

The impacts of leadership in the quality of municipal public services: case study of a portuguese municipal council

Impactos del liderazgo en la calidad de los servicios públicos municipales: estudio de caso de un ayuntamiento portugués

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Resumen:

El presente trabajo de investigación, partiendo del Modelo de la Estructura Común de Evaluación (Common Assessment Framework), analiza la influencia que el liderazgo tiene en determinados factores que constituyen el clima organizacional así como también el impacto de éstos en la calidad de los servicios públicos municipales.

Para este estudio se proponen los estilos de liderazgo de Likert autocrático (coercitivo) y participativo, para explicar el origen, estructura, y funcionamiento y respecto al clima organizacional las variables utilizadas son las de motivación, satisfacción, empowerment, conflicto y estrés.

Las conclusiones principales extraídas avalan que un liderazgo participativo otorga más importancia a la calidad del servicio, por vía de una mayor motivación, satisfacción, empowerment y resultados positivos de los recursos humanos, que un estilo de liderazgo autocrático (coercitivo). Las contribuciones realizadas se apoyan en la investigación empírica, presentando alguna consideración a nuestro estudio y proponiendo nuevas directrices de investigación.

La metodología empleada en la investigación ha sido cualitativa, apoyada en el estudio de casos.

Palabras clave:

Liderazgo, clima organizacional, calidad de servicios, estudio de casos.

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Abstract:

The present research work, based on some of the components of the Common Assessment Framework, sets to analyse the influence held by leadership in specific factors that constitute the organisational climate, and also the impact that these factors have on the quality of municipal public services.

For the purposes of this study, we propose Likert's exploitative autocratic and participative leadership styles to explain the genesis, structure and workflow. As far as the organisational climate is concerned, the variables used are motivation, satisfaction, empowerment, conflict and stress.

The main conclusions that arose was that a participative leader confers higher relevance to the quality of service, through motivation, satisfaction, empowerment and human resources positive results, than an exploitative autocratic leader. Performed contributions are based on the empiric research hereby presented, and new research guidelines are proposed.

The research methodology used was qualitative, based on the case study.

Keywords:

Leadership, organizational climate, public service quality, case studies.

1. INTRODUCTION

When talking about public sector, one has in mind a whole set of needs, the satisfaction of which is assumed as a fundamental task by the collective, by the means of services it organises and maintains. From this, whenever a collective need is manifested with sufficient intensity, a new public service will arise destined to fulfil it, in the name and interest of the collective (Freitas do Amaral, 1994). However, one must underline that not all services that follow the satisfaction of such collective needs have the same genesis or nature. Some of them are created and managed by the State, others are handed over to autonomous bodies and others yet are handed over to traditional entities with a religious background but, nowadays, owned by the State. But even though all services don't have the same genesis or nature, they all exist and work towards the same purpose – the satisfaction of collective needs.

We, therefore, look upon the Public Sector as the “set of activities of any given nature practiced by public entities (State, public associations and institutions, either set on democratic representativeness and decentralisation, or resulting from technocratic functionality and decentralisation by efficiency)” (Sousa Franco, 1987), where Local Government appears as the link between the public sector and the citizens.

Within the scope of the present work, the local public government sector was chosen, given its relevance in the country's economy. The case study has provided information inputs on the real world, from which concepts and propositions were formed and a theory generation was attempted.

2. LITERATURE SURVEY

Leadership and Public Service Quality

In Likert's (1971) mind's eye, the matrix of organisational behaviour is, on the one hand, related to individual and social motives, and on the other hand, related to the way organisations lead, communicate, influence, make decisions, plan, control and elect their purposes and goals within the scope of their practice. This model measures organisational behaviour perception in several dimensions (eg. methods of leadership, characteristics of motivational forces, maximisation and efficiency goals, and characteristics of the following processes: communication, influence, decision making, planning and control).

With these dimensions, the author intends to measure the way leadership is used to influence employees; the procedures that are used to motivate employees to fulfil the organisation's needs; the nature and type of communication in the organisation; superior/subordinate interaction when establishing goals; the relevance of the information which supports the decision making process, how duties are distributed; how the goals and guidelines selection system is established and how control is practiced and distributed among organisational instances.

