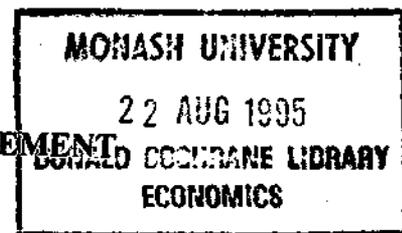


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**LEADERSHIP AND PERFORMANCE OUTCOMES OF  
AUSTRALIAN EXECUTIVES**

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**ABSTRACT**

Our paper examines the leadership characteristics of Australian business executives and the relationship of leadership to job outcomes. Generic concepts of leadership and job outcomes have been established and measured through the instruments developed for this study, namely the Leadership Operations Scale (LOS), Leadership Attributes Scale (LAS), and the Job Outcomes Scale (JOS). A confirmatory factor analysis of the instruments reveals sound psychometric properties for the LOS and LAS, with appropriate reliabilities and stable factor structures. The JOS reveals similar findings. Further analysis of organizational leadership is warranted in light of the findings.

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## LEADERSHIP AND PERFORMANCE OUTCOMES OF AUSTRALIAN EXECUTIVES

### Leadership in a Changing World

Today's business world is in a massive stage of flux, and some may even say decline. In their 1988 report, the Ashridge Management Research Group identified the massive and at times complex changes that organizations and their managers must deal with daily (see Barham, Fraser & Heath, 1988:37). Some of the changes include:

- flatter, faster-moving, market-driven, cost conscious, complex organizational environments
- more organizational 'surface' exposure to environment
- increasingly decentralized and fragmented organization
- integration of business strategy with organizational culture
- increasing importance of 'horizontal' management relative to 'vertical' management in order to manage quality, service, and technological imperatives
- increasingly international environment
- unprecedented emphasis on people as organization's most vital resources.

These organizational and environmental developments have implications for how business executives both manage and lead their corporations.

Additionally, the established paradigms of utilitarian functionalism and neoclassical economic thought which underpin much of our concepts of leadership and management are being re-examined; if they don't deliver the goods, then what good are they? (Aktouf, 1992:408). Given these pressures and ambiguities, business managers increasingly are being called upon to take on the mantle of leaders, those elusive creatures whose so-called visions guide and inspire present organizational behavior. But the substance of leadership is nebulous, problematic, and impossible to operationalise through prescriptive strategies and techniques. The best we can do is identify some of the critical features of business leadership, and add those to the growing data base. For instance, the recently revised Handbook of Leadership (Bass, 1990) includes over 7,500 references on leadership in the organizational psychology and management literature, representing an additional 4,000 references since its first publication in 1974. The field is immense, growing annually, and becoming more confusing, fragmented and intricate. The present study was undertaken to add an Australian perspective to leadership research, and specifically to develop a generic leadership scale for purposes of future research and development in the area.

## Leadership Research

Modern leadership has evolved from recent developments in Western management theory and practice. For example, the term 'executive' was coined by Chester Barnard, president of the New Jersey Bell Telephone Company during the 1930s. Unlike the traditional Tayloristic and Weberian views of organizations as mechanistic and bureaucratic systems, Barnard (1938) saw organizations as social systems that require human cooperation. For Barnard, the word executive was associated with the management functions of planning, organizing, and controlling. Leadership was a separate entity that required vision and energy. Developments in the management literature and research during the 1940s through to the 1980s emphasized management and leadership activities in terms of power, behavior, the organizational and environmental situation, and organizational systems (e.g., Mintzberg, 1973; Van Seters and Field, 1990).

