TRANSFORMATIONAL LEADERSHIP ENHANCES CUSTOMER SATISFACTION

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ABSTRACT
This paper discusses about transformational leadership that enhances customer satisfaction. It covers briefly related issues such as leadership, transformational leadership, total quality management (TQM), quality management system (QMS) ISO 9001:2008, and customer satisfaction. The discussion is focus on how these issues are interrelated to each other specifically on their applicability to increase high performance for library services, and the impact of effective leadership that contributes significantly to the outcome of performance beyond expectations. The Universiti Teknologi Malaysia Library showcases findings on the   customer satisfaction surveys from 2006 to 2009.

Keywords: Leadership; Transformational leadership; Customer satisfaction.

INTRODUCTION

Leadership is important in any organization at all levels. Leadership is a process whereby an individual influences a group of individuals to achieve a common goal (Northouse, 2010). There are many approaches of leadership such as leadership as a trait, leadership as ability, leadership as a skill, leadership as a behavior and leadership as a relationship.   Kotter (1990) argued about the similarities and differences between the functions of management and leadership (Table 1).

Table 1: Functions of Management and Leadership (Source: Kotter, 1990)

Management Produces Order and Consistency	Leadership Produces Change and Movement
Planning and Budgeting • Establish agendas • Set timetables • Allocate resources	Establishing Direction • Create a vision • Clarify big picture • Set strategies

Organizing and Staffing	Aligning People
• Provide structure • Make job placements • Establish rules and procedures	• Communicate goals • Seek commitment • Build teams and coalitions
Controlling and Problem Solving	Motivating and Inspiring
• Develop incentives • Generate creative solutions • Take corrective action	• Inspire and energize • Empower subordinates • Satisfy unmet needs

TRANSFORMATIONAL LEADERSHIP

Transformational leadership it a process that changes and transforms people. Transformational leadership emerged from a book written by James MacGregor Burns (1978). Bass (1985) improved Burn's work by focusing more attention to followers' rather than leaders' needs. He suggested that transformational leadership motivates followers to do more or beyond than expected, compared to transactional leadership whereby the outcomes are expected (Figure 1).

According to Avolio (1999) and Bass & Avolio (1990), transformational leadership is about improving the performance of followers and developing followers to their fullest potential. Leaders who show or exhibit transformational leadership naturally have a strong set of internal values, effective at motivating followers and are without any self-interest (Kuhnert, 1994). There are four factors of transformational leadership:

1) Factor 1 is called Idealized Influence. Leaders act as role models for followers, portray high standards of moral and ethical conduct, do only the right thing, are visionary and have a sense of mission. Their charismatic qualities influence followers to follow the vision they put forward.

2) Factor 2 is called Inspirational Motivation. Leaders communicate, inspire and motivate the followers towards a high performance as expected by an organization, their commitment in achieving the shared vision and indirectly enhances the team spirit.

3) Factor 3 is called Individualized Consideration. Leaders listen, support and care for the individual needs of followers. Leaders coach, advice, assist, and delegate followers in becoming fully actualized.

4) Factor 4 is called Intellectual Stimulation. Leaders encourage and support followers to think, be more creative, innovative, challenge values, beliefs and are good at problem solving.
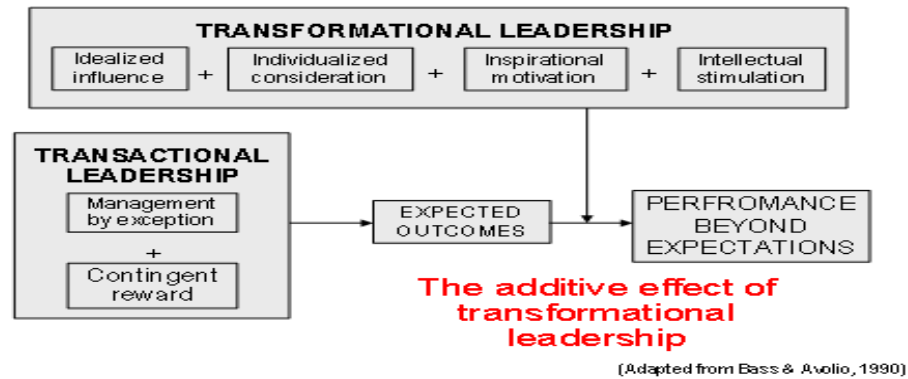
Figure 1: The Additive Effect of Transformational Leadership

TOTAL QUALITY MANAGEMENT (TQM)

The quality initiative first started in Japan in 1960 from a small group of quality control circles. The philosophy of TQM then emerged and is followed by the teaching which spreads to the rest of the world. It involves the entire management of an organization at all levels. TQM is a management approach to long-term success through customer satisfaction and is based on the involvement of all members of an organization. The purpose of TQM is to improve processes, services, products and the culture of an organization. Edwards Deming, Kaora Ishikawa and Joseph M. Juran are amongst the distinguished quality gurus. There are eight principles of TQM are ;

