

Transforming Water and Sanitation Companies' Performance Through Idealized Influence

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Abstract

Idealized influence is having transformational leaders who behave in ways that result in their being role models for their followers. These leaders are admired, respected and trusted. Followers identify with the leaders and want to emulate them. Role of leadership is critically important in achieving the performance of organizations (Mitra 2016). The purpose of this study was to establish the effect of idealized influence on performance of Gusii water and Sanitation Company in Kisii County, Kenya. The study employed cross-sectional descriptive design. The target population was all 98 employees of the 8 station comprising Gwasco. The population comprised of 84 lower cadre employees, 11 supervisors and 3 top management officials. Primary data was collected using a revised multifactor questionnaire (MLQS). Multiple regression analysis was used to analyzed quantitative data. The findings indicated that Idealised influence affects company performance at Gwasco at a moderate level. Idealised influence was found to have a positively linearly significant influence $\beta=0.295$, $P = 0.001 < 0.05$ showing that one unit change in Idealised influence led to a 0.295 increase in performance at Gwasco. The study company directors to facilitate and empower the supervisors to articulate and instill pride in employees for being associated with the company, recognize and inspire confidence among the employees. This will inspire the employees towards the attainment of organizational goals of Gwasco

Key Words: *Idealized Influence, transformation leadership, Water and Sewerage Company, Performance.*

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I. Background Of The Study

Idealized influence is having transformational leaders who behave in ways that result in their being role models for their followers. These leaders are admired, respected and trusted. Followers identify with the leaders and want to emulate them. One of the things leaders do to earn this credit is consider the needs of others over their own personal needs. Leaders share risks with followers and are consistent rather than arbitrary. They can be counted on to do the right thing, demonstrating high standards of ethical and moral conduct, and avoid using power for personal gain. It behooves leaders to remember that accountability is a two-way street. To gain trust, respect and buy-in, leaders need to self-reflect and ensure that they role model the behaviours that they expect in others (Iqbal, Khan & Iqbal, 2012).

Leaders play a significant role in the lives of their workforce. Transformational leaders can affect the trajectory of an individual's professional and personal life. It is difficult to follow or emulate a leader's actions in the absence of trust, respect or admiration. People pay close attention to a leader's behavior, gravitating toward those who show genuine interest in helping an individual succeed and achieve his or her goals, without taking any credit. The transformational leader focuses on building individual relationships, injecting confidence and belief rather than operating from ego-based impulses (Gerst, 2013). While organizations undergo constant change that is either self-imposed or reactive, transformational leadership remains in vogue. Regardless of diverse demographics, they endear themselves because they do not seek adulation or accolades. Rather, they lead selflessly and exemplify the values of their organizations.

Khalid (2012) defined transformational leadership as a process of building employee loyalty to meet the organizational visions, missions, strategies and objectives by the leader. Igboukwe (2013) notes that transforming leadership shapes, alters and elevates the follower's motives and values. It unites diverse members

in pursuit of higher goals, the realization of which is tested by the achievement by significant change that represents the pooled interests of leaders and followers.

Organizations are set up to achieve some set goals and in order to achieve these set goals and objectives, the human factor is of utmost importance. According to Emmanuel Iriemi (2013), the major human factor is the leader who influences organizational members to contribute efforts willingly towards the accomplishment of pre-determined goals and objectives. The quality and performance of leaders are the key criteria in deciding organizational success. Leadership, according to Kotler (1996) is the ability to influence people to perform tasks over a period of time using principally motivational techniques. Chemers (2007) asserts that leadership is the executive of organizational intelligent in which leadership effectiveness is tailored to organizational performance.

According to Conyers (2011), leadership entwines leader-employees, influence, organizational objectives, change and people. Leading involves people. Everyone is leading someone somewhere but the question is where and how. Hesser (1999) noted, "Leadership has two component parts, personal and organizational. Success, over time, demands knowledge of and commitment to "both the employees and the organization". Leadership has been described as an influence relationship among leaders and employees who intend real changes and outcomes that reflect their shared purposes (Dast, 2005). The best leaders are those ones who are deeply interested in others and can bring out the best in them (Dast, 2005). Kouzes & Posner (2007), says that exemplary leadership comes from modeling the way, inspiring a shared vision, challenging the process, enabling others to act and encouraging hearts.

The increase of organization productivity and employee performance is not possible without effective application of employee's ability and their motivation and the role of the leadership skills is that of strengthening the creativity and innovation of the staff. Certainly the manager's leadership styles are very effective in driving of the employees to achieve organizational purposes (Bizhan et al, 2013). Voon (2011), noted that employees are most important element in an organization hence organizations need to have capable leaders to lead and motivate them in their daily operations so as to achieve the organizational goals. The overriding element of successful leadership is to involve people in the process of leading. Organization's success in achieving its goals and objectives depends on the leaders of the organization and their leadership styles. By adopting the appropriate leadership styles, leaders can positively affect employees, inspire commitment, productivity and job satisfaction (Voon, 2011).

