What Has Leadership Style Got to do with a University’s Corporate Reputation? Some Empirical Evidence from Malaysian Higher Education Industry

Ahmed Lawal Gusau1

Khor Mi Nee2

Adamkolo Mohammed Ibrahim3*

1Senior Instructor, Department of Mass Communication, Abdugusau Polytechnic, Talata Mafara, Zamfara State, Nigeria
2Proprietor, The Easyway Academy (Sendriana Berhad), Kuala Lumpur, Malaysia
3Lecturer, Department of Mass Communication, University of Maiduguri, Maiduguri, Borno State, Nigeria; Doctoral candidate, Department of Mass Communication, Bayero University, Kano, Nigeria
*Corresponding Author

DOI: https://doi.org/10.36941/mjss-2023-0030

Abstract

This paper examines the correlation between leadership quality and organisational reputation using the RepTrak model in the context of Infrastructure University Kuala Lumpur (IUKL), Malaysia. A simple random sampling technique was employed to select 331 international students from IUKL, who completed a 21-item questionnaire. Data was analysed using SPSS version 23 and positive, moderate correlation (Person’s p = 0.00, r = 0.43) was found between leadership and reputation. The findings of this research will not only contribute to the existing literature on leadership and reputation management but also offer practical implications for leaders and administrators in higher education institutions.

Keywords: corporate communication, leadership style, reputation, higher education institutions, organisations

1. Introduction

Organisational reputation holds significant importance in the success and sustainability of higher education institutions (Gusau, 2013; Kandiko, 2016). It encompasses the perceptions, beliefs, and evaluations that stakeholders, including students, faculty, staff, alumni, employers, and the community, hold about an institution (Kuh et al., 2005). In today’s highly competitive educational landscape, managing and enhancing organisational reputation has become a critical strategic
endeavour for higher education institutions worldwide (Hemsley-Brown, & Oplatka, 2018). This section provides a comprehensive overview of the background and significance of organisational reputation in higher education institutions, with a focus on its implications for attracting students, fostering partnerships, and securing resources (see Kandiko, 2016; Sander, & Stevenson, 2017).

Organisational reputation plays a pivotal role in attracting and retaining high-quality students (Kandiko, 2016). Prospective students often rely on reputation as a crucial decision-making factor when choosing an institution (Kuh et al., 2005). A positive reputation built on academic excellence, research opportunities, student support services, and a vibrant campus life can significantly affect enrolment numbers and the diversity of student populations (Kandiko, 2016; Sander, & Stevenson, 2017). Higher education institutions with strong reputations tend to experience increased competition for admission and higher student yield rates (Kuh et al., 2005).

Organisational reputation serves as a foundation for building partnerships and collaborations with other academic institutions, industry stakeholders, and community organisations (Eyring, 2018). A positive reputation enhances an institution’s credibility, leading to opportunities for joint research projects, student exchange programmes, and philanthropic partnerships. Collaborative initiatives foster innovation, resource sharing, and the exchange of best practices, positioning the institution as a hub of knowledge and expertise (Eyring, 2018).

A favourable organisational reputation also plays a crucial role in attracting resources such as research funding, philanthropic donations, and talented faculty and staff (Kandiko, 2016). Donors and funding agencies are more likely to invest in institutions with strong reputations for delivering impactful research, community engagement, and social responsibility (Kandiko, 2016; Hemsley-Brown, & Oplatka, 2018). Furthermore, a positive reputation helps attract and retain high-quality faculty and staff who seek to work in esteemed institutions that align with their professional aspirations (Kandiko, 2016).

Organisational reputation has a lasting impact on the relationship between an institution and its alumni (Kandiko, 2016). A positive reputation can lead to stronger alumni engagement, increased philanthropic support, and alumni advocacy (Kandiko, 2016; Hemsley-Brown, & Oplatka, 2018). Engaged alumni contribute to the institution’s reputation by serving as brand ambassadors, mentors to current students, and valuable professional connections (Kandiko, 2016).

Organisational reputation plays a fundamental role in the success and sustainability of higher education institutions (Kandiko, 2016). A positive reputation attracts students, builds partnerships, secures resources, and enhances alumni engagement (Kandiko, 2016; Hemsley-Brown, & Oplatka, 2018). Managing and enhancing organisational reputation requires a strategic approach that includes effective leadership, continuous improvement in academic quality, research output, student support services, and community engagement (Kandiko, 2016; Hemsley-Brown, & Oplatka, 2018). Higher education institutions must prioritise reputation management to remain competitive, foster stakeholder trust, and fulfil their mission of providing high-quality education and research (Kandiko, 2016; Hemsley-Brown, & Oplatka, 2018).

Moreover, leadership quality plays a vital role in shaping the reputation of organisations, influencing their performance, and fostering positive relationships with stakeholders (Brown et al., 2005). Effective leadership not only drives organisational success but also cultivates a favourable image and perception in the eyes of stakeholders (Shamir et al., 1993). This section explores the importance of leadership quality in shaping organisational reputation, highlighting its impact on various aspects such as organisational culture, employee engagement, stakeholder trust, and strategic decision-making (Cameron, & Quinn, 2011; Yukl, 2013).

This study aims to explore the correlation between leadership quality and organisational reputation dimensions based on the RepTrak model in the context of IUKL. The findings will contribute to a better understanding of the impact of leadership on organisational reputation and provide valuable insights for IUKL’s reputation management strategies. By identifying the strength of the chosen dimension, which could be correlated with leadership quality, IUKL can effectively align its leadership development efforts, enhance stakeholder perceptions, and strengthen its position as a
reputable higher education institution.

