



添付資料1

Does transformational leadership influence organizational culture and organizational performance: Empirical evidence from emerging country

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Literature review

➤ Leadership:

- ✓ Transactional leadership occurs when a person interacts with others for the purpose of exchanging valued things
- ✓ Transformational leadership is the process whereby one person or people engage with others to create higher level of motivation and morality among leaders and followers.
- ✓ Bass (1985) proposed four components of transformational leaders: *Idealized influence, Inspirational motivation, Intellectual stimulation and Individualized consideration.*
- ✓ Transformational leadership can build on transactional leadership and produce higher levels of follower effort and performance than transactional leadership (Stephen & Timothy, 2013).

➤ Organizational culture:

- ✓ Organizational culture refers to the values and beliefs sharing among members in an organization foundation for employees to follow.

Inspiration for the research

- Transformational leadership
 - ✓ Transformational leadership influences attitudes and behaviors of organization's members, creating a common mentality and encouraging creativity as well as innovation
 - ✓ It is the key to improve organizational performance as well as enhance competitive advantage
- Organizational culture
 - ✓ Although organizational culture was proved to be key determinant of organizational outcomes, the evidence is mixed (O'Reilly et al., 2014).
 - ✓ Hence, the development of organizational studies requires deeply understanding about organizational culture and its effect on performance (Denison et al., 2003).

Research gap

- Understanding transformational leadership and the influence of its components on firm performance individually is still limited (Bass, 1999; García-Morales et al., 2012).
- Understanding the relationship among organizational culture, transformational leadership and organizational performance presents significant challenges to both academics and managers.
- Hence, the development of organizational studies requires deeply understanding about organizational culture and its effect on performance (Denison et al., 2003).

Objectives of the research

- To investigate the impact of transformational leadership's components on organizational culture and organizational performance.
- To examine the impact of organizational culture on organizational performance.
- To examine the effect of organizational culture as a mediating variable on the relationship between transformational leadership and organizational performance.