Today, leaders are becoming more aware of leading by example. Strong leadership should be combined with competent management to achieve synergy and strategic advantage. Bass (1990:383) and Yukl (1989a,b), among others, have compared the similarities and differences in leadership behaviors as reported in the leadership research. Mumford, Fleishman, Levin, Korotkin, and Hein (1988) summarized and integrated these behaviors into a taxonomic model. Regardless of the research paradigm, these studies revealed that leaders perform similar functions such as motivating and reinforcing staff, communicating, planning and coordinating, managing conflict, acquiring and utilizing resources, problem solving, networking, informing, and directing. These and other studies illustrate that much of the leadership and management research is interrelated (e. g., Gardner, 1986; Grove, 1986; Zaleznick, 1977). In fact, Mintzberg's (1973) seminal study of management functions has distilled itself through the leadership research and in some cases contributed to its methodological and epistemological bases (e. g., Blanchard, Zigarmi, & Zigarmi, 1987; Luthans & Lockwood, 1984; Wright & Taylor, 1981a,b, 1985; Yukl & Lepsinger, 1989). On the other hand, recent research by Kotter (1982, 1988, 1990a,b) and Kouzes and Posner (1987) differentiates among management and leadership skills and attributes. In particular, Kotter (1990b: 4-8) claims that managers fundamentally create consistent and orderly results through the traditional functions of planning and budgeting, organizing and staffing, and controlling and problem solving. In comparison, leaders create change and help an organization adapt to changing environments by establishing direction (vision), aligning people to the vision (communicating), and motivating and inspiring people to achieve that vision (appealing to values and sense of recognition). Kotter (1992) firmly believes that leadership 'is

something that not all people can do well, but more people can do more often'. In the current study, leadership is represented as an aggregation of the many traits, skills, values, and attitudes identified through the extant research base.

Leadership has also been examined in terms of work-related outcomes. For example, Seltzer and Bass's (1990:701) study involving 138 employees and 55 managers participating in an advanced MBA elective class found that transformational leadership was positively correlated with both initiation and consideration. Similarly, Niehoff, Enz and Grover's (1990) study of 862 employees of a midwestern insurance company revealed that the leadership characteristics of vision sharing, visibility, innovativeness, supportiveness, and decision influence were positively related to worker commitment, job satisfaction, and role clarity. Further, Yammarino and Bass's (1990) study of 186 US Naval Officers and 793 subordinates indicated that transformational leadership and the job outcomes of effort, effectiveness and satisfaction were positively related. Other studies indicate that leadership can both predict work performance, as well as employee work attitudes (e.g., Hackman and Odham, 1975; Meindl, Ehrlich and Dukerich, 1985; Schein, 1989; Schriesheim, Mowday and Stogdill, 1979; Thomas, 1988). Meindl et al. (1985:99) however caution that leadership may indeed be the result of an attributional process in which observers attribute outcomes to persons and not organizational and environmental contexts. Pfeffer (1978) and others (e.g., Burke, 1979; Chen and Meindl, 1991; Lord and Maher, 1991; Pfeffer and Salancik, 1978) have revealed some truth in this assertion.

However, other studies have revealed that leadership can account for improved performance measured by net income (Barrick, Day and Lord, 1991); employee commitment, job satisfaction, and role ambiguity (Niehoff, Enz and Grover, 1990); and sales, profits, and net assets (Thomas, 1988). Recent research by Lord and Maher (1991) indicates that organizational performance and leadership success are inextricably related, and that success in organizational outcomes endows the leader with prestige and power. Their cognitive perspective is similar in nature to the attributional approach of Meindl et al. (1985) and others (e.g., Chen and Meindl, 1991). In this study, performance is an aggregation of many of these outcomes, and is measured by items such as job satisfaction, labour turnover, achievement of company goals, and team work. These items are incorporated in the Job Outcomes Scale developed for this study.

## Method

### Sample

The sample for this study consisted of 519 Australian executives engaged in management development programs at the Australian Management College, Mt. Eliza. The majority of these executives were middle to senior level managers (65%); male (83%, a ratio of 5:1 males for each female); under 50 years of age (90%), possessed a TAFE (Training and Further Education) qualification, diploma, or undergraduate degree (70%); were spread fairly evenly among smaller-sized (23% or fewer than 200 employees) and middle-sized (27% or 200-999 employees) organizations, but were concentrated in larger (48% or over 1000 employees) organizations; earned less than \$75,000 annually (53%, although 33% earned more than \$76,000 annually); and were located in the public (29%), manufacturing (23%), and banking/finance (16%) sectors.

