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## Effect of Idealised Influence and Inspirational Motivation on the Performance of the Banking Sector Employees in Dar-es-Salaam Region

**Chacha Magasi,**

Department of Marketing,  
College of Business Education,  
Dodoma, Tanzania.

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### Abstract

*Studies mention idealised influence and inspirational motivation factors of transformational leadership as pivotal for employee and organisational performance. However, so few and inconsistent information exists on how the aforementioned factors affect the performance of the banking sector employees in the Dar-es-Salaam region of Tanzania. The study investigated the Effect of Idealised Influence and Inspirational Motivation on the Performance of the Banking Sector employees in Dar-es-Salaam region. Positivism paradigm, deduction approach, cross-sectional survey and quantitative research design are adopted. The units of observation were 131 staff of the banking sector. Multiple linear regressions were used for data analysis. The findings show that idealised influence has a positive significant effect on the performance of the banking sector employees in Dar-es-Salaam region. The findings also show that inspirational motivation has a positive significant effect on the performance of the banking sector employees in the Dar-es-Salaam region. Thus, leaders in the banking sector in Dar-es-Salaam region should improve employees' performance through becoming the role models and inspiring employees to committing to firm's vision for optimal performance. The study adds the literature in Tanzania and also reveals that idealised influence and inspirational motivation are the behaviours that employees can learn rather than the individual personality traits. Moreover, the study comes with a novel idea that because not all transformational leaders bring the positive work outcomes, employees should think out of the box while being led by those leaders.*

**Keywords:** effect, idealised influence, inspirational motivation, employee performance, banking sector

### Introduction

Striving for long-term success for the banking sector is important since it has been crucial for the global economic development (Ally, 2014; Belias, Koustelios, & Gkolia, 2015; IMF,

2018). Banking sector is also important since it provides a stable payment system, issuing loans, training customers and financing investment opportunities (Belias *et al.*, 2015). IMF (2016) further reports that the financial system assets in Tanzania contributed 43% GDP in 2015, dominated with the banking sector with 71% of the total. Since 1990s, the United Republic of Tanzania (URT) government has been undertaking reforms in the financial sector. The aim of these reforms is to tackle the challenges facing the sector and lay the foundation for promoting and transforming it into the vibrant, competitive and well functioning sector (BOT, 2017).

The banking sector has been globally facing challenges emanating from financial scandals, bankruptcies, poor corporate practices, weak leadership systems and pressure from the major stakeholders (Ally, 2014; Suriyankietkaew & Avery, 2016). For the banking sector to continue surviving in the ever complex challenging, competitive and dynamic environments, it is necessary to establish and carry out superior quality and long-lasting leadership practices (Abouraia & Othman, 2017; Suifan & Al-Janini, 2017). Superior leadership practices include building moral leadership behaviour to employees and inspiring them to committing to firm's vision for optimal performance (Northouse, 2016; Savovic, 2017; Trang, 2016). Leadership is one of the critical success factors in the banking sector as it may either enhance or threaten retention of employees and customers as well as improve or weaken business profitability depending on its relevance and how it is being applied (Ajiboye, 2017; Arzi & Farahbod, 2014; Mwita, Mwakasangula, & Tefurukwa, 2018). Northouse (2007) asserts that leadership contributes to 99 % of all successful efforts in any organisation.

Despite importance of leadership, the relationship between leaders and employees in some organisations including banks are immaterial (BOT, 2018; Jackson, 2016; Savovic, 2017; Trang, 2016). The relationship between leaders and employees becomes immaterial if the leaders' decisions, actions and values are not inspiring, motivating and guiding employees towards achieving the organisation's goals (Jackson, 2016; Savovic, 2017; Trang, 2016). Likewise, employees' performance in some Tanzanian banks is poor due poor role models among senior leaders who are largely believed to be the sources of poor corporate practices, poor leadership and financial scandals (BOT, 2018; Mwita *et al.*, 2018). For example, on 4<sup>th</sup> January 2018 the Bank of Tanzania closed five non-performing banks due to failure to comply with the legal and regulatory requirements relating to core capital caused by weak corporate governance practices among other factors (BOT, 2018). In addition, some banks fail to establish, install and clearly communicate their visions to followers (Mwita, Mwakasangula, & Tefurukwa, 2018). The observations are consistent with other studies that banks' employees perform poorly in Sub-Saharan African countries due to weak corporate governance practices, poor leadership, poor supervisory systems and poor risk management strategies (Ally, 2014; Ajiboye, 2017; Gathaiya, 2017).

