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Impact of Personality and Leadership Style on Managerial Performance: An Empirical Study of Defense Veterans

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ABSTRACT

Indian Armed Forces constitute around 14 million, mostly men and some women. Considering the job profile, they retire at younger age. From the Army alone, approximately 1200 officers retire every year. As they have a young age profile, most of them look for a second career. Officers in the defense forces almost always occupy leadership positions while in service, thus, they look for similar roles in corporate jobs or in Government Departments on retirement. It is felt that these veterans have long experience in leadership roles which can be gainfully employed by the corporate world. Industry on the other hand is always looking for effective leaders to sail them through uncertain conditions of market and competition. World over, companies with military veterans as CEOs, have done better than their competitors. It needs to be studied in Indian context also. When the Personality, Leadership Styles of Military Veterans and their effects on their Managerial Performance were studied in Indian context, the results were very encouraging. It is conclusively proven that Defense Veterans in India, when working in corporate jobs have performed very well across all variables of demographic profile i. e. Age, Educational Qualification, Gender or Length of Military Service.

KEYWORDS- Military veterans, leadership style, personality, managerial performance.

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INTRODUCTION

India maintains the second largest standing Army, fourth largest Air Force and seventh largest Navy in the world with a total strength of Armed Forces of about 14 millions. Considering the nature of job, it needs to be manned by young soldiers and officers. Thus, a large number of soldiers and officers retire every year at relatively younger age. From the Army alone, approximately 1200 officers and 60,000 persons below officer's rank retire every year. As they have a young age profile, most of them look for a second career. Officers in the defense forces almost always occupy leadership positions while in service, thus, they look for similar roles in Government Departments or in corporate jobs. Corporate excellence to a great extent is defined by the effective leader and corporate world is always on a lookout for effective leaders who can chart the way through the ups and downs of the highly competitive world of business Balaraman (1989)¹. Thus, on one hand there is great demand for effective leaders in corporate world and on the other hand, this vast pool of military veterans, are available for taking up leadership roles. There is indeed a need for a formal interface between the two.

LITERATURE REVIEW AND RATIONALE OF THE PRESENT STUDY

As per review of literature, extensive research on the relationship of personality or leadership styles on leadership effectiveness, organizational performance and managerial output in large number of fields has been carried out in India, other than the performance of leaders with military experience. It is evident that a lot of research has gone into analyzing the performance of CEOs with military background in the western world. In Indian context, however, researcher could not find any paper devoted to the performance of defense veterans in corporate life. Every year approximately 1200 commissioned officers retire and a large number of them take up employment with corporate sector or civil government while a number of them start their own enterprises. Thus, need was felt to initiate such studies to at least identify the basic leadership styles that the defense veteran now in corporate jobs display, the kind of personality characteristics they bring with them and how does that affect their Managerial Performance. This paper is in that way, a pioneers study in this field. This research has endeavored to identify the common links between defense veteran's personality traits, their style of leadership and their Managerial Performance in the corporate sector/civil government jobs or when they are self-employed. Based on the above discussion, theoretical framework for this study was formulated. Pictorial depiction of the Theoretical framework for the study is given at Fig 1.

