Leadership Self-Efficacy and Strategic Leadership Behaviour

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Abstract
The objective of this study is to examine the relationship between leadership self-efficacy and strategic leadership behavior. The self-efficacy theory was choosing to serve as the underpinning theory of this study. The research design of this study was quantitative in nature as this study considers the use of face to face method of data collection with the use of study questionnaire. A total number of one thousand questionnaires were administered on a sample of some bank branch managers of commercial banks. At the end, 457 questionnaires were considered for the analysis. Several methods of data analysis were considered in the analysis of the data. The result of this study shows that none of the dimensions of leadership self-efficacy was found to be significantly related to strategic leadership behavior. This study has contributed to the self-efficacy theory, literature and method.

Keywords: Leadership, Self-efficacy, Strategic Leadership, Behavior

1. Introduction
One of the central issues that are found in strategic management field is the question of why some organizations outperform or perform better than others. Thus Hashim (2008) observed that, the answer to this question is that, effective performance and strategy implementation solely depends on the quality of leadership. Furthermore, it is by extension depending on how strategic leadership is exercised in the firm. As several scholars have attested to the need for effective leaders in organizations, it is believed that effective strategic leadership entails one of the needed if not the most needed factor in terms of formulating and implementing strategies. Hence organizational leaders are expected based on their managerial roles, to provide their organizations with the necessary sense of purpose, coupled with a clear sense of direction based on specific and clear objectives in other to achieve the desired goal. Leaders are expected to be able to build strong and reliable teams and involve in strategic thinking in other to formulate and implement strategies. This according to several researchers is seen as the managerial role of the leaders in organizations.

The provision of strategic leadership had been considered as an important role of the leaders in the organization. According to Narayanan and Zane (2009), the success story of most of the multinational organizations today i.e. Toyota, Honda, Microsoft, Coca Cola, Sony, Cisco etc had all been attributed to the visionary and change leadership behavior of their leaders especially with their capacity to formulate, implement evaluate and control their chosen strategies. In spite of the decades of researches in the area of leadership, it was of recent that scholars in the social science and organizational behavior area began to single out strategic leadership as their focus of attention (Boal & Schultz, 2007). According to Ireland and Hitt (2005), strategic leadership is “a person’s ability to anticipate, envision, maintain flexibility, think strategically and work with others to initiate changes that will create a viable future for the organization”. Further, it had been seen as a process that
leaders envision the future by communicating to their subordinates and at the same time stimulate and motivates them through engaging in supportive exchange of strategies with their subordinates and peers. This requires the need for the leaders to create meaning and purpose for the firm via strong mission and vision which creates future for the said firm.

To this end, Wheeler, McFarland and Kleiner (2007) observed that, at all levels of the organization, be it at the top, middle and lower level, leaders should develop the ability to exercise strategic leadership. They then highlighted that the best leaders in an organization are those leaders that can be able to pay great attention in designing those element around them, articulating some lucid sense of purpose, the ability to create strong teams, giving priority to their initiative, the redesigning of their organizational structure and above all, combining all this into one coherent strategy.

Several organisational leaders are today struggling with the ever accelerating challenges in the business environment. However, traits such as self-efficacy and high expectations are regularly given consideration by theorist especially in relation to effective leadership issues (House & Shamir, 1993; Chemers, 2001). Self-efficacy can be said to be particularly salient in a crisis situation as it is seen as a person’s overall estimate of his/her ability to achieve requisite performance in achievement situations (Schunk, 1983; Ross & Gray, 2006). Bandura (1997) in a review, found that self-efficacy was found to influence several forms of performance i.e. academic achievement, athletic performance, career choice, drug and alcohol abstinence, entrepreneurship, decision-making, organizational functioning, stress tolerance and teaching performance (Stajkovic & Luthans, 1998).

