In context of conceptual framework, the developments in literature point in the direction that the situational component of Fiedler’s (1964; 1967) contingency model of leadership has been the main draw-back in event of its validity and its ease of implementation. The conceptual framework of the study is presented in Figure 3.1. The present study builds on the Contingency Model of Leadership Effectiveness by drawing on contemporary theories and existing criticisms and examining how the contemporary model of effective leadership can be used to improve performance in an organizational setting.

**Figure 3.1: The Conceptual Framework**
3.2 Research Hypothesis
Research design consists of three main types namely descriptive, explorative and experimental. The current study is using the descriptive design as the most appropriate study design for this kind of study. According to Sekaran and Bougie (2010), “descriptive study is undertaken in order to ascertain and be able to describe the characteristics of the variables of interest in a situation” (p.105). This type of study is a guide for making observations to proper documentation of phenomenon of interest based on scientific method and therefore it is more reliable than doing casual observation which is conducted by untrained people.

Above and beyond, research design is a framework or blueprint for conducting the research. It refers to the logical structure of the inquiry by engaging with the logical problem not logistical issues (Malhotra, 2004). Basically, research design articulates what data is required, from whom and how it will answer the research question. Above all, research design affects the extent to which causal claims can be made about the impact of the intervention. The deductive approach is more associated with the quantitative approach as conducted in the present investigation. As mentioned by Gill & Johnson (2002), the deductive approach stems from theory to empirical assessment, usually guiding the establishment of evidence with the help of a conceptual framework. The deductive approach permits a structural approach (Saunders et al., 2012) and falls in line with the present investigation.

The design of the present investigation is predominantly quantitative in nature. Aside from the assertions that the quantitative method is in congruence with the positivist ontological stance and the deductive reasoning to research, this design is justified based on the underlying beliefs for objectiveness. The quantitative approach is again justified as it helps collect core and structural data towards answering the set research questions (Hair et al., 2003; Creswell 2009). Ultimately, the quantitative approach is more concerned for generalizability and representativeness which are considered as part of the need for objectivity and credibility in empirical assessment.

3.3 Population of the Research
Based on the report from Reuters (2016) as at May 2016, a headcount of all employees under ADNOC reveals a total of 55,000. This population of employees are however spread across the GCC and UAE. Considering this population size, the present study adopts the appropriate sampling technique and sampling size to arrive at most authentic and reputable sampling approach for the current study.

3.4 Sampling Size and Technique
Either probability sampling or non-probability sampling defines the sampling design. Where, the non-probability sampling emphasizes that the elements in the population do not have an opportunity or probability of being selected as a subject in the sample whereas, in the probability sampling, the elements have an opportunity or probability of being selected as a subject in the sample (Sekaran & Bougie, 2014). In an attempt to ensure
generalizability of findings to the population of ADNOC, the adequacy of sample is critical. A representative sample to the defined population is also ensured by the adoption of the appropriate sampling technique.

### 3.5 Sample Size

Generally, the sample size is inclined by the number of factors like the purpose of the study (Kelso, 2008; Sekaran & Bougie, 2014), size of the population (Kelso, 2008; Chailee, 2008), non-responsive error, and accuracy of the study (Kelso, 2008; Sekaran & Bougie, 2014). According to Saunders et al., (2007), the population of between 10,000 and 100,000 would need a minimum sample of 383 to be generalizable at 95% confidence interval or 5% error margin. For the right sample size, it is important to factor in a response rate in order to give room for non-response error. The minimum sample size was however first adjusted to the exact population size using the following formula as provided by Saunders et al., (2007):

\[
 n_2 = \frac{n_1}{(1 + \left(\frac{n_1}{\text{population}}\right))}
\]

Here, \( n_2 \) is the adjusted sample size and \( n_1 \) is the minimum sample size of 383. Factoring the available minimum sample size and the actual population into the equation, the following is arrived:

\[
 n_2 = \frac{363}{(1 + \left(\frac{383}{55,000}\right))} \\
 n_2 = \frac{363}{(1.00696)} \\
 n_2 = 360
\]