According to Hope (2012), the Kenyan civil service has been on the decline since the end of 1970s as a result of the existing leadership within the government that tended to exhibit authoritarian rule as exemplified by single party system of governance. According to Oyugi (2006) this state of affairs was attributed to the fact that over time the powers and responsibilities of the statutory appointing and disciplinary institutions had been eroded and usurped by powerful forces with influential connections to the apex of power. Kenya, as a developing nation has undergone though various stages of transformation but is yet to be fully anchored in a more open and participative leadership by all stakeholders. Hope (2012), noted that the civil Service Reform Program (SRP) that was formed in the first phase (1993 – 1998) to enhance public service efficiency and productivity had not contributed significantly to the improvement of wider public sector performance. The second phase (1998 – 2001) focused on performance improvement through rationalization of government ministries and departmental functions for effective performance and budgetary limits. This however did not have any significant effects on performance of public corporations.

Opiyo (2006) noted that productivity and performance in public sector was not achieved. This led to the introduction of the third phase reform that was sponsored by the World Bank and focused on fine tuning, consolidation and sustenance of reform gain guided by Economic Recovery Policy direction. (DPM, 2004). This reform programme never fulfilled its objectives. Wafula (2013) says that this reform programmes promised a lot to Kenyan citizens but fulfillment was not realized. The measures it undertook did not ensure accountability of public resources and efficiency in service delivery framework for guiding behavior towards attaining results was not provided. This gave rise to the second generation reforms towards performance measurements.

The second generation reforms were ushered in immediately after the change of government in 2002. It was known as Economic Recovery strategy for wealth and Employment creation (ERSWEC) in 2004. It was tailored towards restoring the public service and improving the national development by initiating fundamental changes in Public Service Corporation and relationships in an effort to influence effective service delivery through the adoption of performance contracting as a strategy to manage challenges. Wafula (2013) further noted that the push factors for the introduction of performance contracting were the belief that cost reduction can lead to improved service delivery, through performance measurements, clarifications, objectives, customer orientation and increased production. Performance contract originated from the perception that its adoption could make public corporations experience improved performance and profitability. Kempe (2012) noted that Performance Contract remains a viable and important tool for improving public sector performance and also strengthening governance as a key element in vision 2030 goals. However, empirical evidence indicate that most

of the public corporations in Kenya are under performing hence not meeting the very objective for which performance contract were established (Republic of Kenya 2013).

According to Economic Recovery Strategy (ERS) for Wealth and Employment Creation (2003), water sector has been grossly underperforming despite the fact that Kenyans have identified a strong link between poverty and lack of access to improved water supply and sanitation and diminishing water resources. Kenya and the United Nations Development Programme (UNDP) Water Governance Facility (WGF, 2007), noted that improved access to water supply and appropriate sanitation is fundamental to the elimination of poverty and the achievement of Millennium Development Goals (MDGs). Access to water for most urban and rural poor groups however remains very poor in Kenya though financing mechanisms have improved from both the local private sector and external support agencies. Appropriate leadership style is therefore required to enhance service delivery and performance in the improvement of water and sanitation company services in Kenya. According to water service quality impact report (2010) water supply and sanitation in Kenya is characterized by low levels of access, especially in the rural areas and urban slums, as well as poor service quality in form of intermittent water supply. Only 9 out of 55 water service providers in Kenya provide continuous water supply. Moreover, the Water and Sanitation for the Urban Poor (WSUP), 2013, noted that accessing basic but improved water and sanitation services is a growing challenge in Kenya.

According to Trmal, Bustaman and Mohammed (2015) Transformational leadership is effective because it drives changes in individual behaviour which leads to achievement of organizational goals. As a result of this, transformational leadership has the potential to have a substantial impact on overall performance of the organization, creating the support needed to ensure that desired outcomes for operations result. It is presently believed that transformational leadership is the key of change, through its specific elements of Idealized influence, Intellectual Stimulation, Inspirational motivation and Individual consideration. Idealized influence refers to the idea that followers will trust and respect leaders to provide support and resources so that employees will be willing to accept the directives provided by the leaders regardless of their complexity (Chu & Lai, 2011). Understanding the specific impact of idealized influence on organizational leadership influences organizational outcomes (Tareq 2016).

1.2 Performance of Water Service Providers

According to World Health Organization (WHO, 2012) there has been remarkable gains in improving access to sanitation and drinking water. It is estimated that 63% of the population has access to sanitation. The same source further says that sanitation and drinking water are universally accepted as being essential for human use, dignity and human development. Water is central to human needs, equitable growth and development. It is one of the key drivers of sustainable economic growth through contribution to activities such as agriculture, manufacturing, mines, energy and transport. It contributes to social activities such as productive use of water within households, water for drinking, sanity and health. It should therefore be managed in a manner that is sensitive to and supportive of many competing demands that is placed on it. Based on these elements, water should be central to the integrated planning and development processes.

According to GPW (2013) the increase to access to drinking water has been achieved through sustained commitment, additional resources and effective implementation approaches. Estimates show that global aid to the water sector has risen significantly since 2001. Government, donors, civil society organizations and development partners have together formed the sanitation and water for all partnership, which provides a transparent accountable and results oriented framework for action to address the obstacles for global progress in the drinking-water and sanitation.

According to WHO/UNICEF Joint monitoring programme for Water Supply and Sanitation (2015), trends in sanitation show that South Asia and Sub-Saharan Africa are struggling with particularly low coverage rates and that disparities in rural and urban sanitation are even more pronounced than those in drinking water. The same source further notes that significant obstacles remain to realize the human right to safe drinking water and sanitation. The poorest countries in Sub-Saharan Africa have only experienced limited progress in drinking water coverage.