Likert (1967, 1971) developed studies on leadership, enriching concepts and approaches related to the understanding of leadership behaviour. As a participative management supporter, Likert feels that effective management is strongly subordinate-oriented, finding support in communication for a stronger agreement on ideas and goals. Therefore, the author proposes four types of leadership: exploitative autocratic; benevolent autocratic; consultative; and participative.

Why use Likert's leadership? We could consider a wide range of leadership styles such as transformational leadership, which emphasizes longer-term and vision-based motivational processes (Jung *et al.*, 2003). Yet, despite the potential for a transformational leader and others, we opted to reinforce the importance of Likert's research, its timeliness and its "freshness".

On the other hand, specific features of public services cannot justify the fact that quality in the Public Sector is a concept that is more formal than real, representing nothing but a trend. As stated by Corte-Real (1995: 25) "quality is not a transitory trend, it is a new management paradigm". Silva (2001: 3) refers "it is up to public power, foremen and employees, to bet heavily on a quality oriented public service".

Public service is, therefore, seen as "any institution, service or system run by policies of an elected government (whether national, regional or local). Public services foremen and managers usually seek to obtain citizen oriented results, in harmony with predefined goals and policies" (SMA, 2000, 2001).

In order to do so, an integrative approach to public leadership is required to understand its influence on services' performance (including the quality variable), arguing that effective leadership is exhibited through actions that build and improve organizational abilities and management systems (Ingraham, 2001). The integrative perspective recognizes the environment of the public sector by describing public leaders as operating in an organizational context of which they have limited control (Hooijberg and Choi, 2001), as they try to improve performance through building and enabling critical organizational capacities. Moynihan and Ingraham (2004) suggest that effective leadership is critical to organizational success and public sector performance.

Yukl (2002) and Fernandez (2005) recognize that integrative frameworks incorporate leadership skills, traits, behaviors, as well as styles and situational variables in theoretical models to explain the effectiveness of public leadership.

Van Wart (2003) asserts that while the mainstream leadership literature has exhibited a shift toward synthesis and the development of integrated models since the 1990s, such attempts are largely lacking in the public sector literature. In order to advance our understanding of public sector leadership, Van Wart (2003: 225) argues that public administration should begin to develop and test comprehensive leadership models, which integrate some elements that account for various situational variables inherent in the public context.

The Common Assessment Framework Model (CAF) was designed to be used by all public sectors, as well as by several national, regional and local government levels. It can also be used in several circumstances, namely as a part of a reform programme, or as a starting point for continuous improvement of a public organisation (Christian, 2002; DGAEP, 2007). Under certain circumstances, and especially in large bodies, self-assessment can also be undertaken just in a part of the organisation, for instance in a department or division selected for that purpose.

Organisational Climate

Climate effects employee attitudes and behavior, and ultimately, organizational effectiveness (Rogg *et al.*, 2001). For this study we have considered some of the organisational climate determinant factors: motivation, satisfaction, empowerment, conflict and stress.

More precisely, it's the measure of employees' perceptions of those aspects of their environment that directly impact how well they can do their jobs, and which has more recently been linked to emotional intelligence (Watkin and Hubbard, 2003: 380).

Motivation

Consists on "the willingness to exert high levels of effort toward organisational goals conditioned by the efforts ability to satisfy some individual need", and by need one means "any inner state that makes certain results look attractive" (Robbins, 1999: 168). The author also states that many people understand motivation as a personal characteristic, that is, some people have it and some people don't, since some managers catalogue employees who lack motivation as lazy. Motivation encompasses all factors able to cause, maintain and direct conduct towards a goal.

Nowadays, this is an essential element in human resource management, hence the significance of getting to know it and dominating it, only then will the organisation be able to create a pleasant organisational environment (Davis and Newstrom, 1999).

Satisfaction

Márquez Pérez (2001) defines satisfaction as the worker's attitude toward his/her own work. Such attitude is based on beliefs and values that the worker develops from his/her work. Attitude is jointly determined by the actual characteristics of the position held and by the worker's perception of what they "should be".

