

INVESTIGATING THE IMPACT OF TRANSFORMATIONAL LEADERSHIP BEHAVIOURS ON ORGANIZATION CITIZENSHIP BEHAVIOURS IN GOLD INDUSTRY IN SAUDI ARABIA

Aref Abdulkarem Ali Alhasheedi¹, Barjoyai Bin Bardai², Maged Mustafa Mahyoub³

Faculty of Business and Management, Al Medina International University, Kuala Lumpur, Malaysia

Abstract

Saudi Arabia has one the best markets for gold industry in the world; accordingly, attempts to enhance the organization citizenship behaviour (OCB) regarding its gold industry. The degree to which managers overcome organizational barriers is a very critical factor. Effective management; in particular, involves good leadership style. The ability to properly manage an organization is equivalent to being an effective leader. Because managing organizations mainly involve being able to direct the efforts a particular group of individuals. Consequently, transformational leadership behaviour can be considered as an effective factor to enhance organization citizenship behaviour. Therefore, the purpose in this study is to investigate the impact of transformational leadership behaviour on OCB in gold industry in Saudi Arabia.

Keyword: Transformational leadership, organization citizenship behaviour

1. INTRODUCTION

The main concern of this study is to address the relationship between transformational leadership, organization citizenship behaviour in the context of gold industry in Saudi Arabia. In this competitive business world, there is always a need for improvement regarding the performance of businesses. Accordingly, organizational citizenship behaviour has been broadly considered for many years in the US; however, this construct has received relatively inadequate attention in

the Arabic-speaking context (Saudi Arabia in Gulf) (Rasheed et al., 2013).

In addition, very limited numbers of studies have been conducted for the relationship between transformational leadership behaviour and organization citizenship behaviour in the developing countries especially Saudi Arabia (Bander Abed, 2011). Therefore, there are one dependent variables in this study named organization citizenship behaviour. There is one independent variable as transformational leadership behaviour.

2. LITERATURE REVIEW

2.1. Organization Citizenship Behaviour

Since the 1980s, organization citizenship behavior (OCB) has attracted many scholars' close attentions. Yet related studies mainly focus on the positive side of OCB, which suggest that such behavior contributes to the effective operation of whole enterprise (Farh et al., 1997). It implies three basic assumptions: OCB motives are selfness or altruistic; OCB promotes the effectiveness of organizational operation; OCB is ultimately beneficial to the staff (Wu et al., 2005).

Generally, OCB increases efficiency and enhances productivity. For instance, up to 25 percent of the variance in companies' financial indicators (e.g. revenue, operating efficiency) is accounted for by OCB (Podsakoff et al., 2000). An important dimension of OCB is interpersonal helping behaviors (also labelled as altruism, helping, or OCB-I; e.g. Den Hartog et al., 2007).

2.2. Transformational Leadership Behaviour

Transactional leadership is an exchange or trade-off process in which leaders reward either employees' efforts to fulfill obligations or their performance to achieve predetermined goals (Bass and Riggio, 2006). It is in the forms of contingent reward – informing employees that there is a correlation between reward offered and efforts taken to achieve the set goals; management by exception (active) – monitoring employees' job performance and deviations from standard, if necessary, corrective actions have been taken; and management by exception (passive) – carrying out corrective measures once problems have been occurred (Bass, 1999).

Furthermore, transformational leadership behaviors inspire and motivate employees to commit to achieve a shared vision and transform employees into creators or innovators (Bass and Riggio, 2006). Transformational leadership behaviour is generally defined as a relationship between a leader and employees. Within this relationship, employees increase their performance and understand their potential due to the behaviors of leaders (Northouse, 2007). These behaviors are idealized influence, intellectual stimulation, inspirational motivation and individualized consideration. Idealized influence behavior transforms leaders as role models for their employees, promotes leaders to risk takers and polishes leaders to inspire ethical principles (Bass and Riggio, 2006).