Northouse (2016) argues that some leaders lack internal values, skills and ideals for motivating employees to act in ways that support the greater good rather than their own self-interests. Abouraia *et al.* (2017) assert that idealised influence and inspirational motivation factors of transformational leadership are crucial for eliminating the leadership malpractices from the business organisations. Idealised influence and inspirational motivation factors of transformational leadership are fundamental factors in engineering improvement on corporate behaviours through motivating and guiding others in realising the vision, objectives and

mission of the banking sector (Manaf & Latif, 2014; Savovic, 2017). However, there are so few and discrete information on how idealised influence and inspirational motivation factors of transformational leadership affect the banking sector in East Africa (Anyango, 2015). Besides, a few literatures exist in Tanzania to explain how idealised influence and inspirational motivation factors of transformational leadership affect employee's performance in the Tanzanian banking sector (Mwita *et al.*, 2018). Also, criticisms are growing on whether Bass and Avolion (1995) Multifactor Leadership Questionnaire (MLQ) measurement model for transformational leadership is adequate to measure the transformational leadership in developing countries (Yukl, 2013; Northouse, 2016).

The overall objective of the study was therefore to investigate the effect of idealised influence and inspirational motivation on employee performance in the banking sector in Dar-es-Salaam region. The first specific objective of the study was to examine the effect of idealised influence on employee performance in the banking sector in Dar-es-Salaam region. The second specific objective of the study was to examine the effect of inspirational motivation on employee performance in the banking sector in Dar-es-Salaam region.

## Literature Review

### Meaning and importance of the key terms

*Idealised influence* or charisma portrays leaders who act as the strong role models to followers and inspire the followers to emulate their actions (Northouse, 2016). Also, Groves (2014) defines idealised influence as the leadership attributes and behaviours which are portrayed by leaders as the role models, setting example of dedication and courage, and displaying a personality that influences follower to passionately emulate the leader. Idealised influence is divided into idealised influence (attributes) which portray the leaders who go beyond self-interest for the good of the group and idealised influence (behaviour) which describe leaders who consider the moral and ethical consequences of their decisions (Bass & Avolio, 1994; Northouse, 2016). Northouse (2016) defines *inspirational motivation* as the leadership behaviour of leaders who communicate high expectations to followers, inspiring them through motivation for the purpose of instilling the commitment spirit into them and systematically communicate the shared vision in the firm. In addition, Sahin, Çubuk, and Uslu (2014) define inspirational motivation as a leadership behaviour that relates to articulating a clear vision, communicate high expectations to employees, demonstrating a commitment to goals, displaying optimism, enthusiasm, and an ability to stay positive. Leaders with inspirational motivation behaviours chat optimistically about the future of the followers and the enterprise and clearly communicate the vision and future direction of the firm (Chebon, Aruasa, & Chirchir, 2019; Northouse, 2016).

*Performance* refers to executing defined duties, meeting deadlines, team input, and achieving the desired goals (Iqbal, Anwar, & Haider, 2015). *Employee performance* is the outcome or contribution of employee to make him or her attains goals (Anyango, 2015; Kagwiria, 2016). Likewise, Yukl (2013) argues that employee performance directly affects the organisational performance in terms of sales, profits, market share, return on investment, and return on assets. Also, employee performance directly affects the organisational performance in terms of productivity, cost per unit of output, budgeted expenditures costs, and change in the value

of corporate stock (Yukl, 2013). BOT (2017) defines the *banking sector* as the composition of commercial banks, community banks, development finance institutions (DFI) and microfinance banks (MFB). For this study “a banking sector will mean all banks which are doing operations of the payment system, mobilising savings and allocating savings to investment opportunities except DFI.”

