

## **Leadership Style in Transforming the Business Landscape**

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### **Abstract**

This study focuses on the attributes of prominent Malaysian woman leader. Specifically, this study attempts to understand how a woman business leader from the healthcare industry has succeeded in her career, the attributes that have contributed to her success, and her leadership style. An interview with the woman business leader was conducted to gather the information. Results reveal that the attributes portrayed by participant is consistent with top qualities of great leaders, include being visionary, being meticulous, being determined, having integrity, being passionate and being an eloquent speaker. In addition, a participative leadership style has proven to be able to transform the private healthcare landscape in Malaysia. The findings would add to the existing literature on leadership attributes and styles of women business leaders, particularly in the ASEAN region. Practically, the findings would be of importance to young entrepreneurs who aspire to be industry leaders.

**Key Words:** Leadership style, Business, Woman, Great leaders.

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## **INTRODUCTION**

Malaysia is now in the midst of various transformation initiatives to adjust to the demands and challenges of a globalised and borderless world. These transformation initiatives are enshrined in the Government Transformation Programme (GTP) and the Economic Transformation Programme (ETP). In the public sector, the Malaysian government has recognised the crucial role that women play in nation building. Women now hold 23% of the posts of Director-General and Secretary-General in Ministries. In addition, 30 out of 62 High-Court judges are women (New Straits Times, 2013). The percentage of women working in the public services grew steadily to 32.3% in 2010 from 18.8% in 2004 (The Star, 2011). Notwithstanding a positive trend of women's involvement in the public sector, the increase in women's participation in the private sector is not as promising. However, the rate is now picking up with at least 16% of women holding the top level management positions in business organisations, such as human resource director, Chief Financial Officer and other senior positions. It is expected that women's involvement would grow considerably due to the government's policy of having 30% women in top management and decision-making positions in the corporate sector.

This study is motivated by the findings of several foreign studies that posit that women are more likely than men to possess the leadership qualities that are associated with success. In other words, women are said to be more transformational than men (Riggio, 2010), the reasons being women care more about developing their followers, listening to their followers and stimulating their followers to think 'outside the box'. Study finds that women tend to be better corporate leaders because of their decision-making abilities (Bart & McQueen, 2013). Having said that, it is not the intention of the researchers to delve into a discussion on whether or not women leaders are better than men, as both genders have their own unique capabilities. However, the researchers are of the opinion that there is a dire need in Malaysia for greater gender diversity, especially in leadership positions, not because women are better leaders, but because they make up 49% of the population. It is therefore timely that leadership positions are also reflective of this.

This paper highlights on the attributes of prominent Malaysian woman leader is undertaken in response to a positive trend of women's involvement at the top level management positions in business. With this idea in mind, this study has the following objectives: 1) to describe how this prominent woman business leader lead and influence the business performance; 2) to understand the leadership style of prominent woman business leader; and 3) to illustrate the attributes of prominent woman business leader. The contribution of this study is that theoretically, the findings will add to the limited literature on the success factors of women business leaders in Malaysia. They could be different to those documented overseas. The findings provide empirical evidence on the important attributes that women business leaders should possess which could be different from the attributes of their male counterparts, considering the uniqueness of women business leaders

## **LITERATURE REVIEW**

The issue of women's participation at the top management level arises because the educational level of women has improved tremendously. Given an increasing number of women with a higher level of education, there should be a pool of women with the potential to assume management positions successfully.

### **Women Leaders**

Studies found that a significant improvement in the proportion of woman leaders over the last decade in some developed countries. For instance, in the United States (US), the proportion of female leaders was only 4.7% in 1987 but it rose to 13.6% in 2003 (Catalyst, 2004) and to 16% in 2006 (Spencer Stuart, 2006). A similar pattern was also observed in the United Kingdom (UK) where the proportion of female managers on the UK FTSE 100 increased from a mere 3.7% in 1995 to 8.6% in 2003 (Singh, 2001). In Australia, the proportion improved slightly from 8.6% to 10.37% in 2003 (Kang, 2007).

Research by Daily, Certo and Dalton (1999) found that women's representation in corporate management has increased. There is, however, no evidence of a progress in, or towards, the CEO's suite. The results also suggest that there has been substantial progress for women with respect to both their presence on Fortune 500 companies and their roles in management. From 1987 to 1996, women's management seats increased from 270 to 602. At the same time, there is compelling evidence that women's profiles have changed fundamentally. While in France, women's credibility received a boost when the Finance Minister, Christine Lagarde, became the first woman to lead the International Monetary Fund (IMF). In Norway, however, the picture is considerably different. The approach taken by the Norwegian government is to increase female managers through legislation. Large firms in Norway are required to have at least 40% women in management positions effective 2006. The proportion of women managers increased from 6% in 2000 to 22% in 2003, i.e., before the law was enforced (Smith, Smith & Verner, 2006).

