

## An Empirical Examination of the Relationship between Leadership Levels and Employee's Compensation

Ayaz Muhammad Khan<sup>1</sup>, Amna Ramzan<sup>2</sup>

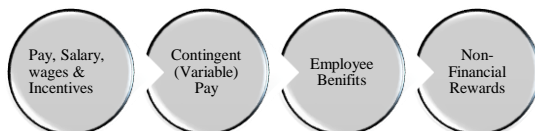
### ABSTRACT

This study is conducted to find out the relationship between Maxwell's stages of leadership and employees' compensation at the workplace. A survey form is used to collect data from nominated leaders through multistage sampling technique; 260 leaders were selected from three public and three private universities of Lahore District. Leadership level assessment questionnaire was used to determine the current level of leadership along with their compensation and faculty rank as demographic variables of the study. The results show that Maxwell's five levels significantly correlate with employees' compensation pay and faculty with the coefficient of  $r = 0.75$  &  $0.53$  respectively.

**Key Words:** Maxwell's Levels of Leadership, Employees Compensations, Pay, Faculty Rank, Employees' Benefits

### INTRODUCTION

Employees Compensation (EC) is baptized as a statistical term in national accounts or may assume the balance of payment statistics or occasionally it is labeled in corporate accounts. Employees Compensation may be defined as total gross wages paid as remuneration to employees by employers due to the work is done in a static period. It may be tangible/intangible, Financial/Non-Financial, or membership Based/Performance Based (Yamoah, 2014). As indicated by an examination report by the Society for Human Resource Management (Shram, 2012), Six out of ten workers demonstrated that pay was imperative to their general occupation fulfilment, putting it just three rate indicates underneath circumstances utilize aptitudes and capacities and just a single rate point beneath the employer stability in last years (Haider, Asad, & Fatima, 2017). Employees' compensations were complex singularities, that have a significant effect on the overall success of an organization (Odunlade, 2012), and if an organization aims to succeed it must consider employees' compensation rather than capital investment (Asad, Haider, & Fatima, 2018). Employees' compensation is regarded as a fundamental source of improvement and development of the organization.



**Figure 1:** Types of Compensation

Research on leadership indicates that 50-75 % of organizations are currently managed by people who greatly

lacking in leadership competence. They hired or promoted based on technical competence, business knowledge and politics not on leadership skill (Swaroop & Prasad, 2013).

An organization's long-term success is strongly correlated with its ability to build effective and dynamic leaders (Shah, & Asad, 2018). Many senior executives acknowledge that there is a lack of formal processes for developing new and current leaders who possess the appropriate skills, attitudes, and perspectives needed to assume positions of leadership (Odunlade, 2012). Organizations must be able to provide an environment in which future and current leaders learn how to effectively lead and carry out the missions of their companies.

John C. Maxwell an American leadership expert and in May 2014, he was professed world's number one Leadership and Management expert by *Inc.* magazine. Maxwell is an author in the field of leadership and management also known as professional speaker and pastor. He is a well-reputed leadership expert of the 21<sup>st</sup> century and got the title of best seller list to New York by selling his millions of copies of his literature. Maxwell has currently developed the leadership skills in their learning students at "*Equip*" about 6 million leaders (*including the CEO of world best companies*) from 196 countries. Chiefly he defines leadership as "influence" and this influence consisted of five levels which were called five levels of Maxwell's leadership. The current paper was an empirical support to the assumption of how the five levels effects on the compensations of leadership at public and private companies.

He amused the notion of five levels in his number of writings (Maxwell, 1993; Maxwell, 1997; Maxwell, 2001, 2002a, 2002b; Maxwell, 2004; Maxwell, 2007a, 2007b, 2008, 2010a, 2010b, 2011a, 2011b; J.C. Maxwell, 2012; John C Maxwell, 2012a, 2012b; Maxwell, 2013a, 2013b; Maxwell, 2014a, 2014b, 2016; Maxwell & Dornan, 1997, 2013; Maxwell & Parrott, 2005).