Leadership self-efficacy is regarded as one of the most important variables that determines the individual, group and outcomes of the organizations’ activities, as it plays a very important role, particularly under stress or demanding situation (Hoyt, 2005). Leadership self-efficacy can be referred to as a person’s perception of his/her general ability to lead (Murphy, 1992). Several researches conducted in the past, have shown strong and positive association between leadership self-efficacy and several forms of human performance (Semadar, Robins & Ferris, 2006; Anderson, Krajewski, Goffin & Jackson, 2008). However, Anderson et al.’s (2008) argued that leadership self-efficacy tend to be multidimensional, hence they developed taxonomy of LSE which has 18 dimensions.

Self-efficacy in a leadership situation, or leadership efficacy, simply referred to as one’s overall belief in his or her general ability to lead (Hoyt et al., 2003). According to Paglis (2010), due to the lack of agreement or consensus in the literature, on the definition of leadership and how it looks like, it has made researchers to diverge in their approaches to studying LSE. She further argued that this has made it much more difficult for researchers to study LSE, thus leading to several researchers having their own definitions, to which most of the researchers have given it a broad definition. Murphy (1992) saw LSE as one’s perception regarding his or her general capabilities to lead. Kane (1999) defined LSE as “one’s perceived self-capability to perform cognitive and behavioral functions required in effectively perform a specific leadership task”.

Hoyt (2005), considered leadership efficacy as an important domain which determines the organizational outcomes, individual and groups as it plays particular role in especially stressful conditions. Bandura (1997) argued that self-efficacy in general is quite domain-specific, thus self-efficacy for leadership not generalized self-esteem, positive effect, or locus of control should relate to effective leadership (Hoyt, 2005). This is in line with the argument presented by Paglis (2010) as she argued that due to the lack of agreement or consensus in the
literature on the definition of leadership and how it looks like, it has made those researchers to diverge in their approaches to studying LSE.

2. LITERATURE REVIEW

Strategic Leadership Behavior
Strategic leadership style is the combination of three different individual skills and abilities: visioning, focusing and implementing. Hence Yukl (2006) regarded strategic leadership as a change oriented leadership approach. Change oriented behaviors according to Yukl includes the monitoring the environment so as to identify those threats and opportunities within the environment. This is to enable the leaders to interpret events and explain the need for major changes. They articulate vision, take some relative risk, the builders of change supporters or coalition of major change and the determination of how to implement new initiatives.

Bianco and Schermerhon (2006) reported that in order for organizations to achieve organizational change, strategic leadership should foster co-existence of both continuity and change. The cascading of leadership throughout the organization should be encouraged through the use of teams with the help of self-regulation for continued and sustainable change in the organization. In response to the need for a comprehensive theory on strategic leadership, Yukl (2006) formulated what he called the flexible leadership theory (FLT). This is to integrate the relevant literature with distinct ideas so as to formulate a theory that is suitable to the needed changes in today’s organizations. The FLT which is formulated at the organizational level has some variables which include organizational effectiveness, performance determinants, situational variables, and leadership decisions and actions.

Narayanan and Zane (2009) in their work, invoke the Rescherian epistemological platform in other to develop the construct of strategic leadership. They posit that the idea of strategic leadership is related to the viewing of the organization as a whole unlike other supervisory leaders that focus majorly on exerting influence on their immediate subordinates. They further argued that strategic leadership has many implications i.e. it is the type of leadership that unlike supervisory leadership, has influence on so many in the organization that are even not directly under their report. Secondly, strategic leaders are judged based on impersonal devices like the design of organizational structure and the incentive system to influence the organization. Thirdly, they are able to select managers or teams by giving them goals and timelines. Fourth, they serve as substitutes for leadership and finally, performance serve as a symbolic act which is more critical to strategic leaders than supervisory leaders.