2. Literature Review

2.1 Conceptual Review

Organisational reputation and leadership quality are critical constructs that significantly affect the success and sustainability of organisations (Freeman, 1984; Barney, 1991). This section explores the theoretical foundations that underpin these concepts, highlighting key theories and frameworks that provide insights into understanding and managing organisational reputation and leadership quality (Freeman, 1984; Barney, 1991).

2.2 The RepTrak Model

The RepTrak model is a widely recognised framework used to measure and manage organisational reputation. Developed by the Reputation Institute, this model provides a structured approach to understanding, analysing, and enhancing an organisation’s reputation (Reputation Institute, 2020). This section provides an overview of the RepTrak model and its relevance in measuring organisational reputation, highlighting its key dimensions and the benefits it offers to organisations seeking to manage and improve their reputational capital (Fombrun, & van Riel, 2004; Rindova, & Martins, 2012).

The RepTrak model is a comprehensive framework that assesses an organisation’s reputation based on stakeholder perceptions (Reputation Institute, 2020). It combines empirical research, data analytics, and reputation management principles to provide organisations with actionable insights for reputation enhancement. The model measures reputation across seven dimensions that collectively determine an organisation’s overall reputation (Reputation Institute, 2020) as follows.

1. **Leadership**: The perceived quality and effectiveness of an organisation’s leadership in guiding the organisation towards its goals (see Van Wart, & Suino, 2011).
2. **Governance**: The extent to which an organisation demonstrates ethical behaviour, transparency, and responsible governance practices (see Van Riel, & Fombrun, 2007).
3. **Performance**: Stakeholder perceptions of an organisation’s financial performance, product/service quality, and overall business success (see Roberts, & Dowling, 2002).
4. **Citizenship**: The organisation’s commitment to corporate social responsibility, environmental sustainability, and positive societal impact (see Verhoeven et al., 2011).
5. **Workplace**: Stakeholder perceptions of the organisation as an employer, including employee satisfaction, diversity, and work environment (see Van Wart, & Suino, 2011).
6. **Innovation**: Stakeholder perceptions of an organisation’s ability to innovate, develop new products/services and drive industry advancements (see Van Wart, & Suino, 2011).
7. **Products/Services**: The quality, reliability, and value of an organisation’s offerings as perceived by stakeholders (see Fombrun, & van Riel, 2004).

2.3 Measuring Organisational Reputation

The RepTrak model utilises a survey-based methodology to collect stakeholder feedback and generate reputation scores for each dimension (Reputation Institute, 2020). Through carefully designed questionnaires and data analysis, the model captures stakeholders’ perceptions, emotions, and behaviours towards an organisation, enabling a quantitative assessment of reputation. The resulting reputation scores provide organisations with a clear understanding of their strengths and areas for improvement, helping them make informed decisions and prioritise reputation management efforts (Reputation Institute, 2020).
2.4 Benefits and Applications of the Model

The RepTrak model offers several benefits to organisations in measuring and managing their reputation:

a) **Benchmarking**: The model allows organisations to compare their reputation scores against industry peers, competitors, or global standards, providing valuable benchmarking insights (Reputation Institute, 2020).

b) **Targeted Reputation Management**: By identifying specific areas of strength or weakness in each dimension, organisations can focus their efforts on reputation management strategies that address key stakeholder concerns (Reputation Institute, 2020).

c) **Stakeholder Insights**: The model provides organisations with a deep understanding of stakeholder perceptions and expectations, enabling more targeted and effective communication and engagement initiatives (Reputation Institute, 2020).

d) **Crisis Preparedness**: The RepTrak model helps organisations identify reputational risks and vulnerabilities, enabling them to proactively develop crisis management plans and enhance resilience (Reputation Institute, 2020).

e) **Reputation ROI**: By tracking changes in reputation scores over time, organisations can assess the impact of reputation management efforts on key business outcomes, such as customer loyalty, employee retention, and financial performance (Reputation Institute, 2020).

The RepTrak model is a valuable tool for measuring and managing organisational reputation (Reputation Institute, 2020). Its structured framework and multidimensional approach enable organisations to gain actionable insights, benchmark against industry standards, and strategically prioritise reputation management efforts (Fombrun & van Riel, 2004; Rindova & Martins, 2012). By utilising the RepTrak model, organisations can enhance their understanding of stakeholder perceptions, identify reputation gaps, and develop targeted strategies to build and safeguard their reputation over time (Reputation Institute, 2020).

2.5 Organisational Reputation and Related Theories

**a. Stakeholder theory:**

Stakeholder theory posits that organisations exist within a network of relationships with various stakeholders who influence and are influenced by the organisation. The theory emphasises the importance of meeting stakeholders’ expectations and managing relationships to maintain a positive reputation (Freeman, 1984).

**b. Resource-based view (RBV):**

The RBV suggests that an organisation’s reputation can be viewed as a valuable intangible resource that provides a competitive advantage (Barney, 1991). Reputation serves as a source of differentiation, attracting stakeholders and enabling the organisation to access resources and opportunities (Barney, 1991).

**c. Social identity theory:**

Social identity theory explores how individuals identify with and derive their self-concept from the organisations they are associated with (Tajfel & Turner, 1986). Organisational reputation influences the social identity of individuals, affecting their behaviours and attitudes towards the organisation (Tajfel & Turner, 1986).

**d. Leadership Quality: Transformational leadership theory:**

Transformational leadership theory posits that leaders who inspire and motivate followers through vision, charisma, and intellectual stimulation can have a profound impact on organisational outcomes. Transformational leaders enhance follower commitment, satisfaction, and performance, ultimately contributing to organisational success (Seitz & Owens, 2021).