In Sub-Saharan Africa, 44 percent of rural dwellers continue to use an unimproved water supply. Water hauling costs Sub-Saharan Africans, especially women, billions of hours each year. According to WHO and Unicef (2010) more than 25 percent of the population in several Sub-Saharan countries spent more than 30 minutes to make one round trip to collect water, 72 percent of the burden for collecting water fell on women compared with men 24 percent.

Urban areas enjoy a higher level of water service, as indicated by the use of piped water supply; in 2015, four out of five people living in urban areas used piped water compared to two or three in rural areas water sources classified as improved or even piped water – do not guarantee the safety or continuity of the water supply. Water quality surveys conducted in five countries showed that microbiological compliance with WHO guidelines varied between water sources and countries.

According to WHO and UNICEF (2015) the use of improved sanitation improved from 54% in 1990 to 68% in 2015 but those gains fell short of meeting the global MDG target. In 2015, 2.4 billion people still did not have access to their own improved sanitation facility, a fact that, due to population growth, reflects no change in the unserved population of 1990. With the adoption of the water Act 2002, all Kenyan Municipalities were obliged to reform their water services along business lines. Water is not only a social good but also an economic good and water have to be managed in accordance with sound business principles (Owuor, 2009). Kenya is a water scarce country with an estimated total renewable water resources per capital of 692m³ against the recommended minimum of 1000m³ per capital per year. Kenya renewable water resource per capita is protected to fall below the absolute water scarcity level of 500m³ per year by 2030 due to population growth (www.fao.org/nv/water/aquastat/countries-regions/KEN.) Poor sanitation is estimated to cost Kenya's economy Kshs. 27 billion annually (WSP/World Bank 2012).

Adequate access to safe water and improved sanitation services is central to achievement of better health and wellbeing of Kenya's population in so far as these services facilitate prevention of waterborne diseases which in turn may reduce mortality rates and catastrophic health expenditure. Adequate availability of water is also critical for sustainable economic growth and reduction of poverty – currently estimated at 36% of Kenya's population since water supports key economic activities such as agricultural, industrial and energy production (hydroelectricity). Furthermore violent conflicts over water resources could reduce if adequate and equitable access to quality water is improved across the country (KHBS 2016).

The government's commitment to enhance access to safe water and improved sanitation services is enshrined in Article 43 of the constitution of Kenya 2010 which recognizes access to safe water and improved sanitation services as a right of every Kenyan (Constitution of Kenya 2010). The national and the 47 country governments share the responsibility of facilitating access to water and sanitation services. Kenya's Vision 2030 has an ambitious target of ensuring universal access to water and improved sanitation services by 2030. The aspiration is also reflected in the Kenya Environmental Sanitation and Hygiene Policy (KESHP), 2016 – 2030 that aims to ensure 100% access to improved sanitation services by 2030 (KESHP, 2016 – 2030). The National Water Master Plan 2030 has been developed to facilitate achievement of these targets (Owino, 2018). The same source further notes that there are significant inequalities in access to water from an improved source which if not addressed may result in some counties being left behind. Over 50% of households do not have access to water from an improved source. Continued reliance on water from unimproved sources expose residents of these counties to the risk of contracting waterborne diseases. In addition inadequate access to water and sanitation in schools adversely affects education outcomes especially among girls (KNHDR, 2013).

Gusii Water and Sanitation Company started operations in July 2006 after signing the service provision agreement with Lake Victoria South Water Services Board (LVSWSB). It operates in a cluster system covering eight water supplies in the administrative districts of Gusii (Owuor, 2009). The water firm was established to spearhead better water and sewerage services in Kisii and Nyamira Counties. But according to the company management, this has not happened owing to low investment (Abuga, 2018).

The water supply capacity under GWASCO stands at 18230 cubic meters from 10 water schemes. This serves nearly 600,000 people in urban areas of the two counties. Water supply coverage stands at 47 percent against national coverage of 55 percent. Sewerage services cover only 15 percent of Kisii town, while other urban centres are served by exhausters run by the company (Abuga 2013).

1.3 Statement Of The Problem

According to World Health Organization (WHO, 2013) there has been remarkable gains in improving access to sanitation and drinking water. It is estimated that 63% of the population has access to sanitation. However, One major issue affecting water utilities in developing world is the considerable difference between the amount of water put into the distribution system and the amount sold to customers. The estimated global volume of non Revenue water (NRW) is 126 billion cubic metres per year, costing approximately US \$39 billion annually (Liemberger, 2018) NRW originates either from leakages that occur at Mains, Storage reservoirs and customer connection or due to customer meter under-registration. This is a reflection of lack of governance, accountability, technical and leadership skills necessary to provide reliable services to their population (Bill, 2006). WHO/UNICEF (2018) noted that leadership at every level is essential for improving water, sanitation and hygiene. According Apoi (2019), idealized influence aims at inspiring workers to go an extra mile by raising workplace morale and fostering motivation with the estimative objective of bringing benefits to both employees and the organization. The water supply capacity under GWASCO stands at 18,230 cubic metres from 9 water schemes serving nearly 600,000 people out of a population of 1,872,436 within Kisii and Nyamira Counties. This translates to 32% coverage, while sewerage services cover only 15% (Mokua, 2013). This means that majority of people do not get adequate supply of water to meet their needs from GWASCO utility resulting to use of dubious, unhygienic and expensive sources of water supply such as donkey

vendors and water bowser suppliers. This therefore creates a need to establish the effect of idealized influence on performance of Gusii Water and Sanitation Company.

