The Effect of Transformational Leadership on Employees' Attitude by Considering the Mediating Role of Psychological Empowerment

(Case Study: Municipality of Karaj, Region 1)

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Abstract

This research was conducted to investigate the relation between transformational leadership and staff's attitudes with consideration of the mediating role in psychological empowerment. The purpose was applied type and the method used in this research was descriptive-survey. To collect the relevant data in this study, Sung's staff attitude standard questionnaire (2006), Bass & Alluvium's Transformational Leadership Questionnaire (2000) and Spreitzer's Psychological Capital Questionnaire (1998) were used. The reliability of each questionnaire was 0.786.0.802 and 0.799, respectively. The population studied was the staff and managers of the municipality in Region 1, Karaj with 280 persons. Regarding to their limited number, 162 individuals were selected randomly to determine the sample size using the Morgan table and the questionnaire was distributed among these individuals. To collect the information and data required to evaluate the research's hypotheses, a questionnaire and statistical analysis software as SPSS and LISREL were evaluated. At the inferential level, inferential techniques such as Kolmogorov-Smirnov's normal test, Pearson correlation test, and structural equation modeling were used to test the hypotheses. Based on the results, the studied hypotheses were accepted.

1- Introduction

Transformational Leadership refers to a kind of leadership in which leaders have divine gifts, and provide spiritual impulses for their followers and induct them with influence over their hearts. The transformational leader develops awareness from the organization's mission or vision and develops partners and followers for higher levels of ability and potential. In addition, the transformational leader instigates colleagues and followers to take interest in the interests of the group beyond their own interests. Only transformational leaders are able to determine the necessary new paths for new organizations. Such leaders are the source of fundamental changes and predominate on the changes over the organization and they are on a wave of change, such leaders can provide a better and clearer image from the future, explain their insights effectively to subordinates and make them to do challenging and exceptional tasks. Transformational leaders are leaders who inspire their followers and are able to empathize them and guide them in a way to provide the interests of the organization, which can cause subordinates to behave with a very high spirits and influence deeply on organization [2], Leadership Transformational is realized based on four factors of Ideal influence, mental persuasion, inspirational motivation and developmental support. Ideal influence: it describes leaders who act as strong models for their followers. If a leader is transformative, it will create a sense of respect, admiration and loyalty among its followers, and will emphasize on the importance of having a strong commitment to achieve mission of the organization. Inspirational Motivation: This is a descriptor of the leaders who increase and motivate their commitment through contributing to future prospects. Stimulation of cultivation: Stimulation of adolescent in followers is achieved when the leader helps them to achieve constructive initiatives and creations. Development-oriented support: Development-oriented support realizes when the leader pays enough attention to the requirements of followers in order to achieve further growth, and does not hesitate to give any guidance and support in this regard. Accordingly, the leader entrusts the assignment to followers, which implies their growth in various ways [3].

It should be noted that leadership style is the most important factor in the organization's growth and it is important to identify its effect on the attitudes of employees in the organization. Knowing the attitude of the employees is very important to understand the person's behavior in the organization and to predict its behavior [4]. Managers pay attention to employees' attitudes as attitudes influence on individual's behavior; the attitudes can be controlled and managers can engage employees in something that is apparently consistent with their attitude. Management is significant for staff's understanding. Staff's understanding is related to behaviors that are sensitive to the organization. In general, employees have a set of stable and identifiable procedures in relation to their work environment, some of which are: payments, terms of work environment, job descriptions, etc. [2]. Empowerment is essentially a motivational process in which a person experiences ability feeling. There are two general perspectives on empowerment: (1) a macro perspective that looks at different policies and structures in organizational empowerment, such as the role of managers, and (2) micro perspective that focuses on empowerment as a particular form of internal motivation at the employee's level [4].

