Impact of Leadership Training on Competitive Advantage: A Study on Telecommunication Industry of Pakistan

Tehseen Azhar[1*]   Taimoor Hassan[2]
1.Lecturer, DHA Suffa University, Phase VII Ext. DHA Karachi.
2.Visiting Lecturer in Mirpur University of Science & Technology, Mirpur Azad Kashmir.
* E-mail of the corresponding author: tehseen_azhar@hotmail.com

Abstract
This study is sought to examine the impact of leadership training on competitive advantage in the telecommunication sector of Pakistan. A field survey using a structured questionnaire was used to collect the data. The sample for the study was 150 subjects because telecommunication sector has limited employees located at different faraway geographic allocations. Participation was voluntary and completion of questionnaire was anonymous. Moderate multiple regression results reveal that leadership training leaves positive impact on organizational competitive advantage and helps the employees to polish their skills and team building abilities and transforms them to become effective leaders. The limitations of this study include reliance on cross-sectional data collection using self-reports from private sector employees from Islamabad – one city only. Further researches may take the samples from other cities to enhance the generalizability of study. Employers can realize the significance of leadership training in their organizations and also calculate the importance of competitive advantage in any type of organization to gain optimum output. Therefore effective leadership training with the combination of motivation, team building, and job satisfaction can achieve and sustain the competitive advantage of any organization.
Keywords*: Leadership Training, Competitive Advantage, Motivation Factors, Team Building Skills, Job Satisfaction.

1. Introduction
Leadership
History has shown the concept of leadership was even present in the times of Plato. When Plato took the interest in the leadership, he inquired from philosophers and great kings that what type of influence they had on their followers in their times (Burns 1987). Since then concept of leadership is being discussed in every field of life. Many researchers and practitioners have studied leadership and explained with different styles. According to traditional definition, leadership is the ability of one person and his skills and characteristics to perform the given task in more suitable ways. In today's era the concept of leadership is only concerned with one person or his inborn skills and abilities. It is about learning the abilities and skills and how a team works.

The concept of leadership in the organization has almost the same meaning as explained. In organization one person leads the other employees for achievement of organizational goals. In various organizations different leadership styles have been observed and depending on the conditions their impact is different. In most organizations transformational leadership style has been observed because of its flexibility and due to its characteristics. Leaders in the organization have effective communication skills and decision making is mostly done with agreement of other employees.

How competitive advantage is related to leadership training?
Leadership training has been a key element in any successful organization. Because of this practice; organizations produce such leaders which are motivated and attain special skills and abilities which affect the organizational work in different fields.

- Try to provide interesting and exciting work. Moreover employees' feelings of pride in their endeavors and their sharing of enthusiasm at the accomplishments of goals are very important. The more they feel they are in control of their work, the more likely they are to establish a high level of commitment.
- Show respect and recognize employees for their contributions. Employee acknowledgment is a serious element of achieving higher levels of engagement. People like to be valued, recognized and respected. They also like to know that their views are appreciated.

1.1 Research Questions
1. How does leadership training create an impact on competitive advantage?
2. What impact does leadership training on employees of a company?
3. How important is leadership training within the hierarchy of an organization?
4. Why do organizations seem to be depended on leadership training in order to create or maintain competitive advantage?

1.2 Need /Current Issue
There are multiple reasons as to why companies, corporations and enterprises seem to lose grip or dominance

within the competing market and move towards a relative stagnant behavior sometimes resulting in a negative backlash within the company setup consequently leading to loss and sometimes even leading to liquidation.

Where most research and analysis of the problem done in the contemporary situations may point to external factors like reduction in popular purchasing capacity, inflation, and business insecurity and sometimes may even lead to government interference, there are several internal factors within a company that can trigger such a catalyst.

One of the key factors is the inability of the leader with in a corporation or business enterprise to cope up with changing dynamics as well as internal and external factors which may contribute to fluctuations in conducting the regular affairs. As far as competitive advantage is concerned, a company or a corporation whose leaders or the leadership hierarchy is unable to cope up with such circumstances can hardly create, maintain, regulate or conduct a competitive advantage in comparison to other competing organizations.