1.4 Objective of the Study

The objective of the study was to establish the effect of idealized influence on Performance of Water and Sanitation Company.

1.5 Research Questions

(i) How can idealized influence transform the performance of Water and Sanitation Company?

1.6 Justification of the study

The National Water Master Plan, 2030 projects that urban population will increase from 13 million in (2010) to 46 million in the year 2030 and that most of the people will live in urban low income areas hence creating a huge strain on water resource and sanitation services (WASREB, 2018). Kisii and Nyamira counties have got one of the fastest growing population that is settling in urban low income areas. Research is showing that Transformational Leadership will significantly improve outcomes for citizens (Caillier, 2014) when leaders successfully connect with followers and develop rational strategies to improve outcomes, (Bamgarner, 2016). Mortazari (2014) supported this idea in his study. His study found out that transformational leadership has a positive and significant influence on organizational commitment, employee motivation and job satisfaction leading to organizational performance. It is on this context that the researcher chose to investigate the effect of transformational leadership in organizational performance in Gusii Water and Sanitation Company.

II. Literature Review

2.1 Introduction

This chapter reviews related literature on leadership styles in Public Sector performance of state corporations in Kenya. The review will begin by discussing, the theoretical review and will examine leadership theories namely Emotional Intellectual theory, Goal Setting theory, Transactional leadership theory and Transformational leadership theory. It will also review the conceptual framework and critique existing empirical literature so as to create a research gap.

2.2 Theoretical Literature

This study was guided by Emotional Intelligence. According to Goleman (1995) there is a relationship between a leader's emotions and their effect on teams and outcomes. Two psychologists, Peter Salovey and John Mayer (1990), studied why some bright people fail to be successful leaders. They found that it was basically due to their lack of sensitivity to those around them. They defined Emotional Intelligence as a group of mental abilities that help people to recognize their own feelings and those of others.

Reuben Bar-On (1996) defined emotional intelligence as the way of measuring human effectiveness and mentioned that there are 15 abilities necessary to cope with daily situations and to get along in the world. Rick Aberman (2000) reinforced the above definitions by adding that emotional intelligence is the degree to which thoughts, feelings, and actions are aligned. He stated further that leaders are more effective when their thoughts, feelings, and actions are perfectly aligned. Goleman (1995) stresses that success in life is based more on one's self-motivation, persistence in the face of frustration, mood management, ability to adapt, and ability to empathize and get along with others, than on analytic intelligence (IQ).

The purpose of emotional intelligence theory is to create awareness that emotions play an important role in leadership effectiveness and success. There is therefore the need for self-awareness, self-control, trustworthiness, and empathy to play a vital role in the life and work of every successful and effective leader. According to the proponents of emotional intelligence theory, there are two main models: the ability model and the mixed model. The "ability model" focuses on how leaders think, decide, plan, and act (Goleman, 1995). It involves (a) the ability to accurately perceive one's own and others' emotions, (b) the ability to generate emotions to facilitate thought and actions, (c) the ability to accurately understand the causes of emotions and the meaning they convey, and (d) the ability to regulate one's own emotions. Goleman (1995) and Bar-On (1996) propagated the second model, the mixed model. According to them, emotional intelligence includes other attributes and the ability model. The other attributes include trustworthiness, adaptability, innovation, commitment, initiative, optimism, diversity, influence, communication, team capabilities, and conflict management. This theory helps one to understand that leadership is an interaction between the leader, the followers, and the situation. Any time there is human interaction, emotions play a role especially if the "situation" is also a major factor of the leadership process.

Ciarrochi, Chan, and Caputi (2000) did a study on emotional intelligence and concluded that emotional intelligence is related to specific personality measures such as empathy and other criterion measures such as life satisfaction. They also found that emotional intelligence relates to people's ability to manage their moods. Emotional intelligence is one of the factors that influence the effectiveness of a leader. Emotionally intelligent leaders are highly self-controlled, self-confident, initiative, optimistic, empathetic, and work well with their

associates. Transformational leaders who influence and inspire their associates and are willing to develop the associates to be successful leaders must seek to have high emotional intelligence.

Emotional intelligence theory, like other theories, is not complete in itself. One cannot depend on emotional intelligence theory to seek success in leadership. It cannot answer all leadership problems and issues. According to Goleman (1995), one of the limitations of the emotional intelligence theory is that it does not acknowledge the existence of personality, in other words, personality trait is not part of emotional intelligence theory, but to Hughes et al. (2008) emotional intelligence may be another model of personality trait. If emotional intelligence attributes are personality traits, then they are very difficult to change—something proposed by Goleman (1995). Other theories that can supplement emotional intelligence theories are creative and practical intelligence theory, which involves the development of new and useful products (creative) and relevant job knowledge (practical).

Emotional Intelligence is said to be closely related to Transformational leadership. Emotional Intelligence competencies such as self confidence, self awareness, transparency and empathy have been argued to be essential for communicating visionary messages (Goleiman et al, 2002). Susic and Megarian (1999) Suggested several aspects of Emotional Intelligence that would facilitate transformational leadership such as empathy, confidence and self awareness. George (2000) argued that emotional appeals may be used by transformational leaders for inspirational motivation. Others have pointed out that adherence to professional or moral standards of behavior are common aspects of both emotional intelligence and transformational leadership.

