

**THE RELATIONSHIP BETWEEN VALUES-BASED LEADERSHIP,
ORGANISATIONAL CULTURE AND ORGANISATIONAL
PERFORMANCE: THE CASE OF ROYAL OMAN POLICE
DEPARTMENT**

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ABSTRACT

A strong value system in an organisation will impart a strong culture in the organisation. In law enforcement agency such as the Royal Oman Police (ROP) Department, values are important for law enforcement officers to carry out their tasks effectively and efficiently. In this research, the role of organisational values imbedded in the leadership and culture the ROP Department is investigated. The study looks at the relationships between leadership, culture and performance of the ROP Department. The focus is also on the role of organisational culture as a mediating factor in the relationship between the leadership and the performance of the organisation. Empirical evidence from this study is based on perception data from 183 employees of the ROP Department, and the data were analysed using the Structural Equation Modeling (SEM) with Partial Least Squares methods (SEM-PLS) method. The findings showed that leadership has a direct influence on the ROP Department performance. The organisational culture as the mediating factor shows a highly significant influence on the performance of the organisation. This implies that for an enforcement agency like the ROP Department, it is essential that a strong culture that promotes Fairness, Respectfulness, Collectiveness, Appropriateness, Altruism, and Empowerment be established in this organisation. Leadership qualities such as Visionary, Commitment, Competency, Good Intention, Acknowledgment, Mutual Trust play a significant part that enhances the organisational performance of the ROP Department in terms of strong employee engagement, high productivity, responsiveness, desired advancement, high employee satisfaction, and good reputation.

Keywords: Values, Leadership, Culture, Performance, Mediating Effect.

1.0 INTRODUCTION

In recent years, managers and organisation development professionals were very much interested in the use of organisational values as a tool to drive performance of organisations. Many of the books on the company's performance have shown that the existence of "core

values" (Collins and Porras 1994) or "common values" is a characteristic of successful organisations. Some of them (e.g. Shelnbarger, 1999) have tried to dispute these claims, but general findings suggest that organizational values are essential in the effective administration of big organisations (Anderson, 1997; Blanchard and O'Connor, 1997).

Considering organisational values within the organisation Simmerly (1987), it has been stated that organisational values need to be agreed within the organisation in a wider context. The benefits of a broader agreement on organisational values were also advocated by Lešnik (2006a) and said that organisation needs to consider individual values in an organisation first before it is possible to reach an agreement which consists of these people on the common values of the organisation. Seeveres (2000) emphasized the significance of good communications when defining organizational values by stating that the organisational values directly affect the manner individuals execute their work; thus, the absence of attempts in addressing organisational values may result in lower employee and business performance. Furthermore, Lešnik (2006b) stressed that the method of discussing organisational values can cause conflict within the organisation, particularly among staff and superiors; this conflict almost definitely results from inappropriate processes in the definition of organizational values. Based on the statements of the same writer, the typical mistakes in those situations are: bad timing, insufficient vision, bad collaboration between leadership and reduced staff levels, unilateral communication, a lack of transparency in demonstrating how organizational values operate and a failure to recognize the achievement or setback.

1.1 ORGANISATIONAL VALUES EVALUATION OF THE BASIC ADDER BLOCKS

Values are essential for law enforcement officers and should be shared and agreed upon by all members. These imparted values are concentrated throughout the agency and become part of the agency's culture (McCartney and Parent, 2015).

According to Dustin (2009), law enforcement agency such as the Police Department put much emphasis on moral issues to newly appointed officers. The newly appointed police officers are required to gain knowledge about the ethics of the department, grasp these qualities, and show acknowledgement of these qualities through the execution of their duties. The understanding of this requirement on a regular basis decide the way police officers communicate with the members of society and with each other in the workplace where they work. As a result, such a requirement somehow shapes the performance of the law enforcement agency and become the value of its administration offered to society.

Leadership is a catalyst for organisational culture growth, with shared values shaping its members' standards and behaviours (Mokhtar et al. 2003). Therefore, it is not only a question of creating stronger ethical codes to ensure that management at the Royal Oman Police Department engages in better behavior and in ethical decision-making processes. The complexity of what is required to encourage the ethical behavior of lower-ranked police officers guarantees a clearer knowledge of how leadership and cultural values contribute to the behavior of the police subordinates. Understanding leadership-culture fit helps explain this relationship between the organization's leadership and performance.