Davis and Newstrom (1999: 276) define satisfaction at work as "the set of favourable or unfavourable feelings and emotions with which employees view their work". Robbins (1999) has a curious line of thought concerning satisfaction at work, which consists of the difference between the amount of rewards workers receive and the amount they believe they should receive.

Also according to Márquez Pérez (2001), "dissatisfaction produces a decrease in organisational efficiency, and it may be expressed through expression conducts, loyalty, negligence, aggression or withdrawal. The frustration an unsatisfied worker feels may lead him/her to an aggressive conduct, which may be expressed through sabotage, slander or direct aggression. Finally, one may state that work dissatisfaction driven conducts may express in two main dimensions: active-passive or destructive-constructive, depending on the orientation".

Generally job satisfaction and motivation are found to be related (De Jonge *et al.*, 2001; Eskildsen *et al.*, 2003).

Empowerment

The term “empowerment” and all its derivatives are used in several senses and contexts. “Empowerment” is linked to potentiation and “to empower” is linked to “to raise to a power”, while older expressions such as “enable” and “habilitate” have been dropped.

It appears that the focus of the concept is the dynamic process of redistribution of power between management and employee, most commonly in the form of increasing employee authority and responsibility (Greasley *et al.*, 2005: 356).

Davis and Newstrom (1999) state that within the organisations there is a feeling of need that employees will not perform their job successfully or make significant contributions. To face up to what's being mentioned, a technique has been developed to eliminate this feeling of frustration, since delegating authority to the employees may fight individual perceptions of low levels of personal efficiency. Therefore, empowerment is considered to be “a process that offers higher autonomy to employees, by sharing relevant information with them and giving them control over factors which influence their labour performance” (p. 244).

Furthermore, the leader should continually monitor that their subordinates feel empowered. The leader may also play a part in recognizing the contributions made by employees by emphasizing efforts of an employee as important (Psoinos and Smithson, 2002).

Conflict

Conflict is a process of manifest incompatibility or disagreement between people, groups or organizations. This process is seen as harmful and should be avoided (Rahim *et al.*, 2000).

It is Valdez's (1998) opinion that problems, conflicts and aggression have always been a part of Man's life. Today, much of Man's success and development will depend on the way is solved. Conflict is easily and clearly identifiable in all aspects of life, since it is found in the core of fights, status and ideology differences. The author states that to clearly identify the role of conflict in life and, above all, in the professional perspective, it is necessary to know the components and elements that enable its emergence, control and resolution. For the author, “conflicts arise from a fight between opposites, generating such a tension that may lead the opponents to feel frustration that may finally be expressed as an answer in form of aggression” (pp. 44-46).

For Robbins (1999: 434) conflict is “a process that begins when one part perceives that another party has negatively affected, or is about to negatively affect, something that the first part cares about”. Davis and Newstrom (1999: 337), on the other hand, define conflict as “every situation in which two or more parts oppose. It is an interpersonal process that arises from disagreements on goals to meet or methods to employ to fulfil one those goals”.

There are many tasks within an organizational context that require cooperation and coordination of efforts, where action is fundamental, which is sometimes a source of potential conflict (De Dreu *et al.*, 2003).

Stress

We understand stress as a dynamic condition in which the individual is confronted with an opportunity, a restriction or a quest related to what he/she craves. Maslach *et al.* (2001) argue that much of the research produced in the field of occupational stress has focused on the state and negative consequences of work in the individual.

Stress causes potential negative welfare in employees particularly in terms of physical and psychological complaints (Cooper *et al.*, 2001). For Ponce de León (1997: 40), stress is “an abnormal feeling of an individual’s apparently healthy organs or systems, which, due to a demand for higher performance than normal, pushes them toward the risk of an illness”. Davis and Newstrom (1999: 461) define stress as “the generic term applied to pressure that one feels in life”. On the other hand, Domínguez (1999) states that the great majority of actions that make our society work are inherently stressful and the accepted margin for error when these actions are executed is decreasing, alongside with incompatible levels of stress.

