How to Boost Employee Performance: Investigating the Influence of Transformational Leadership and Work Environment in a Pakistani Perspective

[1]Rabia Imran, [1]Afsheen Fatima, [2]Arshad Zaheer, [3]Imran Yousaf and [1]Iram Batool

[1]PMAS Arid Agriculture University, Rawalpindi, Pakistan
[2]Iqra University Islamabad, Pakistan
[3]International Islamic University, Islamabad, Pakistan

Abstract: The current study makes theoretical contribution by developing a model explaining the relationship among transformational leadership, work environment and employee performance. While empirically, these relationships were examined in manufacturing sector of Pakistani economy. The results reveal positive and significant impact of transformational leadership and work environment on employee performance. Moreover, the work environment was also found to play a mediating role in the relationship between transformational leadership and employee performance. Implications and future research were also discussed.

Key words: Employee Performance % Transformational Leadership % Work environment

INTRODUCTION

The Organizations today consider employees as their top most priority. A lot of effort is put in order to attain, retain and motivate them. The traditional role of employees is no more effectivee and the organizations are finding new ways of working. The key to organizational success is the competitive workforce [1, 2]. The organizations strive hard to align organizational strategies and objectives with employee's behaviors in order to stay competitive [3, 4]. The way in which employees accomplish organizationally set goals and relate their interpersonal behaviors to the organizational norms can be termed as employee performance [5].

A lot of past research has been devoted towards the concept of employee performance. Employee performance was found to be related to a number of factors including conscientiousness, openness to experience, agreeableness and emotional stability [6]. An empirical investigation found significant relationship between TQM practices and employee performance [7]. Employee performance was also found to be effected by trait competitiveness, self efficacy and level of effort [8]. Iun and Huang [9] examined the relationship between age and performance and found organizational commitment moderating the relationship. Moreover, a positive effect of transformational leadership was also found on employees' performance [5].

Transformational leadership theory is deemed as one of the most influential theories of the management literature. It is speculated to increase the performance of the employees within the organization or a team [10-12]. Transformational leaders act as a role model and shows concern for the employees. In this way they are able to articulate a clear vision, align employee's self and organizational interest and encourage followers to achieve their goals [13, 14].

Transformational leadership can be defined as a form of leadership motivating followers to perform beyond expectations by transforming their values, aspirations, needs and priorities. [15]. Moreover, such leaders encourage followers to think of collective interest to achieve collective goals [16]. They create an emotional link with their followers; make them realize the significance of shared mission and a sense of purpose in order to encourage their commitment to the results [16].

Transformational leadership has been extensively studied during the last twenty years and is found to be positively related to a variety of outcomes in various situations and organizations [17, 18]. For instance Kouzes and Posner [19] identified that among all the leadership styles transformational leadership can be helpful to accomplish organizational goals. They also proposed that strong leadership can alter visions into realities, values into actions, obstacles into innovations and successful leadership helps to develop a climate in which followers

---

Corresponding Author: Dr. Rabia Imran, University Institute of Management Sciences,
PMAS Arid Agriculture University, Rawalpindi, Pakistan.

are well motivated to transform challenges into success. Marion and Uhl-Bien [20] advocated that complex dynamics within organizations can be simplified by the strong leadership. For instance, leaders may support their followers make sense of the changes and provide guidance and help them to cope with the ambiguous change.

Work environment is considered to be an important factor affected by transformational leadership and affecting performance. It is composed of all factors related to job and organization, which influence the relationship between employees, their job and the organization [21]. Organizations in order to boost productivity design work environment in a way that satisfies employees [22].

Dension [23] proposed that there are two components of work environment: culture and climate. During the last decade these two constructs have gained comparatively more attention of researchers [24]. Some researchers have used these two terms interchangeably [25] whereas, others claim that they overlap [26]. While, some emphasize that they are different from each other [27]. However, the operational definition of these two constructs can better help to understand their true sense. Cooke and Szumal [28] defined organization culture as the set of norms, beliefs, assumptions and values shared by the individuals which prevail in the organization. These values and beliefs help the employees to approach the work in the organization and help them to perform in better way. Whereas on the other hand organizational climate is the property of individual and defines the way that how does he perceive his work [29]. Climate can be described as the practices, procedures, policies and routines followed within the organization whereas culture provides the underlying mechanism and reasons for why these things occur based on individuals' assumptions, values and beliefs [30] therefore in the light of above definitions culture is the organizational property and climate is the individual's property [29]. However, multiple cultures and climates may prevail within the organization under different supervisors [31]. They provide the context within which employees function and perform on daily basis [32].