1.3 Research Objectives

The purpose of this thesis is to identify the impact of leadership training on competitor's advantage. The research primarily maintained focus on three different levels.

- To identify the impact of leadership training on competitive advantage, this would positively accelerate the potentials within a company.
- To analyse the effects of leadership training within a company hierarchy from the lowest level or unit of leadership all the way to the highest level of leadership within an organization's chain of command.

2. Literature Review

2.1 Leadership

Burns (1987) says that there is no common concept of leadership and he explained the concept of leadership as the most observed, unfortunate and the least understood phenomena (p.2). The concept of leadership has been explained by number of practitioners in different ways.It is the concept of complex structure with many different meanings. Leadership concept can be picked up from the time of Plato, when he inquired about the philosopher kings and the type of influence they had on their followers (Burn 1987). Since then, the leadership concept has been developed, explained and explored by different researchers of different times in different disciplines with different meanings.

It has been the core area of interest among some social scientists and organizations. This leadership notion attracts generations of writers because of its importance and usage in our life that has been increased and it has also gained the significant role in today's organization.

The concept of leadership is not easy to define. As the role of leadership is increasing day by day, so its definition and the concept is becoming day by day a complex phenomenon. Many researchers have defined this concept of leadership covering almost all the aspects of leadership. They also defined various stages and theories of it. According to some researchers, it is considered as the process in which we influence the activities of a particular group in its response towards goal setting and achievement of goal (Stodgily 1950:3).

2.2 Transformational Leadership

The theory of transformational leadership is one of the critical leadership theories in today's organization psychology. Transformational leadership has been explained by many researchers with different definitions but reflecting almost the same image. Transformational leaders motivate and inspire their followers to attain goals and objectives of common interest which may come with extraordinary effects and in the process they develop leadership capacity

2.3 Transactional Leadership

Bass (1985b: 1990a: 1990b: 1999) explained the concept of transactional leadership as the exchange relationship type between leader and follower. According to some researchers transactional leadership theories are only grounded in the social exchange and social learning theories, which is considered as the same nature of leadership (Deluge, 1990). Transactional leadership is based on the relationship and interaction between leader and follower but not on any situation (Van Seters& Fields, 1989).

Transactional leadership includes giving rewards for the performance (Burns, 1978). In this leadership style both parties understand the economics of their work. Transactional leadership is easy and quick style of leadership to form but also forms the time duration and scope (Burns 1987). While understanding the transaction both parties will get agree on the same point or they will go on separate ways. The leader follower relationship is totally depended on how much capabilities are shown by the leader and his ability to give rewards. The nature of rewards may be economic and positive or negative. If the leader is lacking in the ability of providing rewards to the followers then his or her influence over them will be decreased (Bass 1985).

2.4 Organization Leaders

Leadership is always a topic of discussion and has been given importance but as it is related with organization, the topic becomes controversial (Chemers, 2000; Hogan, Curphy, & Hogan, 1994; House &Aditya, 1997; Judge & Piccolo, 2004; Khurana, 2002; Meindl, 1990). From last few decades the leadership has been the subject of

criticism since it is tagged with organizational perspective. Organizational leadership characteristics are always in the shadow of criticism and many researchers have been done that how leadership effects the organization outcomes (Hannan& young, 1984 ;Pfeffer ,1997). Components of leadership is always in the discussions that leaders with their very roles, are responsible of organization's important decisions which result in achieving organizational goal and succeed in competitive advantage (Bass, 1991; Waldman &Yammarino, 1999).