A response rate of 80% is considered as the overall valid responses. This rate is factored into the main equation provided below to arrive at the actual sample size:

\[
 n_3 = \frac{n_2 * 100}{\text{re}\%}
\]

Where, \( n_3 \) is the actual sample size considered for the present study and \( n_2 \) is the adjusted sample size estimated in the previous equation. The following is arrived:

\[
 n_3 = \frac{360 * 100}{80\%} \\
 n_3 = 450
\]

Using this sample size (\( n_3 = 450 \)) would ensure that more authoritative results are achieved. This actual sample size considers the possibility of non-response and is larger than the minimum sample size.
3.6 Sampling Technique
For the certainty of representativeness of the sample to the population of interest, sampling technique is critical. A sampling frame of all ADNOC employees in UAE is considered. Considering ADNOC is present in all the Emirates but Dubai, and is based in Abu Dhabi, a stratified proportional sampling technique is used. All employees in Abu Dhabi are considered in a single stratum whereas all other employees in the Northern Emirates are considered in a second stratum. The exact proportion of sample per strata was obtained prior to actual data collection. The proportions were obtained by requesting a list of all ADNOC employees in UAE region, the sampling frame.

3.7 Data Sources
Based on the primary and secondary sources of data known as the two main sources of data present for any investigation, the primary source of data is used to answer all research questions in the present investigation. Primary data is gathered in the direction of set hypotheses without reliance on data originally collected by someone else on a different set of independent research objectives. Saunders et al., (2007, p. 256) refer to secondary data as reanalysis of data that have already been collected for another purpose and this study does not consider such data.

Regardless of the secondary data comes in handy, it may not fit the main purpose of the study since it was not collected with the main study in mind. Moreover, secondary data may be very difficult to access, aggregations and definitions may be unsuitable to the investigation, no control over data quality exists and other limitations exist. Using primary data may be time consuming but overcomes all of these limitations.

3.8 Data Collection Instrument and Measurement
Followed by Sekaran & Bougie (2014), a survey instrument is consisting of a set of questions, to which the respondents provide their answers and an efficient data gathering technique when the researcher knows precisely what is necessary. The questionnaire, is often called the survey instrument, can be placed in to three categories based on the nature of the administering, personally administered, mail and electronically administered questionnaires. Data is collected with the help of the survey questionnaire. Hence, the present study is to be used questionnaire rather than other two methods namely interviewing and observing People and phenomena, because of it descriptive in nature. Of which personally administered, and mail questionnaires are more appropriate for the present study where the nature of the respondents is concerned. The instrument was separated into three main sections; (1) situational factors and its antecedents, (2) leaders’ behaviour and its antecedents and (3) organizational performance. It may be noted that the exploratory section is section one of the questionnaire (Appendix C). The indicators and items for measurement of the variables are presented in Table 3.2, Table 3.3 and Table 3.4. All items on the questionnaire aside from demographics and leader behaviour orientation were measured with the five-point Likert Scale. Key demographic collected include age, gender, level of education and level of management.
3.9 Data Collection Administration

For the required data in the organization, to ADNOC headquarters in Abu Dhabi to be granted access, a formal letter was submitted. A copy of the approved letter was then attached to all the emails of selected respondents after a random selection has been done in the two main strata under consideration. It was important to ensure that the respondents selected from each stratum are proportional to the size of the strata in relation to the overall size of ADNOC employees in UAE. On Survey Monkey Online Data Collection Platform, the questionnaire was placed and sent to the participants for completion. The questionnaire was then delivered to the respondents or participants in the form of an email. The participants or respondents were required to read the information sheet in their respective emails and proceed to offer consent on the first page of the online questionnaire. After offering consent, the survey proceeds to the next sections.

