

© SERIAL PUBLISHERS, 2017

www. serialpublishers.com

# INFLUENCE OF TRANSFORMATIONAL LEADERSHIP ON THE PERFORMANCE OF PROJECT BASED ORGANIZATIONS: A CASE OF INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE

Nancy Munyeki<sup>1</sup>, Dr. Susan Were<sup>2</sup>

<sup>1</sup>Msc Student: Jomo Kenyatta University of Agriculture and Technology <sup>2</sup>Lecturer: Jomo Kenyatta University of Agriculture and Technology

**Abstract:** International Livestock Research Institute (ILRI) works to better lives in developing countries through improving the quality and quantity of livestock in Kenya. However, despite its importance to Kenyan farmers and to the national economy, the efficiency of ILRI has room for improvement. This study sought to investigate on the influence of transformational leadership on the performance of project based organizations in Kenya with a case of International Livestock Research Institute. The study also sought to determine the effect of idealized influence, inspirational motivation, individualized consideration and intellectual stimulation on the performance of project based organizations in Kenya. This study used a descriptive research design. The target population was 111 staff in International Livestock Research Institute. Since the population is small (111) a census will be conducted. This study made use of primary data that was collected by the use of semi-structured questionnaires. The collected quantitative data was edited and coded into a statistical package (Statistical Package for Social Sciences (SPSS) version 21) for analysis. Both descriptive and inferential statistics were used to analyze quantitative data. In descriptive statistics, the study used frequency, mean, standard deviation and percentages. The analyzed data was then presented in tables and figures. On the other hand, thematic content analysis was used to qualitative data and the results were presented in form of a prose. Further, correlation analysis and multiple regression analysis were used to establish the relationship between the dependent and the independent variables. The study established that idealized influence has a positive and significant influence on the performance of project based organizations ( $\beta_1$ =0.306, p-value=0.000). The study also found that inspirational motivation has a positive and significant influence on the performance of project based organizations  $(\beta_2=0.182, p-value=0.034)$ . The study revealed that individual consideration has a positive and significant influence on the performance of project based organizations ( $\beta_3$ =0.208, p-value=0.020). The study further established that intellectual stimulation has a positive and significant influence on the performance of project based organizations ( $\beta_4$ =0.455, p-value=0.000). This study recommends that the management should focus on acknowledging and attending to the needs of employees. In addition, it should develop a coaching and mentorship program to improve the skills of the staff, which can subsequently influence their productivity and hence performance.

**Key Words:** Idealized influence, Individual consideration, Inspirational motivation, Intellectual stimulation

#### Introduction

Leadership is one of the most important and essential factors in good project management. It is more than simply managing people or projects: it is the art of affecting other team members' behaviour in order to achieve the goals and accomplish the tasks successfully. However, quality leadership is important not only for individual's career pursuits, but is also significant because it influences the whole project process (Cavazotte, Moreno & Bernardo, 2013). Leadership is growing in importance, particularly in light of the booming project based organisations in the Consortium of International Agricultural Research Centers (CGIAR) and the shift toward global projects and global project teams. There is emphasis in the project management field on leadership as opposed to management in recognition of the need for the special skill sets that leaders possess and bring to an organization or project). Many administrators, supervisors, and even top executives execute their responsibilities without being great leaders. While many managers focus on activities and worry about short-term profits and stock prices, few have emerged as leaders who foster innovation and the attainment of long-term goals. Whereas many managers are concerned with maintaining the status quo, those who emerge as leaders are more concerned with making important decisions, even if they are unpopular. This is the trend towards leadership in project management. Among all the skills in project management, the leadership skill component is one of the significant values in the present, and is predicted to be become more important in the near future.

The need for substantial transformations in organizations creates a dynamic and complex environment that is taking place in the way in which work is performed. The need to speed up product development and focusing on satisfying customers has resulted in utilizing project management. Hence, there is a growing reliance on project teams within organizations. Project management devotes attention to the formal system of rules and procedures and to the informal system of motivation of leadership, in order to achieve a successful project. Project teams can contribute to organizations beyond the capabilities of individuals working alone. Therefore project effectiveness; performance and leadership are receiving more and more attention.

Project-based organizations (PBO's) refer to a variety of organizational forms that involve the creation of temporary systems for the performance of project tasks. PBO's can circumvent traditional barriers to organizational change and innovation, since each project is presented as a temporary, relatively short-lived, phenomenon. The PBO's are found in a wide range of industries. These include consulting and professional services, cultural industries, high technology, and complex products and systems. For many of these industries, project-based organizations are employed to meet the highly differentiated and customized nature of demand, where clients frequently negotiate and interact with project organizers over the often-innovative design of products and services.

Effective project leadership is an important success factor on projects. The capabilities of the people involved in resolving extraordinary situations and unforeseen problems are an important key for project success. Good leaders do inspire confidence in themselves, but a truly great leader inspires confidence within the people they lead to exceed their normal performance level. In Germany, Prabhakar (2005) established that idealized influence is an important leader quality that has an impact on project success and must be used in conjunction with relationship behaviors. In Brazil, Cavazotte, Moreno and Bernardo (2013) carried out a study on the transformational leaders and work performance and established that perceived transformational leadership is associated with higher levels of task performance and helping behaviors. In India, Tabassi, Ramli and Dashti (2010) carried out a study on transformational leadership and team effectiveness in the construction industry in India. The results indicated that that transformational leaders by attracting their emotional behavior tends to be better suited in the construction industry.