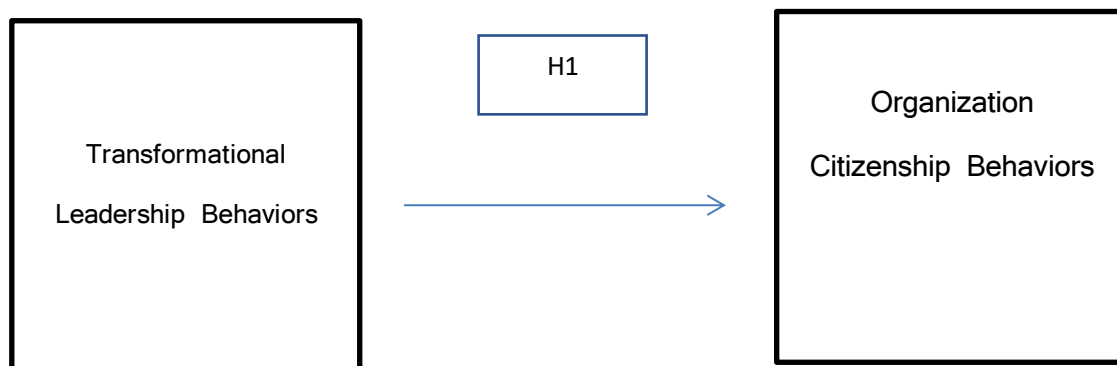
3. CONCEPTUAL FRAMEWORK

3.1. Transformational Leadership Behaviour and Organization Citizenship Behaviour

This study reviewed the studies which have conducted for the relationship that exist between transformational leader behaviour and organization citizenship behaviour such as Babcock-Roberson and Strickland (2010). In this regard, the literature seems inconclusive or even contradictory results. Case in point, Podsakoff et al. (1990) examined the influence of transformational leader behaviours on subordinate trust with leader, satisfaction, and OCB. The findings revealed that there is an indirect link between transformational leadership and OCB. Additionally, very limited numbers of studies have been conducted on the relationship between transformational leadership behaviour and organization citizenship behaviour in the perspective of developing countries especially as Saudi Arabia (Bander Abed, 2011). Therefore, the above literature seemed to point to a literature gap between transformational leadership behaviours and organization citizenship behaviour especially in gold industry in Saudi Arabia. In view of this, the present attempts to narrow this research gap by proposing the hypothesis:

H1: Transformational leadership behaviour will have a positive influence on organization citizenship behaviour.

In addition, Social Exchange Theory refers to voluntary actions of individuals that are motivated which lead to the success of the organization. This theoretical orientation is based on earlier philosophical and psychological orientations deriving from utilitarianism on one hand and behaviorism on the other (Emerson 1962, 1972). Accordingly, the potential relationships between organization citizenship behaviour as well as Transformational Leadership Behaviour are supported accordingly.



3.2. Conceptual Framework

Above conceptual framework captures the relationships between the constructs and proposed hypotheses guiding the research.

4. DISCUSSION

Former studies have also investigated the impact of transformational leadership behaviour on organization citizenship behaviour. Nonetheless, the findings are contradictory; cases in point, Suliman et al., (2013) stated that transformational leadership behaviours affects positively on employees' OCB. On the other hand, Bander Abed, 2011 concluded in his research that very limited numbers of studies have been conducted on the relationship between transformational leadership behaviour and organization citizenship behaviour in the perspective of developing countries especially as Saudi Arabia (Bander Abed, 2011).

5. CONCLUSION

The significant practical implications of this study refer to the performance of gold industry in Saudi Arabia. The outcome of this research can have great contributions to the Saudi Arabia gold industry and thereby could improve their performance. The findings from this research may help managers in the Saudi gold industry to measure up their capabilities and fine-tune their leadership styles and skills with special reference to transformational leadership behaviours. This could lead to numerous significant improvements because; managers will become more aware of the factors that impact the organization citizenship behavior.

As well, gold shops and gold companies in the Saudi Arabia may extract benefits from the findings of this research. In this regard, the findings of the research could be used as a justification for appropriate employee citizenship behavior. Monitoring the performance of employees in this precious Saudi Arabian industry will be a great advantage towards the development of the nation at large. Finally, future researchers are advised for conducting a quantitative method for the relationship between the variables of this study namely transformational leadership behavior, organization citizenship behavior.

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