The most common reasons susceptible to provoke stress are work overload, ambiguity of roles and interpersonal relationships (Escot *et al.*, 2001; Parikh *et al.*, 2004).

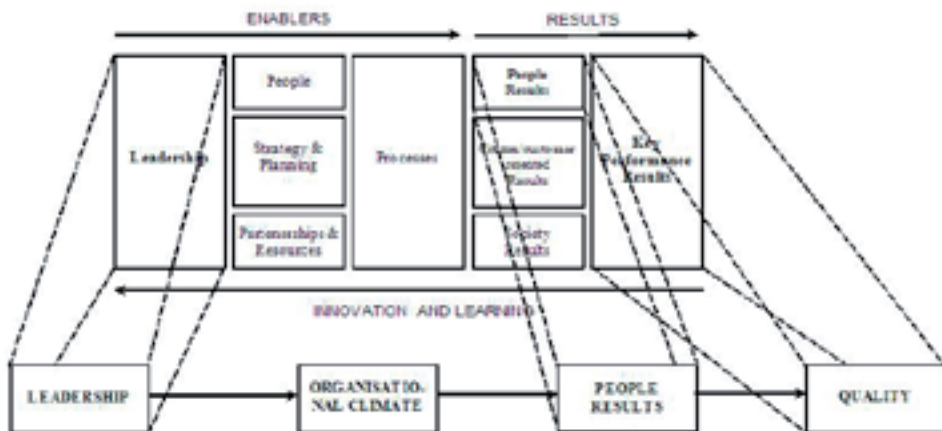
The biggest challenge organisations are facing in the current century is how to achieve a balance between productivity, integration and the morale of their human resources.

3. RESEARCH MODEL

Following up on the previous theoretical grounds, a general model has been defined (figure 1) from which a specific model has derived (figure 2).

Figure 1

GENERAL RESEARCH MODEL



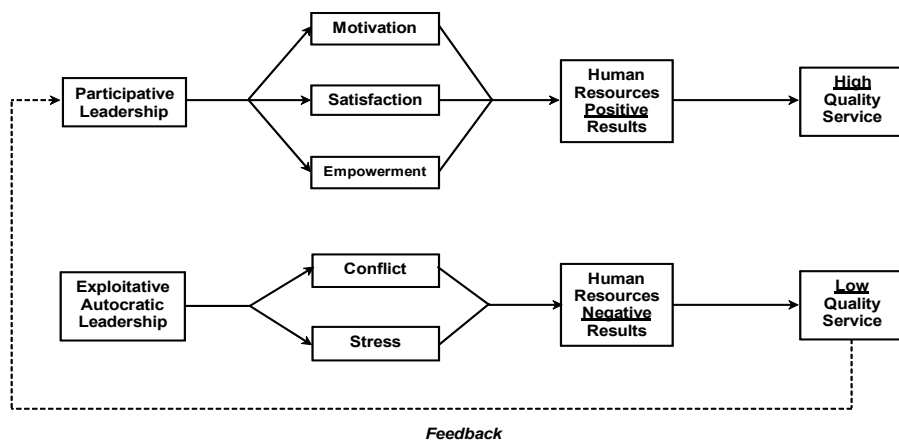
Source: Own.

Basing on the CAF Model, one will try to analyse leadership implications (as a medium of the mentioned model) on some factors that constitute organisational environment, and from there, one will try to identify the impact they have on local council services quality, through the results related to people (as a result of the same model).

For the purposes of this research, two of the four Likert (1967, 1971) leadership styles, that are on opposite ends in the studies developed by the author, will be taken into account (exploitative autocratic and participative leadership).

Figure 2

SPECIFIC RESEARCH MODEL



Source: Own.

4. RESEARCH GOALS

The main goals of our research are to understand:

- The role leadership plays in some factors of the organisational environment;
- The results of the impact of such factors in the organisation’s human resources; and
- Quality of service generated by human resources results.