In investigating the relationship between leadership style and project success in Nigeria, Ukpai, Lew and Sim (2013) established that the leadership style used by project managers had a significant influence on project success. In Ghana, Addy and Cofie (2014) indicate that project management brings together competencies and techniques from diverse fields for the purpose of achieving project objectives. New projects cut across all sectors, and unfortunately some are plagued with high failure rates. More than ever before, leaders are being held highly accountable for projects that they manage. Okweto (2012) indicates that Kenya as a country has witnessed substantial increase in the number of stalled projects due to inappropriate project organization structures and ineffective leadership. In addition, project leaders are endowed with technical skill but lack the other basic project management skills of dealing with the human, culture and environmental sides of the project. The leadership style in most projects and project based organizations is quite authoritarian, where team members are closely supervised through formalized bureaucratic structures. In a study on factors influencing the effective performance of community -based projects in Kenya Kyongo (2010) established that leadership and project management training were the most important factors affecting the performance of community based projects.

The International Livestock Research Institute (ILRI) is an international agricultural research institute based in Nairobi, Kenya, and founded in 1994 by the merging of the International Livestock Centre for Africa and the International Laboratory for Research on Animal Diseases (ILRAD). ILRI is a not-for-profit institution and a member of the Consortium of International Agricultural Research Centers (CGIAR). ILRI envisions a world where all people have access to enough food and livelihood options to fulfill their potential. ILRI's mission is to improve food and nutritional security and to reduce poverty in developing countries through research for efficient, safe and sustainable use of livestock—ensuring better lives through livestock (ILRI, 2015).

### **Statement of the Problem**

International Livestock Research Institute (ILRI) plays a key role in improving the quality and quantity of livestock in Kenya. Despite its importance to Kenyan farmers and to the national economy, the efficiency of International Livestock Research Institute has over the years been wanting. According to ILRI (2010), 13% of all ILRI projects experienced cost overrun and 21% experienced time overrun. In addition, Nekhoba (2013) argues that poor leadership, poor resource management, and some aspects of organization culture at International Livestock Research Institute has in the recent past led to inefficiency in project delivery. According to Anantatmula (2010), ineffectiveness of operational management as well as cost and time overrun emanate from project leadership. Due to its great contribution in the improvement of food and nutritional security as well as in the reduction of poverty in Kenya, there is a need to establish influence of transformational leadership on the performance of projects in ILRI.

Several studies have been conducted on the issue of organization leadership management in Kenya. Kisavu (2012) in her study "strategic change management at International Livestock Research Institute (ILRI)" focused only on leadership as a small contributing factor in strategic change management. A study conducted by Gitonga (2011) titled "emotional intelligence and leadership effectiveness" offered some insight into leadership as a practice, however it failed to focus on the particular styles and characteristics of leaders required for successful strategic change management at International Livestock Research Institute (ILRI) and Nekhoba (2013) did a study on employee perception of the effectiveness of human resource management practices at International Livestock Research Institute

(ILRI). However, there is no empirical evidence of studies conducted on the influence of transformational leadership on project based organizations in Kenya. This study seeks to fill the knowledge gap by investigating influence of transformational leadership on performance of International Livestock Research Institute (ILRI).

The specific objectives of this study were;

- i. To determine the effect of idealized influence on the performance of project based organizations in Kenya
- ii. To establish the role of inspirational motivation on the performance of project based organizations in Kenya
- iii. To find out the effect of individualized consideration on the performance of project based organizations in Kenya
- To assess how intellectual stimulation affects the performance of project based organizations in Kenya

#### **Theoretical Review**

A review of the leadership literature reveals evolving schools of thought from the great man and trait theories to transformational leadership. The early theories tended to focus on the characteristics and behaviors of successful leaders while the later theories begin to consider the role of followers and the contextual nature of leadership. This section reviews theories related to the study. These theories include the path goal theory, human capital theory, transformational leadership theory and Maslow's basic needs theory.

### Path goal theory

The path–goal theory, also known as the path–goal theory of leader effectiveness or the path–goal model, is a leadership theory developed by Robert House, an Ohio State University graduate, in 1971 and revised in 1996. The theory states that a leader's behavior is contingent to the satisfaction, motivation and performance of her or his subordinates. The revised version also argues that the leader engages in behaviors that complement subordinate's abilities and compensate for deficiencies (Addy & Cofie, 2014). According to the theory, the manager's job is viewed as guiding workers to choose the best paths to reach their goals, as well as the organizational goals. The theory argues that leaders will have to engage in different types of leadership behavior depending on the nature and the demands of a particular situation. It is the leader's job to assist followers in attaining goals and to provide the direction and support needed to ensure that their goals are compatible with the organization's goals. A leader's behavior is acceptable to subordinates when viewed as a source of satisfaction and motivational when need satisfaction is contingent on performance, and the leader facilitates, coaches, and rewards effective performance.

In this study, the Path goal theory was used to explain the idealized influence of the leaders to their followers. Transformational leaders act as role models for their followers. Transformational leaders

must embody the values that the followers should be learning and internalizing. The foundation of transformational leadership is the promotion of consistent vision and values. Transformational leaders guide followers by providing them with a sense of meaning and challenge. They foster the spirit of teamwork and commitment through promoting a broad, inclusive vision, leading by example, showing strong commitment to goals, creating trust and confidence in employees and representing organizational goals, culture, and mission.

## **Human Capital theory**

The Human Capital Theory was developed by Theodore Schultz in the 1960s. The theory indicates that both skills and knowledge are types of capital in an organization and that these types of capital are important in the performance and growth of an organization (Tan, 2014). The human capital concept involves investing in people in an organization through training and development, which is key in organizational development. The theory compares skills and knowledge acquisition to production means. In addition, the theory indicates that investing in coaching, mentoring as well as training and education improves human productivity, which subsequently leads to a positive return rate, increased growth rate and achievement of organizational goals and objectives in an organization. In the human capital theory employees are considered as assets. The theory also indicates that organizations' investments on people will lead to worthwhile returns (Naeem et al., 2014).