### Questionnaire Design

The Corporate Leadership Descriptor (CLD) is a composite of existing instruments used in leadership research and draws chiefly from among those used in the UK, Australia, and the US. In particular, the findings of research by Midgley (1990), the Australian Mission on Management Skills (1991), and the Australian Institute of Management (AIM) (1991) report on management skills training were used as one framework for the present study. Other examples of leadership skills were acquired from chief executives who have attempted to operationalize these skills in one way or another (as reported in Sarros, 1991). The inventory has been developed as a measure of leadership styles, traits, and behaviors. Essentially, the CLD is a descriptor of generic leadership attributes, rather than an instrument designed to measure one specific leadership style, such as charisma.

Midgley's (1990) survey of 2000 senior managers in 870 Australian business units provides a detailed picture of management development in the 1990s. The reports by both the Australian Mission and the AIM provide further evidence of management and leadership skills that ostensibly are in short supply among Australian executives. None of these reports however makes a 'clean' distinction between management and leadership skills, if indeed that is at all possible. By comparison, Dulewicz's (1989) five year study has identified 12 'supra' competencies of executives, which have been incorporated in the present study.

The CLD is comprised of five sections: (1) Demographic Details, (2) Leadership Operations Scale (LOS), (3) Leadership Attributes Scale (LAS), (4) Job Outcomes Scale (JOS), and (5) Open-ended response section. Only the information related to the

Leadership Operations Scale, Leadership Attributes Scale, and Job Outcomes Scale is reported in this study. Both the LOS and LAS are aggregated in the one instrument identified as the Corporate Leadership Inventory.

The LOS and LAS require respondents to identify the extent to which work-related and personal attributes variables are important to successful leadership. The 7-point Likert scales for these instruments range from '0' for 'Not At All Important' to '6' for 'Very Important.' The LOS consists of 26 items that measure leadership skills and strategies, while the LAS consists of nine items that gauge personal leadership traits and qualities. In particular, both scales measure the act of providing leadership in an organizational setting.

The JOS consists of 20 items that identify the extent to which leadership contributes to specific job outcomes. The 7-point Likert scale for the JOS ranges from '0' for 'No Contribution' to '6' for 'High Contribution.'

On the basis of this study, 11 items from the LOS, one item from the LAS, and four items from the JOS were eliminated on the grounds of ambiguity, redundancy, and lack of discriminatory power. Therefore, the final version of the LOS includes 15 items, the LAS includes eight items, and the JOS includes 16 items.

## Results

### Psychometric Properties

The means, standard deviations, and reliability coefficients (Cronbach alpha) for each of the three scales (LOS, LAS, JOS) are presented in Table 1. The reliabilities for each of the four factors of the LOS range from .62 to .80 with an overall scale reliability coefficient of .82 (N=490). The reliabilities for the two factors of the LAS are .64 and .63, with an overall scale reliability of .72 (N=511). For the JOS, the reliabilities of the four factors range from .74 to .79, with an overall scale reliability of .88 (N=491).

The correlations among each of the factors of the LOS, LAS, and JOS are also presented in Table 1. The item-total correlations for the 15 items in the LOS range from .09 to .51, with an average correlation of .33, while for the eight items of the LAS the item-total correlation is .45. For the 16 items in the JOS, the item-total correlation range was between -.50 and .50, with an average correlation of -.15.

These results indicate that planning, direction setting, and responsibility of the job undertaken are leadership activities significantly related to each other. Team building in the context of operational leadership (concerned with skills and strategies) is a more discrete function, which may suggest it is more suited to an attributional focus (e.g., Foti et al., 1982; Lord et al., 1984; Palich and Hom, 1992). The leadership

attributes (traits and qualities) of mentoring and vision are significantly related, as we would expect based on existing research findings. For job outcomes, teamwork is significantly related to job meaningfulness and retention, and retention to job meaningfulness. The negative correlations among effectiveness and all other outcomes variables, indicate the discrete nature of organizational effectiveness and the problems associated with any generic measure of effectiveness. The correlations among teamwork, job meaningfulness, and retention indicate that involvement in work teams is related to meaningful work and promotes employee retention. In other words, having a purpose at work promotes work performance.