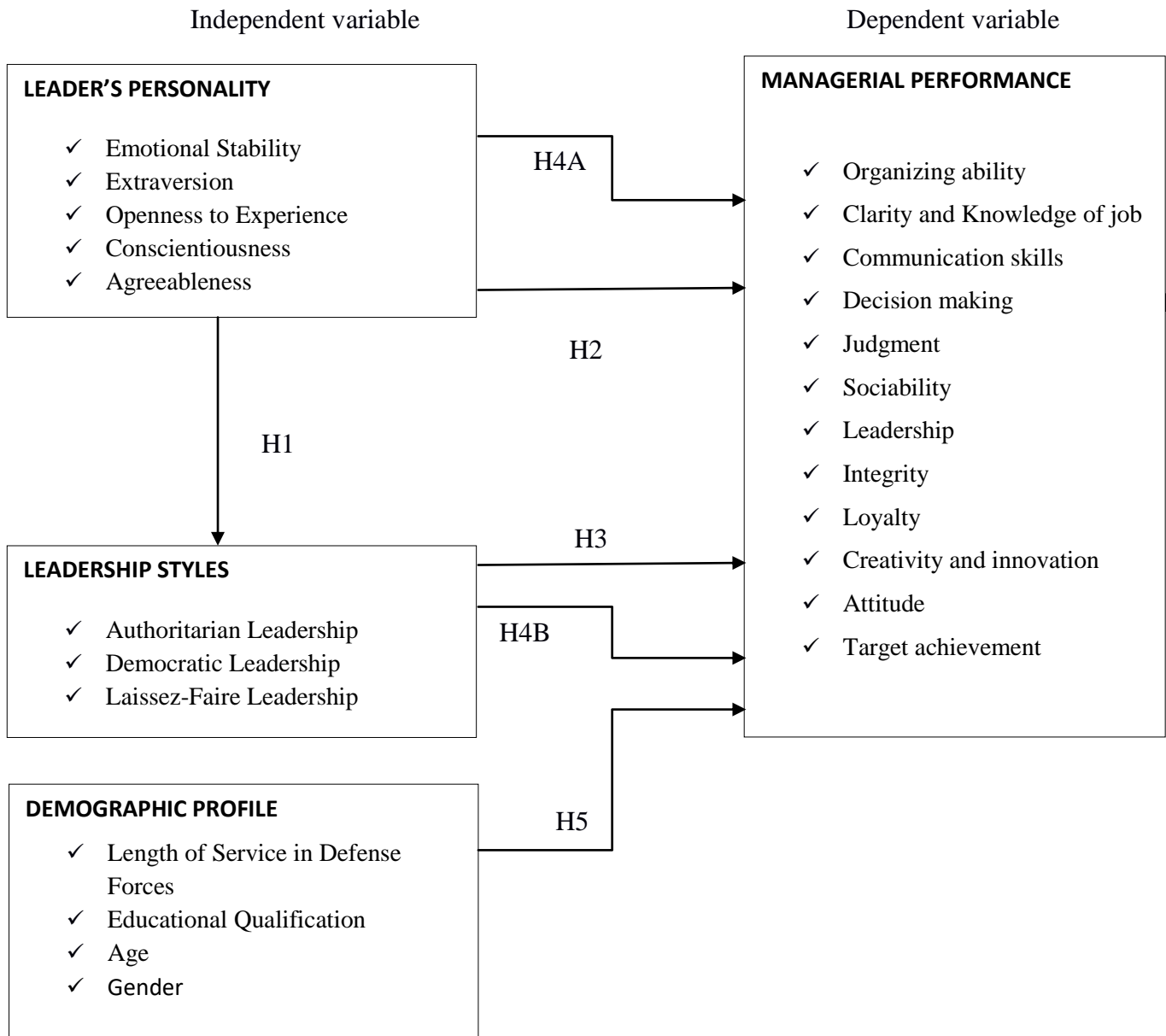


Fig 1 Exhibits the Theoretical Framework of Leadership Style, Personality and Managerial Performance of Defense Veterans

OBJECTIVE AND HYPOTHESES OF THE STUDY

The general objective of the study is to assess if any relationship exists between Personality Traits and Style of Leadership on Managerial Performance of defense veterans employed as managers in corporate sector or serving in civil government organizations or self-employed. Specific Research Hypotheses are as follows:-

- H1: There exists a relationship between defense veteran's personality and leadership style.
- H2: Relationship exists between defense veteran's personality and managerial performance.

H3: Defense veteran's leadership style and managerial performance are related.

H4: There is an impact of defense veteran's personality and leadership style on managerial performance.

H5: Managerial performance of defense veteran varies in relation to their demographical profile.

SAMPLING SIZE AND DESIGN

The study is based on the data collected from retired military personnel of officer rank with varied experience ranging from five to forty years in the military service and presently employed with various corporate bodies, civil government organizations or self-employed. The sample size for the study is taken as 250 veterans. The research design for the present study is descriptive in nature. A cross-section research design is used to achieve the objectives of the study. The present study is based on primary sources related to defense veterans. Primary data has been collected and collated using standardized questionnaire measuring different constructs like personality, leadership style and managerial performance as related to aforesaid study. Once the data was collected, it was classified qualitatively and quantitatively, based on the objectives of the study.