For the data collection, a period of 8-10 weeks was allocated. After every two weeks, reminders were sent to the participants and this helped increase response rate. As discussed in the previous sections, a single questionnaire was used. Data from this questionnaire was used for both the exploratory and conclusive aspects of the study and proved quite lengthy. An attempt was made to reduce the number of questions asked in order to facilitate response.

3.10 Data Analysis

For the analysis and arrival at key factors that determine the variables of leader member relations, task structures and leader positions in contemporary times of leadership administration, factor analysis was used. Factor analysis can either be exploratory (EFA) or confirmatory (CFA). Whereas the former has to do with the deducing of latent themes from a pool of indicators or variables, the latter has to do with the use of structural equation modelling to establish exploratory inter-relationships. It may be noted that the factor analysis in the present study is in an attempt to explore patterns (latent variables) among indicators. Factor analysis is therefore EFA and applies to the first research question of the study. This research question informs the research hypothesis and involves identification of key situational elements in the contingency model of leadership, as exists in contemporary leadership environments. The first, second, third and fourth research hypotheses were analysed with the help of regression analysis. These hypotheses sought the impact of key independent variables on other dependent variables; specifically, these hypotheses constitute the (1) the impact of leader’s internal environment on leadership behaviour, (2) the impact of leader’s external factors on the leadership situational scope, (3) the effect behaviour on organizational performance, and (4) what is the effect of contemporary leadership situational factors on organizational performance. In all these analyses, a single dependent variable was matched against a group of independent variables in a linear equation modelling where:

\[ y = b + a_1(x_1) + a_2(x_2) + a_3(x_3) + a_4(x_4) + \cdots + a_n(x_n) \]  (1)
Here,
\[ y = \text{dependent variable}, \]
\[ a_1 \sim a_n = \text{the coefficient of the independent variables}, \]
\[ x_1 \sim x_n = \text{the independent variables}, \]
and \( c = \text{the y-intercept}. \)

Same form of analysis will be conducted for all research hypotheses.

4. Results and Analysis

In this section, the outcomes of primary data collection are presented. These results are analysed in this section towards achieving the study’s objectives. First, the demographics of respondents are presented, followed by a careful analysis of the data observations in order to remove all inconsistencies bias responses. Descriptive statistics are then presented to summarize all collected data, followed by critical reliability and data validity assessments. Main analyses in this section are done in the form of hypothesis testing in order to either accept or reject the established hypotheses of the study. Testing the hypotheses in this section also play a key part in answering the research questions of the study. All analytical methods used are mentioned in this section alongside their respective studies.

4.1 Demographic Statistics

Most of the significant demographics are provided in Table 4.1. Out of the 382 valid responses, 223 (58.4%) were males and remaining 159 (41.6%) were females. Most of the participants belonged to the age range of 25 to 34; 106 respondents representing 27.7% of the total sample. About 23% of the sample (88 respondents) were aged between 35 to 44 years and this was closely followed by those aged between 15 to 24 years (21.2%) and 45 to 54 years (18.1%). In addition to this, 52% of the respondents had successfully completed University or first degree; this category numbered 200 out of the total of 382 respondents. High School and Diploma leavers formed 33% and a small percentage of respondents had post graduate degrees or above (14.7%). To these demographics, an unconscious attempt was made to ensure that the departments in the organization spread equally among the sample as observed in a simple random sampling attempt. the study considered two main strata of all employees in Abu Dhabi in a single stratum and the rest in the other Emirates in another stratum. This registered nearly equal proportions of respondents in the various levels of the organization as presented in Table 4.1. Most of the respondents were in the middle level of the organization (39.0%) followed by operational level employees (34.3%) and top management level employees (26.7%).
<table>
<thead>
<tr>
<th>Item</th>
<th>Categories</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>223</td>
<td>58.4</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>159</td>
<td>41.6</td>
</tr>
<tr>
<td>Age</td>
<td>15-24</td>
<td>81</td>
<td>21.2</td>
</tr>
<tr>
<td></td>
<td>25-34</td>
<td>106</td>
<td>27.7</td>
</tr>
<tr>
<td></td>
<td>35-44</td>
<td>88</td>
<td>23.0</td>
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<td></td>
<td>45-54</td>
<td>69</td>
<td>18.1</td>
</tr>
<tr>
<td></td>
<td>55 and above</td>
<td>38</td>
<td>9.9</td>
</tr>
<tr>
<td>Education</td>
<td>High School or less</td>
<td>126</td>
<td>33.0</td>
</tr>
<tr>
<td></td>
<td>University of 1st Degree</td>
<td>200</td>
<td>52.2</td>
</tr>
<tr>
<td></td>
<td>Postgraduate or above</td>
<td>56</td>
<td>14.7</td>
</tr>
<tr>
<td>Level</td>
<td>Operational level</td>
<td>131</td>
<td>34.3</td>
</tr>
<tr>
<td></td>
<td>Middle level management</td>
<td>149</td>
<td>39.0</td>
</tr>
<tr>
<td></td>
<td>Top level management</td>
<td>102</td>
<td>26.7</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>382</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.2 Descriptive Statistics – Situational, Behaviour and Performance