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### **Dimensions of Leadership**

**Factor analyses.** A combination of principal components and maximum likelihood factor analyses with varimax and oblimin rotations respectively were performed on the 26 items in the LOS and the nine item in the LAS. Both factor analytic methods were used to assess the stability, number, and simplicity of factor structures in both dimensions of leadership (e.g., Gorsuch, 1983; McDonald, 1985; Pedhazur and Pedhazur Schmelkin, 1991). Because the sample size (N=519 for both the LOS and LAS) was relatively large, a cut-off score of .40 was considered reasonable for inclusion of a variable in the interpretation of a factor (e.g., Gorsuch, 1983; Stevens, 1986; Tabachnik and Fidell, 1989; Lambert, Wildt and Durand, 1991). Eleven items in the LOS and one item in the LAS that did not meet the above-mentioned item loading criterion, and items that lacked discriminatory power were deleted from the respective scales. Moreover, because our intention also was to conduct a confirmatory factor analysis of the LOS and the LAS, and following Bentler and Chou's (1987:97) suggestion that the total number of variables should be less than 20 in structural modelling analysis, then the total number of items for the LOS and the LAS were reduced from 26 to 15, and from nine to eight respectively. After stability and simplicity of the factor structures were established, a principal components analysis of the total sample with varimax rotation yielded four clear interpretable factors, with 58.3% of the variance in the LOS accounted for by the 15 items. The two factors of the LAS consisting of eight items accounted for 48.6% of the total variance in this scale. These results are illustrated in Tables 2 and 3.

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Insert Tables 2 and 3 here  
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As illustrated in Table 2, the first factor in the LOS contained six items which reflected planning (item loadings ranged from .46 to .82). The second factor contained three items that reflected team building, with item loadings ranging from .68 to .86. The third (four items) and fourth (three items) factors reflected direction setting (item loadings from .67 to .75) and responsibility (loadings from .64 to .74) respectively.

Table 3 shows the varimax factor loadings for the LAS. The first factor contained five items which reflected responses to mentoring employees, containing items such as patience, listening, and hard work (item loadings ranged from .56 to .72). The second factor, containing three items, reflected the leadership skills of vision and creativity, both associated with the innate qualities of confidence and charisma. The item loadings in this factor ranged from .67 to .82. These findings support recent research that illustrates the linkages among leader behavior (setting high standards and encouraging workers, as in mentoring), values and vision, and organizational culture (e.g., Ehrlich, Meindl and Viellieu, 1990; Kouzes and Posner, 1990; Kuhnert, 1993; Schein, 1992; Vaill, 1993).

**Confirmatory factor analyses.** In order to test whether the observed covariances among the LOS items could be explained by four orthogonal factors hypothesized to underlie operational leadership, a confirmatory factor analysis of the 15 items was conducted by using the maximum likelihood method of LISREL 7.20 (Jöreskog and Sörbom, 1989). Using this method of analysis, two hypothesized models, one a four-factor model and the other a one-factor model of the LOS were compared to assess the best fit with the data. Covariances were computed using list-wise missing data with a constant sample of 502 executives. The LISREL program provides an overall chi-square test of the extent to which the hypothesized models are able to account for relations among the measured variables. Because the chi-square is sensitive to sample size and violations of the assumption of multivariate normality (e.g., Bentler, 1983; Jöreskog and Sörbom, 1989), model fit was assessed by using the goodness of fit index and the ratio of chi-square to degrees of freedom, where a ratio of less than five is indicative of an acceptable fit (e.g., Bentler and Bonnett, 1980; Wheaton, 1987). The four-factor model of operational leadership yielded a  $\chi^2$  value of 305.42,  $df=84$  ( $N=502$ ),  $p<.000$ , for a chi-square/degrees of freedom ratio of 3.63, and a goodness of fit index of .925 (root mean square residual=.061). By comparison, the one-factor operational leadership model yielded a  $\chi^2$  value of 1325.32,  $df=99$ , for a

chi-square/degrees of freedom ratio of 13.34 and a goodness of fit index of .655 (root mean square residual=.204). These findings indicate that the four-factor model provided a significantly better fit to the data. Table 2 also shows the LISREL estimates of the confirmatory factor analysis for the LOS.