2.3 Empirical literature review

Tareq (2016) carried out a study on the impact of Transformation leadership style on organizational performance in Jordan. The objectives of this study were: To establish the impact of idealized influence and organization performance, To find out the impact of inspirational motivation and organizational performance; To find out the impact of intellectual stimulation and organizational performance and to find out the impact of individual consideration and organizational performance. The result found out that inspirational motivation, intellectual stimulation and had statistically significant ($P = 0.00$) and positive influence on organizational performance (β coefficients). The result also indicated that idealized influence did not have a significant influence over organizational performance ($P = 0.006$). The regression analysis also indicated that intellectual stimulation played the most significant role in shaping outcomes for organizational performance with individual consideration having the second most prominent influence. The R^2 value of 0.816 further indicates that the statistically relevant variables account for 81.6 percent of the total variance in organizational performance. The current study was guided by emotional intelligence theory, Trait theory and Expectancy theory and analyzed data using multiple regression analysis. Unlike this study which never adopted any relevant theory and analyzed data using multiple regression analysis to test the hypothesized effects of dimension of transformational leadership styles.

Adeel (2017) carried a study on Transformational leadership and Employee motivation in Banking sector of Pakistan. The objectives of the study were: To find out the effect of idealized influence on employee motivation, to find out the effect of individualized consideration on employee motivation and to find out the effect of intellectual stimulation on employee motivation. The study found out that there was positive and significant correlation between idealized influence and employee motivation because $r = 501$ ($P < 0.01$). Well satisfied and pleased employees were more productive and beneficial for the organization. Inspirational motivation had positive and significant relationship with employee motivation ($r = 0.672$ and $P < 0.01$). Individualized consideration also had positive and significant relationship with employee motivation ($P < 0.01$, $r = 0.633$). The current study was guided by emotional intelligence theory, Trait theory and Expectancy theory. It analyzed data using multiple regression analysis unlike this study which did not indicate the relevant theories that guided the study and analyzed data using correlation Matrix to sample the significant relationship between the dimensions of transformational leadership and employee motivation in banking sector.

Tatteh (2016) did a study in Ghana on organizational leadership styles and their impact on Employees job satisfaction in Ghana. The objective of the study were: To establish the impact and dimension of Transformational leadership styles and employee intrinsic satisfaction, To establish the impact of dimension of leadership styles such as idealized influence, inspirational motivation, intellectual stimulation and individualized consideration and employee extrinsic satisfaction; To establish the impact of dimensions of Transactional leadership style such as contingent rewards and management by exception and employee intrinsic satisfaction. To establish the impact dimensions of Transformational leadership style such as contingent rewards and management by exception on Extrinsic satisfaction. Multiple regression analysis carried out to test the hypothesized effects of dimensions of leadership styles on job satisfaction components showed that three of the dimensions:- Individualized consideration ($\beta = 121$; $P < 0.05$), Inspirational motivation ($\beta = 105$; $P < 0.05$) and Intellectual stimulation ($\beta = 197$; $P < 0.05$) have positive effect on employee job satisfaction. Idealized influence ($\beta = 002$; $P > 0.05$) had an insignificant relationship, hence not supported. The current study was guided by

emotional intelligence theory, Trait theory and Expectancy theory and analyzed data using multiple regression analysis unlike this study which adopted Transformational and Transactional theories and analyzed data using correlation Matrix to show multicollinearity among variables and multiple regression model to show the effect of the leadership style dimensions on employee's intrinsic and extrinsic satisfaction.

Fasola (2013) carried out a research on exploring the Relationship between Transformational, Transactional leadership style and Organizational commitment among Nigerian Bank Employees. The study hypothesized that (H₁) there is no significant relationship between transformational leadership style dimensions and organizational commitment and (H₂). There is no significant relationship between transactional leadership style dimensions and organizational commitment. The findings concluded that Transformational leadership had positive and significant relationship with organizational commitment ($r = 0.507, P < 0.01$). Idealized influence had positive, high and significant relationship with organizational commitment ($r = 0.915, P < 0.01$). Inspirational motivation had also positive and significant relationship with organizational commitment ($r = 0.793, P < 0.01$). Intellectual stimulation had a positive and significant relationship with organizational commitment ($r = 0.842, P < 0.01$). Individualized consideration had a positive high and significant relationship with organizational commitment ($r = 0.901, P < 0.01$). This indicates that transformational leadership and its dimensions have positive and significant relationship with organizational commitment. The current study was guided by emotional intelligence theory, Trait and expectancy theory and analyzed data using multiple regression analysis, unlike this study which adopted Transformational and Transactional theory and analyzed data using Pearson correlation analysis and multiple regression analysis.

Mokgolo (2012) did a study on Effect of Transformational leadership on subordinate leadership acceptance, job performance and job satisfaction. The main objectives were to obtain information on how transformational leadership variables relate to subordinate leadership acceptance, job satisfaction and performance and to provide policy makers with useful recommendation on how to improve and develop best transformational leadership practices. The result indicated that intellectual stimulation appeared to be the best predictor or subordinate leadership acceptance $\beta = 12, P < 0.01$; mean 3.38. Idealized influence $\beta = 15, P < 0.01$ and Inspirational motivation $\beta = 12, P < 0.05$ were also significant contributors. The current study was guided by emotional intelligence theory, Trait theory and Expectancy theory and analyzed data using multiple regression analysis. Unlike this study which adopted transformational leadership theory and analyzed data using linear regression analysis to establish a relationship between transformational leadership acceptance with job performance and job satisfaction as dependent variables.