This study will be used to explain the influence of individualized consideration on performance. From an organization's perspective, coaching, mentoring as well as training and educating people means attracting and retaining them. This is expected to lead to improvements of productivity, performance and ability to innovate through enlargement of skills base and increasing levels of competence ad knowledge. Mentors are typically defined as experienced individuals with advanced knowledge who are committed to providing assistance and progress to their follower's career. The mentoring relationship is a mutual mentor-follower investment characterized by the sharing of values, knowledge, and experience. The Transformational Leader is someone who inspires others to go further than what they are capable of. A good coach is able to help others reach beyond expectations.

### **Transformational Leadership Theory**

The transformational leadership theory was popularized in the 1970s onward by Burns (1978) and later Covey (1992) who advocated for leadership being about transforming people and organizations by engaging their hearts and minds. Transformational leadership is based more on the leaders shifting values, beliefs and needs of their followers and is a broader concept which implies reshaping the entire strategies of the organization. Transformational leadership leads to positive changes in those who follow. Transformational leaders are generally energetic, enthusiastic and passionate. Not only are these leaders concerned and involved in the process, they are also focused on helping every member of the group succeed as well. Transformational leaders emphasize on learning, empowerment and teamwork. The characteristics of transformational leadership as described by Taborda (2000) are given as, the goals of the organization must be communicated and embodied in the culture of the organization, communication is especially important and should be performed through leaders who are instrumental in permeating the vision through the various levels of organizational hierarchy.

In context of this study, Leaders at International Livestock Research Institute must demonstrate a commitment to values by their own behavior and by the way they reinforce the behavior of others.

When a leader is motivated inspirationally, he or she is able to exhibit confidence, respond positively to his or her follower's thoughts and ideas and he or she is also able to motivate the followers. A transformational leader comes up with a vision that is clear, meets the group expectations and is also committed to meeting the laid out group objectives. Additional leadership characteristics that are important include eagerness, enthusiasm and the ability to articulate organization goals and vision. Leaders who shift positions frequently and express contradictory values undermine the trust and confidence of their followers. Leaders at International Livestock Research must ensure that people within the organization are motivated, developed and rewarded to produce outstanding results and lead to organizational success.

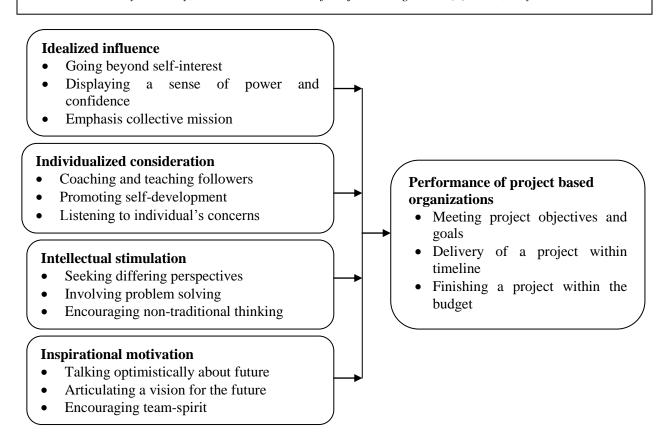
# Maslow's basic needs theory

In a 1943 paper called A Theory of Human Motivation, Maslow presented the idea that human actions are directed toward goal attainment. Any given behavior could satisfy several functions at the same time; for instance, going to a bar could satisfy one's needs for self-esteem and for social interaction (Maslow, 1954). Maslow's Hierarchy of Needs has often been represented in a hierarchical pyramid with five levels. The four levels (lower-order needs) are considered physiological needs, while the top level of the pyramid is considered growth needs. The lower level needs must be satisfied before higher-order needs can influence behavior. The levels include self-actualization, esteem, belongingness, safety and physiological needs. Self-actualization needs include morality, creativity and problem solving. Esteem needs include confidence, self-esteem, achievement, and respect among others. Belongingness needs include love, friendship, intimacy, family among others. Safety needs include security of environment, employment, resources, health, and property, among others. Physiological needs include air, food, water, sex, sleep and other factors towards homeostasis among others (Tiri, Ogollah & Mburu, 2014).

In this study, Maslow's basic needs theory will be used to explain the intellectual stimulation. According to Maslow, self-actualization needs can be met through innovation, creativity and problem solving. In transformational leadership, leaders play a role of intellectual stimulation that majorly involves enhancement of employee creativity and innovation, involvement in decision making and involvement in problem solving. Allowing employees to participate in decision making on operational matters is a powerful method for meeting an employee's esteem needs.

## **Conceptual Framework**

The independent variables in this study included idealized influence, inspirational motivation, individualized consideration and intellectual stimulation. On the other hand, the dependent variable was performance of project based organizations in eastern Africa.