## **Theoretical foundation**

This study was guided by transformational leadership theory as the overarching theoretical framework consistent with transformational leadership behaviours (Bass, 1985; Burns, 1978; Northouse, 2016). The theory was the result of the excellent work of James McGregor Burns in 1978. The theory states that a transformational leader continuously influences and transforms the followers thinking by raising their consciousness, vision articulation and encouraging them to align their self interest with that of the organisation for positive and optimal outcomes (Burns, 1978). Transformational leadership is a process that changes and transforms followers by influencing them to accomplish more than what is usually expected to be achieved (Chebon, Aruasa, & Chirchir, 2019; Northouse, 2016; Yukl, 2013). The transformational leadership provides an appropriate model behaviour on the part of the leader that sets an example for employees to follow that is consistent with the values guiding actions the leader advocates (Westhuizen, 2014; Northouse, 2016). Transformational leaders are enthusiastic in moving and changing things in a big and optimal way by compelling a vision of what a new organisation could be, by making employees feel passionate about the success of that organisation (Bass & Avolio, 1994; Northouse, 2016).

Although Burns original work was essential for creating transformational leadership paradigm, he partially developed it into a sound and logical theory (Sashkin & Rosenbach, 1998). Bass (1985) advanced the transformational leadership theory into four measurable factors namely idealised influence, inspirational motivation, individual consideration and intellectual stimulation behaviour. Thus, idealised influence and inspirational motivation factors of transformational leadership are one of the variables of the transformational leadership theory. The variables were chosen and studied together because they often overlap with similar conceptualizations of leadership (Groves, 2014; Northouse, 2016). Leaders with idealised influence and inspirational motivation factors of transformational leadership build moral leadership behaviour to employees and inspire them to committing to firm’s vision for optimal performance (Northouse, 2016; Savovic, 2017; Trang, 2016). Although idealised influence and inspirational motivation leaders play a crucial role in precipitating change, employees and leaders work together in the transformation process to bring change (Northouse, 2016). Transformational leadership theory has got several strengths including being heavily researched and published in the leadership field in America, Europe and Asia and with many positive examples by linking it to organisational success and sustainability (Diaz-Saenz, 2011; Northouse, 2016; Tan, 2009; Trang, 2016; Westhuizen, 2014). However, transformational leadership theory has been unsuccessful to explain how its four parameters, namely idealised influence, inspirational motivation, individualised consideration and intellectual stimulation directly link with positive work outcomes (Yukl, 1999). Again, criticisms are evolving on the adequacy of MLQ in measuring the transformational

leadership. Furthermore, there was little theoretical information on how idealised influence and inspirational motivation affect the performance of banks in the Sub-Saharan African countries including Tanzania (Mwita, Mwakasangula, & Tefurukwa, 2018).

## **Empirical literature review**

### ***Review on the effect of idealised influence on employee performance***

Previous studies revealed different effect of idealised influence on business performance. Idealised influence behaviour enables leaders to influence the increasing commitment of employees to their firm and their greater motivation in achieving better results (Waldman & Mansour, 2009; Walumbwa & Hartnell, 2011). Also, Mokhber, Tan, Rasid, Vakilbashi, Zamil, and Seng (2017) affirm that consensus, trust, commitment and loyalty are amongst of the factors of idealised influence. Thus, leaders who are acting as the strong role models toward positive achievement of organisation's goals will attract the followers to emulate their actions. Similarly, Anyango (2015) found that idealised influence positively correlates with employee performance, quality of performance and productivity on the job. Besides, Malik, Javed, and Hassan (2017) revealed that changing one level in idealised influence would twenty-seven times increase employee's organisational commitment and thirty six times more satisfied with the job. Moreover, Waris, Khan, Ismail, Adeleke, and Panigrahi (2018) found that idealised influence has no significant impact on the calculative commitment of the employees. The presence of inconsistent findings on how the idealised influence relates to employee performance attracts further research. Besides, there is lack of information on how idealised influence leadership behaviour affects the employees' performance in the Tanzanian banking sector (Mwita, Mwakasangula, & Tefurukwa, 2018). Based on the literature review and research gaps, this research hypothesises that:

*H<sub>1o</sub>: There is a significant positive effect between idealised influence and employee performance in the banking sector in Dar-es-Salaam region.*

*H<sub>1a</sub>: There is no significant positive effect between idealised influence and employee performance in the banking sector in Dar-es-Salaam region.*