The descriptive statistics of collected primary data are presented in this section. It must be noted that the minimum and maximum values of 1 and 5 respectively run through for all items as a five-point Likert Scale was used. The descriptive statistics presented in this section include mean, standard deviation and variance for all factors.

<table>
<thead>
<tr>
<th>Item</th>
<th>Mean</th>
<th>SD</th>
<th>Var.</th>
<th>Skewness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perceived Similarity</td>
<td>3.90</td>
<td>.854</td>
<td>.729</td>
<td>-.789</td>
</tr>
<tr>
<td>Self-Promotion</td>
<td>3.69</td>
<td>.945</td>
<td>.893</td>
<td>-.442</td>
</tr>
<tr>
<td>Assertiveness</td>
<td>3.79</td>
<td>1.007</td>
<td>1.015</td>
<td>-.737</td>
</tr>
<tr>
<td>Leader trust</td>
<td>3.76</td>
<td>.960</td>
<td>.921</td>
<td>-.606</td>
</tr>
<tr>
<td>Inclusiveness</td>
<td>3.71</td>
<td>.957</td>
<td>.916</td>
<td>-.503</td>
</tr>
<tr>
<td><strong>Leader Member Relationship (mean = 3.77)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Managing Logistics</td>
<td>3.86</td>
<td>.919</td>
<td>.844</td>
<td>-.619</td>
</tr>
<tr>
<td>Clear Agenda</td>
<td>3.77</td>
<td>.923</td>
<td>.851</td>
<td>-.469</td>
</tr>
<tr>
<td>Punctuality of tasks</td>
<td>3.92</td>
<td>.889</td>
<td>.789</td>
<td>-.708</td>
</tr>
<tr>
<td>Task reviews</td>
<td>3.91</td>
<td>.882</td>
<td>.777</td>
<td>-.454</td>
</tr>
<tr>
<td>Communication</td>
<td>3.79</td>
<td>.909</td>
<td>.826</td>
<td>-.655</td>
</tr>
<tr>
<td><strong>Task Structures (mean = 3.8518)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Formal Power</td>
<td>3.62</td>
<td>1.072</td>
<td>1.150</td>
<td>-.578</td>
</tr>
<tr>
<td>Informal position power</td>
<td>3.44</td>
<td>1.191</td>
<td>1.417</td>
<td>-.530</td>
</tr>
<tr>
<td>Leader’s ability to influence</td>
<td>3.58</td>
<td>1.056</td>
<td>1.115</td>
<td>-.558</td>
</tr>
<tr>
<td>Formulating policies</td>
<td>3.55</td>
<td>1.012</td>
<td>1.025</td>
<td>-.578</td>
</tr>
<tr>
<td>Formulating Procedures</td>
<td>3.78</td>
<td>.919</td>
<td>.845</td>
<td>-.604</td>
</tr>
<tr>
<td><strong>Leader Position Power (mean = 3.59)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pleasant &amp; Unpleasant</td>
<td>4.43</td>
<td>2.136</td>
<td>4.561</td>
<td>-.005</td>
</tr>
<tr>
<td>Friendly &amp; Unfriendly</td>
<td>5.09</td>
<td>1.802</td>
<td>3.249</td>
<td>-.162</td>
</tr>
<tr>
<td>Rejecting &amp; Accepting</td>
<td>4.94</td>
<td>1.860</td>
<td>3.461</td>
<td>-.220</td>
</tr>
<tr>
<td>Tense &amp; Relaxed</td>
<td>5.05</td>
<td>1.975</td>
<td>3.900</td>
<td>-.232</td>
</tr>
<tr>
<td>Distant &amp; Close</td>
<td>4.70</td>
<td>1.875</td>
<td>3.516</td>
<td>-.024</td>
</tr>
</tbody>
</table>
Leader's Behaviour (LPC) (mean = 4.8435)

