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Donjeta Murtezaj & Afërdita Ahmeti

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The Impact of Transformational Leadership on Organizational Citizenship Behavior (OCB) in the Workplace: Case study at the Recycling Company Rec-Kos, Kosovo

Donjeta Murtezaj, MA

Afërdita Ahmeti, Dr.

E-mail: aferdita.ahmeti@aab-edu.net

AAB College, Pristina, Kosovo

Abstract

This research examines whether there exists a positive correlation between the transformational leadership style and factors such as civic virtues, responsibility, altruism, correctness, and civility to practice Civic Organizational Behaviour (OCB) constructively. Employees who tend to support colleagues with the above factors become more outstanding later on. Additionally, these employees excel by acting beyond the set minimum to successfully complete a task. Indeed, OCB can be stimulated by the transformational leader. The quantitative data from the case study in REC-KOS, a private company based in Kosovo, highlight that factors such as age and less work experience are related to the creation of an OCB-supportive work environment. An environment in which the flexibility of rules is praised by the transformational leadership style shows no relevant influence on the promotion of the empathic side of employees. On the other hand, full identification with the company for which one works is achieved primarily through organizational culture.

Keywords: OCB, transformational leader, civic virtues, sense of responsibility, altruism, correctness and courtesy.

Introduction

In the ever-evolving organizational world, many types of leadership styles are under scrutiny for their usefulness. In this sense, the transformational leadership style is considered to be more effective than the transactional leadership style. In fact, transformational leaders promote the personal growth and development of their followers by appropriately communicating the importance and value of shared goals (Haworth & Levy, 2001). Whereas the transactional leadership style is mainly focused that specific goals are being achieved (Avolio et al., 2009; Bass et al., 2003). One characteristic of the transformational leadership style is that it also communicates organizational citizenship behaviour (OCB). This manifestation of OCB includes both innovative and spontaneous behaviour to perform beyond the minimum requirements of an organization, taking into account how people's thoughts, feelings, and behaviours are influenced by the implicit presence of others (Bass et al., 2003). This paper will also investigate whether OCB is individually or organizationally driven. Its importance lies in finding out why employee behaviour differs and how to make the most of it.

OCB

Basically, OCB is a term that encompasses positive and constructive aspects that employees do out of their own good will. The advantage is that employees support their colleagues and the sense of teamwork is promoted. Since OCB affects a large area, one needs to observe on an individual basis why a particular behaviour is being chosen, and its impact on the organization. Typically, employees who provide the OCB characteristics are not the most outstanding employees in an

organization but they may excel in acting beyond the minimum set of criteria later on (Tsui et al., 2006). The benefits of OCB are increased productivity, overall efficiency, and customer satisfaction. These features also reduce employee absenteeism (Podsakoff et al., 1990). As OCB is a behaviour that arises from spontaneous conditions, leaders need to promote the right indications that address this behaviour. The presence of OCB in an organization also affects employee well-being (MacKenzie et al., 2001). Thus, integrating social and psychological factors leads employees to have a more productive self-image (Cameron, 2012). One drawback is that the features of OCB are either not perceived or only informally rewarded. It needs to be emphasized that OCB contributes to specific behaviours and goal-oriented actions. On the other hand, OCB can be harmed if employees feel they are not being treated appropriately during times of crisis when the leader's support is most needed (Huang & You, 2011). Another importance of this research is to examine how equal treatment is perceived by employees. This basis of equality is tested using the characteristics of transformational leadership style and the features of OCB.

Literature review

The transformational leadership style establishes a clear vision for the future of the organization and encourages employees to take responsibility. Prior to this, acceptance of group goals needs to be facilitated (Cameron, 2012; Kim, 2014). Indeed, the transformational leadership style provides a positive correlation with employees' level of performance not depending merely on rewards (Kirkman et al., 2009). Therefore, transformational leaders focus on interpersonal relations and the realization of their objectives. Bass et al. (2003) point out that transformational leaders emphasize the growth and

development of employees. Based on Avolio et al. (2009), the four dimensions of transformational leaders will be addressed, which are known as idealization, intellectual stimulation, taking into consideration the individual context and the inspirational motivation. The charismatic part includes, first of all, that the employees fully identify with their leaders. In terms of intellectual stimulation, special emphasis is placed on how a particular issue is effectively handled (Van Knippenberg & Sitkin, 2013). It is being acquired from employees to task risk and to present well-thought ideas freely. It must not be neglected that different personalities cooperate with each other in a company. Therefore, various approaches should be articulated by leaders in an appealing manner. All of the above factors promote a sense of organizational culture.