5. RESEARCH QUESTIONS

Based on the proposed research model and goals, the following specific research questions have been set and will serve as a guide for the development of the empirical study:

Q1: Does participative leadership give a higher degree of importance to the quality of service through a higher level of motivation, satisfaction, empowerment and human resource positive results, as to when compared to exploitative autocratic leadership?

SQ1a: Are individuals who consider their leader to be participative more motivated than those who consider their leader to be exploitative autocratic?

SQ1b: Are individuals who consider their leader to be participative more satisfied than those who consider their leader to be exploitative autocratic?

SQ1c: Are individuals who consider their leader to be participative more empowered than those who consider their leader to be exploitative autocratic?

SQ1d: Do individuals who consider their leader to be participative present higher levels human resource positive results than those who consider their leader to be exploitative autocratic?

Q2: *Does exploitative autocratic leadership give a lower degree of importance to the quality of service through a higher level of conflict, stress and human resource negative results, as to when compared to participative leadership?*

SQ2a: Do individuals who consider their leader to be exploitative autocratic present higher levels of human resource conflict than those who consider their leader to be participative?

SQ2b: Do individuals who consider their leader to be exploitative autocratic present higher levels of human resource stress than those who consider their leader to be participative?

SQ2c: Do individuals who consider their leader to be exploitative autocratic present higher levels of human resource negative results than those who consider their leader to be participative?

6. RESEARCH METHODOLOGY: CASE STUDIES

For the development of the empirical work, the research methodology used will be case study, since it is about a “thorough or intense exam of a feature, a question or, who knows, the events that take place in a geographical landmark throughout the time” (Denny, 1978: 370). Patton (1980), on the other hand, considers case studies to be a particular way of collecting, organising and analysing data. Yin (1993, 1994) believes that the case study method consists of an empirical research that studies a current phenomenon inside a real context, oriented towards situations where the limits between the phenomenon and the context are confused, and a method that uses multiple evidence sources.

According to Rialp (1998: 1-2), by analysing the different phenomena that occur inside an organisation, one could see that these are seldom related to a qualitative methodology. According to the author, management studies should fundamentally search for understanding thus enabling even more organisations’ performance through recommendations that help find a solution for their specific purposes. The author suggests the development’s convenience on a higher scale of a far more applied research style. From this perspective, the researcher may contribute to the organisational management improvement, namely concerning decision making and organisational change implementation processes, aiming at allowing its sustainability and prosperity. It is within this scope that we highlight the qualitative methodology.

Eisenhardt (1989: 535) points out the application of case studies in the following contexts: 1) situations where little is known about a certain phenomenon; 2) in initial stadiums of research on a new subject area; 3) in the analysis of a longitudinal process of change; and 4) in situations where the existing theoretical perspectives are insipient and inadequate or

have a meagre empirical basis. In the author's understanding, case studies may be used to meet several goals: to describe a phenomenon, to prove a theory or to generalise it.

This method offers the opportunity to obtain a holistic perspective – opposed to a reductive one – of any phenomenon, process or series of events, where the researcher's own skills play a major role (Gummesson, 2000, 2003).

In this research, the ground that best justifies the use of the case study method is the one of representativeness. Let us consider the Municipal Council of Póvoa do Varzim, representative of the 14 municipalities that are part of Porto's Metropolitan Area¹ (Portugal), fundamentally because of the following reasons:

- a) It presents an organic structure similar to 10 of them (71%) in which municipal departments and divisions, the latter are to be held as our analysis unit, stand out as the main operational organic levels;
- b) Human resource recruitment follows the same administrative and legal procedures, where tendering for public contracts follow the same selection criteria.

The study of a single case has revealed itself to be adequate and sufficient to meet the goals of this research and to obtain a reliable and wide picture of the phenomenon at hand, involving, in its entirety, 18 semi-structured interviews to advanced technicians in the Municipal Council of Póvoa do Varzim, carried out between June and September 2007.

A mixed analysis has been used, that is, a case study oriented approach combined with an approach oriented towards the set of themes that are related with the defined analytic categories (Miles and Huberman, 1994: 176). This has provided focused and condensed information that constitutes the descriptive and intelligible picture of leadership experiences, organisational environment, results related to the people and quality of municipal public services expressed in the case.