Based on the upper-echelons framework, Finkelstein and Hambrick (1990) conducted a study on the effects of top-management and team tenure. Executive-team tenure relates to strategy and performance; thus, long-tenured managerial teams follow more on persistent strategies. Those are the strategies that conform to the central tendencies of the said industry which exhibits performance that adheres to the organizations’ averages. The study falls short of limiting its focus on the top level managers; hence’ low level managers can be influential also in some professional related firms. Eacott (2010) reported that demographic variable of tenure has the moderating effect on its strategic leadership and management relationship. The findings of the study in sum contradicted previous studies though it shows no difference as it is statistically significant but has raised the question of tenure and its effect on practice. Miller (1991) found that tenure is related to performance and environment and further matches financial performance.
Conclusively, strategic leadership had been found to be an essential element in the growth and development of organization, hence it lends support to the success of such organizations. It is one type of leadership that had been found to assist organizations in initiating the vision and mission, creation of effective team and viable organizational structure. This style of leadership provides the platform for the formulation and implementation of strategies by studying the environment as a whole. Thus it helps organizations to outperform it peers. All this attributes, are part and parcel of the leaders managerial duties hence leaders are rated based on their managerial roles or performance which in turn lead to overall performance.

Leadership Self-efficacy
The most popular area having much interest in the research on leadership efficacy and other work related outcomes is leadership efficacy and effective leadership behavior relationship (Paglis, 2010). Murphy and Ensher (1999) assessed twice the quality of relationships and characteristics over an eight week period. They investigated the contribution of team member characteristics towards the development of leader-member exchange. It was found that LSE relates to leaders' own ratings of leader-member exchange and not that of followers as LSE correlates with perceptions of follower performance. The result of this study showed how the mechanism in self-efficacy drives the performance of others. The result of Kane et al. (2002) showed that LSE related significantly to a leader’s goal level, strategies and functional leadership behaviors.

In a study aimed at studying the levers of change, Paglis and Green (2002) tested their theoretical model of leadership self-efficacy on its association with leadership attempts. They surveyed managers and direct reports in two organizations based on their bio-data, personality, their LSE, leadership attempts and organizational commitment. The factor analysis of this study presents three factors i.e. direction-setting, gaining followers commitment and overcoming obstacles to change. Higher manager self-esteem, internal locus of control, follower abilities and organizational support for change were found to have relates to general LSE. Furthermore, LSE was found to have significantly associated with the manager’s leadership attempts and higher with higher organizational commitment.

This result is in concord with McCormick et al. (2002), Chan and Drasgow (2001) and Hendricks and Payne (2007) on individual’s attempts/motivation to lead. Consequently however, Finn et al. (2007) argued that the study of Paglis and Green (2002) only considered managerial efficacy of driving change related behavior or initiatives. Thus in their study, they examined the effects of executive coaching program to develop various characteristics associated to leadership. After the executive training, they reported that not only that LSE is trainable, but that it manifest into a positive leadership behavior.

In line with the call for more research on the relationship between LSE and effective leadership behavior, Anderson et al. (2008), improved on the work of Paglis and Green (2002) to construct taxonomy of LSE and that of effective leadership. The researchers argued that LSE has all the necessary potentials to aid in the predicting of effective leadership in organizations; as such, a comprehensive and empirically derived taxonomic structure is needed to aid in hypothesis development and theory formation. It is on the laudable effort of Paglis and Green (2002) that Anderson et al. (2008) built upon the work in three areas, i.e. to construct two separate tools for LSE and effective leadership; their taxonomic structure of LSE and effective leadership and LSE-effective leadership behavior relationship. Anderson et al. (2008), therefore conducted their study by first interviewing a set of executives which they later used the response to construct reliable measurement to both leadership efficacy-effective leadership behavior.
Their result yielded eighteen dimensions of LSE while that of effective leadership based on multi-source yielded nine effective leadership dimensions. Finally, in phase 3 of the study, they examined the relationship between LSE and effective leadership. They reported significant relationships between some dimensions of leadership efficacy and effective leadership as some of the ratings were supported in the study. This study appears to be the first of its kind in creating the taxonomy of LSE; hence, it contributed immensely in the understanding of the relationship that so exists between LSE and effective leadership behavior. At the same time, it provided valid measures for the taxonomy of LSE and effective leadership.