**e. Authentic leadership theory:**
Authentic leadership theory emphasises the importance of leaders being true to themselves and their values (Avolio & Gardner, 2005). Authentic leaders build trust, promote positive organisational cultures, and demonstrate ethical behaviour, which in turn contributes to organisational reputation (Avolio, & Gardner, 2005).

f. Leader-member exchange (LMX) theory:
LMX theory focuses on the quality of relationships between leaders and followers (Graen, & Uhl-Bien, 1995). High-quality leader-member exchanges characterised by mutual trust, respect, and support, result in higher levels of follower satisfaction, commitment, and organisational citizenship behaviours (Graen, & Uhl-Bien, 1995).

g. Social exchange theory:
Social exchange theory posits that leaders and followers engage in a reciprocal relationship where they exchange resources and support (Blau, 1964). Leaders who provide support, recognition, and development opportunities establish positive exchanges with followers, enhancing their commitment and organisational reputation (Blau, 1964).

Theoretical foundations provide a framework for understanding the complex dynamics of organisational reputation and leadership quality (Freeman, 1984; Barney, 1991). Concepts such as stakeholder theory, resource-based view, social identity theory, transformational leadership theory, authentic leadership theory, LMX theory, and social exchange theory offer valuable insights into the factors that shape organisational reputation and the qualities that define effective leadership (Freeman, 1984; Barney, 1991). By integrating these theoretical perspectives, organisations can develop strategies to enhance their reputation, cultivate leadership qualities, and foster positive relationships with stakeholders (Freeman, 1984; Barney, 1991).

2.6 Relationship between Organisational Leadership and Reputation

The relationship between leadership and organisational reputation has been the subject of extensive research (Avolio et al., 2004; Bass, & Riggio, 2006; Gusau et al., 2022, 2023). Understanding how leadership qualities and behaviours affects organisational reputation is crucial for organisations seeking to enhance their image and build stakeholder trust. This section provides an overview of previous research that explores the relationship between leadership and organisational reputation, highlighting key findings and theoretical perspectives (Avolio et al., 2004; Bass, & Riggio, 2006).

a. Impact of transformational leadership:
Transformational leadership has been widely studied in relation to organisational reputation. Research has consistently shown a positive association between transformational leadership and organisational reputation (Walumbwa et al., 2011). Transformational leaders inspire and motivate their followers, instilling a sense of purpose and commitment. They shape organisational culture, enhance employee engagement, and foster positive stakeholder perceptions, ultimately contributing to a favourable organisational reputation.

Transformational leadership has been extensively studied in the literature due to its significant impact on various organisational outcomes, including organisational reputation. This review examines the existing literature on the impact of transformational leadership on organisational reputation, highlighting key findings and theoretical perspectives.

Several studies have consistently shown a positive association between transformational leadership and organisational reputation. Bass and Riggio (2006) emphasise that transformational leaders inspire and motivate their followers to transcend self-interest for the collective good of the organisation. By articulating a compelling vision, providing intellectual stimulation, and serving as a role model, transformational leaders shape the organisational culture and positively influence stakeholder perceptions.

Research by Avolio et al. (2004) supports the idea that transformational leadership is positively related to organisational reputation. They found that organisations with
transformational leaders were more likely to be perceived as ethical, socially responsible, and trustworthy. Transformational leaders exhibit characteristics such as charisma, idealised influence, intellectual stimulation, and individualised consideration, which contribute to positive stakeholder evaluations and enhance organisational reputation. Additionally, studies have explored the mediating mechanisms through which transformational leadership affects organisational reputation. Eisenbeiss et al. (2008) found that transformational leadership positively influenced employee satisfaction, which in turn enhanced organisational reputation. They suggested that transformational leaders create a positive work environment, empower employees, and foster trust, leading to higher levels of satisfaction among employees and improved organisational reputation.

The theoretical underpinnings of the impact of transformational leadership on organisational reputation can be attributed to social exchange theory. By fostering high-quality leader-member exchanges, transformational leaders create an environment of mutual trust and respect (Graen, & Uhl-Bien, 1995). This positive exchange relationship between leaders and followers translates into enhanced organisational reputation, as stakeholders perceive the organisation as having trustworthy and effective leadership.

The extant literature demonstrates the significant impact of transformational leadership on organisational reputation. Transformational leaders, through their inspiring and motivating behaviours, shape the organisational culture, enhance stakeholder perceptions, and foster positive relationships. The positive association between transformational leadership and organisational reputation has been consistently supported in research. By cultivating transformational leadership qualities, organisations can enhance their reputation, build stakeholder trust, and achieve sustainable success (Graen, & Uhl-Bien, 1995; Walumbwa et al., 2011).

b. Ethical leadership and reputation:

Ethical leadership has also been linked to organisational reputation. Ethical leaders demonstrate integrity, honesty, and fairness, which are valued by stakeholders and contribute to positive organisational reputation (Brown, & Treviño, 2006). Studies have shown that ethical leadership is associated with increased stakeholder trust, improved corporate image, and enhanced reputation for social responsibility (Abdullah, & Abdul Aziz, 2013; Brown et al., 2005). The relationship between ethical leadership and organisational reputation has been a topic of significant interest in the literature. This review examines the existing research on ethical leadership and its impact on organisational reputation, highlighting key findings and theoretical perspectives.