Independent Variables

**Dependent Variable** 

Figure 1: Conceptual Framework

# **Performance of Project Based Organizations**

The PBO is an organizational form in which the project is the primary unit for production organization, innovation and competition. Numerous benefits have been associated with the adoption of a PBO. They refer to better processes, control and lead-time reduction, higher output quality, increasing ability to respond quickly and flexibly to each customer's needs and to innovate in collaboration with clients and suppliers (Naeem et al., 2014). Overall, this organizational model allows a much more flexible application and integration of different types of organizational knowledge and skills, learning within the project boundary and coping with emergent properties in production, project risks and uncertainties. In spite of such benefits, PBOs also present considerable drawbacks in performing routine tasks, achieving economies of scale and coordinating cross-functional resources. In addition, they show difficulties in promoting organization-wide and project-to-project learning (Tiri, Ogollah & Mburu, 2014). This happens because knowledge generated in the project activities is embedded in tacit experiences of the group members and is therefore difficult to consolidate and spread at the organizational level. Projects often are also quite different, and solutions developed in the context of one project can seldom be applied to another. Finally, knowledge is at risk of being dispersed as soon as a project is dissolved and members are assigned to different tasks or teams.

### **Idealized Influence**

Idealized influence represents the ability of building confidence in the leader and appreciating the leader by his followers, which forms the basis for accepting radical changes in an organization. Without such confidence in the leader, that is, in his motives and aims, an attempt to redirect the organization may cause great resistance (Tiri, Ogollah & Mburu, 2014). Also known as charismatic leadership, this characteristic describes the extent to which leaders are capable of being role models to their followers and display solid moral and ethical principles. Idealized influence is described in two types: attributed (what traits are assigned to a leader) and behavioral (what one does). Those measuring high in idealized influence would respond positively to statements such as "I instill pride in others for being associated with me" and "I emphasize the importance of having a collective sense of mission". Karaca (2010) found that transforming leaders who are ideally influential on their followers promote the argument of having important common values and beliefs, stimulating the significance of a strong sense of purpose, and emphasizing the importance of a collective sense of the organization's mission. Nnguyen and Nguyen (2015) carried out a study on the influence of leadership behaviors on employee performance in the context of software companies in Vietnam and established that individualized influence in terms of instilling pride in followers (charismatic), going beyond their self-interest for the greater good of the organization, displaying a sense of power and confidence, talking about their most important values and beliefs and emphasizing collective mission influence employee performance.

#### **Individualized Consideration**

Leaders who welcome change always listen to the opinion of their subjects and advice the accordingly. They also make sure that issues troubling their subjects are well tackled, hence endearing themselves more to those being led. Such leaders are keen listeners, because they understand that it is through listening, they are able learn new ideas and also develop themselves and their followers intellectually. Intelligent leaders are always keeping a close ear so as to understand what their followers are saying and things they would like done differently. For them to come up with the correct judgment, they may be required to have interactive sessions with the subject. Asking questions and getting feedback would play a key role in extending understanding (Neupane, 2015). Leaders of this nature are always ready to be challenged and to be corrected. This further helps them to develop intellectually. Orabi (2016) conducted a study on the impact of transformational leadership style on organizational performance in Jordan and found that there is a significant relationship between Individual consideration and Organizational Performance. In addition, the results indicate that the scope if individual consideration noting that the process involves the willingness and ability of the leader to provide nurturing support for each follower. This process can positively influence employee job satisfaction, leading to higher levels of engagement and motivation within the organization. When all employees experience this outcome organizational performance should improve.

## **Intellectual Stimulation**

Mwesigwa and Namiyingo (2014) indicate that leaders who are open-minded tend to intellectually influence their subjects. Such leaders will want to challenge the norm and make a case out of every argument, this encourages their subordinates to intellectually challenge themselves more. With more cognitive thinking, the people are able to gain more knowledge, which helps to better their lives. Transformational leaders are always in the fore front to challenge assumed information. They make

sure that every bit of fact has been argued to satisfy its validity. Such leaders encourage people to think critically and make mistakes as it is the only way they are able to learn new ways of doing things. With such encouragement, employees are able venture more into the unknown and hence discover new potential. Leadership is one the most critical factors that influence creativity in any organization. Transformational leadership, in particular, has been singled out as the effective mode of management in promoting creativity.

# **Inspirational Motivation**

When a leader is motivated inspirationally, he or she is able to exhibit confidence, respond positively to his or her follower's thoughts and ideas and he or she is also able to motivate the followers (De Jong & Bruch, 2013). A transformational leader comes up with a vision that is clear, meets the group expectations and is also committed to meeting the laid out group objectives. Additional leadership characteristics that are important include eagerness, enthusiasm and the ability to articulate organization goals and vision (Sahin et al., 2014). Inspirational motivation suggests that leaders need to communicate their high expectations to their followers. They should also motivate and inspire them by giving them meaning and challenging them to come up with a shared vision for the firm. Additionally, transformational leader's inspirational appeal encourages the followers to put in their best effort in terms of good work, harmony and charity in their tasks.

## Research Methodology

This study used descriptive research design. This design was employed as it allows the combination of both qualitative and quantitative data. Since this study sought to investigate on the influence of leadership style on the performance of project based organizations in Kenya, descriptive research design was the best design. The target population for this study was 111 staff in International Livestock Research Institute. Since the population is small (111) a census was conducted. This method was selected because the estimates are not subject to sampling error. This study made use of primary data, which was collected by use of semi-structured questionnaires. A semi structured questionnaire is a mix of unstructured and structured questionnaires. Before data collection, a pilot test was conducted to examine the validity and reliability of the research instrument.

The collected quantitative data was edited and coded into a statistical package (Statistical Package for Social Sciences (SPSS) version 22) for analysis. Both descriptive and inferential statistics were used to analyze quantitative data. In descriptive statistics, the study used frequency, mean, standard deviation and percentages. The analyzed data was then presented in tables and figures. On the other hand, qualitative data was coded thematically and then evaluated statistically. Thematic content analysis was used to qualitative data, that is, data collected from open ended questions. The results were then presented in form of a prose. Further, correlation analysis and multiple regression analysis were used to establish the relationship between the dependent and the independent variables. The study was also used T-test, analysis of variance and F-test to test the relationship of the variables.