### ***Review on the effect of inspirational motivation on employee performance***

Studies have revealed that inspirational motivation instil the commitment spirit into followers and communicate the shared vision in the firm (Chebon, Aruasa, & Chirchir, 2019; Northouse, 2016). Inspirational motivation builds the shared values and encourages positive psychological development among employees that contributes to positive business outcomes and longevity (Chebon *et al.*, 2019; Mokhber *et al.*, 2017; Scotland, 2010). Also, inspiring employees positively influences the business survival and success (Rafferty *et al.*, 2004; Savovic, 2017; Westhuizen, 2014). Anyango (2015) revealed that inspirational motivation positively correlates with employee performance, quality of performance and productivity on the job. Malik *et al.* (2017) further revealed that changing one level in inspirational motivation brings to twenty-four times increase in employee's organisational commitment and thirty nine times on job satisfaction. Also, Trang (2016) emphasises that employee satisfaction increases if their leaders positively support them through inspiration and encouragement to accept change. In contrast, Suifan *et al.* (2017) revealed that inspirational

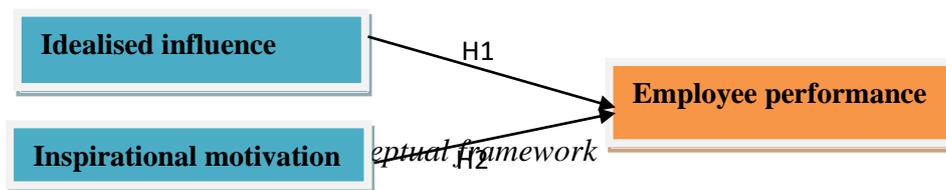
motivation had no a significant relationship with employees' creativity. Similarly, Waris *et al.* (2018) results indicate that inspirational motivational has an insignificant impact on the calculative commitment of the employees. The presence of mixed and inconsistent findings on how inspirational motivation influences employee performance, attracts further research. Also, there is little and discrete information on how inspirational motivation leadership behaviour affects the employees' performance in Tanzanian banking sector (Mwita, Mwakasangula, & Tefurukwa, 2018). Based on the literature review and research gaps, this research hypothesises that:

*H<sub>2o</sub>: There is a significant positive effect between inspirational motivation and employee performance in the banking sector in Dar-es-Salaam region.*

*H<sub>2a</sub>: There is no significant positive effect between inspirational motivation and employee performance in the banking sector in Dar-es-Salaam region.*

## Conceptual framework

In an attempt to investigate the effect of idealised influence and inspiration motivation factors on employee performance in the context of Tanzanian banking sector, the conceptual framework in figure 1 was developed. The independent variables, namely idealised influence and inspirational motivation were derived from the transformational leadership theory. The purpose of the research was therefore to examine how independent variables affect the dependent variable, namely employee performance.



Figure

### 1. Conceptual framework

## Materials and Methods

### *Research philosophy and design*

The study used postpositivism philosophy to investigate how causes determine effects or outcomes (Creswell, 2014). This research primarily was deductive because it tested the hypotheses to understand how idealised influence and inspirational motivation affect the employee's performance. The philosophical approach of this study was pragmatism because it employed both quantitative and qualitative research approaches to understand the answers to the targeted problem (Creswell, 2014). The study utilised survey research and case study to provide a quantitative and qualitative description of trends, attitudes, or opinions of a population by studying a sample of that population (Kothari, 2009). Quantitative research normally examines the relationships between independent and dependent variables which are numerically measured and analyzed using a range of statistical procedures (Saunders *et al.*, 2012). However, a qualitative research approach through in-depth interview was employed to attract the free responses or opinions siding on personal values, beliefs and attitudes either to support or argue against the quantitative research approach findings. In-depth interview was important for gaining the deep knowledge and understanding on the phenomenon under the

study. Cross-sectional survey design was used because it allows data to be collected at one point of time using structured instruments (Kothari, 2009).

### ***Study area and population***

The study was done in Dar-es-Salaam region because NBS (2016) reports that Dar-es-Salaam is the leading region in having many banks in Tanzania. Besides, banks had been chosen because BOT (2018) reports that some of them were serious underperforming. The population of this study was employees from the banking sector in Dar-es-Salaam region since their performance was mentioned to be affected by some of existing leadership styles BOT (2018).

