ABSTRACT

This paper attempts to see whether there is an impact of line managers’ transformational leadership on global leadership competencies of high potentials in MNC subsidiaries operating in Sri Lanka. The relationship is established extending the transformational leadership theory to the MNC context, based on previous literature that line managers contribute to follower leadership development. This is a quantitative survey study, based on primary data. The unit of analysis is dyads: the high potential subordinate and his or her respective supervisor. Data were collected using self-administered anonymous questionnaires after taking precautionary methods to reduce CMV. Questionnaires were developed using the ‘Profile of the Global Leader of the Future’ developed by Accenture containing 41 items and 39 items from Form 5–X of the MLQ, covering the four main dimensions of transformational leadership. Data were analyzed with SPSS and AMOS 16.0 software using hierarchical regression analysis. According to the results, the hypothesis is supported indicating there is an impact of line managers’ transformational leadership on global leadership competencies of high potentials. As the number of studies reported on high potentials in the Sri Lankan context with respect to both MNCs and local companies is very limited, the present study fills that void in literature to a great extent.

Keywords: Global leadership, Transformational leadership, High potentials, Line managers, MNCs