

Impacts of Transactional and Transformational Leaderships upon Organizational Citizenship Behavior

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Abstract: The present research has been done in order to study relationship between Transactional leadership, Transformational leadership upon Organization Citizenship Behavior of Social Security Organization of Mashhad. The main purpose of the research is description and explanation of organization citizenship behavior and identifying effect of leadership on it. It has been used stratified sampling method for selecting sample. Sample size has been 98 persons of staff of the organization in Mashhad. The results are as follows: By confidence of 95% we can say there is significant and linear relationship between transactional leadership and Transformational leadership and styles leadership of Goal-Path theory. The following results are obtained from bivariate regression:

- The ratio of variation of organization citizenship behavior which is expressed by transformational leadership variable to determination coefficient is 0.722.
- The ratio of variation of organization citizenship behavior which is expressed by transactional leadership variable to determination coefficient is 0.529

The results obtained from multivariate regression are as follows:

$$OCB(Y) = 6.907 + 0.184X_1 + 0.277X_2 - 0.083X_3$$

Y,.....value of dependent variable of organization citizenship behavior ; X₁, Idealized attributes factor by coefficient 0.184; X₂, Idealized influence factor by coefficient 0.277; X₃, management by exception (passive) factor by coefficient respectively entered the model. Thus, it can be concluded that transformational leadership has more dominant impact in setting up the organizational citizenship behavior.

Key words: Transactional leadership • Transformational leadership • Organizational citizenship behavior

INTRODUCTION

Problem Background: Interaction with the environment is something that cannot be avoided by every organization. The environment in which a company grows and develops always changes. The occurring changes may be related to the internal and external conditions of organization. Such changes are caused among others by the shifts in social condition, culture, economy, politics, fast technological

development and the tight global competition. The always changing condition demands the company concerned to be able to follow such changes and capable to adjust itself to the occurring changes. Such always changing condition also demands the company to be able to manage the existing human resources in order to get high quality and be able to adapt to their surrounding condition and continuously makes improvement in setting up the competitive superiority capable to develop.

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In order to be able to develop, each organization shall always carry out good management in the human resources. The existence of human resources either as individuals or as a group has a central and strategic position for the success of an organization. This is based on the thought that human resources constitute a major element in establishing and realizing business opportunity.

The existing organizational citizenship behavior reflects the company itself. The existing organizational citizenship behavior can become the image and part of the company identity. The company identity reflected in the said organizational citizenship behavior will distinguish one organization or company from the others.

The organizational citizenship behavior can bind the leaders and employees indirectly, so that it can build an attitude and behavior suitable with vision, mission and strategy of the company. The leader can establish a mechanism to sustain, develop or change the existing organizational citizenship behavior.

Mechanism of organizational citizenship behavior taught by a leader will then be adapted by his followers through the socialization process. The socialization process in order to transmit the vision and mission of a leader into the organization through the organizational citizenship behavior requires a proper leadership, so that it can improve a strong organizational citizenship behavior.

In this company, the existing leadership is essentially directed as an effort to achieve the organizational targets and goals.

The success of task implementation or performance of a leader will give a very important contribution to the company performance. Social Security Organization of Mashhad also has a specific organizational citizenship behavior. Formulation and practice of organizational citizenship behavior at Social Security Organization of Mashhad is formally reflected in the employee extra role taken and applied in the company.

Problem Formulation: Based on the description on problem background, the problems can be formulated as follows:

- Is there any significant impact simultaneously influences transactional leadership and transformational leadership upon the organizational citizenship behavior at Social Security Organization of Mashhad?

- Is there any significant impact partially influences transactional leadership and transformational leadership upon the organizational citizenship behavior at Social Security Organization of Mashhad?

Objectives of Research: Basically, this research has the objectives as follows:

- To know whether there is any significant impact simultaneously influences transactional leadership and transformational leadership upon the organizational citizenship behavior Social Security Organization of Mashhad.
- To know whether there is any significant impact partially influences transactional leadership and transformational leadership upon the organizational citizenship behavior Social Security Organization of Mashhad.