Universities are the highest level of producing the talented personnel. The graduates from universities are serving as leaders and subordinates in different national and multi-national companies of Pakistan. Universities are the room where the skills and knowledge conveyed to a new generation and ultimately produce better, responsible and productive citizens. University is the highest level of education and the leadership is independent in prioritizing, planning and development, as well as manages day-to-day activities in universities and maintains success (Anwar, Yousuf, & Sarwar, 2011). The success of an organization depends upon people, who serve it and the performance of teams automatically depends upon employee's compensation. Leadership Recompense and performance holds a key position in the success of an organization (Yamoah, 2013). As per our best knowledge, there

<sup>1</sup>University of Education, Division of Education Lahore, Pakistan, [ayaz@ue.edu.pk](mailto:ayaz@ue.edu.pk)

<sup>2</sup>University of Education Lower Mall Campus, Lahore, Pakistan

was no study in Maxwell's leadership levels and employee's compensation at the university level.

By reserving the lens on literature and the above discussion following were listed as paper objectives. This study may also be helpful for the universities management to level the stage of the leaders that in return ultimately improve the productivity. The current empirical support also contributes to the assessment of employees' perception regarding pay and compensation while working in universities which would measure its impacts on the quality and productivity of the universities respectively.

### Objectives of the Study

The objectives of the paper were to:

1. Find out the effect of Maxwell's levels of leadership on employee's compensation at public and private universities.
2. To explore the effects of Maxwell's levels of leadership on employees pay and faculty Rank in public and private organization.

### LITERATURE REVIEW

An essential differentiator between the incredible administration and awesome leadership is the previous' accentuation on here and now authoritative necessities with the last shrewd to more extensive needs, understanding the monstrous estimation of vision and vital individual's improvement for instance. Progression arranging, distinguishing what pioneers can possibly exceed expectations at or past the present level of leadership, the key to progress. Great leaders empower people rather than build power through people. To empower others requires a leader to be in tune with their own identity and secure enough to release authority. A leader is only as successful as they have made others successful. Real leaders are not about titles and position. Church leadership is all about people; loving them, equipping them and encouraging them. John Maxwell said, "Leaders touch a heart before they ask for a hand (Keith, 2014; Moss, 2014). The picture of accomplishment isn't the same for any two individuals since we're altogether made diversely as one of a kind people. However, the procedure is the same for everybody. It depends on the rule that doesn't change. After more than a quarter-century of knowing fruitful individuals and concentrate the subject, I have built up the accompanying meaning of progress: "Achievement knows your motivation in life, developing to achieve your most extreme potential, and sowing seeds that advantage others".

*"Success knows your purpose in life, growing to reach your maximum potential, and sowing seeds that benefit others".*

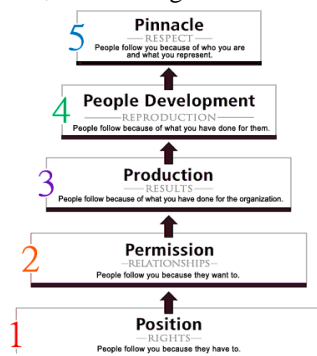


Figure 2: Maxwell's Levels of Leadership

### Position Level of Leadership

The first or bottommost level of leadership in Maxwell's model is "Position". At this level, leaders rely generally on their title or position to motivate employees to follow. Coercion and autocratic styles of leadership are conjoint at this level. The phrases "because I'm the boss" or "I'm the manager" signify the mindset of the position-based leader. New leaders or those powerless to gain sureness or support from followers normally function at this level (Kokemuller, 2007). Maxwell, (2002) this is the essential section level of initiative in leadership. The main impact you have is what accompanies a title. Individuals who remain at this level get into regional rights, convention, custom, and hierarchical diagrams. These things are not negative unless they turn into the reason for and impact; however, they are poor substitutes for administration. A man might be "in control" since he has been delegated to a position. In that position, he may have an expert.

### Permission Level of Leadership

In spite of the fact that it's just the second of the five levels, the transfer from level one to two in Maxwell's model is foremost. At the "Permission" level, workers take after your administration since they decide to, not on the grounds that they are compelled to. Leadership that accomplishes this level of impact can fabricate relational connections to rouse and persuade workers as opposed to depending on their title (Kokemuller, 2007). Maxwell (2000) assumed that leadership motivating individuals to work even when the workforce is not committed. That will just happen when you move to the second level of impact.