The main concern was, therefore, to achieve a familiarity with the case, considered as an entity in itself, and, simultaneously, to allow for patterns related to the Municipal Council of Póvoa do Varzim's case to arise before proceeding to pattern generalisations.

Despite words being considered to be the most exact and reliable unit for data codification (Krippendorff, 1980: 88; Deegan and Gordon, 1996; Zéghal and Ahmed, 1990), they do not capture the meaning of the message when looked upon individually (Hackston and Milne, 1996). Sentences are said to be those that better collect the ideas or the meaning of what one wants to transmit but, obviously, do not capture camera, graphics or font transmitted information. Nevertheless, we do not hesitate to use the sentence as a data coding unit in the current research paper.

7. RESULTS

Once the model and its CAF-based theoretical justification have been developed, we moved on to its verification by means of the empirical work based on the case's method (single case study). We highlight the fact that this is the first time that such a systematic,

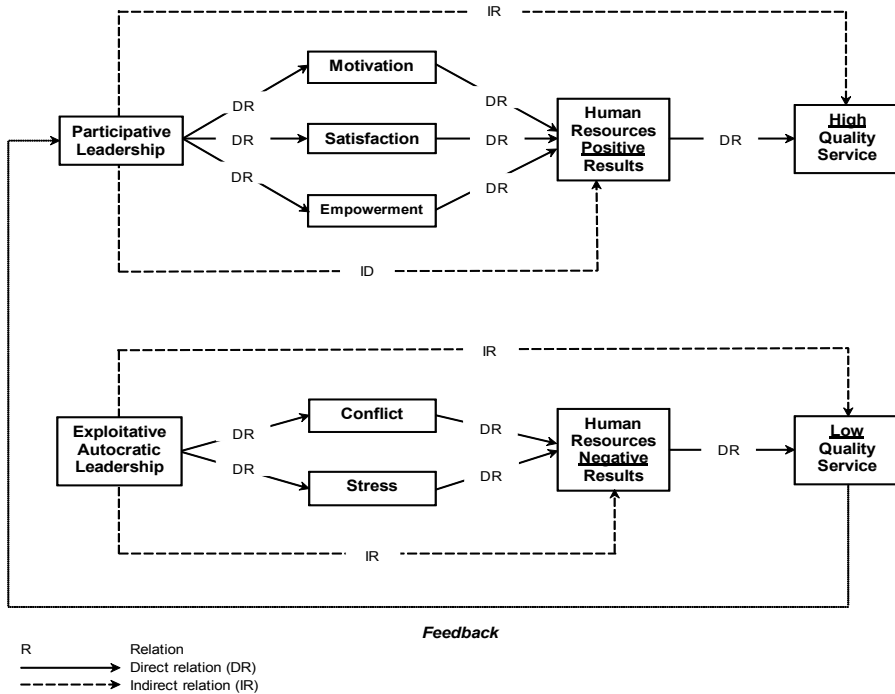
¹ It is constituted by the following municipalities: Arouca; Espinho; Gondomar; Maia; Matosinhos; Porto; Póvoa do Varzim; Santa Maria da Feira; Santo Tirso; São João da Madeira; Trofa; Valongo; Vila do Conde; and Vila Nova de Gaia (www.amp.pt).

holistic and profound academic research on the themes approached applied to the municipal public services is done in Portugal.

From the analysis conducted to the variables of our research model, we present the following relation scheme between themes (figure 3):

Figure 3

RESEARCH PROCESS INTEGRATING SCHEME



Source: Network of ATLAS.ti 5.0.

Main results:

- There is a direct connection between participative leadership and motivation, that is, this type of leadership generates a higher level of motivation on employees, while the exploitative autocratic leader generates a lower level of motivation than the participative leader. The latter orients his/her conduct with the purpose that employees achieve the organisation's common goals.