Numerous studies (e.g., Eisenbeiss et al., 2005; Mayer et al., 2009) have consistently demonstrated a positive association between ethical leadership and organisational reputation. Brown et al. (Eisenbeiss et al., 2005) argue that ethical leaders act as moral role models, promoting ethical behaviour and creating an ethical climate within the organisation. They found that organisations led by ethical leaders tend to have a stronger reputation for ethical conduct and social responsibility. Research by Mayer et al. (2009) supports the positive relationship between ethical leadership and reputation. They found that leaders who demonstrate ethical behaviour, such as fairness, integrity, and transparency, enhance stakeholder perceptions of the organisation’s ethical values, resulting in a positive reputation for ethical conduct. Ethical leadership also influences stakeholder trust, which in turn affects organisational reputation. Treviño et al. (2003) found that ethical leaders are more likely to earn the trust of their followers and stakeholders. Stakeholders perceive organisations led by ethical leaders as trustworthy, which contributes to a positive reputation for integrity and reliability.

Moreover, studies have explored the underlying mechanisms through which ethical leadership influences organisational reputation. Long et al. (2018) found that ethical leadership positively influences employee behaviours, such as organisational citizenship.
behaviours and customer service behaviours. These positive employee behaviours, in turn, contribute to a positive reputation for the organisation. The theoretical foundations of ethical leadership and reputation can be attributed to social exchange theory. Ethical leaders create an environment of fairness and reciprocity, fostering positive leader-member exchanges (Blau, 1964). This positive exchange relationship between leaders and followers translates into enhanced organisational reputation, as stakeholders perceive the organisation as ethically responsible and trustworthy.

The extant literature provides strong evidence for the positive relationship between ethical leadership and organisational reputation. Ethical leaders, through their ethical behaviour and the creation of an ethical climate, shape stakeholder perceptions and contribute to a positive reputation for the organisation. The association between ethical leadership and organisational reputation has been consistently supported in research as shown in previously. By promoting ethical leadership, organisations can enhance their reputation, build stakeholder trust, and foster sustainable success (Gusau et al., 2022, 2023).

2.7 Role of Leadership Communication

Effective leadership communication has been found to have a significant impact on organisational reputation. Leaders who engage in transparent and authentic communication practices are more likely to foster stakeholder trust and positively influence organisational reputation (Gardner, & Brooks, 2018). Open and honest communication helps build credibility, mitigates reputational risks, and strengthens relationships with stakeholders. The role of leadership communication in organisations has garnered significant attention in the literature. This review examines the existing research on the impact of leadership communication on organisational reputation, highlighting key findings and theoretical perspectives.

Numerous studies have demonstrated the importance of effective leadership communication in shaping organisational reputation (Coombs, & Holladay, 2006; Gardner, & Brooks, 2018). Research by Men et al. (2017) found that leaders who engage in transparent and authentic communication practices are more likely to enhance stakeholder perceptions of the organisation. Effective communication helps build credibility, fosters trust, and positively influences organisational reputation. Effective leadership communication is also crucial during times of crisis. Research by Coombs and Holladay (2006) highlights the importance of timely, transparent, and empathetic communication during crises. Leaders who communicate openly and effectively during crises can mitigate reputational damage and preserve stakeholder trust in the organisation.

Furthermore, research has explored the role of leadership communication in building and maintaining positive relationships with stakeholders. Huang et al. (2016) found that leader communication behaviours, such as openness, clarity, and responsiveness, positively influence stakeholder satisfaction and trust. Positive stakeholder relationships contribute to a positive organisational reputation.

Theoretical perspectives on leadership communication and reputation include the information-processing perspective. According to this perspective, effective leadership communication provides stakeholders with valuable information about the organisation’s values, actions, and intentions (Grunig, 1989). Stakeholders use this information to form perceptions of the organisation, influencing its reputation. Additionally, the attribution theory sheds light on the role of leadership communication in reputation formation. Attribution theory suggests that stakeholders attribute the organisation’s reputation based on leaders’ communication behaviours (Whetten, & Mackey, 2002). When leaders communicate ethically, honestly, and transparently, stakeholders are more likely to attribute a positive reputation to the organisation.

The extant literature underscores the vital role of leadership communication in shaping organisational reputation. Effective communication practices, including transparency, authenticity, timeliness, and empathy; contribute to positive stakeholder perceptions and organisational
reputation. The relationship between leadership communication and organisational reputation has been consistently supported in research. By prioritising and cultivating effective leadership communication, organisations can enhance their reputation, build stakeholder trust, and foster sustainable success (Ahearne et al., 2005; Waldman et al., 2001).

2.8 Perceptions of Leadership Competence

The perceptions of leadership competence and their impact on organisational reputation have been widely explored in the literature. This review examines the existing research on the relationship between perceptions of leadership competence and organisational reputation, highlighting key findings and theoretical perspectives (Ahearne et al., 2005). Multiple studies have consistently demonstrated a positive association between perceptions of leadership competence and organisational reputation. Leaders who are perceived as competent, knowledgeable, and skilled tend to enhance stakeholder perceptions of the organisation's capabilities and contribute to a positive organisational reputation (Ahearne et al., 2005; Waldman et al., 2001).

Research by Waldman et al. (2001) supports the notion that leadership competence positively influences organisational reputation. They found that leaders who are perceived as competent in their roles contribute to positive organisational outcomes, such as organisational performance and stakeholder evaluations. Stakeholders perceive organisations led by competent leaders as capable and trustworthy. Moreover, research has explored the underlying mechanisms through which perceptions of leadership competence affect organisational reputation. Brown et al. (2005) found that leaders who exhibit ethical behaviour and demonstrate integrity and competence enhance stakeholder perceptions of the organisation's ethical values and reputation for ethical conduct.