<table>
<thead>
<tr>
<th>Construct</th>
<th>Sub-Construct</th>
<th>n</th>
<th>Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Situational Factors</td>
<td>Leader-Member Relationship</td>
<td>5</td>
<td>0.725</td>
</tr>
<tr>
<td>Situational Factors</td>
<td>Task Structures</td>
<td>5</td>
<td>0.787</td>
</tr>
<tr>
<td>Situational Factors</td>
<td>leader Position Power</td>
<td>5</td>
<td>0.853</td>
</tr>
<tr>
<td>Leaders Behaviour</td>
<td></td>
<td>5</td>
<td>0.759</td>
</tr>
<tr>
<td>Organizational</td>
<td></td>
<td>4</td>
<td>0.849</td>
</tr>
<tr>
<td>Performance</td>
<td></td>
<td>4</td>
<td>0.849</td>
</tr>
</tbody>
</table>

4.3 Data Reliability
For reliability, the data was tested. Cronbach Alpha was used as a test for internal consistency. Reliability results are presented in Table 4.5. All reliability statistics were above .5 even though an alpha value greater than .5 and less than .6 may be considered a poor internal consistency (George & Mallery, 2003). Even though generally results of internal consistency may be considered acceptable but poor, alpha value above .7 may be considered more acceptable. Some of the constructs and sub-constructs had mixed results.

Table 4.3: Reliability Statistics

4.4 Exploratory Factor Analysis (EFA)
By not forcing upon a predetermined structure on the outcome, Exploratory Factor Analysis (EFA) explores the possible underlying factor structure of a set of variables (Child, 1990). In Exploratory Factor Analysis (EFA), there are few steps to be looked into. Firstly, the variables to be investigated has to be identified which has been done in Section 2. Extensive and in-depth review of literatures by previous scholars worldwide has been done. The variables involved this study is implored both in Section 2 and Section 3. Simultaneously, descriptive information of the data collected is to be extracted, which should be more detailed. The Univariate descriptive, Initial solution, Coefficient R-matrix, Significance levels, Determinant Test for multicollinearity or singularity, KMO and Bartlett’s tests, inverse of the correlation matrix, model’s Correlation matrix and
Anti-image of the covariance and correlation is calculated. To test this assertion, the pool of indicators in the leadership situational scope was explored for key patterns. First, KMO and Bartlett’s Test for adequacy was observed as statistically significant (Table 4.4).

