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Is MLQ Instrument Applicable to Verify the Blue Ocean Leadership Traits?

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Abstract. Blue Ocean Leadership aims to achieve an organizational increase in leadership strength quickly and at low cost, which translates into high performance for the business. This is why in building a sustainable business and community in the organization, leadership plays a very important role. The purpose of this paper is to review past researches and to identify whether the “Multifactor Leadership Questionnaire” (MLQ From 5x) is applicable to be used to measure blue ocean leadership traits. It is expected that the instruments proposed in this paper will contribute to the new findings in the leadership study.

1. Introduction

One of the most crucial components of management today would be leadership (Wehrich et al., 2008), and even nowadays, according to Salleh and Grunewald (2013), leadership has a high demand in different organizations and a great skill of leadership is needed by the Chief Executive Officer in order to successfully run the organization effectively. Lok and Crawford (2004) stated that the success and failure of an organization are contributed by the styles and practices shown by the leaders. Furthermore, in an organization these days, organizational leaders are found to be practicing different styles of leadership and behaviour at work (Oshagbemi & Oholi, 2006).

Blue Ocean Strategy is known for providing companies with a new way of thinking about where and how to compete to drive profitable growth. Meanwhile, Blue Ocean Leadership is a leadership style created by Chan Kim and Renée Mauborgane (2014) that uses many of the same principles and critical frameworks as those of blue ocean strategy. The basic idea of Blue Ocean Leadership is to achieve an organizational increase in leadership strength quickly and at low cost, which translates into high performance for the business.

Studies on blue ocean leadership are important for today’s organization, and thus, it is important to find the right leadership styles to measure the blue ocean leadership traits. The objective of this paper is to enhance the “Multifactor leadership Questionnaire” (MLQ From 5x) instrument that was developed by Bass and Avolio (2004) to be used to measure the blue ocean leadership traits.

2. Leadership styles

Transformational leadership has captured the attention of many scholars’ interests (Antonakis, Cianciolo, & Sternberg, 2004; Basham, 2010; Northouse, 2010; Sarros & Santora, 2001), and has begun to be the central model in leadership. According to Bass and Riggio (2006) and Sivanathan and

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Fekken (2002), transformational leader delivers a vision and a sense of organizational mission; inspire pride, respect and trust among their followers. Pearce and Sims (2002) stated that the dimensions which are common to transformational leaders are charismatic leadership (or idealised influence), inspirational motivation, intellectual stimulation, idealized behaviors and idealized traits.

Transactional Leadership on the other hand, was referred by Bass (1989), Avolio, Waldman and Yammarino (1991) and Burke, Stagl, Salas, Pierce and Kendall (2006) as concerned managers who get things done by making and satisfying promises to employees. Northouse (2010) stated in his study that a transactional leadership is different compared with transformational leadership because a transactional leader does not individualize the needs of subordinates or focus on their self-improvement. Transactional leaders employ three factors which are: (1) Contingent reward, (2) Management by exception: active, and (3) management by exception: passive (Bass & Avolio, 1994).

Blue Ocean Strategy provides organization with a new way of thinking about where and how to compete to drive profitable growth. Blue Ocean Leadership uses many of the same principles and frameworks to help organization engage the previously disengaged employee by changing the organization leadership profile. Thus, the basic idea of Blue Ocean Leadership is to achieve an organizational increase in leadership strength quickly and at low cost, which translates into high performance for the business. This is done by transforming unengaged employees into engaged ones. The following table summarize the above leadership styles traits (Nur Lyana, Salina, Aerni, & Mohd Yunus, 2015)

Table 1: Leaders Traits for Transformational, Transactional and Blue Ocean Leadership

Traits	Transformational	Transactional	Blue Ocean Leadership
Visionary	Leader sets vision	Vision is not clear	The vision is to always challenge the ordinary
Contingent Reward	Intrinsic satisfaction	Extrinsic satisfaction	Team gratification
Courage	Empowerment	Initiation by leader	Let's go (togetherness)
Idealized Influence	Use of charisma	Use of power	Promotes new ideas & thinking
Inspiration	High inspiration	Leads the way	Walks with the team
Intellectual Stimulation	High intellectual stimulation	Low intellectual stimulation	Engagement in creativity & innovation
Passion	Beyond organizational goals & objectives	Organizational goals & objectives	Always connected to reality
Strategic Thinking / Planners	Long term planners	Short term planners	Game changer
Focus	Vision and goals of organization	Values, qualities and behavioral style	Acts and activities leaders need to undertake
Collaborate	Executive & senior level	With subordinates	All levels in organization
Innovate	Encouragement	Slow or no innovation	Innovates to survive
Willingness to change	Moderate to fast	Only when problem exists	Do or die
Communication	Two-way	Top-down	360 degrees

3. Multifactor Leadership Questionnaire (MLQ) instrument

The Multifactor Leadership Questionnaire (MLQ) was first published in 1985 (Bass, 1985) and over the past twenty years, MLQ has been revised several times by scholars (Antonakis et al., 2003; Avolio & Bass, 2004; Bass et al., 2003; Judge & Piccolo, 2004). According to Bass and Avolio (2004), the MLQ scale showed high internal consistency and factor loadings and the reliabilities of MLQ were suggested to be a useful tool for future researches in leadership arena. Ozaralli (2003) in his study has also stated that MLQ is “the best validated measure of transformational and transactional leadership” (p.338).

Table 2: Multifactor Leadership Questionnaire (MLQ) dimensions

Transformational	Transactional	Laissez-fair
<ul style="list-style-type: none"> • Idealized influence (IA) • Idealized behaviour (IB) • Inspirational motivation (IM) • Intellectual Stimulation (IS) • Individual Consideration (IC) 	<ul style="list-style-type: none"> • Contingent Reward (CR) • Management by exception: active (MBEA) • Management by exception: passive (MBEP) 	<ul style="list-style-type: none"> • Laissez-Faire (LF)

The above MLQ dimensions were adapted from Bass and Avolio (1999) which measure leadership and non-leadership dimensions. This non-leadership is known as *laissez-faire* (LF) leadership and reflects the absence of leadership and avoidance of intervention. There is no attempt to make agreements with followers, to motivate them, to set standards or to give feedback. In sum, as can be seen in Table 2 above, the MLQ claims to measure nine distinct leadership dimensions, which are grouped into three broader categories: transactional, transformational, and non-leadership.

6. Future Study and Conclusion

After acknowledging the MLQ criticisms by refining several versions of the instruments, the version of the MLQ, the Form 5X (Bass & Avolio, 1999) is successful in effectively capturing the full leadership factor of the transformational leadership theory. Table 3 below was developed to enhance the MLQ by including the Blue Ocean Leadership traits.

Table 3: Improvising the Multifactor Leadership Questionnaire (MLQ) Dimensions

Transformational	Transactional	Laissez-fair	Blue Ocean Leadership Attributes
<ul style="list-style-type: none"> • Idealized influence (IA) • Idealized behaviour (IB) • Inspirational motivation (IM) • Intellectual Stimulation (IS) • Individual Consideration (IC) 	<ul style="list-style-type: none"> • Contingent Reward (CR) • Management by exception: active (MBEA) • Management by exception: passive (MBEP) 	<ul style="list-style-type: none"> • Laissez-Faire (LF) 	<ul style="list-style-type: none"> • Eliminate • Raise • Reduce • Create

The findings from this study are expected to contribute to the new dimension of leadership study which could help an organization to increase its leadership strength quickly and at low cost, which translates into high performance for the business.

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