Theory Building: Management literature is rich of the researches demonstrating the effect of transformational leadership on a number of outcomes. Transformational leadership is found to have a relationship with job satisfaction [15], organizational commitment [33], turnover intention [33] and innovation [34]. The positive relationship of transformational leadership has been found with motivation, individual and financial performance [35, 36]. The link among transformational leadership and performance is obvious from previous literature [12, 37, 38]. The effect of transformational leadership has also been established with employee performance in Asian context [39]. For instance studies by Bono and Judge, [40] ; Walumbwa, Wang, Lawler and Shi, [41] revealed that the followers of the transformational leaders are comparatively more satisfied, concerned about work, motivated and devoted to their organizations and reduce turnover. Such kinds of leaders promote followers' confidence; motivate them by considering their individual requirements and ambitions [42]. They also acknowledge, recognize and try to address the individual needs of the followers [10, 43] which in return provide them higher level of aspirations [44]. Hence, followers who are well motivated perform beyond expectations and mostly work to achieve longer-term goals resulting in increased job satisfaction [45]. Transformational leaders pay individualized attention which becomes an important reason of motivating followers to perform beyond expectation [46].

H1: The Transformational leadership perception would lead to high employee performance

The new era has given the leadership researches a new shape. Leadership does not take place in vacuum so organizational context is considered potentially Important [47]. The researchers started exploring the importance of situation antecedents on leadership especially transformational leadership [43, 48]. Transformational leadership was found to be more influential in uncertain and changing work environments [36, 49]. An important contribution in the transformational leadership literature is made by an empirical study conducted by Bass, Avolio, Jung and Berson [48] as it is one of the few studies examining the effect of transformational leaders on employees outside the stable work environment.

H2: Transformational leadership has an impact on work environment

Kravetz [50] proposed that management practices and policies (organization climate) foster participation, creativity and autonomy and are objective indicators of performance. Hansen and Wernerfelt [51] studied the effects of internal organization on performance and found a positive relationship between two constructs. Ostroff and Bowen [52] argue that employees' attitude and behavior (organization climate) influences individuals' motivational level which in return affects their

performance. The performance within the organization is affected by the employees' values (organization culture) and to which extent they are aligned to organizational strategy [53,23, 54].

There has been a heavy body of research suggesting that organizational and individual performance is a function of existing culture, characteristics and underlying traits within the organization [55-58]. Denison [23] and Gordon and DiTomaso [54] both established a link between culture and performance and proposed that performance is a function of organization culture and varies with the adaptability of cultural traits. Therefore in order to sustain competitive edge organizations need to adapt those traits which are necessary [59, 60].

H3: Work environment is related to employee performance.

The understanding of the processes through which the leaders influence organizational outcomes is still limited and largely speculative [61, 62]. This relationship needs to be established further. Past researches have explored the influence of transformational leadership on performance through some intermediate constructs such as knowledge management [64], entrepreneurship [65], congruence in top management teams [66], flexibility [67], absorptive capacity [68] and culture [69]. As work environment is one of the most important factors in the relationship between transformational leadership and employee performance. So it is proposed that work environment mediates the relationship between transformational leadership and performance. Work environment has a positive relationship with both transformational leadership and employee performance respectively. Therefore, present study is aimed at examining the role of work environment. In the presence of transformational leadership within an organization, when workers feel their work environment as a comfortable place to work at, they would surely outperform. There is a lack of empirical research exploring this relationship so; this study fills the gap by exploring the mediating role of work environment in the relationship between transformational leadership and employee performance.

H4: Work environment mediates the relationship between transformational leadership and employee performance.

Methodology

Sample: A purposive sample of 215 employees from manufacturing sector of Pakistan was used for the study. About 21.4 percent of respondents were male and 78.6 percent were female. Majority of the respondents belong to age group of 20 to 30 years. Education level of respondents was bachelors and above. Pilot study was also conducted to test the reliability of adapted instrument on a sample of 70 respondents.