The regression model was;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$$

Where Y is the dependent variable, performance of project based organizations in Kenya and  $X_1$ - $X_4$  were the independent variables.

 $\beta_1$ - $\beta_4$  = Regression coefficients

 $\beta_0$  is the regression intercept the value of Y when X values are zero.

 $X_1$  = Idealized influence

X<sub>2</sub>= Individualized consideration

 $X_3$ = Intellectual stimulation

 $X_4$ = Inspirational motivation

 $\varepsilon$ = Error term normally distributed about the mean of zero

# **Data Findings, Analysis and Discussion**

The presentation, interpretation and discussion of the findings were done as per the objectives of the study. The target population for this study was 111 staff in International Livestock Research Institute. Out of the 111 respondents, 109 responses were obtained. This gives a response rate of 98.20%. This response rate was satisfactory to make conclusion of the study. The response rate was representative. As indicated by Kothari (2004) a response rate of 50% or more is adequate for analysis and reporting and hence a response rate of 98.20% was excellent.

# **Descriptive Statistics**

# Effect of Idealized Influence on the Performance of Project Based Organizations

The respondents were asked to indicate their level of agreement with various statements in relation to the idealized influence in the performance of their organization. According to the findings, the respondents agreed that leaders in their organization go beyond self-interest as shown by a mean of 4.201. The respondents also agreed that their leaders instill pride in followers (charismatic) and display a sense of power and confidence as shown by means of 4.192 and 4.146, respectively. The respondents further agreed with a mean of 4.156 that their leaders talk about most important values and beliefs. The respondents also agreed with a mean of 3.990 that their leaders emphasize on collective mission. These findings agree with Cavazotte et al. (2013) argument that transformational leaders elevate the importance of common values and beliefs, emphasize the significance of a strong sense of purpose, and underline the worth of achieving a collective sense of the organization's mission.

Table 1: Aspects of Idealized Influence

	Mean	Std. Deviation
Our leaders instill pride in followers (charismatic)	4.192	.630
Our leaders go beyond self-interest	4.201	.790
Our leaders display a sense of power and confidence	4.146	.664
Our leaders talk about most important values and beliefs	4.156	.611
Our leaders emphasize on collective mission	3.990	.787

# Effect of inspirational motivation on the performance of project based organizations

The respondents were asked to indicate their level of agreement on various statements on inspirational motivation and performance of their organization. According to the findings, the respondents strongly agreed with a mean of 4.568 that the leaders have clearly articulated the goals and the vision of the organization. These findings agree with De Jong and Bruch (2013) argument that a transformational leader comes up with a vision that is clear, meets the group expectations and is also committed to meeting the laid out group objectives. The respondents also agreed that there are incentive programs to motivate the staff in ILRI and leaders motivate confidence among the staff as indicated by means of 4.284 and 4.192 respectively. These findings further agree with Mutahar et al. (2015) argument that transformational leaders exhibit a commitment to the goals that have been laid out. The respondents further agreed that employees in their organization are motivated through incentives and leaders exhibit a commitment to the goals that have been laid out as shown by means of 4.156 and 4.146, respectively. The respondents also agreed that employee motivation in their organization promote workplace harmony and leaders are responsive to employee ideas and thoughts as indicated by means of 3.990 and 3.880, respectively. In addition, agreed with a mean of 3.385 that their leaders provide an appropriate environment to enhance creativity and innovation. However, the respondents were neutral on the statement that the staff is involved in the decision-making process as shown by a mean of 2.789. The respondents disagreed with the statement that their leaders develop team spirit in employees as shown by a mean of 2.412. In addition, the respondents disagreed with the statement that their leaders align individual and organizational goals as indicated by a mean of 2.357.

**Table 2: Aspects of inspirational performance** 

	Mean	Std.
		<b>Deviation</b>
There are incentive programs to motivate the staff	4.284	.667
The leaders provide an appropriate environment to enhance creativity and innovation	3.385	.870
The leaders have clearly articulated the goals and the vision	4.568	.698
The staff are involved in the decision making process	2.789	1.063
Our leaders motivate confidence among the staff	4.192	.630
Leaders in our organization are responsive to employee ideas and thoughts	3.880	.754
Our leaders have articulated a clear vision for the future	4.201	.790
Leaders in our organization exhibit a commitment to the goals that have been laid out	4.146	.664
Our leaders develop team spirit in employees	2.412	1.115
Our leaders align individual and organizational goals	2.357	1.058
Employees in our organization are motivated through incentives	4.156	.611
Employee motivation in our organization promotes workplace harmony	3.990	.787

## Effect of Individualized Consideration on the Performance of Project Based Organizations

The respondents were asked to indicate their level of agreement with various statements on individual consideration and the performance of project based organizations. According to the findings, the respondents agreed that their leaders support a flexible work schedule and mentor the junior staff to

improve personal and professional growth as shown by means of 4.009 and 3.954, respectively. This is in agreement with Naseem and Sheikh (2011) findings that finding the perfect balance between work and their private life is of high importance to every employee. The respondents further agreed with a mean of 3.688 that leaders in their organization acknowledge and attend to employee needs and concerns. In addition, the respondents agreed that leaders pay close attention to the needs of followers as shown by a mean of 3.504. However, the respondents were neutral on the statement that leaders act as coaches and advisors to individuals as shown by a mean of 3.357. In addition, the respondents were neutral on the statement that there is a coaching program in their organization to enhance personal skills as indicated by a mean of 3.330. According to Erkutlu (2008), coaching and mentoring of employees helps to sharpen individual skills in a way that traditional ways of training cannot achieve. Further, the respondents were neutral on the statement that leaders in our organization listen fully to understand the perceptions of followers as shown by a mean of 2.789.