### ***Sampling design and procedures***

The study adopted Green (1991) formula for calculating the sample size required by the rule of thumb given by  $N > 50 + 8m$  where  $N$  = sample size; and  $m$  = number of independent variables. Since the study had two independent variables, based on the formula, the required sample size is supposed to be greater than 66. However, Saunders, Lewis, and Thornhill (2012) suggest that as a rule of thumb a minimum sample size of 30 is acceptable for statistical analysis. Similarly, Anders and Zhou, (2017) used a sample of 155 instead of 82 minimum sample based on the 4 predictor variables and was almost twice the minimum sample size. Hence, the study used a sample of 131 instead of 66 based on 2 predictor variables. The study employed simple random sampling to select the sample to avoid biasness and also due to scarce time, human and financial resources (Kothari, 2009; Saunders *et al.*, 2012).

### ***Variables and measurement procedures***

The independent variables (idealised influence and inspirational motivation) were measured relying on improved version of MLQ Avolio and Bass (1995). The dependent variable employee performance was measured basing on a scale of Yousef (2000). All two measures of the independent variables (MLQ) and dependent variable used a 5-points Likert scale survey where 1 = strongly Disagree, and 5 = strongly Agree.

### ***Sources of data and methods of data collection***

The study used the structured questionnaire survey technique in order to capture the primary data. The questionnaire was highly structured and standardised for all banks and with closed-ended questions and 5-points Likert scale. The researcher visited the targeted banks to distribute the questionnaires for filling in by the respondents through self-administered approach. In addition, the researcher made an in-depth interview with ten employees from different ten banks to get more rich information on the effect of idealised influence and inspirational motivation on employee performance.

### ***Data processing and analysis***

Respondents' characteristics including gender, age, education level, work experience, and designation were descriptively presented in the frequency distribution. Cronbach's alpha was used to check if the measures were reliable basing on alpha value  $\geq 0.60$  (Hair, Black, Babin, & Anderson, 2010). To ensure content validity, the concepts of independent variables and dependent variable were well covered in measurement instruments (Creswell, 2014). Principal Component Analysis (PCA) was utilised to test if the construct validity was achieved since Westhuizen (2014) adopted the similar approach. Multiple regression analysis

was applied as data analysis technique to test the hypotheses and making conclusion guided by equation 1-1:

$$Y = \beta_0 + \beta_1II + \beta_2IM + \varepsilon \dots\dots\dots(1 - 1)$$

Where:

The Y is the predicted value of dependent variable employee performance and  $\beta_0$  is the Y-intercept (constant) in regression. The  $\beta_1$  is estimated regression coefficient of idealised influence (II) denoting the net change in Y for each unit change in the predictor II holding predictor IM and  $\beta_2$  is estimated regression coefficient of inspirational motivation (IM) denoting the net change in Y for each unit change in the predictor IM holding predictor II fixed. Lastly,  $\varepsilon$  is a random variable introduced to accommodate the effect of other factors that affect employee performance but not included in the model.

Content analysis was carried out for qualitative data by organising and preparing transcripts, field notes, and audios for analysis. Thus, qualitative data were first transcribed into text and then relevant themes were developed and the findings were matched with relevant numerical findings in this study, literature, and theory.

## Analysis and Findings

### Reliability and validity test

Table 1 shows that all Cronbach’s alpha values for the independent variables *idealised influence* (II) and *inspirational motivation* (IM) were greater than the minimum Cronbach’s alpha value of 0.7 (Saunders *et al.*, 2012) showing that data were reliable.

**Table 1.** Reliability statistics

Item	Cronbach's Alpha	N of Items
Idealised Influence	.945	6
Inspirational motivational	.973	6

**Source:** Field data (2020)

To ensure construct validity, the independent variables *idealized influence* and *inspirational motivation* were subjected to factor analysis. The Kaiser-Meyer-Olkin (KMO) which is a measure of sampling adequacy had a value of 0.922 as indicated in Table 2. Hence, KMO value was greater than the minimum value 0.5 indicating that the sample was adequate and also Bartlett's test of sphericity was significant (p=.000) supporting the factorability of the variables.

**Table 2.** KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.922
Bartlett's Test of Sphericity	Approx. Chi-Square	1932.406
	Df	66
	Sig.	.000

**Source:** Field data (2020)

Principal Component Analysis (PCA) was run as the extraction method to determine if the construct validity was ensured. Appendix I indicates that the factor analysis of each item

loading of the independent variables *idealised influence* (II) and *inspirational motivation* (IM) was greater than the minimum value 0.5; implying that construct validity was ensured.