Empowering the individual means to encourage individuals to participate more in decisions that affect their activities, it means to provide a space to make good ideas and turn them into action. Psychological empowerment includes giving power and freedom to act for its own administration, and in the organizational concept means the design of an organization's structure, in which individuals are ready to accept more responsibilities in spite of having control on themselves [5]. The dimensions of psychological empowerment include self-determination, sense of competence, sense of being effectiveness, and sense of meaningfulness. Self-determination: Self-determination or having the right to choose means the freedom of action and independence of an individual to determine required activities to carry out a job's tasks. Sense of competence: refers to the degree to which a person can perform job tasks skillfully and successfully. Sense of being effectiveness: The degree to which a person can influence on strategic, administrative, and operational outcomes of the job. Sense of meaningfulness: meaningfulness means worthy job goals and person's interest in the job. Confidence: Empowered people have a sense of trust and are confident that they will be treated fairly and honestly. In other words, they trust that the owners of power or influence will not harm them and they will be treated with impartiality [3]. Similar studies have been done in this regard: Han (2016) explains in Transformational leadership and knowledge sharing: Mediating roles of employee's empowerment, commitment, and citizenship behaviors that "The results of this study indicate significant direct effects of transformational leadership on psychological empowerment, organizational commitment and OCB. Moreover, transformational leadership also shows an indirect effect on employees' OCB, which, in turn, is identified as the primary factor that influences knowledge sharing. However, organizational commitment does not provide a significant influence on knowledge sharing. These findings highlight the importance of mediating roles, particularly OCB, to predict employees' knowledge-sharing intention"[6].

Kasemsap (2017) explains in Developing a unified framework and a causal model of transformational leadership, empowerment, innovation support, and organizational innovation that" The research objective in the study described in this chapter was to develop a unified framework and a causal model of transformational leadership, empowerment, innovation support, and organizational innovation for leather company employees in Thailand. The chapter argues that dimensions of transformational leadership, empowerment, and innovation support have mediated positive effect on organizational innovation. Innovation support positively mediates the relationships between transformational leadership and organizational innovation and between empowerment and organizational innovation. Transformational leadership is positively correlated with empowerment. Furthermore, the author hopes that understanding the theoretical constructs of transformational leadership, empowerment, innovation support, and organizational innovation through the use of this framework and causal model will not only inform researchers of a better design for studying transformational leadership, empowerment, innovation support, and organizational innovation, but also assist in the understanding of intricate relationships between different factors"[7]. Jahanshahi (2016) explains in consideration of the relation between job attitudes and empowerment and presentation of a conceptual model for empowering journalists that "Job attitude consists of three types of attitudes: Job satisfaction, organizational commitment, and job dependence. These three types of attitudes among journalists who evaluate their various aspects of career influence on their professional performance. Accordingly, this research's purpose is to investigate the relation between this attitude and empowerment. In this research, cluster sampling method has been used. Thus, 14 newspapers were selected from 58 national newspapers in Tehran, and a questionnaire was distributed among their reporters. Finally, 256 questionnaires were completed and were placed as research's basis. SPSS software was used for data analysis. In this study, there was a significant relation between job attitude and empowerment, and the variables of leadership style and influence on society have the strongest relation with the ability of journalists. Descriptive findings also showed that among the variables of job satisfaction, wage status is in the worst case [1].

Tse (2014) in the study of transformational leadership and job performance expresses the social identity perspective. Using social identity theory, the present study provides a model to describe underlying process in which transformational leadership influences on creative and organizational citizenship behaviors. Individual differentiation and group identity are proposed as mechanisms of social identity. These mechanisms reflect the characteristics of personal and collective identity orientations, which underlie the distinctive effects of transformational leadership behaviors on performance outcomes. This model has been tested with data from a sample of 250 frontline employees and their direct managers; they are working in five banks in Republic of China. The results of hierarchical linear modeling support this model, while transformational leadership behaviors focused on individual and group apply distinct effects on individual differentiation and group identity. In addition, individual differentiation is the interface between the transformational

leadership focused on the individual and the creative behavior, while group identity is relation interface between the transformational leadership focused on the group and the OCBs related to the individuals and groups. Future applications of theory and practice have been investigated and future orientations have been drawn [8].