### Production Level of Leadership

At the "Production" level, leaders have accomplished viability by building and keeping up a high-performing association. In assembling, for example, the leader has driven his work to compel to work with high efficiency. In a business situation, the leader has driven his staff to high deals changes and fulfilled clients. Such leaders have built up an aggregate concentrate on the organization mission and destinations (Kokemuller, 2007). Maxwell, (2000) at this level thing starts to happen, great things. Benefit increments. Resolve is high. Turnover is low. Requirements are being met. Objectives are being figured it out. Going with this development is the "big momentum". Driving and affecting others is enjoyable. Issues are unraveled with the least exertion. New measurements are imparted all the time to the general population who undergird the development of the association. Everybody is results-situated. Actually, results are the fundamental purpose of the action

### People Development Level of Leadership

Researcher Maslanka, (2004) fuels the views of Maxwell (1998) that your success as a leader is restrained by how well the people you have industrialized can lead the organization to superior things without you (Maslanka, 2004).

*"Before you are a leader, success is all about growing yourself. When you become a leader, success is all about growing others".*

The best errand of authority is to create more innovators. John Maxwell says, "There is no accomplishment without a successor." The move from "Production" to "People Development" is another huge one for the long haul execution of a leader and his organization. An individual advancement

implies the organization is accomplishing brings about the present, as well as a framework is set up in which future pioneers are being created. The leaders have accomplished a level of regard and dependability from representatives that makes them act as per course due to finish confidence in the Leaders morals, vision and reason (Kokemuller, 2007).

### Pinnacle Level of Leadership

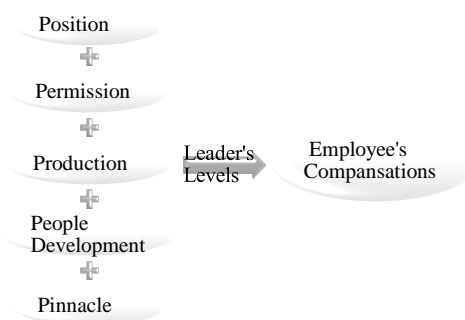
The fifth and uppermost level in Maxwell's levels of leadership has been mentioned to as either "Personhood" or "Pinnacle." At this level, the leaders have turned out to be notable inside his industry or organization. In light of his status in the association, workers will do basically anything he makes a request to satisfy him. Alongside the individual fulfillment of accomplishing such unwavering ness, the pioneer is in a position to move future pioneers in his organization and past. What ought to be the inheritance of an effective pioneer? John Maxwell

*"Achievement comes to people who are able to do great things for themselves. Success comes when they lead followers to do great things for them. But a legacy is created only when leaders put their people in a position to do great things without them".*

Effective leadership is a mind-boggling process that empowers pioneers to impact the contemplations and practices of other individuals fundamentally. Effective leaders can profit by circumstances and difficulties to impact conduct, change the course of occasions, and conquer resistance. Effective pioneers can actualize choices effectively (Fedor, Caldwell, & Herold, 2006; Herold, Fedor, Caldwell, & Liu, 2008). Hence, making leadership Development programs that get ready leaders to effectively meet the desires and objectives of a continually changing, requesting commercial center is basic for organizations confronting a deficiency of powerful leaders.

### METHODOLOGY

The study is quantitative and correlational in nature. The existing paper is an empirical support to the literature regarding Maxwell's stages of leadership and employee's compensation in the organization. The research model depicted:



**Figure 3:** Research Design  
**Population and Sample**

The data retrieved from the Higher Education Commission (HEC) official website given three public and three private universities were selected at the first stage of sampling. These universities contained education department along with permanent teaching faculty and also included in the 5<sup>th</sup> ranking list of HEC (Higher Education Commission) in 2015, as a Degree Awarding Institution (DAIs).

**Table No 1:** *The Sample for the Present Study*

Universities in Lahore		Department/s
Pub	UE, Lahore	Division of Edu. & LMC, BRC, TC
	PU, Lahore	Institute of Education & Research
	LCWU, Lahore	Institute of Education
Priv	UMT, Lahore	Arts & Social sciences
	UoL, Lahore	Arts & Social sciences
	BNU, Lahore	Education

Sources: HEC Website: [www.hec.gov.pk](http://www.hec.gov.pk)

### Sampling Technique

Multistage sampling refers to sampling plans where the sampling is carried out in stages using smaller and smaller sampling units at each stage (Gay, Mills, & Airasian, 2012; Gay, Mills, & Airasian, 2011). Multistage sampling can be a complex form of cluster sampling because it is a type of sampling which involves dividing the population into groups (or clusters). Then, one or more clusters are chosen at random and everyone within the chosen cluster is sampled (Fraenkel & Wallen, 2003).