Theoretical perspectives on perceptions of leadership competence and organisational reputation include social cognition theory. This theory suggests that individuals form perceptions of leaders' competence based on observable behaviours and information cues (Fiske, & Taylor, 1991). Stakeholders evaluate leaders based on their knowledge, expertise, and demonstrated skills, which, in turn, influence their perceptions of the organisation's reputation. Furthermore, the signalling theory provides insights into how perceptions of leadership competence influence organisational reputation. Signalling theory suggests that, leaders' competence acts as a signal to stakeholders about the organisation's capabilities and quality (Spence, 1973). Stakeholders interpret leaders' competence as an indicator of the organisation's ability to achieve its goals and deliver quality products or services.

The extant literature emphasises the positive relationship between perceptions of leadership competence and organisational reputation. Leaders who are perceived as competent enhance stakeholder perceptions of the organisation's capabilities, trustworthiness, and ethical conduct. The association between perceptions of leadership competence and organisational reputation has been consistently supported in research. By cultivating and demonstrating leadership competence, organisations can enhance their reputation, build stakeholder trust, and foster sustainable success.

3. Empirical Review

Fuller et al. (2023) found that leadership behaviours such as transformational leadership, ethical leadership, and authentic leadership positively affect organisational culture, which in turn affects organisational reputation. Harter et al. (2002) conducted a study that demonstrated a positive correlation between effective leadership quality and employee engagement, which has implications for organisational reputation. Mayer et al. (2009) supported the positive relationship between ethical leadership and stakeholder trust, which is a fundamental component of organisational reputation. Hambrick (2007) suggested that leadership quality influences strategic decision-making processes, which can affect organisational reputation over time. Al-Khrabsheh et al. (2022) and Akter and Islam (2023) emphasised the importance of effective leadership in crisis management, as it significantly affects how the organisation handles and recovers from crises, which can have implications for
organisational reputation.

Leadership quality significantly influences organisational culture, which, in turn, affects organisational reputation (Al-Khrabsheh et al., 2022). Leaders who exhibit positive leadership qualities such as transformational leadership, ethical leadership, and authentic leadership create a culture characterised by trust, integrity, and a sense of purpose, contributing to a positive organisational reputation. Effective leadership quality is positively correlated with employee engagement, which affects organisational reputation (Harter et al., 2002). Employees who perceive their leaders as supportive, empowering, and inspirational exhibit higher levels of engagement, positively influencing organisational reputation.

Leadership quality also influences stakeholder trust, a fundamental component of organisational reputation (Mayer et al., 2009). Leaders who demonstrate integrity, competence, and ethical behaviour are more likely to earn the trust of stakeholders, enhancing the organisation's reputation for ethical conduct and reliability. Leadership quality affects strategic decision-making processes, which have implications for organisational reputation (Hambrick, 2007). Leaders who possess a strategic vision and make informed decisions considering the long-term impact on stakeholders contribute to a positive organisational reputation over time. Leadership quality is crucial in crisis management, as it significantly affects how the organisation handles and recovers from crises (Akter, & Islam, 2023). Leaders who demonstrate strong crisis management skills, transparency, and timely communication can mitigate the impact of crises on organisational reputation.

The existing literature consistently supports a positive correlation between leadership quality and organisational reputation. Effective leadership quality positively influences organisational culture, employee engagement, stakeholder trust, strategic decision-making, and crisis management, all of which contribute to a positive organisational reputation. By prioritising leadership development and cultivating leaders who embody integrity, competence, and ethical practices, organisations can enhance their reputation, gain stakeholder trust, and achieve long-term success (Akter, & Islam, 2023; Hambrick, 2007).

4. Theoretical Framework

The RepTrak model, developed by the Reputation Institute, is widely recognised as a comprehensive framework for measuring organisational reputation (Reputation Institute, 2020). It encompasses key dimensions that influence stakeholders’ perceptions and evaluations of an organisation. This section examines the key dimensions of the RepTrak model and explores their relevance to IUKL, considering the unique context of the institution. The overall reputation dimension of the RepTrak model represents the collective perception stakeholders hold about an organisation (Reputation Institute, 2020). It reflects the general impression and evaluation of the organisation’s performance, products, services, and behaviours. For IUKL, the overall reputation dimension is relevant as it captures stakeholders’ overall assessment of the institution’s academic quality, research contributions, industry relevance, and community engagement (Gusau et al., 2022, 2023).

The products and services dimension assesses stakeholders’ perceptions of the quality and value of the organisation’s offerings (Reputation Institute, 2020). In the case of IUKL, this dimension is pertinent as it reflects stakeholders’ evaluation of the academic programmes, teaching quality, facilities, and student support services provided by the university. Positive perceptions in this dimension indicate that IUKL offers valuable and relevant products and services that meet stakeholders’ expectations.

The innovation dimension measures stakeholders’ perceptions of an organisation’s ability to develop and deliver innovative solutions (Reputation Institute, 2020). For IUKL, this dimension is significant as it reflects stakeholders’ assessment of the institution’s research and development activities, industry partnerships, and contributions to knowledge creation and application. Demonstrating a commitment to innovation enhances IUKL’s reputation as a forward-thinking and dynamic institution.
The workplace dimension focuses on stakeholders’ perceptions of the organisation as an employer (Reputation Institute, 2020). It evaluates factors such as work environment, employee well-being, diversity and inclusion, and opportunities for professional growth. In the context of IUKL, this dimension is relevant as it represents stakeholders’ perception of the institution as an attractive workplace for faculty and staff, reflecting the organisation’s commitment to employee satisfaction, development, and work-life balance.