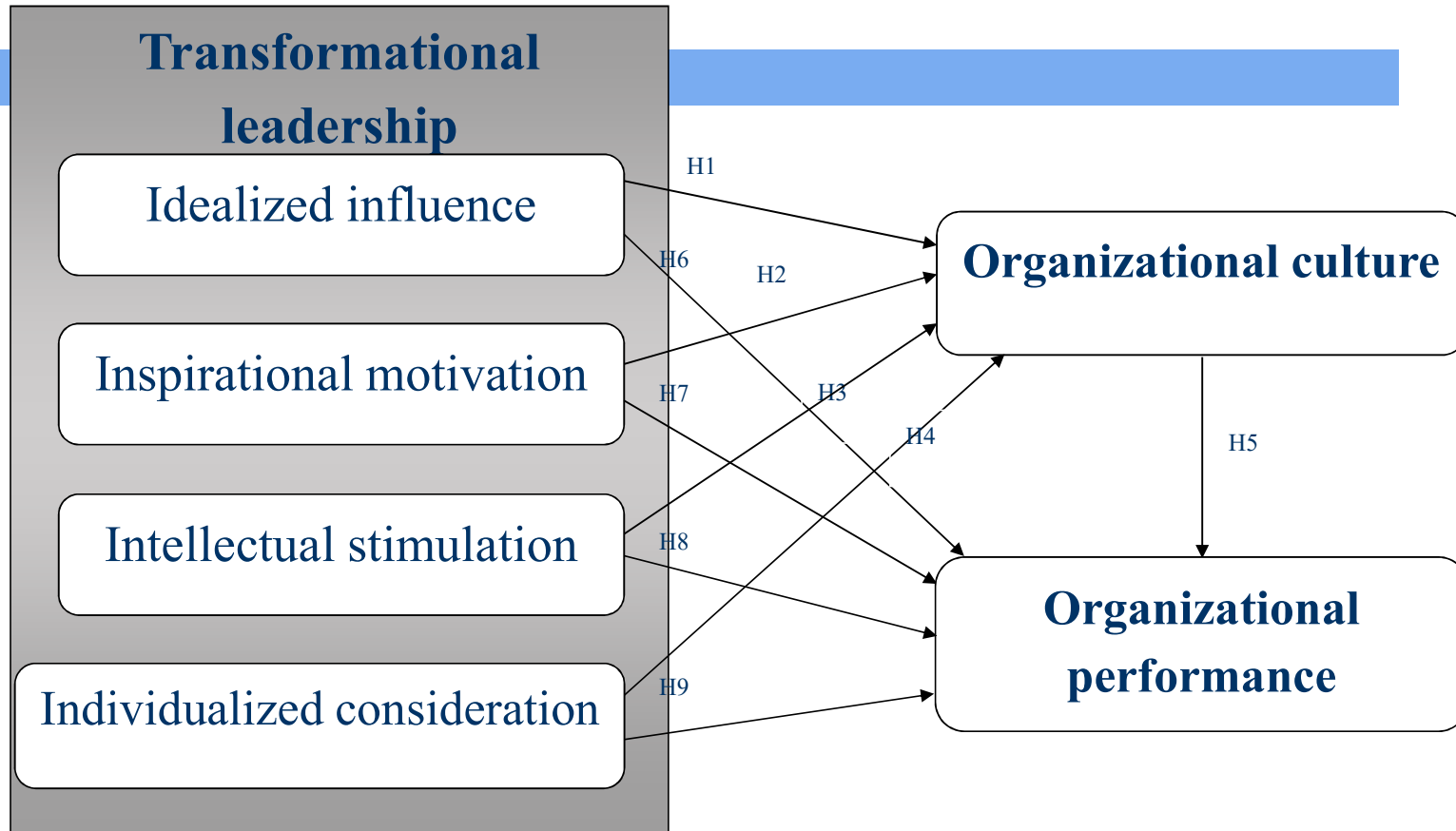
Hypotheses

- Bass (1985): Idealized influence, Inspirational motivation, Intellectual stimulation and Individualized consideration.
- **H1**: Idealized influence will be positively associated with organizational culture.
- **H2**: Inspirational motivation will be positively associated with organizational culture.
- **H3**: Intellectual stimulation will be positively associated with organizational culture.
- **H4**: Individualized consideration will be positively associated with organizational culture.
- Theoretical and empirical supports (Ogbonna & Harris, 2000; Bass & Riggio, 2006; Giberson et al., 2009; O'Reilly et al., 2014)

Hypotheses

- **H5:** Organizational culture is positively related to organizational performance
 - ✓ Related studies: (e.g. Ogbonna & Harris, 2000; Denison et al., 2003; Hartnell et al., 2011; Murphy et al., 2013)
- **Hypothesis 6:** Idealized influence has a positive influence on organizational performance.
- **Hypothesis 7:** Inspirational motivation has a positive influence on organizational performance.
- **Hypothesis 8:** Intellectual stimulation has a positive influence on organizational performance.
- **Hypothesis 9:** Individualized consideration has a positive influence on organizational performance.
 - ✓ Supported by studies (Elenkov, 2002; Wang et al., 2010; ; Vasilaki, 2011; García-Morales et al., 2012; Felício et al., 2013)

Theoretical proposed model



The research framework

Methodology

Characteristics	Classification	Frequency	Percent
Gender	Male	362	40.08%
	Female	541	59.92%
Age (years)	30 or less	270	29.90%
	31- 40	426	47.18%
	41- 50	188	20.82%
	51 or more	19	2.10%
Education	High-Vocational school	83	9.19%
	College	107	11.85%
	University	350	38.76%
	Graduate school	363	40.20%
Experience (years)	5 or less	462	51.16%
	5 - 10	334	36.99%
	More than 10	107	11.85%
Work setting	State owned enterprise	305	33.78%
	Private owned enterprise	491	54.37%
	Foreign owned enterprises	107	11.85%
Region	Northern Vietnam	217	24.03%
	Central Vietnam	407	45.07%
	Southern Vietnam	279	30.90%

- ✓ A questionnaire was developed based on previous researches.
- ✓ The study ended up with a random sample of 600 companies in Vietnam with 1800 questionnaires. The survey was carried from March 2019 to August 2019. 982 responses from 414 companies were validated for testing hypotheses, account for 54.56% of sample.

Measures

- The multifactor leadership questionnaire (MLQ) from Bass and Avolio (2000) was used to measure transformational leadership. Transformational leadership is measured by the usage of four transformational scales, namely Idealized influence (8 items), Inspirational motivation (4 items), intellectual stimulation (4 items), and individual consideration (4 items).
- Organizational Culture Survey from Denison et al. (2003) is used to measure organizational culture with 12 organizational culture indices.
- Organizational performance (business performance and organizational effectiveness) were collected based on Yilmaz & Ergun (2008) and Wang et al. (2010) with 6 items.