Literature Review

Leadership: A research on leadership will always be preceded by leadership theories. It is started with the definition of leadership then followed by discussions on leadership theories related to the leadership styles.

According to Tannenbaum, Weschler and Massarik as written again by Yukl [1], leadership is defined as interpersonal influence run in a certain situation and directed through communication in order to achieve one or several objectives.

Leadership and its styles are considered to be an act of influencing the individuals of an organization such that they make effort eagerly including: goals, talent search programs, athlete towards achieving group goals. In the past decades, many reports have been published on this subject, but most of them have focused on administrative, business and industrial areas. [2].

Bass as quoted by Yukl (1998) defined transformational leadership as a leadership requiring the actions to motivate the subordinates in order to be willing to work for the sake of targets at a higher level of morality. Further, Yukl (1998) explains that the transformational leaders influence their followers by creating strong emotion identification with the leaders, so that the followers are motivated to do something more than the former expectation.

From the aforesaid definition, according to Bass in Yukl (1998), the transformational leader has the ability to:

- Transform his followers from the focus on personal interest into the group interest;
- Make their followers more aware of the importance of the result of the work;
- Activate the followers' needs into higher needs.

Transformational and transactional leaderships are two well-studied leadership styles that have been assessed by the multifactor leadership questionnaire (MLQ) [3]. Transformational and transactional leaderships span both cultural and organizational boundaries (Bass, 1997) and have been assessed and validated in numerous studies [4]. Leadership studies with the MLQ have also been conducted in mental health and other public-sector organizations [5][6] and service settings. A given leader may exhibit varying degrees of both transformational and transactional leadership. The styles are not mutually exclusive and some combination of both may enhance effective leadership [7]. Transformational leadership is linked to charismatic or visionary leadership. Transformational leaders inspire and motivate followers in ways that go beyond exchanges and rewards [8]. Transformational leadership operates especially well in close supervisory relationships, compared with more distant relationships and closer supervision is often more typical in mental health settings. This close relationship may be typical of a supervisor-supervisee relationship and is also captured in the notion of "first level leader" who are thought to be important because of their functional proximity to supervisees in an organizational setting [4]. Transformational leadership is thought to increase the follower's intrinsic motivation through the expression of the value and importance of the leader's goals.

In contrast, transactional leadership is based more on "exchanges" between leaders and followers, in which followers are rewarded for meeting specific goals or performance criteria [3]. Rewards and positive reinforcement are provided or mediated by the leader. Thus transactional leadership is more practical in nature because of its emphasis on meeting specific targets or objectives. An effective transactional leader is able to recognize and reward followers' accomplishments in a timely way. However, subordinates of transactional leaders are not necessarily expected to think innovatively and may be monitored on the basis of predetermined criteria. Poor transactional leaders may be less likely to anticipate problems and intervene before problems come to the fore, whereas more effective transactional leaders take appropriate action in a timely manner [8].

A transactional leadership style is appropriate in many settings and may support adherence to practice standards but not necessarily openness to innovation [8]. A transformational leadership style creates a vision and inspires subordinates to strive beyond required expectations, whereas transactional leadership focuses more on extrinsic motivation for the performance of job tasks. Thus it is likely that transformational leadership would influence attitudes by inspiring acceptance of innovation through the development of enthusiasm, trust and openness, whereas transactional leadership would lead to acceptance of innovation through reinforcement and reward [9].

Organizational Citizenship Behavior (OCB): Above two decades is that organ and her colleagues, for the first time discuss, phrase of "the behavior of organizational citizenship"[10].

Organ as quoted by Murphy, *et al.* (2002) defined OCB as individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system and the aggregate promotes the effective functioning of the organization [11]. Further, Moynihan, *et al.* (2002) explained that this type of behavior of OCB included helping others, spreading goodwill and making constructive suggestions [12]. OCB can maximize organization efficiency, organizational behavior of OCB implemented through altruism, conscientiousness, sportsmanship, courtesy and civic virtue [13]. Since these behaviors leave positive effects on organizations, organizations put strong emphasis on OCB [14]. Examples of these efforts include cooperation with peers, performing extra duties without complaint, punctuality, volunteering and helping others, using time efficiently, conserving resources, sharing ideas and positively representing the organization [15]. Therefore, OCB is referred to as organizationally beneficial behaviors and gestures that can neither be enforced on the basis of formal employee's role obligations nor elicited by the contractual guarantee of recompense [16]. The researchers showed OCB has an effect on other issues including effectiveness of planning of organizational resources, success of informational systems, citizenship behavior of customers and their loyalty [17]. Main indexes include voluntary behaviors not considered as official duties, lack of award and chastisement, psychological reasons for these behaviors and these behaviors' usefulness for organizations [18].