**Table No 2:** *Sampling Technique of the Study*

Universities		Total Faculty	Sample
Public	UE	175	110
	IER	56	36
	LCWU	33	25
	UMT	73	33
Private	U o L	31	13
	BNU	16	09
	Total	384	260

Sources: <http://www.raosoft.com/samplesize.html>

### Research Instrument

This study adapted the *Leadership Level Assessment Questionnaire* (LLAQ) Questionnaire. This instrument was developed, tested and validated by Maxwell (2011). The purpose of the *Leadership Level Assessment Questionnaire* (LLAQ) was to evaluate the level of leadership. The *Leadership Level Assessment Questionnaire* was slightly modified to fit the Lahore context. All factors were identical to the original Leadership Level Assessment Questionnaire excluding for two. Maxwell identified a four Parts Questionnaire that was used to measure the level of leadership. 1<sup>st</sup> two parts of the Leadership Level Assessment Questionnaire filled by the leaders by self and the 3<sup>rd</sup> part rated by the subordinates to rank their leader's level prescribed by J.C Maxwell (2007). This factor was judged as suitable for the current state of the problem. Additionally, an exploitation change was added:

*"Leadership Level Assessment Questionnaire"* converted into the six-point Likert scale and demographics section was added to the instrument to represent information of the respondents. The zenith section of both instruments consisted of a requesting appeal to the respondents including all the vital information about the research project and the nadir section consisted of Demographic variables. Demographic variables at the start of questionnaire make the respondents conscious to response accurate (Gillham, 2008). A section about demographics also added for gathering data about the sector, gender, age, experience, education, department, faculty rank, and pay. The internal consistency of the adapted scale was .95. The questionnaire was also presented to experts to ensure the suitability of a given problem statement.

### DATA ANALYSIS

After collecting data from the top (Principal, Directors & Chairman) and middle-level (Head of Departments & other

supervisory staff) leadership from public and private universities of Lahore District the data were coded and entered into SPSS-18 and subjected to preliminary analysis.

It was a prerequisite for inferential analysis the data should be free from outliers missing values and at first, the data were inspected for the screening process (Miles & Huberman, 1994; Pallant, 2005). During preliminary analysis, it was patterned that the four missing subjects were deleted listwise and outliers were removed. Finally, the data of 256 respondents were subjected to subsequent analysis.

**Table No. 3: Tests of Normality**

	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Stat	Df	Sig.	Stat	Df	Sig.
Five Levels	.97	256	.707	.964	256	.78

Another requirement for analysis was the normality of data. Table designates Data Cleaning and Screening process at first the normality of data. The Kolmogorov-Smirnov<sup>a</sup> and Shapiro-Wilk were used to evaluate the normality of data. The data normality tests Kolmogorov-Smirnov<sup>a</sup> (.707) and Shapiro-Wilk (.788) were insignificant values which signpost the normality of data. Insignificant values of Kolmogorov-Smirnov<sup>a</sup> (.70) and Shapiro-Wilk (.78) test (Keith, 2014; Khan & Adil, 2013; Pallant, 2005) were an indication of the normality of data. It was also clear that the data was free from outliers.

**Table No. 4: Description of Sample**

	Gender					
	Female		Male		Total	
	Freq.	%	Freq.	%	Freq.	%
Public	66	47.8%	72	52.2%	138	53.9
Private	56	47.5%	62	52.5%	118	46.1
Total	122	47.7%	134	52.3%	256	100

**Distribution of Respondents Gender by Sector (N=256).** Above table 4 parades the frequency scattering of respondents on the basis of gender and Sector. The cross-tabulation results exposed that the total 256 leaders participated in the study from which Sector (Public=138 & Private=118) and gender (Male=134 & Female=122). Results further revealed that the male (52.3%) respondents were greater than female (47.7%) respondents and public (53.9%) sector respondent's larger than private (46.1%) respondents.