### **Hypotheses testing**

The findings in Table 3 show that the total contribution of adjusted R Square ( $R^2$ ) in explaining the variation in the performance of employee performance in the banking sector in Dar-es-Salaam region is 40.1% (.401). The interpretation is that 59.9% of employee performance is explained by other factors rather than idealised influence and inspirational motivation.

**Table 3.** Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.641 <sup>a</sup>	.410	.401	5.65759
a. Predictors: (Constant), IM, II				

**Source:** Field data (2020)

Table 4 shows that overall model fit sufficiently fits the acceptable levels on statistical criteria since the p-value for the regression model F test is .000, less than the critical p-value (0.05). The implication is that the two independent variables idealised influence (II) and inspirational motivation altogether predict employee performance in the banking sector.

**Table 4.** ANOVA f test

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2828.248	2	1414.124	44.180	.000 <sup>b</sup>
	Residual	4065.052	127	32.008		
	Total	6893.300	129			
a. Dependent Variable: EP						
b. Predictors: (Constant), IM, II						

**Source:** Field data (2020)

Table 5 shows the coefficients of multiple linear regression analysis. Standardised coefficients were used in building the regression model since standardised data can be directly and easily compared (Hair *et al.*, 2010). Conversely, unstandardised coefficients are expressed in terms of the units of the associated variable, thus making comparisons inappropriate.

**Table 5.** Coefficients of multiple linear regression analysis

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	15.418	1.685		9.152	.000
	II	.316	.103	.279	3.054	.003
	IM	.410	.089	.419	4.581	.000
a. Dependent Variable: EP						

**Source:** Field data (2020)

Multiple linear regressions coefficients were used to construct equation 1-2.  
 $Y = 15.418 + .279II + 4.19IM + \varepsilon \dots \dots \dots (1-2)$

In order to test the hypotheses, multiple linear regression analysis was done to examine the relationship between independent variables and dependent variable. The findings in Table 5 and equation (1-2) show a positive ( $\beta = .279$ ) and significant ( $t= 4.581$ ;  $p=.000$ ) relationship between the idealised influence and employee performance. Thus,  $H_{1a}$  is supported. Also, the findings in Table 5 and equation (1-2) show a positive ( $\beta = .419$ ) and significant ( $t= 3.054$ ;  $p=.003$ ) relationship between the idealised influence and employee performance. Thus,  $H_{1a}$  is supported.

## Discussion

The study focused on investigating the effect of idealised influence and inspirational motivation on employee performance in the banking sector in Dar-es-Salaam region. The study aimed at helping to gain a better, deeper and coherent understanding on how idealised influence and inspirational motivation affect employee performance in the banking sector. The findings indicate that both idealised influence and inspirational motivation factors of transformational leadership had the significant positive effect on employee performance.

Idealised influence had the significant positive effect on employee performance in the banking sector in Dar-es-Salaam region. This is contrast to the findings of Waris *et al.* (2018) who observed that idealised influence has no significant impact on the calculative commitment of the employees. The first implication is that leaders with idealised influence leadership behaviours do not necessarily influence employees' commitment to their jobs. The second implication is that leaders with ineffective idealised influence leadership behaviours produce the dissatisfied and uncommitted employees, who in turn perform poorly. Although it is ideally assumed that transformational leadership always leads to positive work outcomes, one of the interviewees argued that leaders and subordinates with low degree of proactive personality will never bring the positive work outcomes since they somewhere delay the counterparts' relationships while executing their duties and responsibilities.

Besides, one of the interviewees stated that *"I happened to work with a leader who was very competent and knowledgeable. Our company was one of the most productive companies in the region. However, that leader insisted us to avoid imitating others because imitation kills creativity, innovation, personal growth, and true voice, and also is likely to mislead you in doing the job in hand"*. Nevertheless, the truth is that employee performance is affected by a number of factors, including individual personal personality, the existing situation, and nature of leadership.