Characteristics of OCB

Generally, OCB incorporates behaviours that promote organizational effectiveness and is not necessarily followed by an external reward such as prices, money or other forms of acclaims. Thus, it can be concluded that OCB is more related to intrinsic motivation (Shamir & Howell, 2018). More specifically, intrinsic motivation is driven by internal rewards where employees are naturally satisfied in an environment where everyone is treated equally. This behaviour is also related to how emotionally connected employees are to the organization they contribute to (Hui et al., 2004). It is like an unwritten contract where each employee has their own perception of how they should contribute to an organization. Violation of this personalized contract tends to damage the employee's perceptions of OCB's credibility. Thus, when employees perceive that they are being wronged, they will make less effort to respond to intrinsic motivation. Based on Podsakoff et al.

(1990) the features of OCB are divided into five subdomains: civic virtues, sense of responsibility, altruism, correctness, and courtesy. These indicators can be called change-oriented behaviour because they are helpful and cooperative in the organizational environment.

Civic Virtues and the Feeling of Responsibility

According to Podsakoff et al. (1990), civic virtues refer to the responsibility of employees to contribute in their own way to achieve the goals of the organization. It involves prosocial behaviours while gathering enough information to make a productive contribution (Ma et al., 2013). First, there need to exist a mutual respect between employees and the leaders. Otherwise, OCB is not performed because it is considered of little worth (Shaaban, 2018). Such self-initiated behaviour to solve a problem before it has arisen contributes to a sustainable competitive advantage (Graham Shamir & Howell, 2018). This sense of responsibility indicates employees' intention to exceed certain performance expectations. However, a distinction should be made between the degree of responsibility of the employee and the impact of making a decision. The sense of responsibility is consistent with compliance with the rules and instructions of a company. To clarify, civic virtues make it possible to make working conditions easier and more amusing.

Altruism

In an organizational context, altruism involves helping other colleagues and spreading less feelings of rivalry. Widén-Wulff and Ginman (2004) indicated that the variable of reconciliation and altruism increased the level of overall performance. Personality traits, on the other hand, were shaped by learned experiences and social consideration. Argyle (2013) emphasized that the moral side of behaving as prosocial as possible is

focused on the good of others as well as one's own good. Moreover, Marjan and Khakpour's (2015) study found that age is not a determinant of altruistic behaviour. In an organizational context, employees with more work experience associate the characteristics of altruism with OCB (Shaaban, 2018). A supporting argument is that perspectives on self and others change in middle age. In this case, it includes the desire to help others without thinking of personal gain.

Correctness

A critical aspect of OCB is also the perception of justice procedures (Shamir & Howell, 2018). In fact, perceptions of equity are associated with employee participation in the process of decision-making. It is observed as a true reflection of the leader's support. Leaders shall integrate the awakened motivation into practical work in order to achieve the full capacity of each employee (Janssen & Van Yperen, 2004). Correctness is associated with the leader recognizing employees' full capacity and personality traits. Additionally, the approach is observed and whether the right words are articulated by the leader to clarify a situation.

Courtesy

Employees need an environment where it is easy to manage workloads while demonstrating civility in attitude and behaviour toward colleagues. Based on Janssen and Van Yperen (2004), a leader who demonstrates civility in attitude and behaviour shows employees how to handle crises more effectively. There is a debate about where altruism and the desire for emotional reward differ in the organizational context (Marjani & Khakpour, 2015). So, behaviour that benefits another employee at the cost of oneself is not organizational-driven but an individualized standpoint. Even though a lot of factors are

driven by organizational rules it is not known how OCB can be controlled (Kim, 2014). In this context, transformational leadership style defines the role of organizational culture. The leader sets the tone, atmosphere and culture of an organization (Foote & Li-Ping Tang, 2008). Organizations that consider internal and external interests are likely to strive for great success in terms of positive employee engagement. Internal integration reinforces a sense of shared vision, where employees identify more with the organization and thus become more engaged.