Table 1: Reliability testing on variables

	Alpha(a)	Classification
Leadership style variable	0.84	Reliable
Organization behavior citizenship	0.82	Reliable

Method of Research

Approach of Research: This research is conducted under the quantitative approach. Such approach is chosen since this research requires mathematical calculation on the relation among variables and their impacts under certain statistical formulas.

Variable Identification: There are three variables in this research, namely:

- Free variable (X), namely leadership consisting of two variables, namely: transactional leadership variable (X1) and transformational leadership variable (X2)
- Bound variable (Y), namely the organizational citizenship behavior.

Respondent Determination: Respondent is a group or aggregation of a number of elements or individuals constituting source of information in a research [19]. Respondents in this research are 98 employees of Social Security Organization of Mashhad.

Reliability Testing: The next testing conducted is the reliability testing in order to know how far is the scale gives consistent outputs if the measurement using that scale is repeated. According to Malhotra (1996), reliability is consistency among question items and if the alpha value is above 0.6, under such a circumstance a question is deemed reliable.

Cronbach `s alpha is applied for calculation of the internal coordination (correlation) and we use the measurement instruments including questionnaires or tests which measure various specifications [20].

In this research, calculation of reliability testing is carried out by counting the reliability coefficient Cronbach`s alpha.

Table I. shows that all free variables have alpha above 0.6. Thus, it can be concluded that the tool of statement applied to measure each variable is reliable.

RESULTS AND DISCUSSION

Correlation Matrix and Regression Analysis: Table II indicate Pearson correlation between Organizational citizenship behaviors and its dimensions with dimension of transactional leadership. Based on table II, results indicate:

Table 2: Pearson correlation coefficient between OCB and Transactional leadership

Indicator	t	Correlation coefficient	Information
Contingent reward OCB	6.90	0.576	valid
Management by exception (active) OCB	4.39	0.409	valid
Management by exception (passive) OCB	-9.39	-0.692	valid

Source: Processed data

Table 3: Results of linear regression analysis

Model	Sum of square	Df	Anova		
			Mean of square	F	P-value
Regression	213.31	12	17.776	21.094	0.000
Residual	70.79	84	0.843		
Total	284.09				

P value (.000) shows the significant of the model.

Table 4: Results of active, passive & Contingent rewards

Variable	Regression coefficient	t-testing	P-value
(Content)	9.915	13.384	0.000
Contingent reward	0.135	3.153	0.002
Management by exception (active)	-0.025	-0.810	0.420
Management by exception (passive)	-0.165	-5.710	0.000

R² = 0.529

Table 5: Outcomes of linear Pearson correlation coefficient between OCB and factors of Transformational leadership

Indicator	t	Correlation coefficient	Information
Idealized attributes OCB	13.32	0.807	valid
Idealized influence OCB	14.45	0.829	valid
Inspirational motivation OCB	8.49	0.657	valid
Intellectual stimulation OCB	11.02	0.749	valid
Individual consideration OCB	10.11	0.720	valid

Source: Processed data

Table 6: Results of linear regression analysis

Anova					
Model	Sum of square	Df	Mean of square	F	P-value
Regression	213.31	12	17.776	21.094	0.000
Residual	70179	84	0.843		
Total	284.09				

P value (.000) shows the significant of the model.