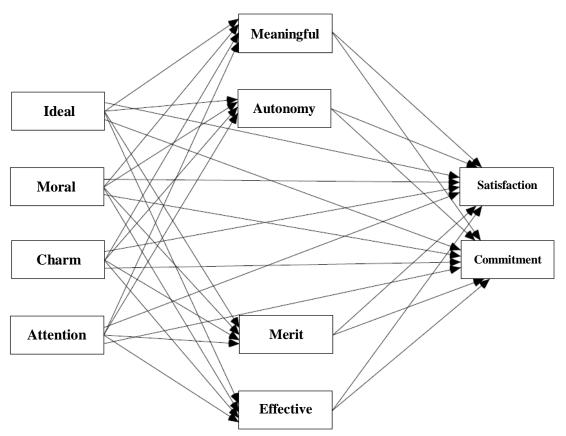The conceptual model of the research is as following:

Figure 1. **Conceptual model of the research [2].**

2- Definition of Variables

2-1- Transformational Leadership

The initial concept of transformational leadership was presented by Burns and as a result of his descriptive research on political leaders. Burns defined Transformational Leadership as a process in which leaders and followers lead themselves to a higher level of ethics and motivation. Bass presented a new theory based about transformational leadership based on Burns' theory. Bass defined transformational leader into a person who empowers followers and motivates them to function beyond their expectations, and encourages them to pursue collective goals rather than personal interests [9].

Ideal Influence: It describes leaders that act as strong models for followers. If a leader is transformative, it will create a sense of respect, admiration and loyalty among its followers, and will emphasize on the importance of having a strong commitment to achieve the organization's mission.

Inspirational motivation: This is a descriptor of the leaders who increase and motivate their commitment future through contributing the followers to draw their future's vision.

Subjective stimulation: Followers' adolescent stimulation is achieved when the leader helps them to achieve constructive initiatives and creations.

Attention and individual considerations: Development-oriented supports will be presented when the leader pays enough attention to the followers' requirements in order to achieve further growth and does not hesitate to give any guidance or support in this regard. Accordingly, the leader will assign actions on followers that imply their growth in various ways.

2-2- Psychological Empowerment

In the term, it involves the power and freedom to act for its own administration, and in the organizational sense means the design of organization's structure, in which individuals are more prepared to take on their responsibilities in spite of having control on themselves [5].

The dimensions of psychological empowerment include sense of autonomy, sense of competence, sense of effectiveness, sense of meaningfulness, sense of trust.

Sense of autonomy: Sense of autonomy or having the right to choose means the freedom of action and independence of an individual to determine required activities to carry out job tasks.

Sense of competence: it refers to the degree to which a person can perform job tasks skillfully and successfully.

Sense of effectiveness: The degree to which a person can influence on strategic, administrative, and operational outcomes of the job.

Sense of meaningfulness: meaningfulness means worthy job goals and person's interest to the job.

Sense of confidence: Empowered people have a sense of confidence and are confident that they will be treated fairly and honestly. In other words, they trust that the owners of power or influence will not harm them and will be treated with impartiality [10].

2-3- Staff's Attitude

Staff's attitude influences on the behavior of the individual; Staff's attitudes can be controlled and managers can engage employees in something that is apparently consistent with their attitude. Management is significant for staff's understanding. Staff's understanding is related to behaviors that are sensitive to the organization. In general, employees have a set of stable and identifiable procedures in relation to their work environment, some of which are: payments, terms of work environment, job descriptions, etc. [11].

3- Materials and Methods

Regarding the subject of the study, which considers the relation between variables, the research is a kind of correlation, because when the relation between variables is measured, in fact existence of correlation between them is being measured. The study was also applied in terms of work and purpose nature and the purpose, and data collection was done through library and field methods. In this study, Sung's staff attitude standard questionnaire (2006), Transformational Leadership Questionnaire (TFB) and Avilov (2000) and Spreader Psychological Capital Questionnaire (1998) are used. Validity of the questionnaire was approved by senior experts. Also, to test the reliability, Cronbach's alpha was used that above coefficients were estimated to be 0.949, 0.876 and 0.788. The sample population is Karaj Municipality employees and managers in Region 1 that their number was 280 persons. Given the limited number of employees, 162 persons are randomly selected from the Morgan table to determine the sample size and a questionnaire is distributed among these individuals. Sampling method is simple and random. Finally, after distributing the questionnaires and collecting staff's opinions, the data were analyzed and descriptive and inferential statistics were considered using structural equation method and using SPSS and LISREL software.

4- Findings

4-1- Descriptive Statistics

According to the results, 69.4% of the population is men and 30.6% is women. Also, 4.4% of population was in age range 20 to 30, 30.6% in 30 to 40, 30% in 40 to 50 and 35% over 50 years old. Finally, 280.1, 46.3 and 25.6% of sample population have respectively had BA, MA and PhD degree and more.