**Table 3: Aspects of individual consideration** 

	Mean	Std.
		Deviation
Our leaders pay close attention to the needs of followers	3.504	1.351
Our leaders act as coaches and advisors to individuals	3.357	0.844
Our leaders acknowledge and attend to employee needs and concerns	3.688	0.929
Leaders in our organization listen fully to understand the perceptions of	2.789	1.063
followers,		
Our leaders support a flexible work schedule	4.009	0.957
There is a coaching program in our organization to enhance personal	3.330	1.202
skills		
Our leaders mentor the junior staff to improve personal and professional	3.954	1.012
growth		

## Effect of Intellectual Stimulation on the performance of project based organizations

The respondents were asked to indicate their level of agreement with various statements in relation to the intellectual stimulation and the performance based organizations. According to the findings, the respondents agreed that leaders appreciate creativity and innovation and support critical thinking as shown by means of 4.082 and 4.055, respectively. The respondents also agreed that employees in their organization are involved in problem solving and that the relationship with their leaders is good as shown by means of 4.045 and 4.036, respectively. The respondents also agreed with a mean of 3.972 that their organization provides creativity-relevant activities. In addition, the respondents agreed with a mean of 3.678 that there is supportive supervision of employees in the organization that enhances creativity and innovation. According to Linda (2012) without unique ideas, innovation cannot take place. It is through these unique ideas that the organization can create a product in the market which introduces new services and products satisfactory to customer demand. Further, the respondents agreed with a mean of 3.578 that their leaders encourage imagination and creativity. However, the respondents were neutral on the statement that employees in their organization participate in decision-making as shown by a mean of 2.889. These findings are contrary Sahin *et al.* (2014) who highlight the importance of employee involvement in decision making.

**Table 4: Aspects of Intellectual Stimulation** 

	Mean	Std.
		Deviation
Our leaders encourage imagination and creativity	3.578	0.831
The relationship with our leaders is good	4.036	0.881
Our leaders appreciate creativity and innovation	4.082	0.840
There is supportive supervision of employees in the organization that	3.678	0.931
enhances creativity and innovation		
Our organization provides creativity-relevant activities	3.972	0.798
Our leaders support critical thinking	4.055	0.880
Employees in our organization are involved in problem solving	4.045	1.003
Employees in our organization participate in decision-making	2.889	1.057

### **Performance of International Livestock Research Institute**

The respondents were asked to rate various measures of performance in their organization. From the findings, the respondents indicated that delivery of a project within timeline in the organization was excellent as shown by a mean of 4.880. The respondents rated finishing a project within the budget as good as indicated by a mean of 4.137 and meeting project objectives and goals as good, as indicated by a mean of 4.110. These findings agree with Neupane (2015) argument the performance of ILRI can be termed as excellent in the delivery of projects within time. From these findings we can deduce that delivery of a project within timeline in ILRI was excellent, finishing a project within the budget was good and meeting project objectives and goals was good.

**Table 5: Rating of Measures of Performance** 

	Mean	Std. Deviation	
Meeting project objectives and goals	4.110	0.749	_
Delivery of a project within timeline	4.880	0.325	
Finishing a project within the budget	4.137	0.713	

#### **Inferential Statistics**

The study used both correlation analysis and regression analysis to investigate the association between the independent variables and the dependent variable.

## **Correlations Analysis**

This study made use of Pearson product-moment correlation analysis to determine whether there is a relationship between the independent variables and the dependent variable. A correlation is defined as a number between -1 and +1 that measures the degree of association between two variables. A positive value for the correlation implies a positive association. A negative value for the correlation implies a negative or inverse association. A coefficient of zero means there is no relationship between the two items and that a change in the independent item will have no effect in the dependent item.

According to the findings, there is a positive association between idealized influence and the performance of project based organizations in Kenya (r=0.950, p-value=0.000). The results also show

that there exists a positive association between inspirational motivation and the performance of project based organizations in Kenya (r=0.921, p-value=0.000). In addition, individualized consideration was found to have a positive influence on the performance of project based organizations in Kenya (r=0.939, p-value=0.000). Further, the study found that intellectual stimulation has a positive influence on the performance of project based organizations in Kenya (r=0.967, p-value=0.000).

**Table 6: Correlation Analysis** 

		Performance of ILRI	idealized influence	Inspirational motivation	Individualized Consideration	Intellectual Stimulation
Performance of	Pearson	1				
ILRI	Correlation					
	Sig. (2-					
	tailed)					
idealized	Pearson	.950**	1			
influence	Correlation					
	Sig. (2-	.000				
	tailed)					
Inspirational	Pearson	.921**	.131	1		
motivation	Correlation					
	Sig. (2-	.000	.120			
	tailed)					
Individualized	Pearson	.939**	.154	.212	1	
Consideration	Correlation					
	Sig. (2-	.000	.091	.067		
	tailed)					
Intellectual	Pearson	.967**	.187	.098	.131	1
Stimulation	Correlation					
	Sig. (2-	.000	.088	.154	.120	
	tailed)					

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

## **Multivariate Regression Analysis**

The study used multiple regression analysis to examine the weight of the relationship between the independent variables (idealized influence, individualized consideration, intellectual stimulation and inspirational motivation) and the dependent variable (performance of project based organizations in Kenya).