However, what is lacking is an examination of how the leadership of Oman Royal Police shape the organisational culture and subsequently influence the performance of the Oman

Royal Police Department. There is a serious impact on the community when police officers gain a reputation for getting away with bad behaviour such as abuse of power or act in a violent manner. It greatly disturbs the community's sense of safety when they learn that complaints are made by crime victims, for instance, and the police leadership looks the other way because the perpetrator is one of their own. When people doubt the integrity of the police personnel in their community it undermines the effectiveness of the police and puts all citizens at risk. In addition, the notion of leadership-culture fit in relation to the department's performance was not extensively researched. So, restricted information is available on how to value congruity impacts Oman Royal Police staff's ethical job and organisational engagement.

The purpose of this preliminary study is to study the relationships between leadership values and organizational culture and how the fit between these variables affects police ethical work behaviour.

1.2 OBJECTIVES OF THE STUDY

The purpose of this investigation is to examine the influence of leadership and organisational culture on the performance of the Royal Oman Police Department. More specifically, the objectives of the research are as follows;

- To measure the relationship between leadership and performance of Royal Oman Police Department.
- To gauge the influence of the leadership of Royal Oman Police on the organisational culture.
- To assess the impact of organisational culture on the performance of Royal Oman Police Department.
- To examine the mediating effect of organisational culture in the relationship between leadership and the performance of Royal Oman Police Department.

2.0 LITERATURE REVIEW

The core values of an organization originate with its leadership, which will then develop into a leadership style. Employees will be led by these values and the behavior of leaders, such that the behavior of both the leaders and employees become compatible. Organizational culture is conventionally defined by a value system, habits and norms that nurture the way people in organisations communicate, interact and portray their identity when dealing with customers and stakeholders of the organisations.

Alvesson (2002) argued that previous researches have shown that the influence of organizational culture on performance of organisations is still unclear and need to be investigated further. This is essential as organizational culture creates vitality and motivation. This motivation will energize the organization and drive a new push for the desired success. Based on arguments by Boddy (2002), people's behaviour in organisations can be influenced directly and significantly by organizational culture. This leads to the need for testing the following hypothesis;

Hypothesis 1- Leadership has a significant influence on Organizational culture

Boddy (2002) asserts further that people can be motivated or even stretch their efforts towards driving their organization for achieving success. On the other hand, Boddy (2002) claimed that organizational culture can also demotivate people that would be detrimental and ultimately lead to failure for the organization. This motivates us to test the following hypothesis;

Hypothesis 2 - Leadership behavior is positively correlated with organizational performance

Ogbonna and Harris (2000) stressed that many research works that define the connection between culture and performance of an organization. This is supported by Brown (1998) who pointed out an important implication of a strong organizational culture is the positive impact on the performance of organisations.

However, quite a number of researchers were of a different opinion that the connection between the two constructs may not exist and much more evidence is needed to establish such a connection. Therefore, we would like to test the following hypothesis;

Hypothesis 3 -.Organizational culture has a significant influence on organisational performance.

Leadership plays an integral part in the success of an organisation's culture. Leaders need to uphold and live up to the company's mission, vision and values. Culture is an asset to an organisation and leaders and managers need to perceive it as such for success. Employees will observe, reflect and react to these positive signs shown by leaders on all levels. Having a dynamic corporate culture helps to increase customer satisfaction, strengthen brand awareness and happy employees will lessen the costs of turnover. To establish the empirical evidence on this issue, the following hypothesis is tested;

Hypothesis 4 - Organizational culture mediates significantly in the relationship between Leadership and organisational performance.

An organization's core values start with its leadership (Mokhtar, 2003). This value-based leadership will drive the behavior of subordinates. A strong organizational culture emerges when strong unity of behaviour, values and beliefs has evolved. The organization's performance depends, according to Kotter and Heskett (1992), on the values of organisation's culture shared between its members or subordinates. It therefore makes sense to accept that an organization's performance is indirectly linked to leadership through the culture developed by the organisation's leaders.

3.0 THE CONCEPTUAL FRAMEWORK

We now describe the inter-relationships that exist in the conceptual framework between Leadership, Organisational Culture, and Organisational Performance. This is illustrated in Figure 1 below. Each of the relationships in the conceptual framework is associated with the respective hypothesis stated in Section IV that is to be tested.