      1) Customer focused
      2) Total employee involvement
      3) Process centered
      4) Integrated system
      5) Strategic and systematic approach
      6) Continual improvement
      7) Fact based decision making
      8) Communication

QUALITY MANAGEMENT SYSTEMS (QMS)

The quality management system is a process approach. The effectiveness of a QMS is to enhance customer satisfaction by complying and meeting customer

requirements. It enables the transformation of input into output. It emphasizes the importance of :

1) Understanding and meeting requirements.
2) The need to consider processes in terms of added value.
3) Obtaining results of process performance and effectiveness, and
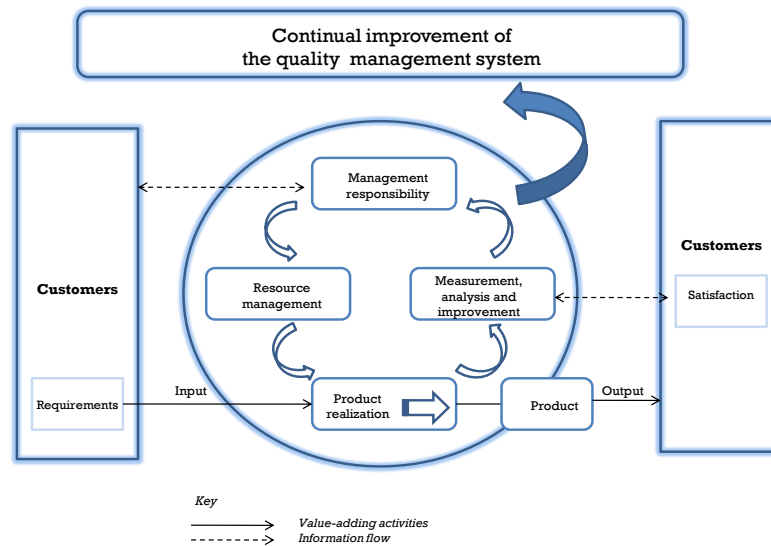4) Continual improvement of processes based on objective measurement.

Figure 2 : Model of a process-based quality management system
(Source: MS ISO 9001: 2008)

The model of a process-based QMS (Figure 2) illustrates that customers play a significant role in defining requirements as inputs. Monitoring of customer satisfaction requires the evaluation of information relating to customer perception as to whether the organization has met the customer requirements (ISO 9001: 2008).

CUSTOMER SATISFACTION
Satisfaction and dissatisfaction can be associated with feelings of happiness or disappointment, delight or frustration in relation to expectations and requirements.

Furthermore, the implication of not satisfying customers affects library performance outcomes. Dissatisfied customer can decide to discontinue using the service, complain to stakeholders or the media, and spread negative word-of-mouth. Factors contributing to overall satisfaction can be:

1) Service quality
2) Service delivery
3) Problems experienced
4) User-friendly service
5) In-service experience
6) Service advisor, and
7) Service initiation

UTM LIBRARY EXPERIENCE

Since 2002 Perpustakaan Sultanah Zanariah or the UTM Library, has continuously conducted customer satisfaction surveys. Findings from the surveys have been given important attention by the management of the library. Action plans for

Table 2: Customer Satisfaction Index for
Perpustakaan Sultanah Zanariah : 2006 to 2009

FACTORS	July 2006	Dis 2006	2007	2008	2009
Staff	82.5%	84.8%	84.6%	86.0%	83.0%
Service	68.1%	65.5%	61.4%	60.8%	60.8%
Library Information	67.0%	69.3%	71.0%	72.0%	75.0%
Product	53.3%	62.6%	58.0%	63.4%	66.0%
Environment	85.1%	85.0%	82.6%	84.0%	83.0%
Overall Satisfaction	**62.4%**	**73.4%**	**71.5%**	**73.24%**	**73.56%**

corrective and preventive actions or continual improvements have been established, implemented and maintained. Employees are encouraged to think creatively, emulate innovative ideas and unique problem solving methods for effective performance. Table 2 shows results of the customer satisfaction surveys from 2006 to 2009. Factors contributing to the satisfaction are staff, service, library information, product, and environment.

CONCLUSION

Librarians need to understand the differences and similarities between leadership and management. Librarians as leaders also need leadership skills competency to change, influence, motivate and inspire employees or team members. Technical skills, human skills and conceptual skills are necessary for all leaders as a basic competency. Employees who are highly motivated, committed, performing with extra effort and satisfied with their job will fulfill customer requirements effectively. Hence, transformational leadership style approach is effective in enhancing customer satisfaction.

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