**Table 4.1: Hypothesis 1: KMO and Bartlett’s Test**

<table>
<thead>
<tr>
<th>KMO and Bartlett’s Test</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</td>
<td>.802</td>
</tr>
<tr>
<td>Bartlett’s Test of Sphericity</td>
<td></td>
</tr>
<tr>
<td>Approx. Chi-Square</td>
<td>1465.852</td>
</tr>
<tr>
<td>Df</td>
<td>105</td>
</tr>
<tr>
<td>Sig.</td>
<td>.000*</td>
</tr>
</tbody>
</table>

Note: * Significant at 0.01 significance level

**Hypothesis 1: Effect of Leader’s External Environment on Situational Factors**

The first hypothesis sought to examine the effect of leaders’ behaviour on organizational performance. The main hypothesis stated that:

**H1:** Leaders behaviours have a significant impact on organizational performance.

Main independent variables include; leader-member relationship, task structures, and leader position power, as independent variables. Results for these predictors of organizational performance are presented in Table 21, Table 22, and Table 23.

**Table 21: Hypothesis 3: Model Summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.147*</td>
<td>.021</td>
<td>.014</td>
<td>1.01192</td>
</tr>
</tbody>
</table>

Note: a. Predictors: (Constant), Leader Position Power, Leader Member Relationship, Task Structures

**Table 22: Hypothesis 3: ANOVA**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>8.497</td>
<td>3</td>
<td>2.832</td>
<td>2.766</td>
<td>.042*</td>
</tr>
<tr>
<td>Residual</td>
<td>387.068</td>
<td>378</td>
<td>1.024</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>395.565</td>
<td>381</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: a. Dependent Variable: Organizational Performance, b. Predictors: (Constant), Leader Position Power, Leader-Member Relationship, and Task Structures. Significant at p < 0.05.

**Table 23: Hypothesis 3: Coefficients**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Std Coef.</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td></td>
<td></td>
<td>8.276</td>
<td>.000</td>
</tr>
<tr>
<td>Leader-Member Relationship</td>
<td>-.215</td>
<td>.081</td>
<td>-.138</td>
<td>-.2668</td>
</tr>
<tr>
<td>Task Structures</td>
<td>.029</td>
<td>.088</td>
<td>.017</td>
<td>.327</td>
</tr>
<tr>
<td>Leader Position Power</td>
<td>.061</td>
<td>.062</td>
<td>.050</td>
<td>.980</td>
</tr>
</tbody>
</table>

Note: a. Dependent Variable: Organizational Performance. * Significant at p < 0.01 significance level.

Observation of model summary in Table 21 shows that a rather low R-Squared Statistics were obtained. ANOVA results for this statistic was significant at p < 0.05. Of all the situational elements considered, leader-member relationship proved statistically significant as a predictor of organizational performance, with a negative Beta value of -
.138 (p < .01). These results indicate that the third hypothesis is accepted for the main variable of leader-member relationship as a good but negative predictor of organizational performance.

4.7 Hypothesis 2: Effect of Situational Factors on Organizational Performance

The fourth hypothesis sought to examine the effect of situational factors on organizational performance. The main hypothesis stated that:

**H2:** Contemporary leadership situational factors have a significant impact on organizational performance.

Main independent variables include; leader-member relationship, task structures, and leader position power, as independent variables. Results for these predictors of organizational performance are presented in Table 24, Table 25, Table 26.

### Table 24: Hypothesis 4: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.147*</td>
<td>.021</td>
<td>.014</td>
<td>1.01192</td>
</tr>
</tbody>
</table>

*Note: a. Predictors: (Constant), Leader Position Power, Leader Member Relationship, Task Structures

### Table 25: Hypothesis 2: ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>8.497</td>
<td>3</td>
<td>2.832</td>
<td>2.766</td>
<td>.042b</td>
</tr>
<tr>
<td>Residual</td>
<td>387.068</td>
<td>378</td>
<td>1.024</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>395.565</td>
<td>381</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Note: a. Dependent Variable: Organizational Performance, b. Predictors: (Constant), Leader Position Power, Leader-Member Relationship, and Task Structures. Significant at p < 0.05.