Based on Avolio et al. (2009), the transformational leadership style promotes affective commitment by encouraging intrinsic values, such as motivation that derives from within, to achieve goals. Special attention is given to efforts that go beyond the minimum criteria. A correlation of employee affective commitment and OCB was associated with workplace civility and the fulfilment on personal and professional levels (MacKenzie et al., 2001). Further research is needed to determine whether OCB is directly or indirectly related to transformational leadership style. Based on Ilies et al. (2006) the transformational leadership style is closely related to altruism and the sense of responsibility in order to promote OCB. Special attention is paid to the individual needs of employees and to increase capacities with the support of a transformational leader (Schuh et al., 2012). It is important how problems are politely articulated so that employees can identify with the organization's values, goals, and norms. Additionally, Lavelle et al. (2009) summarized that when employees balance their success with organizational performance, they are willing to support other colleagues. In other words the transformational leadership modifies the core values, beliefs and attitudes of the follower so that they are able to perform beyond the baseline level specified by the company.

Research Methodology

Study objectives

The main aims of this study are:

- to assess the role of transformational leadership style in promoting organizational citizenship behavior.
- to assess the correlation between civic virtues, responsibility, altruism, correctness, and civility for practicing OCB and the transformational leadership style.
- to assess the degree to which the employees perceive justice in the workplace.

Participants

One hundred employees (N = 100) of the company "Rec-Kos" with branches in Pristina and Fushë Kosovë participated in this research. The highest percentage, 33% of employees, belongs to the 25-29 age group. This percentage is closely followed by the 30-39 year old categorization with 32%. Surprisingly, a quarter of the participants were either in the 20-24 age group or even 40-49. The age range of 20 or younger and 50-56 is representative at less than 5%. Hereby, gender differences were not analyzed in this study because only 1% of participants were female. Precisely, figure 1 depicts the distribution of the sample by age.

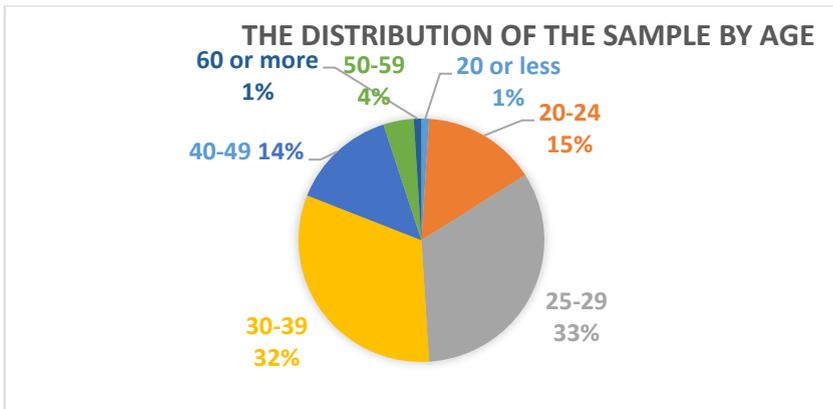


Figure 1. The distribution of the sample by age

Procedures

The questionnaire was handed out to the participants individually. The purpose of this questionnaire was described in detail and the anonymity of the given answers was guaranteed in the consent form. Confidentiality of responses was assured, and participants were allowed to end the survey without being penalized. Ambiguities were clarified during the piloting process. The Likert scale has been used throughout the questionnaire to find correlations among the independent variables of OCB characteristics such as altruism, sense of responsibility, civic virtues, courtesy, and correctness. The data were analyzed using the Statistical Package for Social Sciences (SPSS). This statistical tool was used for descriptive statistics and to analyze correlations between the variables of OCB and transformational leadership style. In our research, the transformational leader is considered as a dependent variable. Our case fits the internal validity, which allows the researcher to make inferences about causes and effects and how independent variables influence dependent variables. The