Jackqualine (2018) carried out a study on the influence of Transformational leadership on employee performance of local non-governmental organizations in Kenya. The study objectives were: to determine the influence Idealized influence on employee performance, the influence of inspirational motivation on employee performance, the influence of intellectual stimulation on employee performance and the influence of individualized consideration on employee performance. The findings revealed that employee / staff motivation, communication and employee job satisfaction were significant to inspirational motivation. The regression equation indicated that employee / staff motivation had a positive and significant influence on inspirational motivation, thus for every increase in employee / staff motivation, there will be an increase of 43.8% on inspirational motivation. Communication had a positive, but insignificant influence on inspirational motivation, thus for every increase in communication there was an increase of 20.9%.

2.4 Conceptual Framework

In the conceptual framework depicted in Fig. 2.4, The study seeks to establish the effect of Idealized influence on performance of Gwasco. The performance indicators include detection of water leakages, adequate water storage, level of water supply and level of revenue collection; while the intervening variable is Government Policies and Regulations on Water Services.

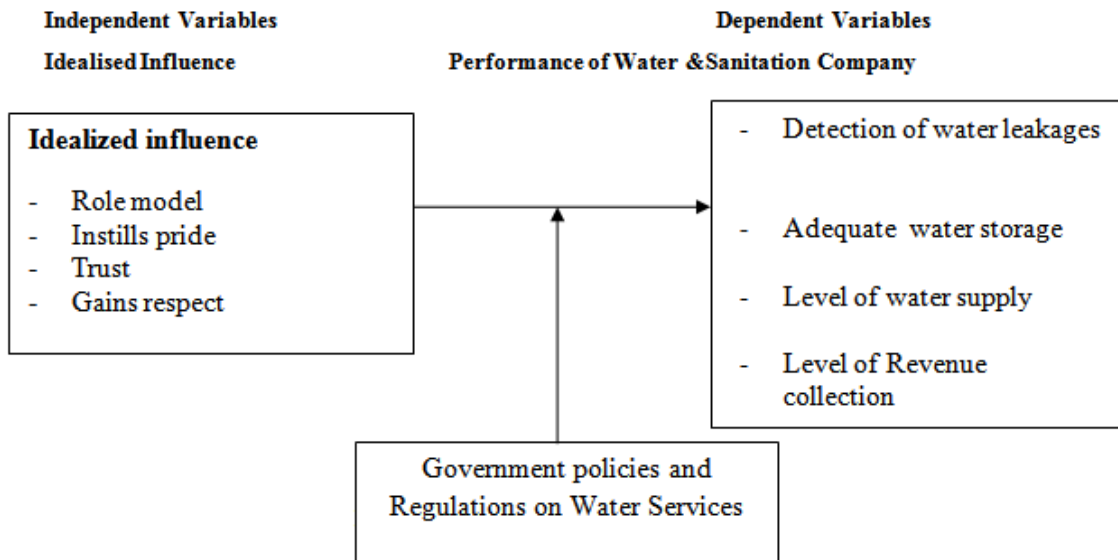


Fig. 2.4 Conceptual Framework

Source: Researcher's own conceptualization, 2019.

2.5 Operationalization of variables

Table 2.0 Operationalization of variables

Variables	Predictors	Measurement scale	Type of Analysis
Idealized influence	Role modeling, Instilling pride, Trust, Gains respect	Likert scale	Descriptive & multiple regression analysis

III. Research Methodology

3.1 Introduction

This chapter presents the research design, target population, sample and sampling techniques, data collection instruments, procedure and proposed data analysis methods.

3.2 Research Design

The cross sectional descriptive case study design was adopted. Descriptive case study is a process of collecting data in order to answer questions concerning the current status of the subject in the study (Mugenda & Mugenda, 2003). The rationale behind the selection of this design was that it helps the researcher to explore an in-depth analysis of the variables under investigation in the organization under study.

3.3 Area of Study

Gwasco is located in Kisii and Nyamira counties, with a focus on where there exist 8 water supplies centres in the region. GWASCO was chosen because the auditor General's Report (2016) revealed that the company was under performing. The company covers only 47% of the urban residents while sewerage services covers only 15% meaning that majority of the people are yet to benefit from Gwasco's existence in this region.

According to the annual report and financial statement of Kisumu Water and Sanitation Company (KIWASCO) 2017, water supply coverage had grown from 68% in 2015 to 74% in 2017. The company also grew its turnover by 14% and that profit after tax increased to Shs. 16,663,687. The same source further noted that KIWASCO had reduced its non Revenue water to below 25%. This is unlike GWASCO which had registered unaccounted water of 49% which was 24% above the allowable loss of 25% in accordance with water services Regulatory Board guidelines (Republic of Kenya 2016).

According to UN – Habitat (2008) noted that HOMAWASCO increased its metering efficiency from 29% to 69% by developing a more robust computer system which enables computerised generation of bills that can be easily scrutinized and allow improved data collection and referencing, hence improving revenue collection. The said source further noted that non Revenue water had been improving over time and that non revenue water (NRW) has reduced from 55.6% to 43.4% unlike in Gwasco. There was therefore need to pick Gwasco as a case study to establish whether the reason for its underperformance is due to leadership issues.