Analysis and results

➤ Measurement evaluation

Constructs	Mean	S.D.	Range of loadings	Cronbach' alpha	CR	AVE
Consistency	3.440	0.776	0.729 – 0.772	0.796	0.797	0.566
Influence	3.447	0.789	0.682 - 0.742	0.895	0.896	0.519
Motivation	3.571	0.788	0.709 - 0.762	0.819	0.820	0.532
Stimulation	3.571	0.777	0.735 - 0.770	0.844	0.845	0.577
Consideration	3.410	0.757	0.700 – 0.772	0.830	0.830	0.550
B. Performance	3.497	0.838	0.735 – 0.779	0.796	0.796	0.565
Involvement	3.412	0.873	0.729 – 0.847	0.811	0.814	0.594
Mission	3.404	0.791	0.697 – 0.786	0.790	0.792	0.559
O. Effectiveness	3.507	0.759	0.687 – 0.759	0.779	0.778	0.540
Adaptability	3.449	0.781	0.735 – 0.781	0.805	0.805	0.579

- ✓ These results suggest that the proposed model has good convergent validity.

Analysis and results

➤ Measurement evaluation

Constructs	1	2	3	4	5	6	7	8	9	10
Consistency (1)	0.753									
Influence (2)	0.613	0.720								
Motivation (3)	0.558	0.680	0.730							
Stimulation (4)	0.655	0.659	0.633	0.759						
Consideration (5)	0.651	0.695	0.577	0.726	0.741					
B. Performance (6)	0.620	0.688	0.616	0.617	0.646	0.752				
Involvement (7)	0.677	0.636	0.557	0.647	0.652	0.615	0.771			
Mission (8)	0.597	0.549	0.523	0.580	0.564	0.580	0.657	0.748		
O. Effectiveness (9)	0.573	0.642	0.589	0.625	0.625	0.733	0.510	0.526	0.735	
Adaptability (10)	0.616	0.525	0.510	0.583	0.574	0.545	0.621	0.639	0.473	0.761

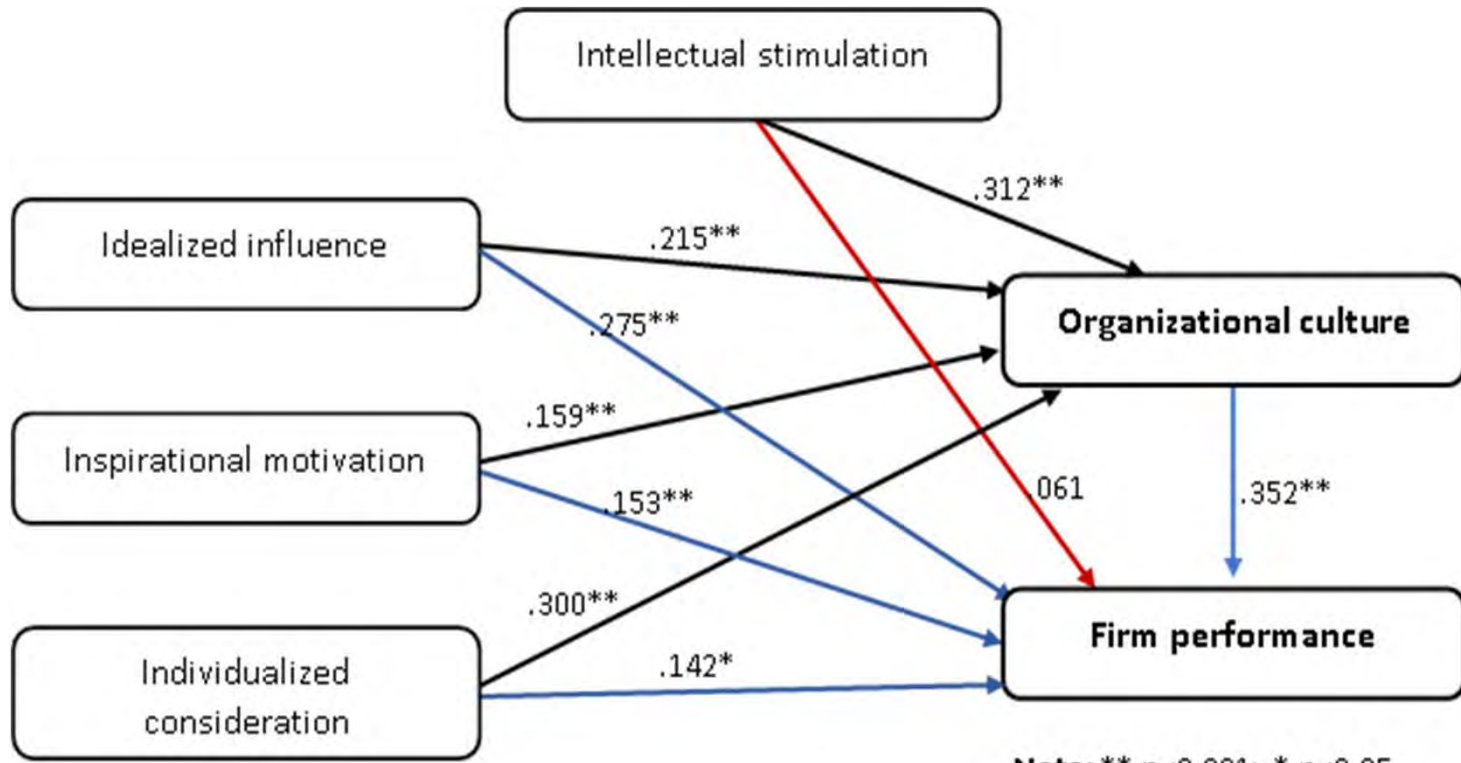
➤ **Note:** The square roots of the AVEs are on the diagonal, and the coefficients between construct are below the diagonal.