hypotheses were tested using Pearson correlation coefficient and the collected data were examined using the regression analysis. A pilot study was first conducted where five leaders took place and ten employees of another company were interviewed. This process was conducted to verify that the questions conveyed the same message as given by the author of the questionnaire. Thus, the questions that caused ambiguity were modified, such as whether the leader follows the rules even if no one sees it. Reliability analysis, known as Chronbach's alpha (α), was used to determine the consistency measure within the questionnaire. Its determination values are based on Cortina (1993), where alpha .70 is an acceptable value.

Variables	Question	(α)
Altruism	12, 13, 16, 17, 18, 19	.86
Sense of responsibility	1, 4, 6, 15, 23, 49	.77
Civic virtues	10, 21, 30, 34, 50, 35	.58
Courtesy	11, 27, 32, 36, 38, 42	.72
Correctness	3, 5, 14, 20, 22, 31	.87

Table 1. Chronbach's alpha of OCB variables

Results

The results of descriptive statistics include the mean and standard deviation of the given variables. The largest average of 4.55 is attributed to altruism. Work experience, on the other hand, has the highest standard deviation of 1.35, which means that this datum is more distributed or scattered than the others

approaching the mean. Other descriptive statistics of age, working experience and the characteristics of OCB can be seen on the table below.

Descriptive Statistics			
	Mean	Std. Deviation	N
Age	3.5900	1.12002	100
Working experience	3.5000	1.35214	100
Altruism	4.5500	.10000	100
Sense of Responsibility	4.1000	.20000	100
Civic virtues	3.6775	.24350	100
Correctness	3.5350	.07000	100
Courtesy	3.6050	.13404	100

Table 2. The descriptive statistics of OCB with the variable of age and working experience

It has been shown that the middle age of 30-39 is more representative to convey the sense of responsibility. The frequency of the other group ages can be seen in the figure below.

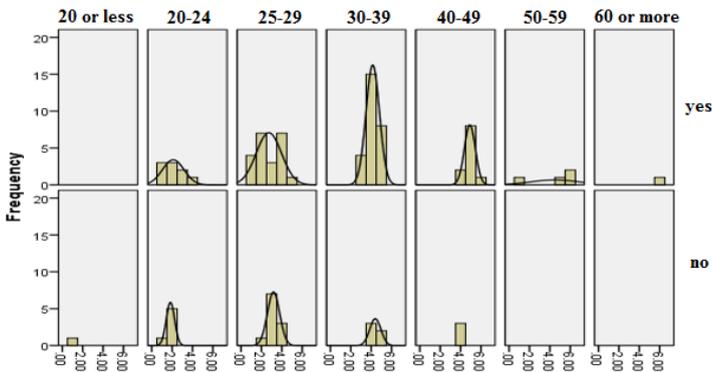


Figure 2. The frequency of the group ages

Furthermore, table 3 illustrates whether there exists a correlation among the variables of age and working experience with the five components of OCB. A statistically significant correlation was found among age ranges and working experience ($r=.704$, $p=.000$). In contrast, no correlation was found between age ranges and work experience with OCB factors. A statically significant correlation was found in between the age and the components of civic virtues ($r=.983$, $p<.017$). Finally, but no less importantly, a statistically significant negative relationship was found between employees' sense of responsibility and their correctness ($r= -1.000$, $p=.000$).