### Table 26: Hypothesis 2: Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Std Coeff.</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>4.061</td>
<td>.491</td>
<td>8.276</td>
</tr>
<tr>
<td></td>
<td>Leader-Member Relationship</td>
<td>-.215</td>
<td>.081</td>
<td>-.138</td>
</tr>
<tr>
<td></td>
<td>Task Structures</td>
<td>.029</td>
<td>.088</td>
<td>.017</td>
</tr>
<tr>
<td></td>
<td>Leader Position Power</td>
<td>.061</td>
<td>.062</td>
<td>.050</td>
</tr>
</tbody>
</table>

*Note: a. Dependent Variable: Organizational Performance. * Significant at p < 0.01 significance level.

On the other hand, examination of model summary in Table 27 shows that a rather low R-Squared Statistics were obtained. ANOVA results for this statistic was significant at p < 0.05. Of all the situational elements considered, leader-member relationship proved statistically significant as a predictor of organizational performance, with a negative Beta value of -.138 (p < .01). These results indicate that the fourth hypothesis is accepted for the main variable of leader-member relationship as a good but negative predictor of organizational performance.
Table 27: Summary of the Hypotheses

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Finding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership behaviour has a significant effect on organizational performance.</td>
<td>Accepted</td>
</tr>
<tr>
<td>Contemporary leadership situational factors have a significant impact on</td>
<td>Accepted</td>
</tr>
<tr>
<td>organizational performance.</td>
<td></td>
</tr>
</tbody>
</table>

5. Discussion, Recommendations and Conclusion

In this section, findings of the study in relation to literature on the subject area have been discussed. A general discussion of findings is presented first followed by observation of the implications of the findings of the study and in the last conclusion will be discussed.

5.1 Discussion

In this investigative approach, the traditional elements of leadership situational factors including (1) leader-member relationship, (2) task structures and (3) leader position power were observed as still relevant to situational leadership effectiveness in today’s businesses. The questions surrounding this area in the questionnaire particularly sought to observe the extent to which important constructs led to the achievement of specific atmosphere needed for effective leadership. Upon an exploration of important indicators, the indicators originally employed to explore these factors cleanly grouped into their respective dimensions. Ultimately, these dimensions are still relevant to today’s leadership environment and must therefore be acknowledged. Even though all three factors neatly converged, leader position power had strongest factor loadings or convergence; this was followed by leader-member relationship and task structures. On the conclusive phase of the study, two main hypotheses were examined. Mainly, both relationships statistically significant. The second hypothesis also revealed that leader-member relationship is a good predictor of organizational performance (t [-2.668] = .021, p < 0.01). The three situational factors were considered under separate multiple regression estimations. The observation of the predictive effect of leader’s external factors on leader-member relationship revealed subordinate characteristics as a statistically significant negative predictor (t [-2.239] = .032, p < 0.05).

Both H1 and H2 may have observed some amount of significance but at rather low R-squared values. Both were also negative predictors in their respective multiple regression models. Even though the negative predictive effect or subordinate’s characteristics is explained in real organizational terms and is backed by pertinent literature on the area, the negative predictive effect of leader member relationship on organizational performance rather has rare literature support. The final section of the study sought to validate the original contingency model of leadership. Results plotted on two-way ANOVA plots sought to replicate the shape of the task-oriented leadership and the relationship-oriented leadership behaviours on the relationship between leadership situational factors and performance. These observations were essential regardless of the significance of the predictive relationship between situational factors and performance. The exercise reveals that task-oriented behaviour is validated on situational factors of
leader-member relationships and leader position power even though relationship oriented behaviour is only validated on the path of leader position power where one moves from a low position power to medium position power. Leadership behaviour could not be validated on grounds of task structures and how it predicts organizational performance.