Some of the dimensions of leadership self-efficacy especially those considered in this study includes involve, self-discipline, challenge, serve and project credibility leadership self-efficacy. Involve LSE as the name implies is the act of involving others in the work engagement of the organization. According to Anderson et al. (2008), Involve self-efficacious managers have that ability of having interaction with their co-workers especially their subordinates by respecting their views and ideas. Self-discipline LSE is the managers’ ability to behave in a manner that has integrity and discipline. Managers indicating self-discipline LSE maintain the level of perseverance and confidence, even in situations that are difficult.

Project Credibility self-efficacious managers, as the name implies, are those managers who are credible in their work behavior by being fair and just in their undertakings which makes them believable to others. Challenge LSE, as the name implies, is the ability to challenge the status quo by establishing goals and objectives that are specifically tough and challenging with a sense of attaining the said performance target. While Serve LSE, is seen as managers exhibiting the confidence of deferring their personal interests appropriately for the benefit of the organization. Anderson et al. (2008) observed that accordingly, managers high in serve self-efficacy are leaders who set aside ego and pretense for the betterment of their organization.

3. RESEARCH FRAMEWORK

**Figure 1: Research Framework**

Independent variables

- Self discipline, Involve, Serve, Project Credibility, and Challenge LSE

Dependent variable

- Strategic Leadership Behavior

4. METHODOLOGY

In this study, a quantitative method of data collection was adopted with the use of questionnaire which was adapted from past studies. The questionnaires were distributed to the respondents face-to-face. A total of 1000 sets of questionnaires (subordinate and self-rated) were distributed to a sample of bank branch managers and their subordinates in 24 commercial banks. The total population of bank branches is 5118. Out of the total questionnaires sent, 457 questionnaires were returned of which 434 questionnaires were considered suitable to be included in the analysis. About 23 questionnaires were in one way or the other considered not suitable to be included in the analysis as a result of many missing values and some were completed half way. The data were inserted into SPSS for Windows version 16. The analysis was started by first checking the possibility of missing values. The
first test conducted was the checking for possible outliers among the responses. In this case, 21 outliers were found and deleted from the analysis. This left the analysis with 413 cases to be considered for analysis. Exploratory PCA was utilized to see the factorial validity of the measures. In the same vein, the reliability test of the measures was also conducted in order to see the internal consistency of the measures by computing the Cronbach Alpha. The hypotheses of the study were tested using the multiple and linear regressions.

5. RESULTS
Factor Analysis
The result/output of the factor analysis on LSE as depicted above shows that the KMO measure of Sampling Adequacy of the items value is .748. These result shows that the items are interrelated and they share common factors; thus they exceed the required benchmark of .60 which shows the sample size is adequate for factor analysis. The Bartlett’s Test of Sphericity of the items was found to be significant as it recorded a significant value of Approx Chi-Square of 2366 and P< .000. This indicates the significance of the correlation matrix thereby showing appropriateness for factor analysis to be conducted. The measure of sampling adequacy value ranges from .65 to .86, which indicates the data matrix is found suitable to be factor analyzed as the communalities result after deleting four items showing the value range from .51 to .71. Hence, this value is of good measure, while the measure of sampling adequacy also shows the value to be 60.321 (refer to appendix). The scree plot and the rotated component matrix with varimax rotated analysis show the presence of five factors that are significant as their Eigen values are greater than one. The scree plot also supported the five factors. These factors include self-discipline LSE, involve LSE, serve LSE, perceived credibility LSE and challenge LSE.

The last factor analysis in this study is strategic leadership behavior. However, after deletion, the factor was renamed to effective communication behavior. This is because the communalities of the item did not reach the required above .50 range. The factor was left with three items with an Eigen value of 1.895 and a total variance contribution of 14.579%. The factor was renamed effective communication behavior. The higher loadings of a factor influence the name of the factor that was renamed (Hair et al., 2010). The factor loadings show a value of .792, .793 and .810. This factor measures the ability of the respondents to have an understanding of the business market evolvement in the environment and communicate it effectively.