	Age	Working experience	Altruism	Sense of Responsibility	Civic virtues	Correctness	Courtesy
Age	Pearson Correlation	.704**	.160	.801	.983**	-.801	.084
	Sig. (2-tailed)	.000	.840	.199	.017	.199	.916
	N	100	100	100	100	100	100
Working experience	Pearson Correlation	.704**	.000	.617	.900	-.617	-.161
	Sig. (2-tailed)	.000	1.000	.383	.100	.383	.839
	N	100	100	100	100	100	100
Altruism	Pearson Correlation	.160	.000	.333	.294	-.333	.870
	Sig. (2-tailed)	.840	1.000	.667	.706	.667	.130
	N	100	100	100	100	100	100
Sense of Responsibility	Pearson Correlation	.801	.617	.333	.883	-1.000**	.522
	Sig. (2-tailed)	.199	.383	.667	.117	.000	.478
	N	100	100	100	100	100	100
Civic virtues	Pearson Correlation	.983**	.900	.883	1	-.883	.261
	Sig. (2-tailed)	.017	.100	.706	.117	.117	.739
	N	100	100	100	100	100	100
Correctness	Pearson Correlation	-.801	-.617	-.333	-1.000**	1	-.522
	Sig. (2-tailed)	.199	.383	.667	.000	.117	.478
	N	100	100	100	100	100	100
Courtesy	Pearson Correlation	.084	-.161	.870	.522	-.522	1
	Sig. (2-tailed)	.916	.839	.130	.478	.478	.100
	N	100	100	100	100	100	100

Table 3. Correlation of OCB with the variables of age and working experience

Additionally, the values show that the leader's consideration part was not statically approved ($r = -.333, p < .667$). Also, no correlation has been depicted on the leader's idealization part ($r = -.577, p < .423$). On the other hand, the

leaders inspirational impact has been positively resulted ($p < .000$).

Discussion

This section discusses the data obtained from our research questions and hypotheses in correlation to the characteristics of OCB and the transformational leadership style. If we recall the hypotheses, one of them was to assess the role of transformational leadership style in promoting organizational citizenship behaviour. In our case, the representative sample with the highest average was inclined towards employees who have been working for about 3-4 years and belong to the age range of 30-39 years. This percentage is likely to influence the final result of the independent variables of altruism, the sense of responsibility, courtesy, correctness and civic virtues. Relying to the variables of age and the employees' sense of responsibility, it can be observed that the age groups 30-39 are more inclined to practice OCB. With increasing age, the awareness of having achieved a great deal for the company decreases (Shamir & Howell, 2018). This is also confirmed by the fact that employees who have been employed for 10 years are less likely to practice OCB. One argument was the perception of injustice. The most willing to accept volunteer work were those employees who had 1-3 years of work experience. However, this does not mean that the working hours need to be exceeded, as it is negatively correlated. Within the broader practice of OCB, altruism and correctness tend to be associated with OCB. So, interpersonal interactions that may occur during collaboration at work need to be praised. Courtesy has not been shown to correlate with interpersonal interactions. Similarly, it turns out that civic virtues do not have a decisive influence, even if they originate from the organization culture

itself. OCB is particularly impaired when employees feel that they are not treated properly in times of crisis. Attention must be drawn to this point, as it is directly related to employees' worth. This self-initiated behaviour of OCB is critical to finding a solution to a problem before it becomes too difficult to manage it. This promotes a healthy competition in the organization. There was a strong correlation with the transformational leader's characteristic of emphasizing inspirational motivation. But it did not promote the intellectual stimulation of the employees. To fully realize the intellectual potential of employees, they need to be intrinsically motivated (Foote & Li-Ping Tang, 2008). When all of the above characteristics are achieved, overall well-being increases and employees are more likely to identify with the company they work for.

Conclusion

There exists a positive correlation between the transformational leadership style and some characteristics of OCB. It was emphasized that the employee's goodwill must first be fostered in order to adopt OCB attributes that are not directly linked to the delivery of outstanding performance. OCB's characteristics are presented as a firm basis for outstanding and stable performance. The results proclaim that age ranges and lower work experience are related to the creation of an OCB-supportive work environment. Consequently, employees with 10 years of experience are less inclined to prefer OCB because it is associated with unfairness. As the characteristics of OCB tend to be individually driven, altruism and the sense of correctness are correlated with OCB, but this is not the case for courtesy and civic virtues. Indeed, the employees were inspired by their leader but it did not foster their intellectual stimulation. In

summary, to promote employees' self-initiated behaviour, innovative and spontaneous intentions need to be acknowledged by the leader in order to increase overall well-being.

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