The regression model was;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$$

Where Y is the dependent variable, performance of project based organizations in Kenya and  $X_1$ - $X_4$  were the independent variables;  $\beta_1$ - $\beta_4$  = Regression coefficients;  $\beta_0$  is the regression intercept the value of Y when X values are zero;  $X_1$  = Idealized influence;  $X_2$ = Individualized consideration,  $X_3$ = Intellectual stimulation,  $X_4$ = Inspirational motivation,  $\varepsilon$ = Error term normally distributed about the mean of zero.

The R-squared shows the variation in the dependent variable that can be explained by the independent variables being studied. The R-squared in this study was 0.667. This implies that the four independent variables (idealized influence, individualized consideration, intellectual stimulation and inspirational motivation) can explain 66.7% of the dependent variable (performance of project based organizations in Kenya).

**Table 7: Model Summary** 

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.817	0.667	0.617	0.12068

The analysis of variance shows whether or not a model is a good fit for the data. The F-calculated (535.141) is greater than the F-critical (2.46), which shows that the model can be used in predicting the influence of the independent variables on the dependent variable. In addition, the p-value (0.000) is less than the significance level (0.05), which shows that the model is a good fit for the data.

**Table 8: Analysis of Variance** 

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	31.174	4	7.794	535.141	.000 <sup>b</sup>
	Residual	1.515	104	.015		
	Total	32.689	108			

From the findings, idealized influence has a positive influence on the performance of project based organizations in Kenya as shown by a regression coefficient of 0.306. This implies that a unit increase on idealized influence would lead to a 0.306 improvement in the performance of project based organizations in Kenya. The relationship was significant because the p-value (0.000) was less than the significance level (0.05). The results show that inspirational motivation has positive influence on the performance of project based organizations in Kenya as shown by a regression coefficient of 0.182. This implies that a unit improvement in inspirational motivation would lead to a 0.182 improvement in the performance of project based organizations in Kenya. The relationship was significant because the p-value (0.034) was less than the significance level (0.05).

Further, the results indicated that individualized consideration has a positive influence on the performance of project based organizations in Kenya as shown by a regression coefficient of 0.208. This implies that a unit improvement in individualized consideration would lead to a 0.208 improvement in the performance of project based organizations in Kenya. The association was significant as the p-value (0.020) was less than the significance level (0.05). Lastly, the results indicated that intellectual stimulation has a positive influence on the performance of project based organizations in Kenya as shown by a regression coefficient of 0.455. This implies that a unit improvement in intellectual stimulation would lead to a 0.455 improvement in the performance of project based organizations in Kenya. The association was significant as the p-value (0.000) was less than the significance level (0.05). These findings infer that intellectual stimulation influences the

performance of project based organizations in Kenya most, followed by idealized influence, individualized consideration and inspirational motivation.

**Table 9: Regression Coefficients** 

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	В	Std. Error	Beta		
(Constant)	1.579	.133		11.840	.000
idealized influence	.306	.055	.419	5.520	.000
Inspirational motivation	.182	.085	.249	2.145	.034
Individualized Consideration	.208	.088	.374	2.361	.020
Intellectual Stimulation	.455	.048	.702	9.513	.000

#### **Conclusion**

The study concludes that idealized influence has a positive and significant influence on the performance of project based organizations. The study found that leaders in ILRI instill pride in followers (charismatic), go beyond self-interest, display a sense of power and confidence, talk about most important values and beliefs and emphasize on collective mission. The study also concludes that inspirational motivation has a positive and significant influence on the performance of project based organizations. The study established that leaders in the ILRI motivate confidence among the staff and are responsive to employee ideas and thought. In addition, leaders have articulated a clear vision for the future and exhibit a commitment to the goals that have been laid out. Also, the study found that the leaders develop team spirit in employees and align individual and organizational goals.

The study further concludes that individual consideration has a positive and significant influence on the performance of project based organizations. In addition, the study found that leaders at ILRI act as coaches and advisors to individuals, mentor the junior staff to improve personal and professional growth and support a flexible work schedule. In addition, the study concludes that intellectual stimulation has a positive and significant influence on the performance of project based organizations. The study found that leaders in the organization moderately stimulate the intellect and imagination of the followers or subordinates. In addition, the study found that leaders in the organization encourage imagination and creativity.

### Recommendations

The study found that the leaders in ILRI were not keen to acknowledge and attend to employee needs and concerns. Acknowledging and attending to employee needs significantly influences their motivation and productivity and hence organizational performance. This study therefore recommends that the management should focus on acknowledging and attending to the needs of employees.

The study also found that the ILRI had no coaching to enhance personal skills. This study therefore recommends that the organization should develop a coaching and mentorship program to improve the skills of the staff, which can subsequently influence their productivity and hence performance.

The study established that the leaders of the ILRI do not provide creativity-relevant activities, do not support critical thinking and do not appreciate creativity and innovation. This study therefore

recommends that the management of ILRI should support innovation and creativity through consideration of the opinions and views of the staff. In addition, the management of the organization should develop a working environment that supports creativity and innovation.

The study established that the employees in ILRI were not motivated through incentives and hence employee motivation in the organization did not promote workplace harmony. Incentives are known to improve the motivation and hence the productivity of employees. Therefore, this study recommends that the management of the ILRI should start using incentives to increase the motivation of the employees.

#### **Areas for Further Studies**

This research study was limited to the ILRI and hence its findings cannot be generalized to other project based organizations in Kenya. This study therefore suggests that further studies should be conducted on the role of transformational leadership on the performance of other project based organizations in Kenya. This will enhance the generalize ability of the findings to project based organizations in Kenya. The study was also limited to one leadership style, that is, transformational leadership. Project based organizations adopt various leadership styles like authoritarian, democratic, laissez-faire and transactional. Therefore, the study suggests further studies on the role of leadership styles on the performance of project based organizations.