The findings are, however, consistence to other studies that idealised influence factor of transformational leadership brings positive transformative changes to employees and organisations (Anyango, 2015; Chebon, Aruasa, & Chirchir, 2019; Malik, Javed, & Hassan, 2017; Walumbwa & Hartnell, 2011). Leaders with idealised influence attributes and behaviours go beyond self-interest for the good of the group and also consider the moral and ethical consequences of their decisions and actions. In addition, Westhuizen (2014) emphasises that the transformational leaders should show appropriate behaviour that lays down an example for employees to follow; that behaviour must be consistent with the values

guiding the actions that a leader promotes. Such characteristics enable them to influence the increasing commitment of employees to their firm and their greater motivation in achieving better results (Waldman *et al.*, 2009). Thus, leaders with outstanding idealised influence leadership behaviours are likely to generate the multiplying positive effects in the organisation, including optimal employees' performance. Consequently, leaders who are acting as the strong role models toward positive achievement of organisation's goals will attract the followers to emulate their decisions and actions.

Inspirational motivation factor of transformational leadership was observed to have the significant positive effect on employee performance in the banking sector in Dar-es-Salaam region. This is contrary to the findings of Waris *et al.* (2018) that inspirational motivational has insignificant impact on the calculative commitment and employees' performance. Likewise, Suifan *et al.* (2017) revealed that inspirational motivation had no a significant relationship with employees' creativity. The summative implication is that a leader does not always affect employees' performance possibly because employees are not psychologically motivated to perform more due to low inspiration value of that leader on self, the others, and the job.

Also, during the in-depth interview, one interviewee argued that *"a transformational leader is always extraordinary strong motivator, influencer, visionary, and with high charisma. Therefore, he or she may change the followers' behaviours to believe that whatever he or she does is right with no objection. If the leader takes a high risk, and makes a wrong decision, the followers may end up implementing such a decision due to leader's influential power. If the organisational outcomes are negative from the wrong made decision, several questions arise. Who will be responsible for such negative outcomes, the leader or followers? In the case the followers are put in the line for such negative outcomes, who will safeguard their interests? Sometimes employees have to think out of the box while being influenced or motivated by the transformational leaders"*. Another participant argued that transformational leaders now and then create unnecessary pressure within the working environment because of always emphasising on authenticity. Basing on the arguments given by authors and interviewees, transformational leaders do not always bring the positive work outcomes.

However, the findings are consistent to other studies that establishment of the vision and communicating it well to followers is a necessary factor for employees' performance and business success (Chebon, Aruasa, & Chirchir, 2019; Kouzes & Posner, 2012; Savovic, 2017; Trang, 2016). Also, the findings are consistent to Trang (2016) that, employee satisfaction increases if their leaders positively support them through inspiration and encouragement to accept change. Palestini also (2009) asserts that after leaders have completed developing smart goals, they have to translate them into the vision statements because the vision endures when leadership changes. In that way, leaders with inspirational motivation systematically talk optimistically about the future and inspire employees to commit to firm's vision for optimal performance. Creating and clearly communicating the vision to employees improves their performance because it shows the meaning and purpose of organisation's existence, the focus on where to go, and inspires employees to keep ongoing to achieve the set organisational goals.

## **Implication of the Findings**

The findings of this study present invaluable and coherent understanding of overlapping transformational leadership factors, namely idealised influence and inspirational motivation and how they affect employee performance in the banking sector in Dar-es-Salaam region. With regard to idealised influence factor, leaders who act as the strong role models to employees and inspire those employees to emulate their actions through setting examples, positively and significantly increase their performance. With regard to inspirational motivation, leaders who clearly articulate inspirational vision and high expectations to employees are likely to influence those employees to internalise feelings, attitudes, and beliefs that serve as a source of intrinsic motivation and in turn cause significant improvements in their performance. Thus, leaders in the banking sector should improve employees' performance through becoming the role models and inspiring employees to committing to firm's vision for optimal performance. However, because not all transformational leaders bring the positive work outcomes, employees have to think out of the box while being led by the transformational leaders.

## **Conclusions and Knowledge Contribution**

The study examined the effect of idealised influence and inspirational motivation on the performance of the banking sector employees in the Dar-es-Salaam region. The findings show that idealised influence has a positive significant effect on the performance of the banking sector employees in Dar-es-Salaam region. The findings also show that inspirational motivation has a positive significant effect on the performance of the banking sector employees in the Dar-es-Salaam region.