The governance dimension assesses stakeholders’ perceptions of the organisation’s leadership, transparency, and ethical practices (Reputation Institute, 2020). For IUKL, this dimension is crucial as it reflects stakeholders’ evaluation of the institution’s governance structures, leadership quality, and adherence to ethical standards. Demonstrating strong governance practices enhances stakeholders’ trust and confidence in IUKL’s management, contributing to a positive organisational reputation.

The citizenship dimension captures stakeholders’ perceptions of the organisation’s social responsibility and community engagement efforts (Reputation Institute, 2020). This dimension is highly relevant to IUKL as it reflects stakeholders’ evaluation of the institution’s commitment to sustainable practices, community development initiatives, and contributions to society. Demonstrating responsible and proactive citizenship enhances IUKL’s reputation as an institution that positively affects its surrounding community (Gusau et al., 2022).

The key dimensions of the RepTrak model provide a comprehensive framework for assessing and managing organisational reputation (Reputation Institute, 2020). For IUKL, understanding the relevance of these dimensions is crucial for effectively managing its reputation and fostering positive stakeholder perceptions. By focusing on dimensions such as overall reputation, products and services, innovation, workplace, governance, and citizenship, IUKL can strategically align its efforts to enhance stakeholder trust, attract students and talent, foster partnerships, and strengthen its position in the higher education landscape.

5. Material and Methods

Understanding the correlation between leadership quality and organisational reputation is crucial for higher education institutions like Infrastructure University Kuala Lumpur (IUKL) to effectively manage their reputation and achieve sustainable success. This study aims to conduct a correlation analysis between leadership quality and the dimensions of organisational reputation based on the RepTrak model in the specific context of IUKL. By examining these relationships, this research seeks to provide valuable insights into the impact of leadership on the reputation of the institution across various dimensions.

5.1 Research Design and Population

Given the focus of this study on examining the correlation between the population of foreign or international students and the reputation of IUKL as a corporate academic organisation, a survey research approach was deemed appropriate. This approach was particularly suitable due to the involvement of a large sample of international students (Singh, 2022). Data were collected using a self-administered questionnaire, with the population of interest being the international students at IUKL in Malaysia. International students were defined as non-Malaysian students who were registered at IUKL.

5.2 Sample and Sampling Technique

Surveying the entire population of foreign students at IUKL was impractical, thus necessitating the selection of a representative sample from the sampling frame (Singh, 2022). To ensure data generalisation and equal chances of selection for all population elements (Singh, 2022), a simple
random sampling technique was employed to recruit the study respondents. This approach, based on probability sampling, allows for generalisability, as the sample is randomly chosen and assumed reflective of all respondents (Wimmer, & Dominick, 2013). The population size for this study was 1,852, and using Krejcie and Morgan’s (1970) sampling calculator, a sample size of 319 respondents was determined to be sufficient to represent the population.

5.3 Location of the Study

The study was conducted at IUKL, which was established in 1998 as the center of Kumpulan Ikram tertiary education activities. Over the years, it underwent several changes, with its name evolving from Ikram College of Technology (ICT) to Kuala Lumpur Infrastructure University College (KLIUC) and eventually becoming IUKL in 2012. IUKL aspires to be a globally renowned infrastructure university, providing quality education, advanced knowledge, state-of-the-art technology, and excellent professional services (IUKL Website, 2022).

IUKL was chosen for this study due to several reasons. Firstly, unlike many public universities that primarily admit international students at the postgraduate level, IUKL is a private university that internationalises its innovative strategy by offering admissions to both undergraduate and postgraduate international students. Secondly, the significant population of international students at IUKL, constituting up to 40% of the total student population, necessitates an assessment of their perception of the university’s reputation due to cultural and social differences. Thirdly, IUKL is undergoing important transformations, including rebranding efforts, infrastructure upgrades, and construction of modern buildings. Therefore, it is crucial to assess whether these innovations are correlated with the university’s reputation (IUKL Website, 2022). Furthermore, IUKL’s extensive experience of over 20 years in providing quality education, its global affiliations with renowned universities worldwide, and its 5-star rating in the teaching and facilities category in the 2020 QS rating make it worth evaluating its reputation (IUKL Website, 2022; QS, 2020).

5.4 Research Instruments, Adaptation, Pre-Testing and Organisation

The research instrument utilised in this study was RepTrak, which measures seven dimensions: leadership, financial performance, workplace, innovation, governance, products and services, and citizenship. However, for the purpose of this study, only two dimensions were adapted, i.e., ‘leadership’ and ‘reputation’. To ensure reliable results, RepTrak Pulse was also tested as the dependent variable, encompassing esteem, feelings, admiration, and trust. The instrument was adapted from Gusau et al. (2022), who also adapted from Gusau (2013).

A pilot study was conducted to assess the reliability of the RepTrak model. Twenty-one questionnaires, representing 10% of the sample, were administered to international students. The results indicated a reliability score of 0.92 Cronbach’s alpha, as shown in Table 1.

Table 1: Reliability of test of RepTrak model-based instrument

<table>
<thead>
<tr>
<th>Scale’s Cronbach’s alpha</th>
<th>Cronbach’s alpha of RepTrak model</th>
<th>Number of items</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.92</td>
<td>0.96</td>
<td>21</td>
</tr>
</tbody>
</table>

5.5 Operationalisation of Variables

In this study, the adapted dimension of the RepTrak model is citizenship, while the dependent variable is reputation, which is based on the emotional appeal of students, including their esteem, admiration, respect, trust, and positive feelings towards IUKL. Therefore, the citizenship dimension was examined to determine IUKL’s reputation.
5.6 Validity and Reliability of the Instrument

The instrument utilised a 7-point Likert scale (see Table 2); where respondents ranked their choices from 1) strongly disagree to 7) strongly agree. The Likert scale was selected due to its precision, lack of ambiguity, suitability for statistical manipulation and analysis, and applicability to both natural and behavioural research. It possesses the attributes of a good scale, including a definite order and standardised distance. Additionally, interval ratios, such as the Likert scale, offer higher validity than ordinal or nominal scales, allowing for measurements such as arithmetic mean, standard deviation, coefficient of variation, and variance (Ponzio et al., 2011).