A survey by the Malaysian Ministry of Women, Family and Social Development (MWFSD) reveals that the participation of women in the management from 2001 to 2005 was constant at about 10.2%. Regrettably, the figure decreased significantly to 7.6% and 5.3% in 2006 and 2007, respectively. However, women's participation in government-linked companies (GLCs) showed an increasing trend with 11% in 2005 and 14% in 2007 (Ministry of Finance, 2007). Study evidences only 47 companies (out of 831 companies) have 30% women directors on boards, and 366 companies (44%) have women representation on boards. The evidence highlights that the policy is not warmly accepted by Malaysian listed companies. Most listed companies still reluctant to include women at the decision making process (Amran, Ku-Ismael, Aripin, Hassan & Abdul-Manaf, 2014).

In Malaysia, women directors who found to be older in age and have a degree qualification help to improve firm performance. However, women involvement in a company as shareholders does not contribute to the incremental of firm performance (Ishak, Amran & Abdul-Manaf, 2015a). The appointment of women directors on the boards are influence by networking, relationships or family ties (Amran, Abdul-Manaf & Ishak, 2015). Study also proved that women are more likely to be appointed as board members or firms that are controlled by family and have high growth (Ishak, Amran & Abdul-Manaf, 2015b).

## Leaders' Attributes

Many qualities have been identified as important attributes that great leaders must have. For instance, an empirical study of more than 200 European CEOs and their key subordinates has revealed five core attributes, i.e., great leaders must be: (i) tolerant, motivational, inspirational and supportive; (ii) respectful, trusting, reliable and fair; (iii) trustworthy; (iv) innovative, visionary, courageous and confident; and (v) obsessed with new ideas, curious, energetic and participative (Tracy, 2016). Tracy (2016) has revealed the attributes of great leaders as outlay in Table 1 below.

**Table 1. Attributes of Great Leaders**

<b>Attributes</b>	<b>Description</b>
Visionary	Have a clear and exciting idea of where they are going and what they are trying to accomplish.
Courage	Willingness to take risks in the achievement of their goals with no assurance of success.
Integrity	Always tell the truth to all people and in every situation.
Humility	Having self-confidence and self-awareness to recognise the value of others without feeling threatened.
Strategic planning	Ability to look ahead, to anticipate with some accuracy where the industry and markets are going.
Focus	Ability to make sure that everyone is focused on the most valuable use of their time. Able to focus on the strengths in themselves, and in others.
Cooperation	Ability to gain cooperation of others by making commitment to get along well with each key person.

Source: Tracy (2016)

In addition to the above, the attributes of great leaders as: (i) ability to delegate; (ii) communication skills; (iii) confidence; (iv) commitment; (v) positive attitude; (vi) creativity; (vii) intuition; (viii) inspirational; and (ix) diverse approach (Forbes, 2016).

## Leadership Styles

A review of literature shows various types of leadership styles, such as authoritarian, democratic, laissez-faire, transactional, paternalistic, participative and transformational styles. Authoritarian leadership style stipulates that leaders normally keep strict, close

control over followers by imposing policies and regulations. This type of leadership style is normally seen in enforcement authorities, like the police department, and schools. The democratic leadership style suggests that leaders normally share decision-making with their subordinates to promote the interests of the group and social equality. Such leaders usually avail the time to allow people to contribute, develop a plan and vote before making final decisions. Laissez-faire leadership style is sometimes regarded as 'hands-off' leadership because the leaders delegate the tasks to their followers with little or no direction. They expect employees to be proactive in pursuing the mission of the organisation (Sorenson, 2000), which may hamper its productivity.

The transactional leadership style suggests the use of rewards and punishment system to motivate the employees (Sashkin, 2004). Transactional leadership is based on exercising bureaucratic authority and legitimate power in the organisation, and such leaders emphasise task assignments, work standards and employee compliance. Transactional leadership styles may also be associated with a leader's moral and ethical orientation where they share an interest in protecting the rights of others but tend to be more concerned with utility maximisation (Groves, 2010). Paternalistic leaders, on the other hand, act as a father or mother figure, where they portray complete concern for their followers and workers. In this work culture, relationships are arranged hierarchically. The leaders retain all information and decision-making authority; and managers closely supervise employees, giving employees little discretionary. However, this leadership style has been criticised for generating antagonism and resentment among the subordinates, particularly those who do not like their interests to be looked after by a 'godfather' (Sashkin, 2004).