4-2- Inferential Statistics

The research model using structural equations Lisrel. Estimated model using Lisrel software is as following:
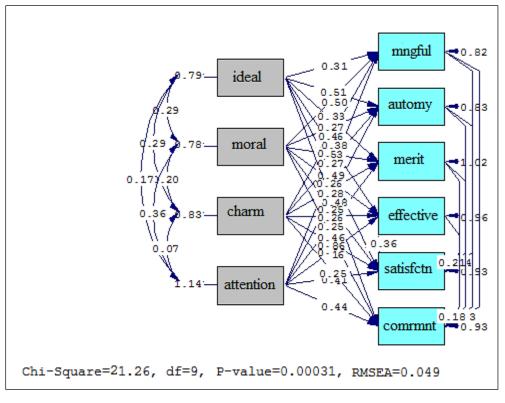
Figure 2. The main model of research in estimation of standard coefficients mode.
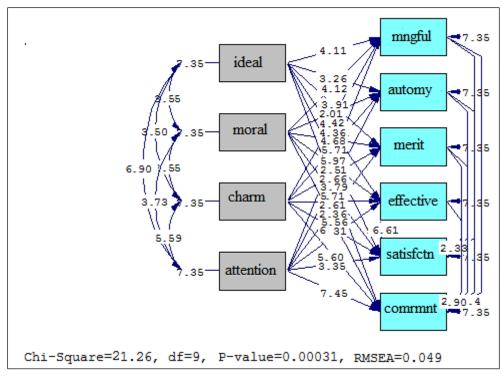

Figure 3. Structural equation model in meaningful mode (t-value).

Figure 2 represents the structural equation model in meaningful mode (t-value). This model examines all the measurement equations (factor loads) and structural equations using t statistics. According to this model, all path coefficients and factor loads in the standard mode are in 95% significant confidence level. If t-value is outside -1.96 to +1.96 ranges, then the model in a meaningful state indicates that all factor loads are in 95% significant confidence level. The calculated values of t for each factor loads in each marker with its structure or hidden variable is above 1.96. Therefore, it can be shown that the compatibility of questionnaire's questions is valid with the measurement of the concepts in this level. In fact, the results of the above table represents that what the researcher has attempted to measure by the questionnaire has been realized by this tool.

5- Interpretation of the Model

Table 1. Interpretation of structural equation model.

Limit	Estimates of the original model	Index name
Lower than 3	2.36	Chi-2 on degree of freedom
Upper than 0.9	0.92	goodness of fit (GFI)
Upper than 0.9	0.049	Root Mean Square Error Estimate (RMSEA)
Upper than 0.9	0.92	comparative fit index
Upper than 0.9	0.95	normed fit index
Upper than 0.9	0.91	non-normed fit index
Upper than 0.9	0.92	incremental fit index

Totally, in the Lizerl program, any of the indicators obtained for the model is not the reason for the fitness of certainty model and in some sources; following value is under acceptable 3 for Chi-statistic compared with its freedom degree which this value is calculated two 41.67 in the model of this research. The GFI criterion represents the relative value in variances and covariance that is explained by the model. This criterion is between zero and one variable that if is closer to one, goodness of fit in the model is more with observed data. The reported GFI value for the model is 0.92. The second root of the mean square as the difference between observed matrix elements in the sample group and the elements of the estimated or predicted matrices with the correct assumption of the model is considered. In order to evaluate a model, in particular, in comparison with other possible models in terms of a set of observed data, normed fit index (NFI), non-normed fit index (NNFI), incremental fit index (IFI) and comparative fit index (CFI) are used. The values above 0.9 in these indices indicate the goodness of fit in designed model in comparison with other possible models. Finally, to consider how the model combine goodness and savings with each other, the most empowerment second root in estimation of RMSE approximation error variance has been used. RMSEA index is the root of approximation squares mean. In this research, the research model (0.049) is estimated. As the goodness of fit characteristics in the model and above table represents that, the data in this research has appropriate goodness of fit with factors structure and the theoretical basis of the research, and this indicates compatibility of the questions with theoretical constructs.

Table 2. Ratio coefficient, t statistic and result of research's hypothesis.