Measures

Employee Performance: The concept of employee performance was measured using a scale developed by Babin and Boles [70] consisting of 4 items. The scale was anchored at five point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

Transformational Leadership: The instrument consisted of 20 items of Transformational leadership adopted from Multifactor Leadership Questionnaire MLQ-5X, developed by Bass and Avolio [71]. Five point Likert scale was used ranging from 1 being strongly disagree to 5 being strongly agree.

Work Environment: The concept of work environment was measured by using a scale developed by Lee and Brand [72]. It contained 5 items and was anchored at 5 point likert type scale ranging from 1 (Strongly disagree) to 5 (Strongly Agree).

RESULTS

Table 1 exhibits the correlation matrix of all the variables of present research. The results show that employee performance is significantly and positively associated with transformational leadership ($r = .31$, $p < .01$) and work environment ($r = .51$, $p < .01$). Transformational leadership is also significantly and positively associated with work environment ($r = .21$, $p < .01$). The values of Cronbach's alpha coefficient for all the scales used in the current research are also exhibited in above table. All scales reliabilities exceeded the .70 recommended by Nunnally [73]. Cronbach's alpha of .82, .89 and .54 for transformational leadership, employee performance and work environment respectively, were significantly high for research use.
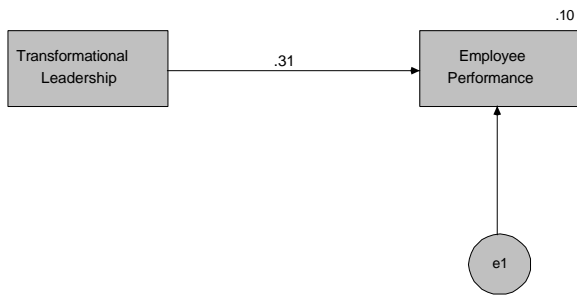
Fig. 1: Structural Equation Model showing relationship between Transformational Leadership and Employee Performance without mediation
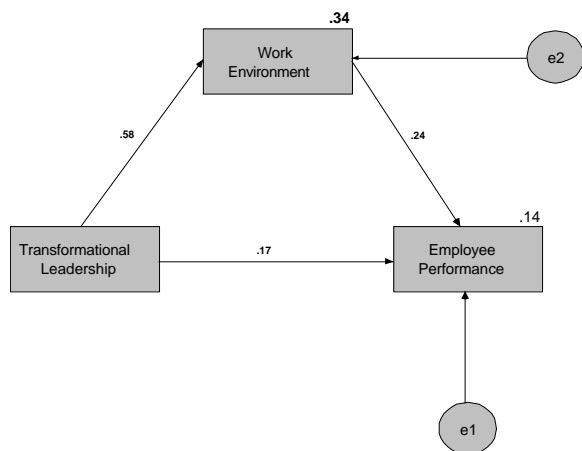

Fig. 2: Structural Equation Model showing relationship between Transformational Leadership and Employee Performance with Work Environment as mediating variable

Table 1: Descriptive statistics, Reliability and Correlation Matrix of all variables (N=215)

	Scales	Mean	S.D	I	II	III
I	Transformational Leadership	3.40	0.493	(.82)		
II	Employee performance	4.10	0.511	0.311*	(.89)	
III	Work environment	3.71	0.893	0.512*	0.216*	(.74)

*p<.01, (Parenthesis Shows Alpha Reliability Values of Variables)

Table 2: Mediating Effect of Work Environment

Models	$
MODEL 1	
Transformational Leadership ↳ Employee Performance	.31*
MODEL 2	
Transformational Leadership ↳ Work Environment ↳	
Employee Performance	.17

This study uses the procedure explained in literature Hoyle and Smith [74] and Prabhu [75] to examine the mediating role of variable between the predictor and outcome variable [74-76]. This procedure consists of

different steps to observe the partial or full mediation. First, the direct effect of the predictor to the outcome variable is to be examined. Second, the indirect effect of the predictor to the outcome variable is to be examined throught mediating variable. If the predictor variable to the outcome variable is insignificant through the mediating variable, it indicates complete mediation. If the predictor variable to the outcome variable is still significant and path declines, it is the evidence of partial mediation [74,75]. For both complete and partial mediation, the mediating varable should be significantly related to the predictor as well as outcome variable in the model with indirect effect [75, 76]. Table 2 represents the impact of transformational leadership on employee performance using two models i.e. direct and indirect model. These models are described in detail below.