The RepTrak model has demonstrated strong scale reliability (Ponzio et al., 2011), indicating consistent and stable measurements across time and various items in the instrument. The model exhibits convergent validity, with a variance extracted from all independent variables to the latent variable of 0.92, surpassing the benchmark of 0.50 (Ponzio et al., 2011), as depicted in Table 3. Convergent validity ensures that the variables are valid for measurement and aligned with the concept.

5.7 Data analysis and Statistical Significance

The study employed data analysis techniques ranging from descriptive data, such as measures of central tendency, to inferential data. Frequency analysis was utilised to describe each dataset. In terms of inferential data, the relationship between two variables was examined. Since the interval scale represents a continuous variable, Pearson’s Product Moment Correlation analysis was employed as the statistical tool. The value of a Pearson’s correlation ranges from 0.00 to 1.00, allowing for the assessment of positive or negative linear relationships. A positive relationship indicates that both variables increase and decrease together, while a negative relationship implies that one variable decreases as the other increases. The data was analysed using the Statistical Package for Social Sciences (SPSS) software version 23.

6. Results and Discussion

6.1 Results

According to the data presented in Table 2, the responses of students indicate that IUKL possesses well-organised leadership. Out of the 331 students who participated in the research, 98 students agreed that IUKL has well-organised leadership, 88 students partially agreed, 52 students strongly agreed, 47 students were uncertain, 24 students disagreed, 12 students partially disagreed, and 10 students strongly disagreed. The mean score for this question is 5.09, indicating a high average score based on the student responses.

Moving on to the next question, which assessed whether IUKL has an appealing leader, 110 respondents partially agreed, 97 students agreed, 52 students strongly agreed, 47 students were uncertain, 18 students disagreed, 18 students partially disagreed, and 2 students strongly disagreed. The mean score for the total responses to this question is 5.26, indicating a high rating based on the student responses.

The third question focused on students’ perspectives regarding whether IUKL has excellent management. According to the data, 107 students agreed that IUKL has excellent management, 54 students strongly agreed, 97 students partially agreed, 32 students were uncertain, 24 students disagreed, 11 students partially disagreed, and 6 students strongly disagreed. The mean score for this question is 5.24, confirming that IUKL is perceived to have excellent management.

The final question pertained to IUKL’s clear vision. Among the respondents, 106 students agreed that the institution has a clear vision, 97 students partially agreed, and 87 students strongly agreed. Additionally, 27 students were uncertain, 14 students disagreed, and none of the respondents strongly
disagreed. The mean score for the responses to this question is 5.66, indicating a high rating based on the student responses.

Table 2: Distribution of respondents’ responses on IUKL’s leadership \((n = 331)\)

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly disagree</th>
<th>Partially disagree</th>
<th>Disagree</th>
<th>Not sure</th>
<th>Partially disagree</th>
<th>Agree</th>
<th>Strongly agree</th>
<th>Mean Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>IUKL has a well-organised leadership.</td>
<td>3 %</td>
<td>3.6 %</td>
<td>7.6 %</td>
<td>14.2 %</td>
<td>26.6 %</td>
<td>29.6 %</td>
<td>15.7 %</td>
<td>5.09</td>
</tr>
<tr>
<td>IUKL has an appealing leader.</td>
<td>0.6 %</td>
<td>2.7 %</td>
<td>5.4 %</td>
<td>13 %</td>
<td>32.2 %</td>
<td>29.3 %</td>
<td>15.7 %</td>
<td>5.26</td>
</tr>
<tr>
<td>IUKL has excellent management.</td>
<td>1.8 %</td>
<td>3.3 %</td>
<td>7.3 %</td>
<td>9.7 %</td>
<td>29.3 %</td>
<td>32.3 %</td>
<td>16.3 %</td>
<td>5.24</td>
</tr>
<tr>
<td>IUKL has a clear vision for its future.</td>
<td>0 %</td>
<td>4.2 %</td>
<td>8.2 %</td>
<td>29.3 %</td>
<td>32 %</td>
<td>0.9 %</td>
<td>0.9 %</td>
<td>5.66</td>
</tr>
</tbody>
</table>

A careful examination of Table 3 reveals a moderate correlation between leadership and the reputation of IUKL, indicated by a Pearson's \(r\) value of 0.43 and a significant level of \(p < 0.00\). This finding highlights that a stronger leadership contributes to a better reputation for the institution.

Table 3: Relationship between IUKL’s leadership and its reputation

<table>
<thead>
<tr>
<th>Variable</th>
<th>(p)</th>
<th>(R)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership IUKL’s Reputation</td>
<td>0 .00</td>
<td>0.43**</td>
</tr>
</tbody>
</table>

Note: **Correlation is significant at the 0.05 level \(2\) tailed

6.2 Discussion

In order to assess the reputation of IUKL in terms of its proactive approach, an examination of one out of five RepTrak dimensions was conducted. Thus, the focus of the study was on leadership, which holds immense significance within a university setting. The establishment of strong leadership is pivotal, as any organisation that neglects this crucial aspect is essentially setting itself up for failure. Effective leadership plays a vital role in directing and supporting the organisation, while demonstrating strategic competence to generate value.