### References

- Addy, N.A. & Cofie, J.R. (2014). Leadership Essentials for Project Management in Ghana's Building Construction Industry. *International Journal of ICT and Management*, 2(1), 72-78.
- Anantatmula, V. S. (2010). Project Manager Leadership Role in Improving Project Performance. *Engineering Management Journal*, 22(1), 13-22.
- Burns, P. (1987). Transactional and transformational leadership: A constructive/developmental analysis. *Academy of Management review*, 12(4), 648-657.
- Cavazotte, F., Moreno, V. & Bernardo, J. (2013). Transformational leaders and work performance: the mediating roles of identification and self-efficacy. *Brazilian Administration Review*, 10(4), 13-24.
- Covey, S. R. (1992). Principle centered leadership. Simon and Schuster.
- De Jong, S. B., & Bruch, H. (2013). The Importance of a Homogeneous Transformational Leadership Climate for Organizational Performance. *International Journal of Leadership Studies*, 8(1), 1-18.
- Erkutlu, H. (2008). The impact of transformational leadership on organizational and leadership effectiveness The Turkish case. Journal of Management Development, 27(7), 708-726
- Gitonga, F. M. (2016). Emotional intelligence research within human resource development scholarship. *European Journal of Training and Development*, 40(2).
- ILRI (2010). *ILRI Strategy to 2010: Making the Livestock Revolution Work for the Poor*. Nairobi: International Livestock Research Institute
- ILRI (2015). Vision, mission and strategy. Retrieved from https://www.ilri.org/
- Karaca, H. (2010). The Effects of Transformational Leadership on Employees' Perceived Leadership Effectiveness in Public Organizations: Federal Emergency Management Agency Case. Retrieved from http://etd.fcla.edu/CF/CFE0003397/Karaca\_Hasan\_201012\_PhD.pdf
- Kothari, C. R. (2004). *Research methodology: Methods and techniques*. New Delhi: New Age International (P) Limited Publishers.

- Muogbo, U. S. (2013). The Impact of Employee Motivation on Organizational Performance (A Study of Some Selected Firms in Anambra State Nigeria). *The International Journal of Engineering and Science*, 2(7) 70-80.
- Mutahar, A.Y., Rasli, A. & Al-Ghazali, B.M. (2015). Relationship of Transformational Leadership, Organizational Learning and Organizational Performance. *International Journal of Economics and Financial Issues*, 5(4) 406-411.
- Mwesigwa, R. & Namiyingo, S. (2014). Job Resources, Employees' Creativity and Firm Performance of Commercial Banks in Uganda. *International Journal of Economics, Commerce and Management*, 3(9), 1-12.
- Naseem, A. & Sheikh, S.E. (2011). Impact of Employee Satisfaction on Success of Organization: Relation between Customer Experience and Employee Satisfaction. *International Journal of Multidisciplinary Sciences and Engineering*, 2(5), 41-54.
- Nekhoba, M. J. (2013). Employee perception of the effectiveness of human resource management practices at International Livestock Research Institute (ILRI). Retrieved from http://erepository.uonbi.ac.ke:8080/
- Neupane, R. (2015). Effects of Coaching and Mentoring on Employee Performance in the UK Hotel Industry. *International Journal of Social Sciences and Management*, 2(2), 23-43.
- Nguyen, M. & Nguyen, T.H. (2015). The Influence of Leadership behaviors on Employee Performance in the Context of Software Companies in Vietnam. *Advances in Management & Applied Economics*, 4(3), 157-171.
- Okweto, A. (2012). An assessment of the organization structure and leadership effects on construction projects' performance in Kenya: a case study of public building projects within Nairobi region. Retrieved from http://erepository.uonbi.ac.ke:8080/
- Orabi, T.G. (2016). The Impact of Transformational Leadership Style on Organizational Performance: Evidence from Jordan. *International Journal of Human Resource Studies*, 6(2), 89-102.
- Ovidiu-Iliuta, D. (2013). Employee motivation and organizational performance. *Review of Applied Socio-Economic Research*, 5(1), 53-69.
- Sahin, D. R., Çubuk, D., & Uslu, T. (2014). The Effect of Organizational Support, Transformational Leadership, Personnel Empowerment, Work Engagement, Performance and Demographical Variables on the Factors of Psychological Capital. *EMAJ: Emerging Markets Journal*, *3*(3), 1-17.
- Tabassi, A.A., Ramli, M. & Dashti, K.F. (2010). Transformational Leadership and Team Effectiveness in the Construction Industry in India. *Strategic Leadership Review*, *3*(4), 46-56.
- Taborda, P., Taborda, V., Gilmour, J., Rachlis, A., Salit, I., ... & Summerbell, R. C. (2000). Epidemiology and prevalence of onychomycosis in HIV-positive individuals. *International journal of dermatology*, 39(10), 746-753.
- Tan, E. (2014). Human Capital Theory: A Holistic Criticism. *Review of Educational Research*, 84(3), 411-445.
- Tiri, G., Ogollah, K. & Mburu, D.K. (2014). Influence of Transformational Leadership Role on Performance of Virtual Project Teams in Safaricom Limited. *International Journal of Economics, Commerce and Management*, 3(2), 1-12.
- Ukpai, U, K., Lew, T. Y. & Sim, A. (2013). Relationship between leadership style and project success among IT Professionals in Nigeria: Implications to Project Management. *Australian Journal of Basic and Applied Sciences*, 7(12), 74-83.