2.5 Leadership Training

Training is combination of skills, knowledge and competencies and as a result of teaching practical knowledge and useful skills person becomes more effective which increases and develops useful competencies.Every organization seeks the opportunity for growth and development of employees and finds the way to bring the opportunity for such growth and development. This concept reflects the mission of organization and it is also the challenge of today's organization (Bennis, 1989,p,187). There is continuous demand for learning from workers because potential workers are seeking the new opportunity for growth and development, which results in their career development and also makes substantial impact on organizational performance. Every potential employee shows interest about learning how to lead and it's a continuous process.

2.6 Team Development

The level of popularity of team development has been increased due to intense competitions and because of its substantial impact on performance of individuals and as well as the organization. Team development has made wide range of literatures because of its diverse characteristics and different descriptions are used to define its activities. Researches has shown its wide range of activities which includes corporate training programs (Gass&Priest, 2006), indoor training (Broderick & Pearce, 2001), residential outward bound courses (Rushmer, 1997) and experiential learning (Rosenberg, 2007).

Numerous tags comes under the umbrella of team development like polishing the communication skills, trusting upon each other and appreciating the works done by other members, organizations use team building because of wide range of activities which help the organization to find the efficient people with diverse thinking and backgrounds, which later help the organization to find the most effective and suitable solutions for the problem. Organization's main aim behind developing team is to develop effective communication channels inside the organization since members know each other well which results in good performance of organization.

2.7 Motivating Employees

Everyone when gets inspired by certain factors gets motivation in some manner. Word motivation is derived from the Latin word'movere'which means to move (Kretuner, 1998). The concept of motivation has been defined by many researchers with different definitions containing different meanings but most of the researchers have agreed that motivation is internal feeling which drives a person to fulfill and satisfy the unsatisfied need (Linder 1998). A position in which a person behaves in a purposeful way to achieve some desire (Lindner 1998), the psychological forces which set the path of a person's behavior in organization, levels of efforts by the person and how he is dealing with obstacles (Jones & George 2004). In an organization level of motivation could be different of each worker at some time and also it varies according to the situations (Armstrong 2007, 60).

Motivation comes internally which produces the positive or negative results. Results are totally depended how and for which because the person is motivated. Some organizations take the help of leaders in shape of supervisors, managers, team heads, and field or departments officers to make workers motivated. The practice of such activities in organization makes the impact of performance which results in organizational success.

2.8 Job Satisfaction

It has been the topic of discussion since the concept of organization has been found, since then many researchers have made different theories and a lot of factors are discovered while studying it. Many diverse definitions have been around us that explain different perspectives of job satisfaction. Straus & Sayles (1990) explain the concept of job satisfaction with the sense of having positive feeling when a given task or assignment is completed or target of the organization is achieved. Since the goal of organization is achieved and in return the worker is rewarded.

But Smith (1964) explains that job satisfaction is related with one's individual need. In other words it's the feeling which is linked with individual mind and the environment he lives in. Halloran and Benton (1987: L 89) defines that the person's perception about the job and activities performed during job depends upon the personal inculcation of attitudes and values.

Having different explanations from different researchers, there are various similarities and dissimilarities. However the job satisfaction is positive feeling which comes after achieving desired goals and having the rewards after completion of goals. Many factors contribute in job satisfaction that affects personal individual mental process and the environment in which he practices his values.

2.9 Competitive Advantage

Competitive advantage is the term which was used by many economists and business scholars and it is also the term which every organization dreams to have the tag in their respective fields. Porter work (1979, 1980, 1985,

and 1990) has opened the new scopes of competitive advantage and a lot of criticism has been done on those who all have done work in competitive advantage field. Straub and Klein (2001) and Barney Barney (2002) argue that competitive advantage term was not present until 1985 but seeing the work of Day (1984), Barney (1986) and Spence (1984) worked on the concept of competitive advantage and before them Porter and Penrose (1959) and Ansoff (1965) had explained the concept of competitive advantage and its characteristics.