Participative leadership is a managerial style that invites input from employees on all company decisions. The staff are given pertinent information regarding company issues, and a majority vote determines the course of action the company will take. Participative leadership can sometimes be a slower form of decision-making, but it has several advantages that may make it the right managerial method for business. The advantages are: acceptance, morale, creativity, and retention. Transformational leaders motivate followers by appealing to higher ideals and moral values. They define and articulate a vision for the firm, and inspire followers to carry it out (Sashkin, 2004). Research has shown that transformational leadership embodies four primary dimensions: idealised influence, inspirational motivation, intellectual stimulation and individualised consideration. These leadership characteristics are important because they invoke: strong responses from followers, such as performance beyond expectations, changes in the fundamental values held by followers and devotion to the leader, and a willingness on the part of subordinates to sacrifice their personal interests for the collective good (Howell & Shamir, 2005).

Transformational leadership style may be associated with a leader's moral and ethical orientation. Transformational leaders tend to be fundamentally concerned with doing what is "morally right" and protecting the rights and dignity of individuals (Groves, 2010). Consistent with this perspective, transformational leaders have been shown to

demonstrate higher perceived integrity; greater moral development; and a higher degree of ethical behaviour. Given the link between moral development and diversity, it is anticipated that transformational leaders will take actions that are more consistent with the spirit of inclusivity and social responsibility. Transformational leaders may also be better able to convince followers that managing diversity is an important moral obligation and not simply an issue of legal compliance with a government mandate (Nishii & Mayer, 2009).

Transformational leaders are inclined to place a strong emphasis on protecting the welfare of individuals in society and ensuring the fair treatment of all people in their actions. In this regard, transformational leaders may be drawn to managing diversity because it will enhance the well-being of the organisation and its members (Eric & Diether, 2009).

## **RESEARCH METHODOLOGY**

As indicated earlier, this is a case study of a prominent woman business leader in Malaysia, i.e. Tan Sri Datin Paduka Siti Sa'diah Sheikh Bakir. She was chosen because she was the first Malay lady that venture into the healthcare industry and commercialize the healthcare industry into a profitable business. In order to ensure richer and more accurate data, an interview was conducted with the participant at her office in Kuala Lumpur. The interview session was tape-recorded and transcribed.

## **FINDINGS AND DISCUSSION**

### **Profile of the Participant**

Tan Sri Datin Paduka Siti Sa'diah Sheikh Bakir, aged 63, is an Independent Non-Executive Director of KPJ Healthcare Berhad (KPJ), re-designated on 1 May 2015, from Non-Independent Non-Executive Director. Tan Sri served as the Managing Director of KPJ from 1 March 1993 until her retirement on 31 December 2012. From 1 January 2013 until 31 December 2014, she served as KPJ's Corporate Advisor. She holds a Bachelor of Economics from Universiti Malaya and an MBA from Henley Business School, University of Reading, London, UK. Her career with Johor Corporation (JCorp) commenced in 1974 and she has been directly involved in JCorp's Healthcare Division since 1978. She was appointed as the Chief Executive of Kumpulan Perubatan (Johor) Sdn. Bhd. (KPJSB) from 1989 until the listing of KPJ in November 1994.

In addition to her position at KPJ, Tan Sri currently sits as a Director of Kulim (M) Berhad, Chemical Company of Malaysia Berhad (CCM) and CCM Duopharma Biotech Berhad. She served on the Board of Damansara REIT Managers Sdn. Bhd., The Manager for Al-'Aqar Healthcare REIT and Al-Salam REIT, from 2006 until March 2016. Tan Sri was also a Director of KFC (Holdings) Bhd. and QSR Brands from 2010 until their privatisation in 2013. She was an Independent Non-Executive Director of Bursa

Malaysia from 2004 to 2012 and a Board member of MATRADE from 1999 to 2010. Committed to promoting excellence in healthcare, Tan Sri is the President of the Malaysian Society for Quality in Health (MSQH), the national accreditation body for healthcare services, elected since its inception in 1997 to date. Currently, she also sits on many other councils and committees at the national level. In 2010, Tan Sri was named the 'CEO of the year 2009' by the New Straits Times Press and American Express. She received many more awards and accolades from 2011 to 2015, due to her contributions to the healthcare industry in Malaysia.

## **Aura of the Leader**

Tan Sri Datin Paduka Siti Sa'diah describes herself as an organised person with a keen eye for details. She feels that this is important as her working environment requires her to constantly think and make quick decisions. Further, she believes that as a well-paid Managing Director at KPJ, she needs to give her best commitment to the company. Her discernible commitment will certainly inspire her subordinates to show the same commitment in their own work.

Tan Sri is also a knowledgeable person as she is continuously learning and eager to acquire new knowledge. For example, she is not an accountant but she understands accounting numbers. She looks carefully into receivables and inventories, and understands them before making a decision. For her, to be a leader, a person must be competent and engage in lifelong learning.

According to Tan Sri, a leader is someone who can positively influence people. A leader is responsible to the organisation, its people and oneself. She opines that, "you have to also know how to speak and talk, if not, you cannot sell your ideas". She herself is a good speaker and hones her skills through public speaking sessions. Her demeanour as a charismatic leader is very obvious in the organisation.