5.2 Implications of Findings
For ensuring the competitive benefit, the necessity of effective leadership development has remained central to the desire (Caligiuri & Tarque, 2012; Wallis & McLoughlin, 2007). The case of ADNOC was highlighted at the onset of the present study as important context within which the study was conducted. This context was considered as essential for the study as the country and ADNOC, in the not-so-distant past, suffered from the decline in global oil market prices (Khamis et al., 2010). Reduction in market prices followed one of the greatest global economic recessions and the UAE, KSA and surrounding countries have had to re-strategize institutions like ADNOC to operate successfully (McDonald 2016; Raval, 2016).

Demonstrating the inevitability of effective institutional leadership effectiveness in the oil sector, the need to manage effectively in an age of sustained and not-so-attractive low oil and gas market, the need for radical measures and sustainable institutional considerations in the oil sector has been highlighted by Mills (2016) and Al Hilal Publishing & Marketing Group (2016). As part of the practical rational of focusing on ADNOC as a main case study of the present study was to validate and empirically establish a leadership effectiveness model for private and public institutions in the region. Important but few practical implications may be highlighted considering most of the relationships in the research model were not significant. Generally, two main areas may be highlighted. ADNOC must note that as employees’ age, this puts a stain on leader-member relationships. Moreover, female may be more responsible at managing leader-follower relationships than their male counterparts. In addition, leader-member relationship may be considered a negative predictor of performance. Ultimately, the composite score of perceived similarity, self-promotion, assertiveness, leader trust and inclusiveness were observed as a negative predictor of performance in ADNOC. These elements would rather be considered more rational considering a positive association exists with performance. Nonetheless, further insight may be required to better understand this inter-relationship between leader-member relationships and organizational performance in ADNOC. Further investigation into ADNOC may explain these inconsistencies and recommend avenues for improvement and alignment of leader-member relationships.

5.3 Recommendations to Future Researchers
In the current research, there has been a huge theoretical importance. From the two main research gaps to the validation of the contingency model of effective leadership, further recommendations may be proposed for future research activities. Mainly, the present
study observed many insignificant relationships pertaining to the data gathered from ADNOC. It is recommended that future researchers consider a more general sample that involves multiple institutions and does not consider participants from only a single institution. Diversity in participants may support evidence of these inter-relationships and such findings may be considered more authoritative in nature due to a large or broad sample base.

To ADNOC and other public and private institutions in the UAE and surrounding regions, major recommendations are offered. It is recommended that ADNOC and other organizations in the region pay attention to the inverse relationship between age, gender and leader-subordinate relationship. Ultimately, in no attempt to discriminate against older employees, these organizations must employ training sessions and other employee development programs to reduce the negative effects of age in leader-follower relationships.

5.4 Conclusion
It is concluded that the constituents of the situational factors in the contingency model of leadership effectiveness have not changed and remain relevant to contemporary business management. The traditional factors of leader-member relationship, task structures and leader power position may still be considered as relevant to the Contingency Model of Leadership Effectiveness. Task and relationship behavioural do not depend on the leader’s age, gender or any element within the leader’s internal or immediate environment. The second objective sought to observe the effect of leadership situational factors on organizational performance. It is concluded that no predictive relationship exists between situational scope of the leadership model and organizational performance. The situations within which leaders operate may not essentially have any predictive effect on performance with the exception of a negative relationship between leader-member relationship and organizational performance. Finally, this hypothesis sought to validate the contingency model of leadership effectiveness using data collected in the present study. It is concluded that data presented in the present study validates task-oriented leadership behaviour for the situational factors of leader-member relationship and leader position power but not for task structures. It is also concluded that the original contingency model of leadership effectiveness lacks validity with regards to the relationship-oriented leadership behaviour, at least in context of data collected in the present investigation.

References


Kark, R., & Shamir, B. (2002). The dual effect of transformational leadership: Priming relational and collective selves and further effects on followers. In B. Avolio & F. Yammarino (Eds.), Transformational leadership: The road ahead (pp. 67-91). Stamford, CT: JAI.