Figure 1 reveals the relationship between Transformational Leadership and Employee Performance without mediating variable. Transformational Leadership is positive and significantly related to Employee Performance (\$=0.31, p<0.01). Transformational Leadership explain 10% of the variance in Employee Performance.

Figure 2 reveals the mediating role of Work Environment in the relationship between Transformational Leadership and Employee Performance. Transformational leadership is positively and insignificantly related to Employee Performance (\$=0.17, p>0.01) with the inclusion of Work Environment as mediating variable in the model. Work Environment is significantly related to both the Transformational Leadership and Employee Performance (p<0.01). Transormational Leadership explains 34% variance in Work Environment. Transformational Leadership and Work Environment explains 14% variance in Employee Performance. The positive and insignificant relationship between Transofmrational Leadership and Employee Performance with Work Environment as mediating variables indicates that Work Environment completely mediates the relationship between Transformational Leadership and Employee Performance.

DISCUSSION

Employee performance is the focus of the attention of the academicians and practitioners since decades. The Organizations in order to gain competitive edge and achieve success give top priority to the employee performance. As employees are the key to organizational success, new ways are sought to get maximum performance from them. [1,2]. Past literature is evident of

the relationship between transformational leadership, work environment (i.e. climate and culture) and performance [12, 36, 37, 38, 41, 49, 52, 60].

The aim of the current study was twofold: to examine the effect of transformational leadership and work environment on employee performance and to explore role of work environment as a mediator between transformational leadership and employee performance. Findings based on 215 managers from Pakistani manufacturing organizations support out preposition that transformational leadership have a significant and positive impact on employee performance.The results found support by the past literature revealing significant and positive impact of transformational leadership on employee performance [40, 39, 37, 38, 41]. The hypothesized impact of transformational leadership on work environment was also supported. Transformational leadership was found to influence work environment [48].

The results also supported the preposition anticipating the effect of work environment on employee performance. The result is also in line with the previous researches claiming the effect of work environment on employee performance [51, 52].

The hypothesized mediating role of work environment in the relationship between transformational leadership and employee performance was partially supported. It means that transformational leadership is directly as well as indirectly related to employee performance. The past research is evident of a limited research exploring the effect of transformationsl leadership on performance through some contectual factors [64-67]. Culture which is an important component of work environment was also found to influence performance [69].

The study was limited due to its cross-sectional study design. However, these types of relationships may require a longitudinal analysis so, the future researches should examine this relationship over a longer period of time. The results were also limited to the uni-dimensional analysis of the variables whereas; the future researches may treat these variables as multi-dimensional i.e. using their facets instead of the whole variable. The study was conducted in the manufacturing sector limiting its scope. The future researches may examine the relationship in other sectors and may compare different sectors as well.

REFERNCES

1. Luthans, F. and A.D. Stajkovic, 1999. Reinforce for performance: the Need to Go Beyond Pay and Even Reward. pp: 49-57.

2. Pfeffer, J., 1994. Competitive Advantage through People. Boston: Harvard Business School Press.

3. Boxall, P. and J. Purcell, 2003. Strategy and Human Resource Management. Palgrave Macmillan, NY.

4. Warech, M. and Tracey, J.B. 2004. Evaluating the impact of human resources: identifying what matters. Cornell Hotel and Restaurant Administration Quarterly, 45: 376-387.

5. Keller, R.T., 2006. Transformational leadership, initiating structure and substitutes for leadership: A longitudinal study of R and D project team performance. Journal of Applied Psychology, 91: 202-210.

6. Stewart, G.L., K.P. Carson and R.L. Cardy, 1996. The joint effects of conscientiousness and self-leadership training on employee self directed behavior in a service setting. Personnel Psychology, 49: 143-164.

7. Sadikoglu, E. and C. Zehir, 2010. Investigating the effects of innovation and employee performance on the rel3ationship between total quality management practices and firm performance: An empirical study of Turkish firms. Int. J. Production Economics, 127: 13-26.