RESEARCH INSTRUMENTS

For this research, leader's personality was measured by using Big Five Inventory (BFI) scale to measure personality traits from Extraversion, Agreeableness, Conscientiousness, and Neuroticism to Openness. Leadership styles and Managerial Performance were measured by using standardized questionnaires to measure three common styles of leadership: Authoritarian, Democratic and Laissez-faire and 12 parameters of Managerial Performance. All the responses were recorded on a five point Likert scale, Likert (1967)² ranging from Strongly Disagree to Strongly Agree and for Managerial Performance ranging from Always to Never. Coding of 1 to 5 was assigned to the scale to arrive at quantitative values.

STATISTICAL TOOLS AND TECHNIQUES USED FOR THE PRESENT STUDY

To achieve the objectives of the study, descriptive statistics was used for identifying relationship between leader's personality and leadership styles with managerial performance and also relationship between managerial performances in relation to the demographical profile of the defense veterans. For this, correlation was calculated to study the relation between the statements used in the instrument. Regression technique was used in trend analysis and instrument modeling. Based on the

responses of the questionnaire, analysis has been carried out, and diverse statistical tools and techniques applied to ensure valid statistical inferences. Data obtained was analyzed by using Software Package for Social Sciences (SPSS 16) and EXCEL for drawing meaningful results. Only one example of the Statistical analysis of Personality is included in the paper. The responses to the questionnaire of Personality are summarized below in terms of numbers and averages.

Table No 1 : Big Five Summary (Average Values)

	N	Minimum	Maximum	Mean	Std. Deviation
Extraversion (average)	250	2.5	5.0	3.797	.5660
Agreeableness (average)	250	2.6	5.0	4.266	.5131
Conscientiousness (average)	250	1.9	5.0	4.300	.5916
Neuroticism (average)	250	1.0	4.4	2.005	.7047
Openness (average)	250	1.8	5.0	4.074	.4834
Valid N (listwise)	250				

It gives out Average Minimum and Maximum values, Mean and Standard Deviation of the responses in terms of Big Five Inventory- Extraversion, Agreeableness, Conscientiousness, Neuroticism and Openness.

EFFECTS OF DEMOGRAPHIC FACTORS ON PERSONALITY

In order to explain the Statistical Analysis, effects of demographic variables on Personality with respect to Years in Service / Type of Commission, have been analyzed and presented in the following paragraphs.

It gives out average minimum and maximum values, Mean and Standard Deviation of the responses in terms of Big Five Inventory- Extraversion, Agreeableness, Conscientiousness, Neuroticism and Openness in terms of Type of Commission. It is seen that there is no significant difference in personality of veterans irrespective of their being Short Service Commission (SS) or Permanent Commission (PC).

Statistical analysis of other characteristics are not included in the paper. Only summary is produced below as findings of the study.

Table No 2 : “Big Five Inventory : Type of Commission/ Years in Service”

Type of commission		Extraversion (average)	Agreeableness (average)	Conscientiousness (average)	Neuroticism (average)	Openness (average)	Big Five Inventory
PC	Mean	3.812	4.235	4.401	1.931	4.062	3.6880
	N	125	125	125	125	125	125
	Std. Deviation	.5874	.5258	.5692	.6928	.5515	.25678
	Minimum	2.6	2.6	1.9	1.0	1.8	2.86
	Maximum	5.0	5.0	5.0	4.3	5.0	4.15
SS	Mean	3.782	4.298	4.199	2.080	4.087	3.6891
	N	125	125	125	125	125	125
	Std. Deviation	.5456	.5002	.5986	.7114	.4058	.25329
	Minimum	2.5	2.7	2.3	1.0	2.8	2.92
	Maximum	5.0	5.0	5.0	4.4	4.9	4.27
Total	Mean	3.797	4.266	4.300	2.006	4.074	3.6886
	N	250	250	250	250	250	250
	Std. Deviation	.5660	.5131	.5916	.7047	.4834	.25453
	Minimum	2.5	2.6	1.9	1.0	1.8	2.86
	Maximum	5.0	5.0	5.0	4.4	5.0	4.27