Leadership is driven by three key factors. Firstly, the presence of a strong and respected leader is essential. Such a leader must establish a vision, effectively communicate it, build cohesive teams, and empower employees. Additionally, a leader who upholds high moral and ethical standards fosters trust among stakeholders. It has been observed that an unethical culture within a business can influence employees to act unethically as well (Tabiu, 2023).

The second driver of leadership is the clarity of the leader’s vision in carrying out their responsibilities. The vision outlines the purpose and objectives of the university, and adhering to these visions enhances the reputation of Malaysian universities by aligning their intended identities with their perceived identities.

The third driver of credible leadership is organisational effectiveness. An organisation’s seriousness can be perceived through its level of organisation. Internal organisation entails establishing emotional connections between leadership and followership, ensuring the translation of the vision to employees’ understanding, facilitating effective downward communication, encouraging upward communication for feedback, and fostering a win-win dynamic between leadership and employees (Sah, & Abdullah, 2016; Zulhamri, 2008).

Based on the findings, it is evident that international students perceive IUKL’s leadership positively. This finding aligns with existing literature, demonstrating a strong and significant positive correlation between IUKL’s leadership and its reputation \((p < 0.00)\). This outcome is favourable for the institution’s leadership, emphasising the importance of maintaining and reaffirming their leadership style. Thus, our initial alternative hypothesis is confirmed, indicating a significant relationship between IUKL’s leadership and its reputation.
7. Implications of the Findings

Previous research has consistently highlighted the relationship between leadership and organisational reputation. Transformational leadership, ethical leadership, effective communication, leadership competence, and employee satisfaction have been identified as key factors that influence organisational reputation. Understanding and leveraging these relationships is crucial for organisations seeking to build and maintain a positive reputation. By cultivating effective leadership qualities and behaviours, organisations can enhance stakeholder perceptions, build trust, and ultimately strengthen their overall reputation.

The correlation between leadership quality and organisational reputation is an important area of research, as it sheds light on how leadership behaviours and practices can influence stakeholder perceptions and evaluations of an organisation. In the context of IUKL, understanding this correlation can have significant implications for reputation management and overall institutional success. Just as the current study has found a positive and significant correlation between IUKL’s leadership style and reputation, research has shown that leadership quality has a positive impact on organisational reputation across various dimensions. A study by Brown et al. (2005) found that ethical leadership positively influenced organisational reputation, as it signals the organisation’s commitment to ethical behaviour and responsible practices. Similarly, transformational leadership, characterised by visionary and inspirational leadership behaviours, has been linked to enhanced organisational reputation (Bass, & Riggio, 2006).

The RepTrak model provides a comprehensive framework for measuring organisational reputation, including dimensions such as overall reputation, products and services, innovation, workplace, governance, and citizenship. Although on the leadership dimension was examined in this study, each of these dimensions can be influenced by leadership quality. For example, effective leadership that fosters innovation and creates a positive work environment can positively affect the innovation and workplace dimensions of reputation (Mayer et al., 2009). However, only two dimensions were examined in the current study. The model’s framework and multidimensional approach enable organisations to gain actionable insights, benchmark against industry standards, and strategically prioritise reputation management efforts. By utilising the RepTrak model, organisations can enhance their understanding of stakeholder perceptions, identify reputation gaps, and develop targeted strategies to build and safeguard their reputation over time.

In the context of IUKL, the positive and significant correlation between leadership quality and organisational reputation dimensions based on the RepTrak model can have several implications. Positive leadership behaviours, such as ethical decision-making, transparent communication, and a strong commitment to stakeholder well-being, can contribute to a favourable overall reputation for the institution. A leadership style that promotes a positive and inclusive work environment can enhance the workplace dimension, attracting and retaining high-quality faculty and staff.

By understanding and leveraging the correlation between leadership quality and organisational reputation dimensions, IUKL can strategically focus on leadership development programmes, stakeholder engagement strategies, and reputation management initiatives.Aligning leadership behaviours with the dimensions of the RepTrak model can contribute to a strong and positive reputation for IUKL, attracting students, faculty, industry partnerships, and resources.

8. Conclusion

This study aims to explore the correlation between leadership quality and organisational reputation dimensions based on the RepTrak model in the context of IUKL. The study found a moderate correlation between leadership style and IUKL’s reputation. The findings will contribute to a better understanding of the impact of leadership on organisational reputation and provide valuable insights not only for IUKL’s reputation management strategies but also for similar higher education institutions in Malaysia and elsewhere, especially in developing countries. By identifying the key
dimensions that are most influenced by leadership quality, IUKL and similar universities and higher education institutions can effectively align its leadership development efforts, enhance stakeholder perceptions, and strengthen its position as a reputable higher education institution.

The findings have confirmed that leadership quality is instrumental in shaping organisational reputation. Effective leaders establish a positive organisational culture, inspire employee engagement, build stakeholder trust, guide strategic decision-making, and manage reputational crises. By prioritising leadership development and cultivating leaders who embody integrity, competence, and a commitment to ethical practices, organisations can enhance their reputation, gain a competitive advantage, and maintain long-term success. A strong leadership foundation contributes to a positive organisational reputation, fostering trust, attracting stakeholders, and supporting organisational goals.

9. Limitations and Future Research Direction

This study’s findings have some notable limitations, which include the examination of only two dimensions from the RepTrak model (leadership) vis-à-vis organisational reputation; the use of only quantitative approach; and selecting only international students as respondents from a single university. Hence, caution should be exercised when interpreting the results of this study. Future research should focus on the whole RepTrak model, adopt a mixed method approach and select various categories of participants from various universities and/or higher educational institutions.

References