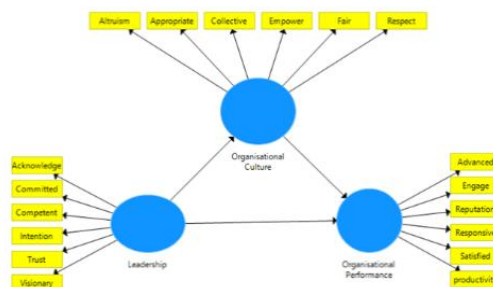


Figure 1: The conceptual framework

4.0 THE METHODOLOGY AND MEASUREMENT

In Figure 1 above, each construct has a set of values-indicators (as adopted from Mokhtar et al., 2003 & 2018) as shown in Table 2.1 below.

Table 1: The Constructs and Values-based Indicators

Construct	Values-based Indicators
Leadership	<ul style="list-style-type: none"> - Visionary - Good Intention - Commitment - Competent - Acknowledgement - Mutual Trust
Organisational Culture	<ul style="list-style-type: none"> - Fairness - Respect - Appropriateness - Collectiveness - Altruism - Empowerment
Organisational Performance	<ul style="list-style-type: none"> - Employee Engagement - Advancement - Productivity - Reputation - Employee Satisfaction - Responsiveness

A set of questionnaires was designed based on the values-based indicators and these were adapted from the conceptual framework proposed by Mokhtar (2018). A convenient sampling scheme was used to collect the data from a population of employees working in the ROP Department at various levels.

5.0 RESULTS AND DISCUSSION

Figure 2 shows the estimated structural model of the study that describes the relationship between the latent variables. The analysis was based on a sample of 183 respondents (the ROP Department employees) who gave their evaluations on the three constructs, namely, organisational leadership, culture, and performance. The evaluations by the respondents were carried out using a set of questionnaires that were derived from the indicators listed in Table 1. The figure illustrates the coefficient of determination, R2 values of the model. The R2 value for Performance was 0.507, suggesting that 50.7 percent of the variance can be explained by Leadership and Culture. Meanwhile, Leadership was responsible for 43.9 per cent variance in Culture. Subsequently, Thus, the findings are considered as near to substantial (Chin, 1998; Hair et al., 2011; Henseler et al., 2009).

Path Coefficients	Coefficients	t-values	Significance p<0.05?
Leadership -> Culture	0.774	15.558	Yes
Culture -> Performance	0.133	5.095	Yes
Leadership -> Performance	0.196	5.915	Yes

Table 2 above shows that the strongest relationships seem to be associated with Leadership. This means that the hypothecated significant influence of Leadership on Culture and Performance plays an important role in enhancing the Department’s performance. The significant role of Leadership on performance and that of Culture on Performance are much expected.

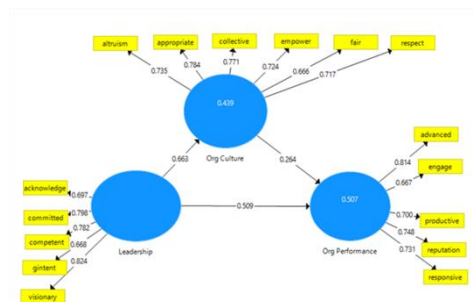


Figure 2: The estimated conceptual model

TABLE 2: THE INDIRECT EFFECTS

	Specific Indirect Effects	Std Dev	t-Statistic	p-values
Leadership -> Org Culture -> Performance	0.229	0.051	4.526	0.000

In this study, the results in Table 2 shows that the indirect effects are statistically significant at $p = 0.05$. This implies the organisational culture as a mediating factor has a significant effect on the relationship between leadership and performance.

6.0 CONCLUSION

This research has made contributions to research by identifying and developing the most influential factors that contribute significantly to the Royal Oman Police (ROP) Department. The study has revealed that Leadership, in combination with the ROP Department's Culture, have a significant impact on the Performance of the Department.

More specifically, the findings showed that leadership has a direct influence on the ROP Department performance. The organisational culture as the mediating factor shows a highly significant influence on the performance of the organisation. This implies that for an enforcement agency like the ROP Department, it is essential that a strong culture that promotes Fairness, Respectfulness, Collectiveness, Appropriateness, Altruism, Empowerment be established in this organisation. Leadership qualities such as Visionary, Commitment, Competency, Good Intention, Acknowledgment, Mutual Trust play a significant part that enhances the organisational performance of the ROP Department in terms of strong employee engagement, high productivity, responsiveness, desired advancement, high employee satisfaction, and good reputation.

The introduction of Organisational Culture as a mediating factor, respectively, in the relationship between Leadership and the Department's Performance, provides empirical evidence to the knowledge of the ROP Department's effectiveness in Oman. The significantly mediated relationship between Leadership and Performance suggest that the empirically established framework in this study can facilitate the enhancement of ROP Department's Performance.

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