3.4 Target Population

According to Lewis and Thorahill (2003), population is the full set of cases from which a sample is taken. The population of the study include all 98 employees of the 8 stations composing Gwasco. Since the population is

relatively small, the entire population composed the sample size for the study. The population was composed of 84 lower cadre employees, 11 supervisors and 3 top management officials. Saturated sampling technique was used to select the study sample size.

Table 1: Target Population

S. No.	Water Supply Centre	Number of employees	No. of supervisors	Top Management
1.	Kisii Water and Sewerage	29	3	3
2.	Ogembo Water Supply	07	1	-
3.	Tabaka Water Supply	06	1	-
4.	Nyamira Water Supply	18	2	-
5.	Old Keroka Water Supply	07	1	-
6.	New Keroka Water Supply	07	1	-
7.	Gesusu Water Supply	04	1	-
8.	Nyansiongo Water Supply	06	1	-
Total		84	11	3

Source: Gusii Water and Sanitation Company Office (2019)

3.5 Sample Size and Sampling Procedure

Saturated sampling technique was used to select the sample size. The entire population composed the study sample because they are relatively small. They were however stratified into lower cadre employees, supervisors and top managers.

3.6 Data Collection Techniques

3.6.1 Research Instrumentation

The study used Multifactor Leadership Questionnaire (MLQ) to collect data. The scale consisted of 15 items that were grouped in four sub scales (Intellectual stimulation, idealized influence, inspirational motivation and individual consideration). It was answered by the employees using a five point Likert scale. The scale points were extent; 1 Not at all, 2 Small extent, 3 Moderate extent, 4 Large extent, 5 Very large extent. The questionnaire consisted of both close ended and a few open ended questions. Interview schedule consisting of several items, were answered either by managers, supervisors or team leaders. Interview was carried out to shed more light on issues that the questionnaire did not capture. To corroborate information from the questionnaire. Questionnaire was preferred because it allowed for collection of standardized data which was easier to analyze. Questionnaire also accessed a bigger group of respondents at minimum cost (Zigmund, 2010).

3.5.5 Data Collection Procedure

The researcher sought permission from the Human Resource Manager (Gwasco) and Jaramogi Oginga Odinga University of Science and Technology to conduct data collection. Thereafter the researcher administered the questionnaires to respondents. A top manager was approached and requested to allow interviewer to conduct an indepth interview with relevant personnel. The researcher administered the questionnaire in person to all the respondents in the 9 Sub stations to collect the primary data. The questionnaires were structured in nature containing statements on each transformational leadership variable and its influence of employee performance. The questionnaire applied the use of a five-point Likert scale that allowed respondents to rate their opinion with each statement using the scale provided. The indepth interview was carried out by the researcher in person to corroborate the responses from the questionnaire. The researcher sought audience from the centre supervisor for an interview session.

3.7 Data Analysis

The study used descriptive and inferential statistics to analyze data. Descriptive statistics included frequencies, percentages, tables and graphs. While inferential statistics used simple regression analysis to show the relationship between idealized influence and performance.

IV. Results And Discussion

4.1 Introduction

This chapter presents the data analysis, results and interpretation as per the objectives of the study. The purpose of the study was to investigate the effect of Transformational Leadership on the performance of Gusii Water and Sanitation Company (GWASCO) in Kisii. The study sought to investigate the effect of intellectual stimulation, individualized consideration, inspirational motivation and idealized influence on the performance of Gusii Water and Sanitation Company.

4.2 Response Rate

The study targeted 98 employees working at GWASCO Company in 8 Supply centres within Kisii and Nyamira Counties. Out of 93 questionnaires administered 80 responded indicating a response rate of 86% as shown in the table 2.

Table 2: Response Rate

Response rate	Sample Size	Percentage %
Returned Questionnaire	80	86
Un-returned Questionnaire	13	14
Total	93	100

4.3 Designation

Respondents were asked to indicate their job titles. Majority of employees were meter readers (30%) followed by pump attendants (20%), pipe fitters (10%), Centre managers (10%), Senior Management (5%), Accounts (2.5%), Secretary (1.2%) and office messenger 1.25%.

Table 4: Cadres of employees in Gwasco

Cadre of Employees	Frequency	Percent
Meter Readers	28	30
Pump Attendants	19	19
Water Operators	19	19
Pipe Fitters	14	14
Supervisors	11	11
Senior Manager	3	3
Secretary	2	2
Office Managers	2	2
Total	98	100

4.4 Length of years in the organization

The respondents were required to indicate the length of time they have been in the organization. Majority of the employees indicated that they have served the organization for a period of less than 10 years, (75%) while those who have served the organization for a period of 10-13 years (10%), 14 – 17 years (9%) above 18 years 6%. From the findings most employees have worked long enough to enable them comment on various aspects of the organization under study.

Table 5: Duration of Employees Service

Year	Frequency	Percent
10 Years	74	75
10 – 13 Years	9	10
14 – 17 Years	9	9
18 years	6	6
Total	98	100

4.6 Measurement of Idealized Influence

The study sought to examine the respondent's level of agreement with the statement in relation to idealized influence in the company. From the findings in table 4.11 most of the respondents 31% agreed that supervisors instill provide on others for being associated with them. 37% of the respondents agreed that supervisors goes beyond self interest for the good of the group. 25% disagreed that supervisors displays a sense of power and confidence. Twenty seven percent disagreed that supervisors make personal sacrifices for other's benefits.