Reliability Test
After the factor analysis, the next analysis was the reliability test based on the dimensions and constructs under study. The reliability test was conducted on the independent variable (LSE), the dependent variable (strategic leadership behavior). The reliability of each of the dimensions was tested to find the Cronbach alpha value of the factors. Hair et al. (2010) posited that a lower limit of Cronbach Alpha value can reduce to .60 and is considered acceptable and reliable for exploratory research. The result of the reliability test conducted, shows that all the measures recorded values above .60. This shows that the scales of the measures are reliable to be considered for further analysis.

Descriptive Statistics
All the variables of this study were measured based on a five point Linker style. The criteria of the mean score that is used to determine the level of agreement among the variables was considered based on a mean score of 2.99 or less than that to be “Low”, a mean score of 3.00 to 4.99 as “Moderate” and 5.00 or higher than that is considered as “High”. The six variables
were measured in order to see their means and the standard deviations based on the response of the respondents. Of all the five dimensions of LSE, self-discipline LSE was perceived most highly by the respondents (M = 4.395, SD = 0.0562). This result shows that the respondents in this study perceived the need for high self-discipline towards the attainment of managerial job performance through effective leadership behavior. This is the most perceived according to the response of the respondents in bringing about efficacy of the leader through effective leadership behavior, so as to aid the attainment of managerial job in the banks. The mean scores of the remaining LSE dimensions as seen from the Table are: involve LSE (M = 4.289, SD = 0.667) serve LSE (M = 4.248, SD = 0.6528), challenge LSE (M = 4.297, SD = 0.6590) and project credibility LSE (M = 4.384, SD =0.6204). Effective communication behavior recorded (M = 4.299, SD = 0.6154). Almost all of the variables in this study show they are perceived moderate by the respondents.

Regression Analysis
Regression analysis was conducted to test the hypothesis of this study. Regression analysis is usually used in order to investigate the relationship between the predictor and the criterion variables. In order to conduct the regression analysis, scholars have argued that there needs to be at least a large sample of 300 or 500 which is considered appropriate for a multiple regression. There is need for both the predictor and criterion variables to be measured based on continuous scale, hence making it appropriate. Hair et al. (2010) assumed that there are four underlying assumptions to test for regression analysis. This includes the test for the assumptions in terms of linearity, normality, multicollinearity, homoscedasticity and the independence of the residuals, which are examined through the residual scatter plots and the normality probability plot in the regression standardized residuals. All this assumptions were considered in the regression analysis of this study.

Table 5.1
Result of Regression analysis on Leadership Self-efficacy (LSE) and Effective Communication Behavior

<table>
<thead>
<tr>
<th>Predictors</th>
<th>Model 1 Std. β</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Leadership self-efficacy</strong></td>
<td></td>
</tr>
<tr>
<td>Self-discipline LSE</td>
<td>.008</td>
</tr>
<tr>
<td>Involve LSE</td>
<td>-.050</td>
</tr>
<tr>
<td>Serve LSE</td>
<td>-.041</td>
</tr>
<tr>
<td>Challenge LSE</td>
<td>-.117</td>
</tr>
<tr>
<td>Project Credibility LSE</td>
<td>-.064</td>
</tr>
<tr>
<td>R²</td>
<td>0.022</td>
</tr>
<tr>
<td>R² Change</td>
<td>0.022</td>
</tr>
<tr>
<td>F-Change</td>
<td>1.867</td>
</tr>
</tbody>
</table>

Note: *p < 0.05;  **p < 0.01;  ***p < 0.001

The table above presents the summarized result of the regression analysis conducted between LSE and effective communication behavior. LSE as seen in the table above, explains 2.2% of the model (R²=.022, F-Change= 1.867). This result shows that none of the dimensions of
leadership self-efficacy contributes to the influencing of effective communication behavior. Dimensions such as self-discipline LSE, involve LSE, serve, challenge and project credibility LSE do not influence or contribute to effective communication behavior. It is therefore ascertained that leadership self-efficacy did not contribute or influence effective communication behavior.