A firm's competitiveness is the capacity of achieving its targets. Here the term target includes a variety of terms which depend on different contexts (Barney 2002). There is also a definition of competitive advantage from macroeconomic perspective, a firm who is in competitive phase develops and sustains constant level of performance which contributes to Gross Domestic Product (GDP), that provides the opportunities for employment and contributes to the wealth of people. In today's era competition exists in almost every field of life so discussing the business there is another perspective from entrepreneur which explains that the competitive firm needs to establish itself in the market and then achieves the market share and gains profitability. The competitiveness of a firm can be measured by two ways, one is from objective criteria and other one is subjective criteria.

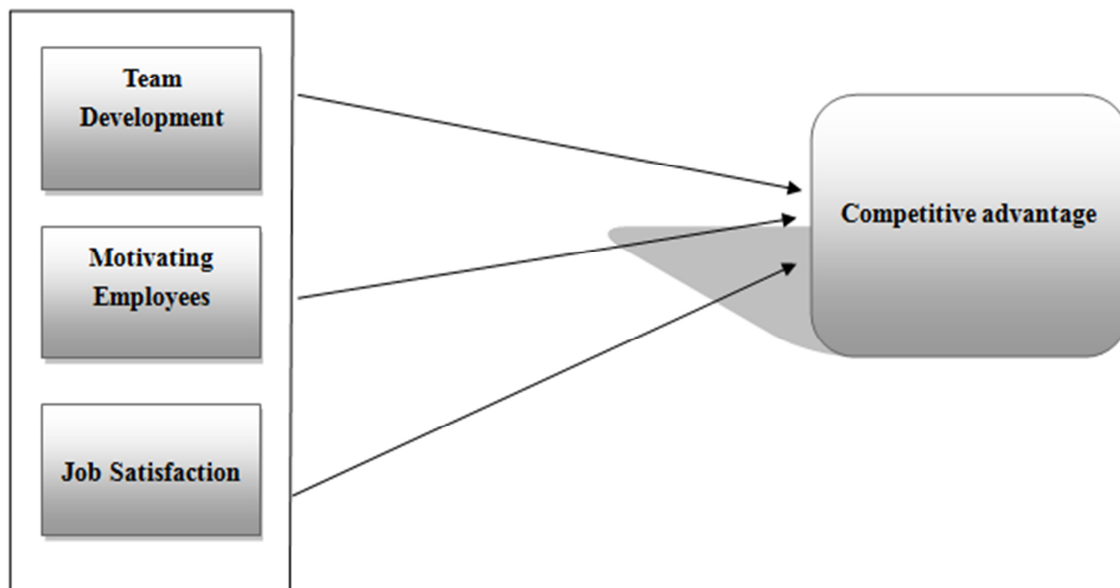### 2.10 Competitive Advantage through Leadership training

Now a days the competition is the market has shaped in a reaction and every day a new unseen competition is waiting for the organization . The core strength of any organization is the human capital of it. The human capital is under the focused by organization and managers of them consider them as the core competency and the tool for the competitive advantage. The organization future foundation and organization stakes lies on them and this is main reason of their continuous consideration of employees as the tool of competitive advantage.

Competitive advantage from employees is not the easy task and for that thing a good and executive leadership is required to bring these changes. These changes can be brought from different leadership training programs, workshops, seminars and also open session in departmental level.

3. Theoretical Framework

The aim of this research is to measure how leadership training relates with the dimensions of competitive advantage on its role in telecom sector. A symmetric diagram of the above discussion is:

Leadership training

(Figure1 Conceptual Framework)

4. Hypothesis:

H_1: The higher the leadership training, the higher will be the competitive advantage.

H_2: Job satisfaction has a positive impact on competitive advantage.

H_3: There will be significant relationship between team development and competitive advantage.

H_4: Motivating employees has a positive impact on competitive advantage

5. Research Design

5.1 Nature of the study

This research will be done through gathering numerical data with the help of questionnaire and will be quantitative in nature

5. 2 Type of Investigation

This research will be finding out the correlation between the variables of this study. Meaning I will be finding out the relationship between our variables that either they are having a significant relationship or not

5.3 Researcher's Interference

As being a student the access to data collection and the information which has to be gathered, the researcher will have minimal interference because what the companies will provide and approve the data that I can put and enter into my study

5.4 Procedure

This study population is the telecom sector of Pakistan and convenience sampling technique is used to collect the data through self-administrated questions.