Table 6: Idealized Influence and Performance of Gwasco

Idealized Influence	Strongly disagree (%)	Disagree (%)	Neutral (%)	Agree (%)	Strongly agree (%)
My supervisor examines critical assumptions to questions as to whether are appropriate.	10	20	48	18	4
My supervisor gets to look at problems from many different angles.	14	32	28	26	0
My supervisor does not impose allows some independence.	10	22	38	30	0
My supervisor seeks re-assessing perspectives when solving problems.	18	26	30	26	0

4.9 Organization Performance

The study sought to examine respondent's level of understanding about their company's realized performance.

Table 7: Organizational Performance

Indicator	3	2	1
	%	%	%
(a) Bust and Leakage detection	22	44	34
(b) Storage of Water reservoir	20	46	22
(c) Interruption of Water Supply	23	29	48
(d) Revenue collection	35	40	25

From the findings in table 7, majority of the respondents 44% agreed that the company's growth in Busts and leakage detection was averagely performing. Forty six percent of the respondents agreed that storage of water reservoir growth was averagely performing (46%) while forty eight percent of the respondents agreed that the firm's interruption of water supply was lowly performing (29%). Forty percent of the respondents agreed that there was slight improvement in Revenue Collection. This result indicates that there is weak application of Transformational leadership variables and that increase in the application of idealized influence, intellectual stimulation, inspirational motivation and individualized consideration would enhance performance at Gwasco.

4.7 Inferential Statistics

4.7.1 Regression

The R square value as indicated in table 8 is 0.615 which clearly suggests that there is a strong relationship between idealized influence Water and Sanitation Company performance. This indicates that idealized influence explains 61.6% of Gusii Water and Sanitation Company performance.

Table 8: Model Summary

Model	R	R Square	Adjusted R. Square	Std. Error of the Estimate
1	.785 ^a	.615	.586	.56959

a. Predictors (Constant), idealized influence

b. Dependent Variable: Organizational Performance

The F value in the ANOVA table 4.14 indicates that the overall model was a good fit since the p-value was less than the significance level (p-value =0.000<0.05). In addition, the F-calculated was greater than the F-critical (F-calculated = 20.820>F-critical=2.84).

Table 9: Analysis Variance

Model		Sum of Squares	Mean Square	F	Sig.
1	Regression	20.265	6.755	24.5578124	0.000 ^b
	Residual	12.653	0.27506522		
	Total	32.918			

a. Dependent Variable: Organizational Performance

b. Predictors (Constant), Idealized influence

Table 10: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.232	.087		2.659	.011
	Idealized Influence	.296	.081	.324	3.674	.002

a. Dependent Variable: Organizational Performance

Idealised Influence was found to have a positive linearly significant influence on the performance Gwasco ($\beta=0.232$, $p=0.002<0.05$). Here one unit change in Idealised Influence results in 0.296 unit increase in

the performance of Gwasco. Intellectual stimulation was found to have a positively linearly significant influence in the performance of Gwasco ($\beta=0.295$, $p=0.001<0.05$). This shows that one unit change in Intellectual stimulation would lead to a 0.296 increase in the performance of Gwasco. Inspirational motivation was found to have a positive and significant influence in the performance of Gwasco ($\beta=0.645$, $p=0.000<0.05$). This shows that one unit change in inspirational motivation results in 0.645 unit increase in the performance of Gwasco. The most influential role of transformational leadership is inspirational motivation (Beta = 0.674) then followed by Idealised Influence (Beta = 0.375) as indicated in table 10.

4.8.3 Idealized Influence on Gwasco Performance

The study found out that idealized influence influenced company performance at GWASCO. The study established that leaders instilled pride in employees for being associated with the company. The study further revealed that leaders went beyond self interest for the good of employees. These findings are supported by Metwally (2014) who said that transformational leadership encourage followers to go beyond self interest for the good of the organization. The study also revealed that leaders displayed a sense of power and confidence. The study also revealed that the leaders made personal sacrifices for others benefit. This result is in agreement with Gavrea et al (2011) who noted that a perfect blend of time, effort, commitment and investment is required to achieve the vision and mission of the organization. Gomes (2014) noted that transformational leader is willing to take risks towards the attainment of organizational goals or personal objectives. Divisu et al (2013) also noted that organizational performance involves the amalgamation of competencies and expertise of employees in line with the goals and objectives of the organization.

V. Conclusion Of The Study

According to the findings, idealized influence influenced company performance. Table 4.10 shows that 45% of the respondents agreed to a moderate level of idealized influence at Gwasco. The study revealed that leaders went beyond self interest for the good of employees. The study also revealed that leaders displayed a sense of power and confidence. It was also noted that idealized influence accounted for R²56.8 of performance of water and Sewerage Company. The study therefore concludes that companies idealized influence accounted for more than 50% of performance and only 43.2% are for other factors not under study.

5.2 RECOMMENDATION OF THE STUDY

The study recommends that company directors to facilitate and empower the supervisors to articulate and instill pride in employees for being associated with the company, recognize and inspire confidence among the employees. This will inspire the employees towards the attainment of organizational goals of Gwasco.

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