Table 7: Results of indicators

Variable	Regression coefficient	t-testing	P-value
(Content)	5.236	14.435	0.000
Idealized attributes	0.156	2.981	0.004
Idealized influence	0.269	4.001	0.000
Inspirational motivation	-0.022	-0.455	0.650
Intellectual stimulation	0.012	0.243	0.808
Individual consideration	-0.019	-0.374	0.709
R ² = 0.722			

Table 8: Multiple linear regression analysis output

Anova					
Model	Sum of square	Df	Mean of square	F	P-value
Regression	3213.31	12	17.776	21.094	0.000
Residual	70.79	84	0.843		
Total	284.09				

P value (.000) shows the significant of the model.

Table 9: Result of indicators

Variable	Regression coefficient	t-testing	Level of significant
(Content)	0.000	5.887	6.907
Idealized attributes	0.05	2.855	0.184
Idealized influence	0.000	3.889	0.277
Inspirational motivation	0.961	0.049	0.002
Intellectual stimulation	0.624	-0.492	-0.027
Individual consideration	0.999	-0.001	-0.000
Idealized attributes	0.653	-0.451	-0.021
Contingent reward	0.382	-0.8780	-0.023
Management by exception (active)	0.018	-2.413	-0.083
Management by exception (passive)	0.852	0.187	0.008
R		0.867	
R ²		0.751	

- There is positive and meaningful relationship between Contingent reward and Management by exception (active) with Organizational citizenship behaviors
- There is negative and meaningful relationship between Contingent reward and Management by exception (passive) with Organizational citizenship behaviors

R square depicts the model explaining 52.9 % of variation in Organizational citizenship behavior of Social Security Organization of Mashhad. Based on Table IV, results indicate: Contingent reward and Management by exception (active) affect in the regression model and Management by exception (passive) not affect in the regression model. Thus, the regression model is as follows:

$$OCB = 9.915 + 0.135 X_1 - 0.165 X_2$$

Table V indicate Pearson's correlation between Organizational citizenship behaviors and its dimensions with dimension of transformational leadership. Based on Table V, results indicate:

There is positive and meaningful relationship between dimensions of transformational leadership with Organizational citizenship behaviors.

R square depicts the model explaining 72.2 % of variation in Organizational citizenship behavior of Social Security Organization of Mashhad. Based on Table 7, results indicate: Idealized attributes and Idealized influence affect in the regression model and Inspirational motivation, Intellectual stimulation, Individual consideration not affect in the regression model. Thus, the regression model is as follows:

$$OCB = 5.236 + 0.156 X_1 + 0.269 X_2$$

Multiple Linear Regressions: Based on the result of data processing by using the multiple linear regression analysis with the SPSS program 13. Version to analyze the influence of transactional leadership and transformational leadership upon organizational citizenship behavior. It is found out that there is an impact simultaneously of transactional leadership and transformational leadership upon the organizational citizenship behavior and free variables, either transactional leadership or transformational leadership has significant impact partially influence the organizational citizenship behavior (Table VIII).

R square depicts the model (leadership styles) explaining 75% of variation in OCB of Social Security Organization personnel

The results obtained from multivariate regression are as follows:

$$OCB = 6.907 + 0.184 X_1 + 0.277 X_2 - 0.083 X_3$$

Y(OCB),.....value of dependent variable of organization citizenship behavior ; X₁,Idealized attributes factor by coefficient 0.184; X₂,Idealized influence factor by coefficient 0.277; X₃, management by exception (passive) by coefficient respectively entered the model

CONCLUSION

Based on the result of research and discussion, conclusions can be taken as follows:

- There is an impact simultaneously influence transactional leadership and transformational leadership upon the organizational citizenship behavior The magnitude of contribution of free variable impact to the bound variable is 75.1%, whereas the remaining is influenced by other variables not being investigated in the model. The impact magnitude of other variables due to some factors influencing organizational citizenship behavior and leadership constitutes one of so many others

Factors Available:

- Free variables, either transactional leadership or transformational leadership has significant impact partially influence the organizational citizenship behavior

But the results obtained from multivariate regression are as follows, Idealized attributes factor by coefficient 0.184; X₂, Idealized influence factor by coefficient 0.277 respectively entered the model. Thus, it can be concluded that the transformational leadership has more dominant impact in setting up the organizational citizenship behavior.

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