5.5 Frame of reference in this study

In this study my target population was both the functional level employees as well as managerial level employees. These were those who were having a job related experience of more than 1 year and are part of Telenor and Mobilink in Islamabad and Rawalpindi. The idea and logic of choosing those were because they are the actual subjects and are going through the matters and environment of particular organizations.

5.6 Sampling Methods Techniques

In this study the total population of both Mobilink and Telenor were 3500 out of which I have taken a sample of 150 employees by using the sample size calculator technique and having a confidence interval of 95% because it is a quantitative study. "The reason of selecting this sample is, as they are the target audience in this research and also due to time limitations during data collection process; this will help to keep study focused".

5.7 Instrument selection

For this study, different questionnaire for measuring the variables are used, that are leadership role in which I have used the MLQ one which was formulated from the full range leadership development theory and it was a recognized and well known scale by Bass, Avolio and Yammarino (Avolio & Bass,1997).This factor is having a reliability of ranging from 0.74 to 0.94. Variable motivation is being assessed by using the scale developed by Kohli (1985). Likert scale technique will be used in all, for the formation of questionnaire then it is executed

5.8 Plan of Analysis:

This study has analyzed the data by finding out the frequency chart, descriptive and percentages of demographics features. This study has found the correlation and multiple regressions on the basis of regression as in This study 1 dependent and 3 independent variables. To check the reliability of all variables this study found out the cronbach value of each variable that either it is significant or not.

6. Results and Data Analysis

Graphical representations and tables have been shown. The demographic variables were comprised of gender, experience and management level.

6.1 Reliability Statistic:

Variables	Cronbach's Alpha Reliability	Items
Leadership Training	0.97	15
• Team Development	0.7	5
• Motivating Employees	0.72	5
• Job satisfaction	0.75	5
Competitive Advantage	0.78	5

Table II

Since value of cronbach's alpha for the instrument to assess response and predicting variable is above 0.6, so it substantiates that we used reliable instrument to assess the leadership training and its impact on competitive advantage as shown in the Table II. Also Cronbach's alpha of every item is also calculated and is significant as shown in table II.

After collecting and checking the reliability of all the primary data through SPSS statistical software, we did **multiple regression analysis** as I was having 3 independent and 1 dependent variable in my study and also correlation value is found i.e.

R Square	Adjusted R Square	F	Sig.
.649	.618	136.134	.000[a]

Table III Multiple Regression

It is stated that the contribution of competitive advantage is 64 % in the change in leadership training and value of adjusted R-square for the given data is 55% which is decrease of 0.3 % with the minor loss in the model and the level of significance is high i.e., F=136.134; p=0.000 (<0.05)

6.2 Correlation

The **correlation** between team development and competitive advantage is 0.9 that means it has a good

relationship because it's between -1 and 1 whereas the **correlation** between motivating employees and job competitive advantage is also 0.9 that means it has a good relationship because it's between -1 and 1 and the **correlation** between job satisfaction and competitive advantage is 0.7 that means it has also a good relationship because it's between -1 and 1. This means that the correlation of Leadership Training all component plays a significant role with competitive advantage.

7. Discussion

As results are showing that leadership training is the source of competitive advantage, this quantitative study of telecommunication sector of Pakistan has identified and gave emphasis on creating effective leadership programs and also creates, enhances and provides sufficient efforts on leadership training programs. Through the result of this study you will come to know how the leadership training works and contribution of different elements of leadership training on employees and their impact on organization is done. The study also reveals the path to the competitive advantage in this new technological era.