FINDINGS OF THE STUDY

- Veterans in corporate roles have displayed very high values of Extraversion, Agreeableness, Conscientiousness, Openness and very low values of Neuroticism. The mean score for Extraversion was 3.797 (Max value 5) with std deviation of 0.566. The mean score for Agreeableness was at a very high level of 4.266 (Max value 5) with std deviation of 0.5131. The mean score for Conscientiousness was again at a very high level of 4.300 (Max value 5) with std deviation of .5916. Coming to Neuroticism, the mean score for Neuroticism was at a very low level of 2.005 (Max value 5) with std deviation of .7047, which is desirable. Low scores in Neuroticism represent higher emotional stability. It has been proven by all previous research that ‘conscientiousness’ is always positively related to Managerial Performance in all types of organizations Barrick et al (1993)³. A conscientious leader would stick to the ethical behavior which is most desirable.
- While 68% of Defense Veterans displayed very high range, 30% displayed high range and merely 2% displayed moderate range of Democratic Leadership. Coming to Authoritarian

leadership, only 1.6% displayed very high range, 30.4% displayed high range and majority 68% displayed moderate or lesser range of Authoritarian Leadership. As far as Laissez Faire leadership is concerned, only 10% displayed very high range, 42.8% displayed high range and majority 47.2% displayed moderate or lesser range of Laissez Faire leadership.

- Coming to the Managerial Performance indicators, subject defense veterans have displayed High level of Managerial Performance (values between 1 -2.5) for the entire range of 12 Performance indicators. They have shown average values of 1.5 for Organizing Ability, 1.7 for Job Knowledge and Clarity, 2.6 for Communication Skills, 2 for Decision Making, 2.1 for Leadership Skills, 1.7 for Attitude and very High values of 1.6 for Commitment and Loyalty and 1.6 for Target Achievement.
- These characteristics, when considered in terms of various Demographic variables, ie Gender, Type of Commission, Experience in the Civil (in years), Age, Experience in the Armed Forces (in years), they remained almost constant.
- Thus, veterans displaying such qualities in corporate roles are highly desirable.

HYPOTHESES ANALYSIS

H1: to find out if any relationship exists between personality and leadership styles of defense veterans.

- Descriptive statistics puts forward a comparison of the means of Leader's Personality versus mean scores of the various Leadership facets under the three primary Leadership Styles. A preliminary evidence of the data hinted that the mean scores of Leader's Personality and Leadership Styles did not correspond with each other. Therefore, the differences in the two samples mean scores have been examined by employing F-test.
- F-test showed that the calculated value of F-value is less than the critical value at 5 percent level of significance. Thus, it has suggested no significant relationship between Leaders Personality and Leadership Styles which corresponds with the recent studies on personality and leadership emergence.
- T-test results reported that the means of Leaders Personality and Leadership Styles are not statistically significantly different because the value of sig (two-tailed) is greater than 0.05. It is found that the personality of leaders do not impact style of their leadership.

H2: To examine the relationship if any between defense veteran's personality and managerial performance.

- This objective made an attempt to find out association between defense veteran's personality and managerial performance. The mean scores of leader's personality and managerial performance however, did not mark any agreeableness. So, two samples F-test and T-test are employed in this study to examine the significant difference between them.
- F-test reported that the calculated value of F is greater than the critical value at 5 percent level of significance. Therefore, it has revealed an association between Leaders Personality and Managerial Performance. It is understood from the results that subject defense veteran's personality do influence their managerial performance.
- The results of t-test indicated that the means of Leader's Personality and managerial performance are statistically significantly different because the value of sig (two-tailed) is less than 0.05. It is observed that the personality of defense veterans do affect managerial performance in India.

H3: To find out if any relationship exists between defense veteran's leadership style and managerial performance.

- The conclusion drawn with regard to the descriptive and comparative statistics of relationship between Leadership Styles and Managerial Performance of defense veterans are reported in this objective.
- However, the mean scores of Leadership Styles and Managerial Performance did not come to terms with each other. Hence, two samples F-test and T-test are used in this study to investigate the significant difference between them.
- F-test revealed that the calculated value of F is higher than the critical value at 5 percent level of significance. Therefore, it has shown an affiliation between Leadership Styles and Managerial Performance. Thus, it points towards an affirmation that Leadership Style of subject defense veterans did influence their Managerial Performance.
- The findings of t-test hinted that the means of Leadership Styles and Managerial Performance are statistically significantly different because the value of sig (two-tailed) is less than 0.05. It is witnessed that the leadership style of defense veterans has an effect on managerial performance.