Using the same method of analysis for the LAS, the two-factor model yielded a  $\chi^2$  value of 46.25,  $df=19$  ( $N=509$ ),  $p<.000$ , for a chi-square/degrees of freedom ratio of 2.43, and a goodness of fit index of .978 (root mean square residual=.038). By comparison, the one-factor leadership attributes model yielded a  $\chi^2$  value of 330.55,  $df=23$ , for a chi-square/degrees of freedom ratio of 14.37, and a goodness of fit index of .838 (root mean square residual=.174). These findings suggest that the two-factor leadership attributes model provides a significantly better fit to the data.

### Dimensions of Job Outcomes

**Factor analyses.** Similar to the factor analytic method used in the interpretation of data for the LOS and the LAS, a combination of principal components factor analyses with varimax rotations and maximum likelihood analyses were performed on the JOS. Three items in the JOS that did not meet the .40 item loading criterion and that lacked discriminatory power were deleted from the scale. The total sample with varimax rotation yielded four interpretable factors and 59.5% of the variance in job outcomes accounted for by the 17 items in their respective factors.

Table 4 illustrates the varimax factor matrix and the LISREL confirmatory factor analysis estimates. The first factor in the JOS and its respective seven items reflects effectiveness (item loadings range from .59 to .71). The second factor represents the dimension of teamwork with item loadings ranging from .58 to .84. The third and fourth factors represent job meaningfulness and retention respectively, with item loadings ranging from .52 to .86 over the two factors.

**Confirmatory factor analysis.** In the JOS, two hypothesized models, one a four-factor and the other a one-factor model were compared to assess the best fit with the data. Covariances were computed for the JOS using list-wise missing data with a constant sample of 494 executives. The four-factor model yielded a  $\chi^2$  value of 329.03,  $df=113$ ,  $p<.000$ , for a chi-square/degrees of freedom ratio of 2.91, and a goodness of fit index of .928 (root mean square residual=.052). By comparison, the one-factor job outcomes model yielded a  $\chi^2$  value of 2383.28,  $df=129$ , for a chi-square/degrees of freedom ratio of 18.48, and a goodness of fit index of .480 (root mean square residual=.284). These findings suggest that the four-factor job outcomes model provides a significantly better fit to the data.

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Insert Table 4 here  
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## Discussion

The findings of our study indicate the problematic nature of organizational leadership. For instance, attempts to identify 'operational' or management-specific skills and strategies of leaders is fraught with definitional, conceptual, and methodological problems (e.g., Palich and Hom, 1992; Yukl, 1989). Similar criticisms apply to studies of leadership as an attributional phenomenon (e.g., Cronshaw and Lord, 1987; Lord and Maher, 1991). In light of these observations, the best we can conclude is that the Leadership Operations Scale and the Leadership Attributes Scale represent generic interpretations of both management-specific and attributional aspects of leader behavior. For example, charisma is a component of vision in the LAS, but it also is a complex leadership characteristic in its own right (e.g., Conger and Kanungo, 1987, 1992, 1993). Our intention has been merely to indicate how the many facets of leadership behavior group together, and to suggest that further research is now required to test this leadership model. Our findings also go some way in validating the research by Kotter (1990a,b) which indicates that leaders establish direction, align people to a task, and motivate and inspire employees. Other facets of leader behavior such as team building, planning, problem solving, and adapting to and pre-empting change are highlighted in other studies (e.g., Chemers and Ayman, 1993; Hunt, 1991; Kirkpatrick and Locke, 1991) as well as in ours. In this fashion, our study addresses Yukl's (1989) concern that many leadership studies identify outcomes rather than specific, observable leadership actions that initiate these outcomes. Our paper paves the way in aggregating some of these leadership actions into a valid research instrument.

In terms of job outcomes, the research is ambivalent when discussing the impact of leadership on organizational performance. For example, a study of the daily US business press by Meindl, Ehrlich and Dukerich (1985) proposed that performance outcomes were over-attributed to leadership. Successful companies had strong leaders, unsuccessful companies poor leaders. Because of the complex relationships among leadership styles and organizational outcomes, which in large part rest on the nature of the person-job fit (e.g., Chemers and Ayman, 1993), the integrity of our findings needs to be tested using a variety of samples in various work environments. Particular attention should focus on the level of leadership examined, and the impact of

exogenous variables on leader effectiveness. The temporal aspects of leadership cannot be ignored from this perspective.