Talking about the first element of leadership training serves the team development and results from the participant has shown that leader can act like a catalyst in the team and he can act like a member or a team-head and there his true role comes where employees orientation of team building skills and motivating them to align in such a way that the satisfaction level is always at the peak. This all practice is the part of an effective leader and also have practical implications for future research since there are many strategies and different techniques which are used for the leadership training programs in today's organization.

8. Recommendations and Future Research

This study has shown the one aspect of impact of leadership on competitive advantage but there are many more elements and strategies which are hidden and has to be explored. Competitive advantage has always been the need and preference of every organization in the past and will remain a preference, so the need for such training programs has always been there and researchers and practitioners will always be digging out the hidden maps to achieve and gain competitive advantage and to make current training programs effective and efficient.

- Once the course of action has not been identified for effective leadership training, nor should it be delivered at the same path for every department, how we should create them while considering the current responsibilities and level of training required for the organization?
- What are the mandatory steps taken by the large organization to deliver the leadership training program? Will they go with orthodox combination of leadership training programs or some idea which is out of box and unique?
- Do organizations implement same techniques and procedures for all the parts? Might the needs are different due to geographical location or other perspective.

9. Limitations

Although the research has reached its aim but there are some limitations which cannot be neglected. The aim to write down the limitations is that to tell the reader or researchers that what limitations the researcher has faced that is useful for the future assistance of any research on this particular theme. There are some limitations enlisted below.

The main obstacle is the selecting the most appropriate sample for the research, because the participants were placed at different geographical locations after their training from head office but somehow the researcher managed to reach some of them which are located near the capital.

10. Conclusion

This study was undertaken because there was no empirical study that examined the impact of leadership training on competitive advantage in telecommunication sector of Pakistan. This study has found that there is a positive relationship between the leadership training and competitive advantage. From the literature review study witnessed and found various elements and their contribution in achieving the competitive advantage in the particular industry. However, the motivation, team building and job satisfaction contribute a lot in the development of a leader which leads the organization to achieve the goals and maintains and creates a better place in competitors which is called as competitive advantage.

From the result, clearing showing the competitive advantage can be achieved by leadership training of employees and with the help of training, organization boost the levels of satisfaction, motivation among employees, team building skills, polishes individual's performance to work with team and learn the diversification of things in the process.

References
Aldrich, C. (2003). The new core of leadership. *T & D. 57*(3), 32-37.

Aldrich, C. (2003). The new core of leadership.*T & D. 57*(3), 32-37.

Avolio, B. J. & Bass, B. M. (1995). Individual consideration viewed at multiple levels of analysis: A multi-level framework for examining the influence of transformational leadership. *Leadership Quarterly,* 6, 199–218.

Bass B. M. & Avolio, B. J. (1997). Full Range of Leadership Development: Manual for the Multi-factor Leadership Questionnaire. California: Mind Garden Inc.

Al-Rousan, Mahmoud and Qawasmeh, Farid. (2009). ―The Impact of SWOT Analysis on Achieving a Competitive Advantage: Evidence from Jordanian Banking Industry‖. *International Bulletin of Business Administration*, Issue 6, pp: 82-92.

Dumdum, U. R., Lowe, K. B. & Avolio, B. J. (2002).A meta-analysis of transformational and transactional leadership correlates of effectiveness and satisfaction: An update and extension. In

B. J. Avolio & F.J.Yammarino (eds.), Oxford, U.K: Elsevier Sciences.Transformational and Charismatic leadership: The road ahead, 2, 35-66.

Barney, J. B. 1991a. Task-technology fit and individual performance. *MIS Quarterly,* 19 (3), 213-236.

Barney, J. B. 1994. Bringing Managers Back In: A Resource-Based Analysis of the Role of Managers in Creating and Sustaining Competitive Advantages for Firms, *Does managementmatter? On competencies and competitive advantage. The 1994 Crafoord lectures*: 1-36. Lund, Sweden: Institute of Economic Research, Lund University.

Bass ,B., &Avolio, B.(Spring). Transformational leadership and organization cultures. Public Administration Quarterrlt ,17 (1) 112-121.