Tan Sri Siti Sa'diah is a true professional. According to her, she does not bring office matters to her home as she believes if time is managed well, there is no need to carry your work home with you. Through good time management, she balances her time between her career, her family and the community, not forgetting time to acquire knowledge and time for worship to Allah. For her, an individual must have a balance between physical, emotional and spiritual aspects. She also believes that human touch is irreplaceable. "A person can talk, touch and feel, a robot cannot", she quips.

High level of integrity is another attribute pointed out by Tan Sri Siti Sa'diah. To be successful, one must have integrity and must not be complacent. For her, "integrity in leadership does not come with a price tag". She stresses that leaders need to inculcate the young generation with integrity. When she is recruiting new staff, she mostly looks for three qualities in an individual, i.e., integrity, intelligence and energy. She affirms that "if they don't have the first (integrity), the other two will kill you". She is seen as a strict leader, yet exuding sisterly love and warmth. She says, "I need to be tough in order to

make people want to change. And I make sure that they grow". Whatever she does is for the employees to improve and grow. She says, "Never put only the smart person at the top; all staff have an equal chance of climbing the ladder". This is consistent with the philosophy of JCorp and KPJ, i.e., to take an average person and transform him or her to their full potential.

## **Leadership Style**

Based on the interview conducted with the participant, it can be summed that Tan Sri Siti Sa'diah has a participative leadership style. As the Managing Director of KPJ Healthcare, she gets input from employees before making a company decision. The staffs are given all relevant information regarding company issues, and a majority vote determines the course of action the company will take. For example, in achieving the corporate vision as a Preferred Healthcare Provider and the mission to Deliver Quality Healthcare Services, Tan Sri Siti Sa'diah must have good team members. So, what she did is that she selected good doctors, managers and a support team that will be the pull-factor for patients. She says that, "every organisation has a life cycle. Like a human being, an organisation has its embryonic stage and then proceeds to various states of development and then you die. While it is inevitable that a human dies, a company will die only if it is not rejuvenated. You rejuvenate the company by being relevant, offering new services and maintaining standards.

Staffs are well aware of KPJ's policies and decisions. The staffs are also given a personal stake in the success of any new company policy. Over the years, she has built a resilient team. For her, building the team is crucial. Once you have the right people in the right place, it makes your work a lot easier because you can delegate and trust your team to deliver. Such empowerment enables employees to use their creativity to develop more productive work processes and make the company more efficient. She can, in turn, focus on sharing her experience with her staff. She mentioned that, "your followers must believe in you and trust in you before you can see the results".

In ensuring the sustainability of KPJ Healthcare, as a Managing Director, the most important role she has to play is to position the company on a strong footing amidst the competition. Thus, one needs to be a visionary. She had to plan on how to transform the company into a public-listed company in a period of five years. Thus, she needs to have strong financial backing to build the company. She empowers her staff to be actively involved in the growth of the company and stay with the company to see their plans coming into fruition. In JCorp and KPJ, staffs have an equal chance of being a leader and scaling greater heights.

The philosophy of JCorp and KPJ is to take an average person and convert him or her into a superhero. After recruiting staff, Tan Sri Siti Sa'diah focuses on honing their talent. In this way, employee retention is improved and costs of turnover are reduced significantly. The above criteria show the participative leadership style of Tan Sri Siti

Sa'diah. Without all these attributes, it would not have been possible for Tan Sri Siti Sa'diah to lead KPJ Healthcare towards its first billion ringgit revenue.

## **CONCLUSION**

The attributes of prominent woman business leader found from this study are consistent with the previous literature on top qualities of great leaders, include: (i) being visionary; (ii) being meticulous; (iii) being determined; (iv) having integrity; (v) being passionate; and (vi) being an eloquent speaker. These same criteria drive businessmen as well. The only difference is that business women usually have to run both their home and their business; while the businessmen may have the freedom to entirely focus on the business. Another unique attribute is the motherly/sisterly approach portrayed by the participant.

Practically, the implications of this study can be seen from at least three perspectives. First, is the implication on the education systems. Since the enrolment in the universities comprises mainly female students, they are regarded as the potential leaders who will lead the industry. In order to perform that role, these female students should be groomed to have entrepreneurial attributes to enable them to survive successfully in the competitive environment. Second, the findings could be used to train young entrepreneurs to become future business leaders. Third, the success stories of prominent women business leaders could be inspiring to not only entrepreneurs but also to other people who would like to succeed in their career.

This study is not without its limitations. The researchers did not manage to interview the employees would limit the triangulation process of the information. The leadership style may be attributable to the nature of the industry that they are engaged in. However, no further test was done on such a possibility, which provides an avenue for future research. Further, the participant is from one ethnic group (i.e., Malays). It would be interesting for future studies to include Chinese and Indian women business leaders.

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