8. Karatepe, O.M., O. Uludag, I. Menevis, L. Hadzimehmedagic and C.L. Baddar, 2006. The effects of selected individual characteristics on frontline employee performance and job satisfaction. Tourism Management, 27: 547-560.

9. Iun, J. and X. Huang, 2007. How to motivate your older employees to excel? The impact of commitment on older employees' performance in the hospitality industry. Hospitality Management, 26: 793-806.

10. Bass, B.M., 1985. Leadership and performance beyond expectations: New York: Free Press.

11. Bass, B.M. and B.J. Avolio, 1990. Transformational leadership development: Manual for the Multifactor Leadership Questionnaire. CA, Palo Alto: Consulting Psychologist Press.

12. Dvir, T., D. Eden, B.J. Avolio and B. Shamir, 2002. Impact of transformational leadership on follower development and performance: A field experiment. Academy of Management Journal, 45: 735-744.

13. Pawar, B.S. and K.K. Eastman, 1997. The nature and implications of contextual influences on transformational leadership: A conceptual examination. The Academy of Management Review, 22: 80-109.

14. Podsakoff, P.M., S.N. MacKenzie, R.H. Moorman and R. Fetter, 1990. Transformational leader behaviors and their effects on followers' trust in leader, satisfaction and organizational citizenship behavior. The Leadership Quarterly, 1: 107-142.

15. Bass, B.M. and B.J. Avolio 1994. Improving organizational effectiveness through transformational leadership. Newbury Park CA: Sage.

16. Bass, B.M. and B.J. Avolio, 2000. MLQ Multifactor Leadership Questionnaire, Second Ed. Redwood City, CA: Mind Garden, Inc.

17. Avolio, B.J., B. Bass, F. Walumbwa and W. Zhu, 2004. MLQ Multifactor Leadership Questionnaire: Technical report, leader form, rater form, a nd scoring key for MLQ Form 5x-Short (3rd ed.). Redwood City, CA: Mind Garden.

18. Dumdum, U.R., K.B. Lowe and B.J. Avolio, 2002. A meta-analysis of transformational and transactional leadership correlates of effectiveness and satisfaction: An update and extension. In B. J. Avolio, and F. J. Yammarino (Eds.), Transformational and charismatic leadership: The road ahead pp: 35-66. Amsterdam7 Elsevier.

19. Kouzes, J.M. and B.Z. Posner, 2002, Leadership Challenge, 3rd ed. Jossey-Bass, San Francisco, CA.

20. Marion, R. and M. Uhl-Bien, 2001. Leadership in complex organizations. The Leadership Quarterly, 12: 389-418.

21. Bachmann, K., 2002. Health Promotion Programs at Work: A Frivolous Cost or a Sound Investment? Ottawa: Conference Board of Canada.

22. Brenner, P., 2004. Workers physical surrounding. Impact Bottom Line Accounting: Smarts Pros.com

23. Denison, D.R., 1990. Corporate culture and organizational effectiveness. NewYork: Wiley.

24. Schneider, B., (Ed.). 1990. Organizational climate and culture. San Francisco: Jossey-Bass.

25. Schneider, B., 2000. The psychological life of organizations. In Ashkanasy, N. Wilderon, C. and Peterson, M. (Eds.), Handbook of organizational culture and climate, Sage, ThousandOaks, CA, pp: xvii-xxi.

26. Denison, D., 1996. What is the difference between organizational culture and organizational climate? A native's point of view on a decade of paradigm wars, Academy of Management Review, 21(3): 619-654.

27. Schein, E., 2000. Sense and nonsense about culture and climate. In N. M. Ashkanasy, C. P. M. Wilderom and M. F. Peterson (Eds.), Handbook of organizational culture and climate (pp. xxiii-xxx). Thousand Oaks, CA: Sage.

28. Cooke, R.A. and J.L. Szumal, 1994. The impact of group interaction styles on problem-solving effectiveness. Journal of Applied Behavioral Science, 30: 415-437.

29. James, I.T., D. Perrett and P.W. Thompson, 1990. Rapid assay for hard tissue collagen cross-links using isocratic ion-pair reversed-phase liquid chromatography. J. Chromatogr. 525: 43.