Overall, our findings indicate that operationalizing organizational leadership as we have done creates as many questions as it answers. For example, can leadership be represented through generic attributes, when studies indicate the complex and often situation-specific nature of the dimension? Alternatively, if leadership is a composite manifestation of various attributes and activities, then the prospects of representing these elements in a more generalized version is intuitively appealing and methodologically sustainable. Of course, the critical test of leadership is in its practice, which studies of this nature merely survey rather than observe in detail. Consequently, we recommend a sustained and longitudinal study of Australian business leadership that examines why people become leaders, what motivates them as leaders, and how they sustain enthusiasm and commitment during good times and bad. A study of this magnitude would help uncover the many faces of organizational leadership that still remain partly obscured.

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**Table 1**  
**Correlations, Reliabilities, Means, and Standard Deviations**  
**for the LOS, LAS, and JOS**

Factors <sup>a</sup>						Mean	SD
<b>LOS Factors (N=490)</b>		<b>LOS1</b>	<b>LOS2</b>	<b>LOS3</b>	<b>LOS4</b>		
		(.80)	(.77)	(.63)	(.62) <sup>b</sup>		
LOS1	Planning	1.00				4.52	1.19
LOS2	Team Building	.16	1.00			5.27	0.89
LOS3	Direction Setting	.51	.09	1.00		4.90	1.05
LOS4	Responsibility	.42	.39	.39	1.00	4.95	1.05
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<b>LAS Factors (N=511)</b>		<b>LAS1</b>	<b>LAS2</b>				
		(.64)	(.63) <sup>c</sup>				
LAS1	Mentoring	1.00				4.84	1.03
LAS2	Vision	.45	1.00			4.89	1.08
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<b>JOS Factors (N=491)</b>		<b>JOS1</b>	<b>JOS2</b>	<b>JOS3</b>	<b>JOS4</b>		
		(.80)	(.79)	(.77)	(.86) <sup>d</sup>		
JOS1	Effectiveness	1.00				5.00	0.70
JOS2	Teamwork	-.47	1.00			4.99	0.78
JOS3	Job Meaningfulness	-.47	.45	1.00		4.54	0.88
JOS4	Retention	-.39	.45	.42	1.00	4.16	1.15

<sup>a</sup>For all correlations:  $r \geq .09$ ,  $p < .01$ ;  $r \geq .16$ ,  $p < .001$ .

<sup>b</sup>Cronbach alpha coefficients. Overall Cronbach alpha for LOS=.82,  $p < .001$ .

<sup>c</sup>Cronbach alpha coefficients. Overall Cronbach alpha for LAS=.72,  $p < .001$ .

<sup>d</sup>Cronbach alpha coefficients. Overall Cronbach alpha for JOS=.86,  $p < .001$ .

Table 2

**Varimax Factor Matrix and LISREL Confirmatory Factor Analysis Estimates of the Leadership Operations Scale**

Items	Varimax Factors and Factor Loadings				$\lambda^a$	LISREL Estimates		
	1	2	3	4		Std Error	$\delta^b$	$R^{2c}$
1. Planning, organizing, controlling	.82	-.05	.08	.11	.77	.04	.41	.59
2. Allocation of resources	.76	.13	.11	.05	.73	.04	.44	.56
4. Implementing programs, measuring performance	.75	.17	.14	.03	.69	.04	.53	.47
10. Planning workflows	.66	-.04	.05	.16	.59	.05	.66	.34
3. Setting objectives and priorities	.61	.23	.07	.09	.57	.04	.68	.32
8. Identifying problems	.46	-.03	.18	.28	.46	.04	.79	.21
7. Team building	.08	.86	.04	.10	.81	.04	.35	.65
6. Motivating employees	.08	.85	.12	.01	.74	.04	.45	.55
14. Developing subordinates	.10	.68	.25	.19	.61	.04	.63	.37
36. Checking 'outside' environment	.08	.17	.75	.05	.60	.05	.64	.36
17. Knowledge of business environment	.10	.06	.73	.19	.61	.05	.64	.36
15. Logical and strategic thinking	.22	.11	.67	.14	.60	.05	.62	.38
16. Taking responsibility	.15	.11	.15	.74	.63	.05	.60	.40
34. Making decisions	.33	-.03	.03	.74	.67	.05	.55	.45
29. Company loyalty	.00	.23	.22	.64	.52	.05	.74	.26
Eigen Values	4.37	1.99	1.34	1.04				
% of total variance	29.1	13.3	9.0	6.9				
Cumulative variance	29.1	42.4	51.3	58.3				

1=Planning; 2=Team Building; 3=Direction Setting; 4=Responsibility.