**Table No. 5: Cross-tabulation of Respondents**

	Income	Faculty Rank							
		Lecturer		Assistant Professor		Associate Professor		Professor	
		Freq.	%	Freq.	%	Freq.	%	Freq.	%
>1 Lac	137	73	37	19	07	04	05	03	
1-2 Lac	28	49	20	35	4	07	05	09	
2-3 Lac	10	76	01	08	02	15	00	0%	
Total	175	68	58	23	13	05	10	04	

The cross-tabulation of respondents was displayed in this table. Total 256 respondents were subjected to cross-tabulation based on three categories, category A= 1 Lac (1 Lac N=186), category B (1-2 Lac N=57) and category C (2-3 Lac N=13). On the other side, the four categories of faculty rank also tabulated in this table: category A (Lecture N=175), category B (Assistant Professor N=68), category C (Associate Professor N=13) and category D (Professor N=10). The maximum class of respondents was lecturers (%=69) and the minimum was

professors (%=04). On the other side maximum pay of leaders were blow one lac (%=73) and minimum (%=05).

### Descriptive Statistics

Table No 6 and 7 showed the descriptive statistics of the paper results. Results exposed that Gender ( $M=1.48$ ;  $SD=.50$ ), Sector ( $M=1.46$ ;  $SD=.49$ ), Income ( $M=1.32$ ;  $SD=.56$ ) and Faculty Rank ( $M=1.45$ ;  $SD=.76$ ) respectively. Supplementary part of the table exposed the Mean and SD values of Maxwell's 5 levels of leadership. Position ( $M=14$ ;  $SD=3$ ), Permission ( $M=23$ ;  $SD=3$ ), Production ( $M=23$ ;  $SD=.3$ ), People Development ( $M=17$ ;  $SD=.4$ ) and Pinnacle ( $M=128$ ;  $SD=3$ ). Additionally, the table also disclosed the Minimum-Maximum and Standard Errors of the data, displayed factor wise. Precipitously conclude that the majority of leaders encompass the 4th level which has uppermost mean score in the table named people development.

Initially, Pearson Correlation (Bi-Variate) analysis was conducted on the key variables of the study to inspect the preliminary analysis for paper objectives. The fallouts of Bi-Variate Pearson Correlation test exposed that all the variables were positively correlated except gender and Sector. The fallouts of correlation test revealed that the five levels of Mr. Maxwell were positively correlated with employee's compensation at public and private universities of Lahore with the Coefficient value of ( $r=.75^{**}$  &  $.53^{**}$ ) further findings exposed that the individual levels of leadership were also positively correlated with employee's compensations i.e. pay and faculty rank altogether the coefficient values were depicted in the table No 6. However, level 4 people development was no correlation between pay and level 3 productions not correlated with faculty rank.

**Table No. 6: Correlation among Key Variables (N=256)**

S#	Variables	S	M	S	1	2	3	4	4	5	6	7	8	9
1.	Gender	.03	1.48	.50	1									
2.	Sector	.03	1.46	.49	.4	1								
3.	Income	.03	1.32	.56	.1	.49	1							
4.	Faculty Rank	.03	1.45	.76	.1	.14	.72	1						
5.	Five Level	.07	.91	.12	.1	.75	.5	.36	1					
6.	Position	.21	14	3	.1	.2	.24	.0	.12	1				
7.	Permission	.24	23	3	.1	.64	.29	.2	.07	.0	1			
8.	Production	.22	23	3	.1	.60	.0	.6	.3	.1	.1	1		
9.	People Development	.27	17	4	.1	.80	.3	.00	.71	.75	.13	.30	1	
10.	Pinnacle	.23	12	3	.2	.81	.4	.8	.2	.3	.4	.6	.37	1

**Table No. 7: Descriptive Statistics of Key Factors (N=256)**

S#	Key Variables	Minimum	Maximum	Mean	Std. Deviation
✓	Gender	1	2	1.48	.500

✓	Sector	1	2	1.46	.499
✓	Income	1	3	1.32	.567
✓	Frank	1	4	1.45	.765
✓	Five Levels	52.00	115.00	91.27	12.57
✓	Position	3.00	18.00	14.01	3.41
✓	Permission	11.00	30.00	23.67	3.85
✓	Production	13.00	30.00	23.10	3.65
✓	People Development	7.00	24.00	17.80	4.36
✓	Pinnacle	3.00	18.00	12.67	3.70

**Table No 8: Independent Sample t-test between leadership levels and sector (N=256)**

Sector	Mean	S.D	t-	Df	Sig
Public	95.1	10.52	5.471	254	.002*
Private	78.7	13.31			

**Table No 9: Independent Sample t-test between leader's levels and gender (N=256)**

Gender	Mean	S.D	t	Df	Sig
Male 134	89.33	13.22	-2.6	253	.009*
Female 122	93.40	11.49			