The empiric study that was carried out shows us that the most valued aspects by the employees and those that lead to higher levels of motivation are the following:

- improvement of the services provided to the citizen;
- recognition of the work done by the higher ranks;

- existence of an adequate level of sociability with fellow co-workers; and
- recognition by fellow co-workers.
- We detected the existence of a direct connection between participative leadership and employees' satisfaction, that is, this type of leadership generates a higher level of employee satisfaction. The exploitative autocratic leadership generates dissatisfaction (or a lower level of satisfaction) than participative leadership.

The indicators most valued by the employees to achieve higher levels of satisfaction are the following:

- personal relations with fellow co-workers;
- work place environment and physical space;
- its hygiene, health and ventilation; and
- work supervision and support received by higher levels.
- We highlight the existence of a direct connection between participative leadership and empowerment, that is, this type of leadership generates a higher level of employee empowerment. The exploitative autocratic leadership generates a lower level of empowerment than participative leadership.

In some organisations, one can detect a feeling of need that will make individuals unable to successfully perform their work or to contribute significantly. The participative leader therefore develops a process that offers a higher level of autonomy and delegates authority to employees, sharing relevant information with them and giving them control over the facts that influence their work performance, as to eliminate feelings of frustration.

- Accordingly, the sources of empowerment most valued by the employees are as follow:
 - improvement of the services provided to the citizen;
 - increase in service efficiency;
 - decrease in bureaucracy;
 - the ability of higher levels to confer autonomy in work performance;
 - increase in human resource motivation; and
 - the ability of higher levels to delegate competences and authority.
- We detected the existence of a direct connection between the motivation, satisfaction and empowerment variables and the human resource positive results variable. The participative leadership variable has a direct connection to organisational environment related variables (motivation, satisfaction and empowerment) prevailing, therefore, an indirect connection between the first (motivation, satisfaction and empowerment) and human resource positive results.
Since most employees consider their head of the department's leadership to be participative, we conclude that these results are superior to those who consider their leader to be exploitative autocratic.
- We also detected the existence of a direct connection between the human resource positive results variable and the high quality services variable. Since most employees consider their leaders to be participative, this means that this type of leadership values service quality by means of a higher level of motivation, satisfaction, empowerment and positive results in human resources, more than exploitative autocratic leadership does, given our research model's cascade construction and the qualitative methodology used.

- We detected that the levels of conflict that exist in the relation head of department-employee are low, insignificant. Nevertheless, it is possible to establish a direct connection between exploitative autocratic leadership and conflict. The exploitative autocratic leader's subordinates show higher levels of human resource conflict than those who consider their leader to be participative.

The exploitative autocratic leader promotes situations where superior-employee and employee-employee relations oppose, resulting in an interpersonal process that emerges from disagreements on the goals to achieve or the methods to be implemented to fulfil those goals.

This process initiates when one notices that the other was or will be negatively affected, something that interests the first part (Robbins, 1999).

The conflict contributed to:

- decrease in the quality of the services provided to the citizen;
 - decrease in human resource results;
 - tension in the work place;
 - conflicting relation with the superior; and
 - conflicting relation with fellow co-workers.
- We witnessed that the stress levels that exist in the relation head of department-employee are low, insignificant, just like what was detected regarding conflict. Nevertheless, we detected the existence of a direct connection between exploitative autocratic leadership variables and stress. Employees under this kind of leadership show higher levels of stress than those who consider their leader to be participative. The exploitative autocratic leader puts his/her employees under stressful conditions, making the employee unable to make correct decisions and exhibiting incorrect conduct. When working under this stressful scheme, the employee will suffer from depression, with obvious consequences to his/her professional and personal life. The tasks performed under stress will reveal ever-increasing errors in their execution. Employees consider stress to be hurtful, especially when work causes tension and worry.
 - There is a direct connection between the conflict and stress variables and the human resource negative results variable. As previously stated, the exploitative autocratic leadership variable has a direct connection to organisational climate related variables (conflict and stress), prevailing, therefore, an indirect connection between the first (exploitative autocratic leadership) and human resources negative results.
 - We also detected a direct connection between the human resource negative results variable and the low quality service variable. The evidence obtained supports that an exploitative autocratic leadership doesn't value service quality as much, by means of higher levels of conflict, stress and human resources negative results, when compared to participative leadership, given our research model's cascade construction and the qualitative methodology used.