<sup>a</sup>Maximum likelihood factor item loadings; <sup>b</sup>Error variance accounted for by latent variable; <sup>c</sup>Squared multiple correlation of latent variable.

Table 3

**Varimax Factor Matrix and LISREL Confirmatory Factor Analysis Estimates of the Leadership Attributes Scale**

Items	Varimax Factors and Factor Loadings		$\lambda^a$	LISREL Estimates		
	1	2		Std Error	$\delta^b$	$R^{2c}$
26. Patience	.72	.01	.52	.05	.73	.27
35. Listening	.64	.22	.58	.05	.66	.34
24. Hard work	.60	.01	.40	.05	.84	.16
20. High ethical standards	.60	.29	.57	.05	.68	.32
19. Negotiation skills	.56	.29	.54	.05	.71	.29
11. Creativity and vision	.07	.82	.65	.04	.58	.42
13. Confidence and charisma	.11	.71	.55	.04	.70	.30
25. Developing organizational culture	.25	.67	.62	.04	.62	.38
Eigen Values	2.75	1.14				
% of total variance	34.3	14.3				
Cumulative variance	34.3	48.6				

1=Mentoring; 2=Vision.

<sup>a</sup>Maximum likelihood factor item loadings; <sup>b</sup>Error variance accounted for by latent variable; <sup>c</sup>Squared multiple correlation of latent variable.

Table 4

**Varimax Factor Matrix and LISREL Confirmatory Factor  
Analysis Estimates of the Job Outcomes Scale**

Items	Varimax Factors and Factor Loadings				$\lambda^a$	LISREL Estimates		
	1	2	3	4		Std Error	$\delta^b$	$R^{2c}$
7. Organizational effectiveness	.71	.20	.03	.07	.67	.04	.55	.45
20. Company survival	.68	.07	.08	.08	.60	.04	.64	.36
8. Organizational innovation	.67	.18	.02	.14	.62	.04	.62	.38
14. Positive company image	.60	.24	.20	.07	.66	.04	.56	.43
6. Competitive advantage	.60	-.13	.22	.28	.54	.04	.70	.30
9. Organizational culture	.59	.12	.20	-.01	.54	.04	.71	.29
19. Achievement of company goals	.59	.38	.20	-.01	.68	.04	.54	.46
17. Teamwork	.14	.84	.12	.06	.70	.04	.51	.49
16. Improved workplace communications	.24	.69	.15	.25	.71	.04	.50	.50
18. Worker morale	.24	.60	.33	.22	.72	.04	.49	.51
13. Employee development	.16	.58	.28	.33	.67	.04	.55	.45
3. Job purpose	.21	.09	.85	-.01	.76	.04	.43	.57
4. Job meaningfulness	.11	.19	.84	.15	.83	.04	.30	.70
2. Job satisfaction	.14	.36	.57	.15	.62	.04	.60	.40
5. Job autonomy	.17	.20	.52	.30	.55	.04	.70	.30
11. Decreased labour turnover	.14	.23	.14	.86	.87	.03	.24	.76
10. Decreased absenteeism	.11	.23	.18	.86	.86	.04	.26	.74
Eigen Values	6.08	1.71	1.26	1.06				
% of total variance	35.8	10.1	7.4	6.2				
Cumulative variance	35.8	45.9	53.3	59.5				

1=Effectiveness; 2=Teamwork; 3=Job Meaningfulness; 4=Retention.

<sup>a</sup>Maximum likelihood factor item loadings; <sup>b</sup>Error variance accounted for by latent variable; <sup>c</sup>Squared multiple correlation of latent variable.