6. DISCUSSION
The research question of this study is, does LSE (Self-discipline LSE, Involve LSE, Serve LSE, Challenge LSE and Project credibility LSE) relate to strategic leadership behavior (effective communication behavior)? This question is aimed at measuring the level of managers’ LSE towards their leadership behavior, especially with regards to this changing situation. To ascertain the level of this relationship, hypothesis was developed as Leadership self-efficacy significantly influences strategic leadership behavior. This hypothesis was tested using the regression analysis. Consequently however, the result shows that all the dimensions of LSE were not found to have a significant relationship with effective communication behavior. Thus, the hypothesis was not supported.

This result however, contradicts the findings of Anderson et al. (2008) as no significant relationship is recorded in this study hence not in concord with their result. However, this can be explained by the approach of the two studies conducted. Anderson et al. (2008) used a sample from a single institution i.e. drawn from international financial services company, thus it may likely be due the fact that this study uses a sample that cuts across different banks. Another possibility is that, both this study and that of Anderson et al. (2008) uses the financial services sector, hence it may likely be due to the use of a single sector. In furtherance, the result of this study may be explained by many assumptions and definitions of self-efficacy by past studies (Hoyt et al., 2003; Chemers et al., 2000; Watson et al., 1996; Murphy, 2001).

Self-efficacy in a leadership situation, or leadership efficacy, simply referred to as one’s overall belief in his or her general ability to lead (Murphy, 1992; Hoyt et al., 2003). Hoyt (2005), considered leadership efficacy as an important domain which determines the organizational outcomes, individual and groups as it plays particular role in especially stressful conditions. As such, the respondents under study may have perceived that their self-efficacy towards strategic leadership is low. However, this study has contributes to the methodology adopted in this study. As the items or instruments of this study were adapted from past researches, it is imperative that the validity and the reliability of the measure are tested. The Cronbach Alpha value of the items in this study all loaded above .60 which is the recommended value. As such, by validating these items, it is hoped that this study has contributed to the body of knowledge on the method especially in the African context.

7. CONCLUSION
The research objective of this study is to see examine LSE and strategic leadership association. Based on the foregoing findings, it can be concluded that the leadership self-efficacy did not significantly influence the strategic leadership behavior of the managers in commercial banks. Additionally, the conceptual model of this research was designed based on the extant relevant literature reviewed on the variables considered in this study, i.e. leadership self-efficacy and effective leadership behavior. Hence the framework is arrived at, based on the recommendations for future research to be conducted by past researchers on the said objectives highlighted above. Based on the findings of this study, it can be concluded that the
research questions and the objectives of this study were answered. Furthermore, it can be concluded that the conceptual model is in line with the underpinning theory (self-efficacy theory) used to explain the framework of this study. Hence the empirical findings justify the underpinning theory employed.

This study is not without some limitations or shortcomings. Although there are a lot of variables that can be considered to measure LSE and leadership behavior, this study is limited to some dimensions of the Anderson et al. (2008) taxonomy of LSE and effective leadership behavior. The LSE taxonomy of Anderson et al. (2008) consists of 18 dimensions while the leadership behavior consists of nine dimensions. This study considers five LSE dimensions and one leadership behavior dimension, thus not considering other also important dimensions of the two taxonomies. This can be seen as a result of the need for a parsimonious model. To overcome this limitation, this study recommends that future studies should consider other dimensions of the Anderson et al. (2008) LSE and effective leadership taxonomies. The period of data collection in this study tends to be limited to within the period of three months. Hence, this study recommends that future researchers should consider longitudinal study in order to have enough time for data collection.

REFERENCES