30. Ostroff, C. A.J. Kinicki and M.M. Tamkins, 2003. Organizational culture and climate. In W.C. Borman, D.R. Ilgen and R.J. Klimoski (Eds), Comprehensive Handbook of Psychology, Volume 12: I/O Psychology, pp: 565-594. New York: John Wiley and Sons.

31. Trice, H. and J. Beyer, 1993. The Cultures of Work Organizations, Prentice Hall, New Jersey.

32. Stackman, R.W., C.C. Pinder and P.E. Connor, 2000. "Values lost: redirecting research on values in the workplace", in Ashkanasy, N.M. Wilderom, C.P.M. Peterson, M.F. (Eds), Handbook of Organizational Culture and Climate, Sage, Thousand Oaks, CA, pp: 37-54.

33. Bycio, P., R.D. Hackett and J.S. Allen, 1995. Further Assessment of Bass's (1985) Conceptualization of transactional and transformational leadership. Journal of Applied Psychology, 80: 468-478.

34. Shin, S.J. and J. Zhou, 2003. Transformational leadership, conservation and creativity: evidence from Korea. Academy of Management Journal, 46(6): 703-714.

35. Yukl, G., 2002. Leadership in Organizations, 5th Ed. Upper Saddle River, NJ: Prentice Hall.

36. Waldman, D.A., G.G. Ramirez, R.J. House and P. Puranam, 2001. Does leadership matter? CEO leadership attributes and profitability under conditions of perceived environmental uncertainty. Academy of Management Journal, 44: 134-143.

37. Lim, B.C. and R.E. Ployhart, 2004. Transformational leadership: Relations to the five-factor model and team performance in typical and maximum contexts. Journal of Applied Psychology, 89(4): 610-621.

38. Schaubroeck, J., S.S.K. Lam and S.E. Cha, 2007. Embracing transformational leadership: Team values and the impact of leader behavior on team performance. Journal of Applied Psychology, 92: 1020-1030.

39. Khan, R., A.U. Rehman and I. Yousuf, 2009. Influence of transformational leadership on employees performance: a pakistani perspective. International Journal of Accounting Information Science and Leadership, 2(3): 53-60.

40. Bono, J.E. and T.A. Judge, 2003. Self-concordance at work: Toward understanding the motivational effects of transformational leaders. Academy of Management Journal, 46: 554-571.

41. Walumbwa, F.O., P. Wang, J.J. Lawler and K. Shi, 2004. The role of collective efficacy in the relations between transformational leadership and work outcomes. Journal of Organizational and Occupational Psychology, 77(4): 515-530.

42. Walumbwa, O.F. and K.P. Kuchinke, 1999. March. HRD faculty as leaders: The application of the full range leadership theory to graduate level HRD instruction. Paper presented at the Academy of Human Resource Development conference, Fairfax, VA.

43. Bass, B.M., 1998. Transformational leadership: Industry, military and educational impact. NJ, Mahwah: Lawrence Erlbaum Associates.

44. Avolio, B.J., 1999. Full leadership development: Building the vital forces in organizations. Newbury Park CA: Sage

45. Fatima, A., R. Imran and A. Zaheer, 2010. Emotional Intelligence and job satisfaction: Moderated by Transformational Leadership. World Applied Sciences Journal. 10(6): 612-620.

46. Avolio, B.J. and B.M. Bass, 1995. Individual consideration viewed at multiple levels of analysis: A multi-level framework for examining the diffusion of transformational leadership. The Leadership Quarterly, 6(2): 199-218.

47. Porter, L.W. and G.B. McLaughlin, 2006. Leadership and the organizational context: Like the weather? The Leadership Quarterly, 17: 559-576.

48. Bass, B.M., B.J Avolio, D. Jung and Y. Berson, 2003. Predicting unit performance by assessing transformational and transactional leadership. Journal of Applied Psychology, 88: 207-218.

49. Yukl, G. and J.M. Howell, 1999. Organizational and contextual influences on the emergence and effectiveness of charismatic leadership. The Leadership Quarterly, 10: 257-283.

50. Kravetz, D., 1988. The human resources revolution: Implementing progressive management practices for bottom-line success. San Francisco: Jossey-Bass.

51. Hansen, G. and B. Wernerfelt, 1989. "Determinants of firm performance: The relative importance of economic and organisational factors." Strategic Management Journal. 10(September-October): 399-411.