Main assumptions	Path coefficient (β)	Statistics t	The coefficient of determination	Meaningful level	The result of the researcher's hypothesis
What is the relation between meaningfulness and ideal dimension?	0.31	4.11	0.89	<0.05	Confirmed
What is the relation between meaningfulness and ethical dimension?	0.50	4.12		<0.05	Confirmed
What is the relation between meaningfulness and charm?	0.27	4.42		<0.05	Confirmed
What is the relation between meaningfulness and attention dimension?	0.28	2.30		<0.05	Confirmed
What is the relation between autonomy and ideal dimension?	0.51	4.36		<0.05	Confirmed
What is the relation between autonomy and ethical dimension?	0.53	2.01		<0.05	Confirmed
What is the relation between autonomy and charm dimension?	0.27	4.36		<0.05	Confirmed
What is the relation between autonomy and attention dimension?	0.26	2.51		<0.05	Confirmed
What is the relation between ideal and competence dimension?	0.33	3.91		<0.05	Confirmed
What is the relation between competence and ethical dimension?	0.53	4.68		<0.05	Confirmed
What is the relation between competence and charm dimension?	0.26	2.66		<0.05	Confirmed
What is the relation between competence and attention dimension?	0.25	2.36		<0.05	Confirmed
What is the relation between effectiveness and ideal dimension?	0.38	4.36		<0.05	Confirmed

What is the relation between effectiveness and ethical dimension?	0.33	5.97	<0.05	Confirmed
What is the relation between effectiveness and charm dimension?	0.26	2.61	<0.05	Confirmed
What is the relation between effectiveness and attention dimension?	0.16	6.31	<0.05	Confirmed
What is the relation between ideal and satisfaction dimension?	0.57	5.71	<0.05	Confirmed
What is the relation between ethical and satisfaction dimension?	0.26	2.35	<0.05	Confirmed
What is the relation between charm and satisfaction dimension?	0.86	6.31	<0.05	Confirmed
What is the relation between attention and satisfaction dimension?	0.41	3.35	<0.05	Confirmed
What is the relation between ideal and commitment dimension?	0.28	3.79	<0.05	Confirmed
What is the relation between ethical and commitment dimension?	0.46	5.56	<0.05	Confirmed
What is the relation between charm and commitment dimension?	0.25	5.60	<0.05	Confirmed
What is the relation between attention and commitment dimension?	0.44	7.45	<0.05	Confirmed
What is the relation between meaningfulness and commitment dimension?	0.33	2.44	<0.05	Confirmed
What is the relation between meaningfulness and satisfaction dimension?	0.21	2.33	<0.05	Confirmed
What is the relation between autonomy and commitment dimension?	0.27	3.21	<0.05	Confirmed
What is the relation between autonomy and satisfaction dimension?	0.34	4.22	<0.05	Confirmed
What is the relation between competence and commitment dimension?	0.29	2.01	<0.05	Confirmed
What is the relation between competence and satisfaction dimension?	0.27	3.32	<0.05	Confirmed
What is the relation between effectiveness and commitment dimension?	0.18	2.90	<0.05	Confirmed
What is the relation between effectiveness and satisfaction dimension?	0.36	6.61	<0.05	Confirmed

6- Conclusion

Based on the results, all assumptions are accepted. In some organizations, it is seen that there is no alignment between basic beliefs, values, and assumptions of the members and leaders in the organization, which has caused problems in employees' commitment related to the organization. New developments in leadership theories were transmitted from the charismatic leadership theories, which assumed the leader as an unusual entity and considered followers to be leaders, into the neo-charismatic theories and transformative leadership which pay attention to the development and empowerment of followers for independent performance. There is strong evidence that empowerment, co-organization (leadership empowerment behavior) and personality (psychological empowerment) have a positive relation with individuals' attitudes and behaviors. Psychological empowerment relatively and indirectly influence on both organizational commitment and job. Psychological empowerment enhances employee outcomes such as job satisfaction and organizational commitment. Transformational leadership in the Municipality of Karaj in Region 1 can make acceptable results in the organization, including to increase organizational commitment of employees and to increase their loyalty to their organizational unit, and on the other hand, leaders will motivate their subordinates. Whereas one of the main problems in this organization is the lack of effectiveness of the leaders; this transformational leadership style will increase the effectiveness of the leaders in municipal organization.

7- References

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