H4: To study the impact of Personality and Leadership Styles of defense veteran's on their managerial performance.

- Results of H2 and H3 clearly define a relationship between the Leader's Personality and the Managerial Performance (H2) and also, a relationship between the Leadership Style and the Managerial Performance (H3), so, it gets automatically proven that there is a definite relationship between the Leadership Style and Personality with the Managerial Performance of defense veterans.

H5: Managerial performance of defense veteran varies in relation to their demographical profile.

This hypothesis has been tested by examining managerial performance taking into account demographic characteristics of defense veterans. Each Performance variable was then studied with respect to four demographic variables of Gender, Age, Length of Military Service and Educational Qualification. The results of Managerial Performance indicator of Organizing Ability are summarized below.

- Organizing Ability was seen across various demographic variables. In relation to Type of Commission, Short Service Commissioned officers (SS) or Permanent Commissioned officers (PC), 98.4% of PC officers and 100% of SS officers displayed high level of Organizing Abilities. When seen in light of age of veterans, 100% of veterans with age less than 45 years and 98.6% of veterans with age more than 45 years displayed high level of organizing abilities. Thus, it is seen that the Organizing Ability remained almost constant through all variables of demography.
- Similar results were seen for all variables under different demographical factors.

RECOMMENDATIONS OF THE STUDY

- Veterans could be employed in corporate roles in big numbers considering their most desirable Personality characteristics displayed. Subject veterans have shown very high levels of desired qualities, i.e. high Extraversion, Agreeableness, Openness, Conscientiousness and low Neuroticism. Last two qualities have proven to be positively related to good performance in all sectors and industries.
- They have displayed predominantly Democratic style of leadership which is most desirable in all modern corporate entities.

- Defense veterans should be employed in roles requiring higher level of commitment and loyalty. In fact, this is one quality that is ingrained in them all through their service and corporate world can make use of this quality very effectively by employing defense veterans in large numbers. International literature supports the fact that organizations led by military veterans have 70% less chances of getting involved in any frauds and Tax Evasion cases.
- Veterans are highly suited for the jobs requiring high emotional stability. Their exposure to dangerous situations in their service years makes them emotionally stable. Such leaders are specially suited for times of high uncertainty and market fluctuations.
- About 40 % of defense veterans have shown moderate to high levels of Laissez faire leadership style. This makes them suitable for employment in organizations dealing in high technology fields. Organizations like Google encourage very informal and loosely defined hierarchy at the product development level.
- Defense veterans are already employed in big numbers in some high risk assignments like demining operations in Sri Lanka or infrastructure projects in Afghanistan and some African countries or Bomb Disposal Teams. They have the physical and mental capability to sustain pressure for longer periods of time. Thus, no one can execute turnkey projects in remote areas better than the defense veterans. Walter F. Ulmer Jr. (1998)⁴.
- Defense veterans should also be employed in Quality Assurance roles due to their proven very high levels of integrity and habit of adherence to the rules and regulations.
- Officers from support services like Army Service Corps and Army Ordnance Corps and their equivalents in the Air Force and Navy, handle inventories worth millions of dollars and they provide logistics to 14 million strong defense forces. They should be offered employment in logistics companies.
- While selecting a defense veteran, Corporate could preferably select Short Service Commissioned veterans as they would display the same Managerial Performance as the veteran with more years of service. However, their being younger in age profile will be beneficial to the organization in the long run. Trainability and expected longer tenures with the organization are some of the obvious benefits of selecting a younger profile leader vis-à-vis someone in higher age bracket.

CONCLUSION

Defense veterans constitute a big chunk of disciplined and richly experienced pool of human resource that the corporate world should make use of. It is felt that in this endeavor, both veterans community and the corporate will gain from this study. After all corporate looks for an effective leaders as much as a veteran looks for a second career. This study has brought to fore, the skills and qualities of veterans that are more relevant to the Corporate World, which would facilitate better selection by the corporate and better preparation by the veterans for the second inning. While this is a pioneer study in this field, a number of issue which need further research have been identified, which will lead to further research and add to the managerial literature available on the subject.

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