✓ Therefore, the result indicates good discriminant validity of the model

Hypothesis testing

Hypothesis	Total effects	Direct effects	Indirect effects	p-value	Remarks
Idealized influence → Org. culture (H1)	0.215	0.215	0.000	***	Supported
Inspirational motivation → Org. culture (H2)	0.159	0.159	0.000	***	Supported
Intellectual stimulation → Org. culture (H3)	0.312	0.312	0.000	***	Supported
Individualized consideration → Org. culture (H4)	0.300	0.300	0.000	***	Supported
Org. culture → Org. performance (H5)	0.352	0.352	0.000	***	Supported
Idealized influence → Org. performance (H6)	0.351	0.275	0.076	***	Supported
Inspirational motivation → Org. performance (H7)	0.209	0.153	0.056	0.003	Supported
Intellectual stimulation → Org. performance (H8)	0.171	0.061	0.110	0.313	Rejected
Individualized consideration → Org. performance (H9)	0.248	0.142	0.106	0.020	Supported

SEM result



Note: ** p<0.001; * p<0.05

Discussions

- The study revealed that three components of transformational leadership (idealized influence, inspirational motivation, and individual consideration) have a positive effect (both direct and indirect) on organizational performance.
- Organizational culture is shaped by the founder and senior leader, but it also influences the leader's behaviors.
- The study reinforces organizational culture's impacts on organizational performance and provides evidence regarding a non-western business context that Denison's culture model can apply to an emerging country culturally disparate from most published research

Discussions

- It might help future research explore the individual effect of organizational culture traits on a different aspect of organizational performance (business performance and organizational effectiveness).
- A belief that organizational performance is related to the transformational leadership components in the organization, has continued to inspire questions and research by academics.
- This study thus also emphasizes the significance of transformational leadership for an organization, as well as how firms can thrive by using different leadership behaviors.
- Transformational leadership impacts organizational performance, but this effect is different from transformational leadership components.

Implications

- Leaders can influence firm performance directly or indirectly by building a work environment that facilitates specific attitudes and behaviors toward a desired organizational outcome.
- Through transformational leadership, by articulating a clear vision for the future, building trust among members, and inspiring confidence, motivation, and a sense of purpose in the followers, the leaders can achieve good organizational performance.
- The result also confirms the mediating role of organizational culture in the leadership-performance link that has been demonstrated by Ogbonna and Harris (2000). Therefore, organizational culture's mediating role has been demonstrated by using different transformational leadership behaviors (Xenikou & Simosi, 2006).



**Thank you very much
for your listening!**