**Table No 10: Comparison of Pay of Leaders and Leadership Levels (N=256)**

	Sum <sup>2</sup>	df	Mean <sup>2</sup>	F	Sig.
Between Groups	224.6	2	112.3	.70	.049
Within Groups	40070.	25	158.3		
Total	40294.	25			

\*\*p < 0.01

**Table No 11: Comparison of faculty rank of Leaders and Leadership Levels (N=256)**

	Sum <sup>2</sup>	Df	Mean <sup>2</sup>	F	Sig.
Between Groups	846.4	2	282.1	1.8	.000
Within Groups	39448.	252	156.5		
Total	40294.	255			

\*\*p < 0.01

### Inferential Statistics

Inferential statistics were applied to inferences the study results (Al-Benna, Al-Ajam, Way, & Steintraesser, 2010). At first, the student t-test was conducted to examine the significant difference between gender (Male & Female) and Sector (Public & Private). Is there was a significant difference between the leaders of public/private and Maxwell's levels of leadership an independent sample t-test was a rejoinder to inspect the between the mean score of sector and levels of leadership.

There was a statistical significant difference in the mean of sector and leadership levels Public (N=138; Mean = 95.10, Std. Deviation = 10.52) and Private, (N=112; Mean = 78.89, Std. Deviation 13.31 =; t (.471) = .001, sig = .002 (two-tailed). The calculated magnitude of the sig. difference (leadership levels & Sector) in the means scores (Mean Difference = .85-95%) was small (eta squared = .04). Is there was a significant difference between the leaders' male/female and Maxwell's levels of leadership an independent sample t-test was a rejoinder to inspect the between the mean score of sector and levels of leadership and gender. There was a statistical significant difference in the mean of sector and leadership levels Male (N=134; Mean = 89.33, Std. Deviation = 13.22) and female, (N=122; Mean = 93.40, Std. Deviation 11.49 =; t (.009) = .001, sig = .009 (two-tailed). The calculated magnitude of the sig. difference (leadership levels & Gender) in the means scores (Mean Difference = .85-95%) was small (eta squared = .05). One-Way Analysis of Variance (ANOVA Between groups) was accompanied to ascertain leadership levels with respect to pay. Variables were separated into three categories according to their pay (Category 1: Under one Lac; Category 2: Between 2-3 Lac Category 3: Three Lac or above). There was a statistical

significance was inspected at the p<.05 level in the scores for three pay groups:  $F(2, 709) = 112, sig(p) = .049$ . Notwithstanding to scanned the authentic difference between groups LSD was dismissed. One-Way Analysis of Variance (ANOVA Between groups) was accompanied to ascertain leadership levels with respect to faculty. Variables were separated into four categories according to their faculty rank (Category 1: Lecturer; Category 2: Assistant Professor Category 3: Associate Professor; Category 4: Professor). There was a statistical significance was inspected at the p<.05 level in the scores for three faculty groups:  $F(2, 282) = 1.802, sig(p) = .000$ . Notwithstanding to scanned the authentic difference between groups LSD was dismissed.

### RESULTS/FINDINGS

The chief purpose of the existing paper was to explore the relationship between Maxwell's leadership levels and employee's compensation, pay and faculty rank was reflected an employee's compensations at public and private universities of Lahore district. The results of the interpreted in tabulation from in the data analysis section of this paper. Further findings also inspect significant correlation level wise between employee compensation and Maxwell's stages of leadership.