Bass, B. M. (1985). Leadership and performance beyond expectations. New York: Free Press.

Bass, B. M. (1991). Bass and Stogdill's handbook of leadership: Theory, research and managerial applications. New York: The Free Press

Cannella, A. A., & Monroe, M. J. (1997). Contrasting perspectives on strategic leaders: Toward a more realistic view of top managers. Journal of Management, 23, 213−237

Carol W. Ellis 2005. The forgotten ones? The validity of consideration and initiating structure in leadership research. *Journal of Applied Psychology,* 89, 36-51.

Cha J, Bryant BE, Fornell C, Johnson MD, Anderson EW,. (1996). ―The American customer satisfaction index: nature, purpose and findings‖. *J Mark;* 60(October):7-18.

Chemers, M. M. (2000). Leadership research and theory: A functional integration. Group Dynamics: Theory, research and practice, 1, 27−43.

DELUGA, R. J. 1990. "The effects of transformational, transactional, and laissez faire leadership characteristics on subordinate influencing behaviour", Basic & Applied Social Psychology, 11(2):191-203

FilipLievens, Pascal Van Geit, and Pol Coetsier EUROPEAN JOURNAL OF WORK AND ORGANIZATIONAL PSYCHOLOGY, 1997, *6* (4), 415-430

Giber, D., Carter, L. L., & Goldsmith, M. (Eds.).(2000). *Linkage Inc.'s best practices in* leadership development handbook. San Francisco: Jossey-Bass.

Grant, R. M. 1996a. Prospering in Dynamically-Competitive Environments: Organizational Capability as Knowledge Integration. *Organization Science*, 7: 375-387

Helfat, C. E., &Peteraf, M. A. 2003. The Dynamic Resource-Based View: Capability Lifecycles.*Strategic Management Journal*, *24*: 997-1010.

Hogan, R., Curphy, G. J., & Hogan, J. (1994). What we know about leadership. American Psychologist, 49, 493−504.

House, R. J., &Aditya, R. N. (1997). The social scientific study of leadership: Quo vadis? Journal of Management, 23, 409−473

Indoor adventure training: a dramaturgical approach to management development. Journal of organizational change management. 14(3), 239-252.

Jamal, M. (1997). Job stress, satisfaction and mental health: An empirical examination of self employed and non-self employed Canadians. *Journal of Small Business Management 35 (4)*, 48-57.

Judge, T. A., & Piccolo, R. F. (2004). Transformational and transactional leadership: A meta-analytic test of their relative validity. Journal of Applied Psychology, 89, 755−768.

Schneider, B., Parkington, J.J., Buxton, V.M., (1980). ―Employee and customer perceptions of service in banks‖.*Administrative Science Quarterly* 25, 252–267

VAN SETERS, D. A. and FIELD, R. H. G. 1989. "The evolution of leadership theory", Journal of OCM, 3(3):29–45.

The IISTE is a pioneer in the Open-Access hosting service and academic event management. The aim of the firm is Accelerating Global Knowledge Sharing.

More information about the firm can be found on the homepage:
http://www.iiste.org

CALL FOR JOURNAL PAPERS

There are more than 30 peer-reviewed academic journals hosted under the hosting platform.

Prospective authors of journals can find the submission instruction on the following page: http://www.iiste.org/journals/ All the journals articles are available online to the readers all over the world without financial, legal, or technical barriers other than those inseparable from gaining access to the internet itself. Paper version of the journals is also available upon request of readers and authors.

MORE RESOURCES

Book publication information: http://www.iiste.org/book/

IISTE Knowledge Sharing Partners

EBSCO, Index Copernicus, Ulrich's Periodicals Directory, JournalTOCS, PKP Open Archives Harvester, Bielefeld Academic Search Engine, Elektronische Zeitschriftenbibliothek EZB, Open J-Gate, OCLC WorldCat, Universe Digtial Library , NewJour, Google Scholar