52. Ostroff, C. and D.E. Bowen, 2000. Moving HR to a Higher Level. In K.J. Klein and S.W. Kozlowski (Eds.), Multilevel Theory, Research and Methods in Organizations pp: 211-266. San Francisco: Jossey-Bass.

53. lackler, F.H.M. and C.A. Brown, (1981), "A New Philosophy of Management: Shell Revisited", Personnel Review, 10: 15-21.

54. Gordon, G.G. and N. Ditomaso, 1992. Predicting corporate performance from organizational culture. Journal of Management Studies, 29: 783-798.

55. Akin, G. and D. Hopelain, 1986. Finding the culture of productivity. Organizational Dynamics, 14:19-32.

56. Peters, T. and R. Waterman, 1982. In Search of Excellence: Lessons from America's Best Run Companies. New York: Harper and Row.

57. Stevenson, H.H. and D. Gumpert 1985. 'The heart of entrepreneurship', Harvard Business Review, 85: 85-94.

58. Vail, P., 1984. The purposing of high-performing systems. In T. sergiovanni and J. Corbally (Eds.). Leadership and organizational culture. Urbana, University of Illinois Press.

59. Fiol, C., 1991. Managing Culture as a Competitive Resource: An Identity-Based View of sustainable Competitive Advantage. Journal of Management. 17(1): 191-211.

60. Kotter, J.P. and J.L. Heskett, 1992. Corporate culture and performance. New York: Free Press.

61. Bass, B.M., 1999. Two decades of research and development in transformational leadership. European Journal of Work and Organizational Psychology. 8(1): 9-32.

62. Conger, J.A., 1999. Charismatic and transformational leadership in organizations: An insider's perspective on these developing streams of research. The Leadership Quarterly, 10: 145-179.

64. Gowen, C.R., III. S.C. Henagan and K.L. McFadden, 2009. Knowledge management as a mediator for the efficacy of transformational leadership and quality management initiatives in U.S. health care. Heath Care Management Review, 34(2): 129-140.

65. García-Morales, V., F. Llorens-Montes and A. Verdú-Jover, 2006. "Antecedents and consequences of organizational innovation and organizational learning in entrepreneurship", Industrial Management and Data Systems, 106(1-2): 21-42.

66. Colbert, A.E., A.L. Kristof-Brown, B.H. Bradley and M.R. Barrick, 2008. CEO transformational leadership: The role of goal importance congruence in top management teams. The Academy of Management Journal, 51(1): 81-96.

67. Rodriguez Ponce, E., 2007. Leadership styles, strategic decision making and performance: an empirical study in small and medium-size firms. Interciencia, 32(8): 522-528.

68. García-Morales, V.J., F.J. Lloréns-Montes and A.J. Verdú-Jover, 2008. The Effects of Transformational Leadership on Organizational Performance through Knowledge and Innovation. British Journal of Management, 19: 299-319.

69. Ogbonna, E. and L.C. Harris, 2000. Leadership style, organizational culture and performance: Empirical evidence from UK companies. International Journal of Human Resource Management, 11(4): 766-788.

70. Babin, B.J. and J.S. Boles, 1998. Employee behavior in a service environment: A model and test of potential differences between men and women. Journal of Marketing, 62: 77-91.

71. Bass, B.M. and B.J Avolio,. 1995. The multifactor leadership questionnaire (5X-Short): Redwood City, CA: Mind Garden.

72. Lee, S.Y. and J.L. Brand, 2005. Effects of control over office workspace on perceptions of the work environment and work outcomes. Journal of Environmental Psychology, 25: 323-333.

73. Nunnally, J.C., 1978. Psychometric theory (2nd ed.). New York: McGraw-Hill.

74. Hoyle, R.H. and G.T. Smith, 1994. Formulating clinical research hypotheses as structural equation models: A conceptual overview. Journal of Consulting and Clinical Psychology, 62: 429-440.

75. Prabhu, V.P., 2007. Understanding the effect of proactive personality on job related outcomes in an organizational change setting. Doctoral dissertation, Auburn University, Auburn, Alabama.

76. Baron, R.M. and D.A. Kenny, 1986. The moderator-mediator variable distinction in social psychological research: Conceptual, strategic and statistical considerations. Journal of Personality and Social Psychology, 51: 1173-1182.