1. The data normality tests Kolmogorov-Smirnov<sup>a</sup> (.707) and Shapiro-Wilk (.788) were insignificant values which signpost the normality of data. Insignificant values of Kolmogorov-Smirnov<sup>a</sup> (.70) and Shapiro-Wilk (.78) test (Keith, 2014; Khan & Adil, 2013; Pallant, 2005) were an indication of the normality of data.
2. The cross-tabulation results exposed that the total 256 leaders participated in the study from which Sector (Public=138 & Private=118) and gender (Male=134 & Female=122). Results further revealed that the male (52.3%). Respondents were greater than female (47.7%) respondents and public 53.9%) sector respondent's larger than private (46.1%) respondents.
3. Total 256 respondents were subjected to cross-tabulation based on three categories, category A= 1 Lac (1 Lac N=186), category B (1-2 Lac N=57) and category C (2-3 Lac N=13). On the other side, the four categories of faculty rank also tabulated in this table: category A (Lecture N=175), category B (Assistant Professor N=68), category C (Associate Professor N=13) and category D (Professor N=10). The maximum class of respondents was lecturers (%=69) and the minimum was professors (%=04). On the other side maximum pay of leaders were blow one lac (%=73) and minimum (%=05).
4. Results exposed that Gender (M=1.48; SD=.50), Sector (M=1.46; SD=.49), Income (M=1.32; SD=.56) and Faculty Rank (M=1.45; SD=.76) respectively. Supplementary part of the table exposed the Mean and SD values of Maxwell's 5 levels of leadership. Position (M=14; SD=3), Permission (M=23; SD=3, Production (M=23; SD=.3), People Development (M=17; SD=.4) and Pinnacle (M=128; SD=3).
5. The fallouts of correlation test revealed that the five levels of Mr. Maxwell were positively correlated with employee's compensation at public and private universities of Lahore with the Coefficient value of (r= .75\*\* & .53\*\*) further findings exposed that the individual levels of leadership were also positively correlated with employee's compensations i.e.

pay and faculty rank altogether the coefficient values were positive

6. However, level 4 people development was no correlation between pay and level 3 productions not correlated with faculty rank.
7. There was a statistical significant difference in the mean of sector and leadership levels Public ( $N=138$ ; Mean = 95.10, Std. Deviation = 10.52) and Private, ( $N=112$ ; Mean = 78.89, Std. Deviation 13.31 =;  $t(.471) = .001$ , sig= .002 (two tailed). The calculated magnitude of sig. difference (*Leadership levels & Sector*) in the means scores (Mean Difference = .85-95%) was small (eta squared = .04).
8. There was a statistical significant difference in the mean of sector and leadership levels Male ( $N=134$ ; Mean = 89.33, Std. Deviation = 13.22) and female, ( $N=122$ ; Mean = 93.40, Std. Deviation 11.49 =;  $t(.009) = .001$ , sig= .009 (two tailed).
9. There was a statistical significance was inspected at the  $p < .05$  level in the scores for three pay groups:  $F(2, 709) = 112$ , sig ( $p$ ) = .049. There was a statistical significance was inspected at the  $p < .05$  level in the scores for three faculty groups:  $F(2, 282) = 1.802$ , sig ( $p$ ) = .000.

### DISCUSSION AND CONCLUSION

It was examined that the level of wise leadership and employees' compensation are positively correlated. It was also perceived that the level of success upsurges employees' compensation at public and private organizations. However, it is acknowledged that this empirical support was context specific and the results of the paper may be questionable due to the educational organization perspective. As noted by literature:

*“An organization's long-term success is strongly correlated with its ability to build effective and dynamic leaders. Many senior executives acknowledge that there is a lack of formal processes for developing new and current leaders who possess the appropriate skills, attitudes, and perspectives needed to assume positions of leadership (Odundade, 2012). Organizations must be able to provide an environment in which future and current leaders learn how to effectively lead and carry out the missions of their companies”.*

This can be assumed that if the leaders up their levels their compensation may intensification by the organization. It can also be effective for personal as well as professional growth. As buttressed by literature: The success of an organization depends upon people, who serve it and the performance of teams automatically depends upon employee's compensation. Leadership Recompense and performance holds a key position in the success of an organization” (Yamoah, 2013). Researchers (Khan, A. M., Ramzan, A., & Ghaffar, R. 2017) acknowledge that the study result would be the baseline for the full testing of leadership level questionnaire in the education department to take the ultimate benefits from the leaders by keeping in their level in mind.

### Recommendations and Future Directions

On the basis of results and findings, it is recommended that, the leadership whether fits to public or private firm must be focused to their leadership levels that may, in turn, their personal as well as professional growth in the form of compensation and rewards and organizational success. This study was done at the university level in the educational

department it may be conducted at further levels or beyond the educational context. As we examined it was a first one study on Maxwell's leadership levels in employee's compensations and we chose only pay and faculty rank to compare the compensation with levels of leadership other membership and performance-based rewards may be empirically studied at the different platform and various national and multinational companies.

This same assumption may be studied with regards to subordinates or other human resources indicators. The one and only limitation of the study was data because it was collected at one point at a time it may be longitudinal in nature in future studies.

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