The previously stated conclusion strengthens the results obtained in Rua (2005, p. 204) and Rua and González Menorca (2006: 135). Both quantitative studies were held in the Municipal Council of Vila Nova de Gaia (Porto's Metropolitan Area) and shows that "individuals that consider their leader to be exploitative autocratic don't value service quality as much when compared to those who consider their leader to be participative".

We have witnessed the influence that leadership has on some factors that constitute organisational climate, specifically those hereby presented (motivation, satisfaction, empowerment, conflict and stress). This influence has clear repercussions on the quality of municipal public services, by means of people related results.

We concluded that the specific research model presented constitutes a consistent, adequate and realistic instrument to analyse the set of questions underlying this research paper's set of themes.

The Portuguese public administration, with a special focus on local governance for it is closer to the citizens, needs to adequate its management to the new upcoming challenges as it is currently being criticised for having too many employees, for being too expensive, unwelcoming, inefficient and, deep down, for providing low quality services. Through a quality driven management, with participative leaders, public services results can improve, but such improvement will only be achievable by means of profound, structural and continuous changes. Accordingly, self-assessment is currently acknowledged as an important instrument to implement quality management in public services.

The scarcity of public resources strengthens the necessity for management improvement, pursuing the balance between the concepts productivity, equity and quality in the services provided. Changing organisational structures is crucial, in the sense of a higher decentralisation – strengthening local governance qualifications -, in order to face the future in a proactive, assertive and optimistic way.

8. CONCLUSIONS AND LIMITATIONS

The main conclusions of this study are that a participative leader confers higher relevance to the quality of service, through motivation, satisfaction, empowerment and human resources positive results, than an exploitative autocratic leader. However to strengthen these conclusions we will develop, in the near future, a multiple case study research as recommended by Eisenhardt (1989).

Quality of public sector services must, before anything else, provide complete satisfaction to its clients/users, make full use of its employees potentialities, search for processes' modernisation and innovation as well as, directly and indirectly, contribute to the improvement of the surrounding society.

It is up to public authorities, directors and employees to strongly bet on a quality-oriented public service, aiming at the existence of a management philosophy that allows for the achievement of a more effective and efficient service; processes and procedures debureaucratisation and simplification; and the satisfaction of citizens' implicit and explicit needs.

Likert states that what is ideal is the existence of a system characterised by full superior-subordinate trust, judgement power decentralisation, motivation mainly based on rewards, participation and implication, and communication in every way among the mentioned actors.

The performance of an organisation's Human Resource is thus influenced, on the one hand, by the organisation's own characteristics and, on the other hand, by its own individual characteristics, and both of them influence the work environment perceptions.

Human Resource performance is intimately connected to quality of the service provided to the citizen. In Portugal, the evolution facing the focus on total quality, excellence

and quality of service is very slow, and even though we consider this to be the alternative, City Councils must adopt it in order to answer current and future challenges.

The leader assumes a crucial part in the organisation, hence becoming a key element in the dissemination or modification of organisational environment, coming to be the transmitter/catalyst centre of its factors.

Despite the difficulties in implementing quality systems in Portuguese City Councils, leaders must be aware that certain characteristics may cause the staff to provide the citizens with more satisfactory, high quality services.

To invest in quality means to invest in the human quality of City Councils' employees, in their technical training, in changes in the organisation of services and especially in the renewal of mentalities.

However, it is important to analyze the conclusions extracted from the study itself in the context of its limitations. Among them we highlight the subjectivity derived from questioning only the employees, the ones that were evaluated, if their leader is participative or autocratic. They made their own evaluation concerning leadership, organizational climate, human resources and quality service. It is also important to have the leaders' perspective on the behavior of their subordinates in those matters.

The relevance of the concepts studied among this article led us to research its relations and to reach relevant conclusions on each and every formulated question, highlighting the coherence and consistency of the proposed specific research model and its respective relations.

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