The study provides a coherent understanding that idealised influence and inspirational motivation are symbolic, exemplary, modelling, and vision optimisation leadership behaviours which influence and inspire employees to meet organisational goals. Based on the findings and pursuant to previous studies, there is a need to make the bank's management to establish the policies which fosters the development of idealised influence and inspirational motivation factors in order to improve employees' performances. Although studies from the developed countries indicate that transformational leadership predicts performance, the study contributes to knowledge in the sub-Saharan context where the theory has narrowly been covered. Also, it has been revealed that idealised influence and inspirational motivation are the behaviours that employees can learn rather than the individual personality traits. Therefore, leaders in the banking sector should focus their efforts towards becoming the role models in order to inspire their followers in all aspects inside and outside the working environment. Furthermore, the study comes with a novel idea that because not all transformational leaders bring the positive work outcomes, employees have to think out of the box while being led by the transformational leaders.

## **Study Limitations and Areas for Further Research**

This study was carried out in Dar-es-Salaam region; thus the findings may not be generalizable to other parts of Tanzania because of location differences. As such, more samples of banks from other parts of Tanzania are required to obtain more comprehensive

findings. Also, the same study can be done in the banking sector and other business firms by including employee commitment as the intervening variable because it perhaps changes the result. In addition, the future research may examine how employee performance mediates the relationship between transformational leadership and organisation's performance.

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*Appendix I: Pattern Matrix for factor analysis*

Item	Item statement	Component	
		1	2
II1	My supervisor inspires me through his/her personal example and attitudes.	.509	
II2	My supervisor considers the moral and ethical effect before making decisions.	.570	
II3	My supervisor encourages me to go beyond self-interest for the benefits of the bank.	.568	
II4	My supervisor asks the feedback on how his/her actions affect my work performance.	.610	
II5	My supervisor work on and complete the promises and commitment he/she makes.	.640	
II6	My supervisor builds a culture of trusting me whatever I do in the job.	.621	
IM1	My bank has the vision that paints or promises a better future.		.592
IM2	My supervisor has the self-confidence that I and the bank will be successful in the future.		.620
IM3	My supervisor shows me on how my long-term interest can be realised.		.591
IM4	My supervisor has the confidence that the goal of the bank will be successfully achieved.		.595
IM5	My supervisor communicates to me on the future plans and how to overcome problems during unpredictable changes.		.655
IM6	My supervisor inspires me to commit myself to contributing to bank benefits.		.626

**Author's Bibliography**

Dr. Chacha Magasi was born on 25<sup>th</sup> February 1974 in Tarime District of the United Republic of Tanzania. Dr. Magasi is father, lecturer, researcher, consultant, and author. Dr. Magasi holds a PhD in Business Management from the Open University of Tanzania located in Dar es Salaam Tanzania, Highest Certificate in Manufacturing Economy from Central Japan Industries Association (ChuSanRen) located in Nagoya Japan, MBA from the University of Dar es Salaam Tanzania, and BSC.Ed from the University of Dar es Salaam Tanzania.

Dr. Magasi is the lecturer of Marketing, Human Resource Management, and Entrepreneurship at the College of Business Education, Tanzania. Since his arrival at the College of Business Education in 2010 from the University of Dodoma, Dr. Magasi has focused on inclusive excellence, strengthening academic performance, teamwork intensification in promoting research and publication, and enhancing the productive student

experience. Dr. Magasi has attended international and local academic conferences in Tokyo, Nagoya, Singapore, Bangkok, Dubai, Accra, Nairobi, Kampala, Dar-Es-Salaam, Arusha, and Dodoma. Dr. Magasi has published 12 academic books including “The Heart of Leadership. Enriching the Leadership in You” and 10 articles in reputable journals. These journals include Journal of Emerging Issues in Economics, Finance and Banking (JEIEFB), International Journal of Economics, Commerce, and Management (IJBM), European Journal of Business and Management (EJBM), Journal of Family Business Strategy (JFBS), International Journal of Science Arts and Commerce (IJSAC), African Journal of Applied Research (AJAR), and Journal of Co-operative and Business Studies (JCBS). Dr. Magasi has served on several national higher education committees and boards, including the College of Business Education Management Team in Tanzania, College of Business Education Examination Board in Tanzania, University of Dodoma Examiners Board in Tanzania, and the University of Dodoma Senate in Tanzania.