Role of Visionary Leadership in the Performance of the Employees at a Workplace: Moderating Effect of Organizational Citizenship Behaviour

Sahrish Saba¹, Ali Tabish², Ahmer Bilal Khan³

¹UIMS, PMAS University of Arid Agriculture, Pakistan, ²Group Colleges Australia (GCA), Australia, ³Bahria University Islamabad, Pakistan

ABSTRACT

The purpose of this study is to explore the role of visionary leadership in the performance of the employees in an organization, with the moderating role of organizational citizenship behaviour. Visionary leadership enables the employees to work collectively in order to get the desired results. Organizational citizenship behaviour (OCB) is associated with job satisfaction level and the faith of the employees in their top management Data has been collected from the employees working in the service sector of Rawalpindi/Islamabad regions of Pakistan. A total of 350 questionnaires have been distributed, out of which 275 questionnaires were responded. Convenient sampling has been done to get the desired outcomes. SPSS and AMOS softwares have been used to test the proposed hypotheses. Results of this study have shown the significant relationships between the variables. This research will help the managers and organization to incorporate the results in their management to get the maximum output from the employees. In addition, this study has explored the visionary leadership impacts on the performance of the employees as it is very important phenomenon at any workplace.

Keywords: Visionary Leadership, Organizational Citizenship Behaviour, Employee Performance

1. INTRODUCTION

Visionary leaders communicate their followers to achieve the desired outcomes and promote the changes in their organizations. In addition to it, they always get help from their visions for their organization, that's why most of the charismatic leadership theories are based on this phenomenon. The word 'vision' is derived from a Latin word meaning 'to see'. Leaders convey their visions in many ways, for example written statements and presenting themselves as role models.

However, conventionally two factor model are used in leadership research. In last three decades leadership like charismatic, visionary, transactional and transformational leaderships evolved as new paradigms. Leaders set up their vision to create a direction which is being followed by the subordinates.

Performance of an employee and the whole organization are influenced mainly by its leadership (Wang et al., 2005). Visionary leadership provides linkage between present and future of an organization and also motivates the employees to build a bond with future goals. It is follower's responsibility to participate in their group and work diligent to accomplish vision and can get the credit.

An organization is self adjusting when employees understand and embrace leaders vision (Daft, 2005). Facilitation, initiation and discretion of decision making process by subordinates are an important function of a vision. Leader clearly understands that they cannot turn their visions into reality alone. To do so, followers help and support in required. Followers are therefore allowed to function independently by giving tasks which lead to better positive experiences and self confidence. Thus followers are persuaded through their own competencies which create an environment of emotional attachment, enthusiasm and accomplishment (Lussier & Achua, 2001). Followers become devoted to the promoted vision and in turn vision meets followers' desires and capabilities.

Mostly during crises period visionary leaders motivate followers to achieve visions. Visionary leaders increase followers' expectations regarding relationship, efforts and their accomplishments meeting high expectations. Social skills, heightened trust, result orientation, and many other related prerequisites are needed to motivate and communicate vision to followers. An organization's decisions regarding job design, expectations about performance, compensation and reward policy sets grounds for followers' motivation (Maciariello, 2006).

OCB is considered as a discretionary behaviour of the employees at the workplace. If there is significant leadership then the OCB of the employees will strengthen their own performance at the workplace. This study has focused on the employee performance enhancement by proper visionary leadership.

2. PROBLEM STATEMENT

To what extent the visionary leadership influences employee's performance considering moderating role of organizational citizenship behaviour?

Under the visionary leadership we are to analyse that how the visionary leadership improves the performance of the employees keeping in view the OCB of the employees.

3. RESEARCH QUESTION

Following are the research questions:

- 1. How the visionary leadership does affect employee performance?
- 2. Does OCB moderate the visionary leadership and employee performance relationship?

4. OBJECTIVES OF STUDY

The main Objective of this Study investigates the role of Visionary leadership on employee performance and moderating role of OCB. This existence of relationship will be concluded from the statistical results of the survey. This study is expected to help the managers and leaders to incorporate the findings in their way of management and leadership of human resource to get maximum output from them. Moreover, this study will explore the impact of visionary leadership with performance as it is the major issue faced by the employees at their workplace. Furthermore, the moderating role of OCB between visionary leadership and employee performance will also be examined.

5. HYPOTHESES DEVELOPMENT

- H1: Visionary leadership is positively associated with employee performance.
- H2: Organizational citizenship behaviour has moderating effect on the visionary leadership and employee performance.

6. LITERATURE REVIEW

During discussing visionary leadership a question can arise whether every leader is vision less which is not true. Having vision is mandatory for every leader. Level of understanding of vision may differ from person to person. This understanding may differ on similar issue or while managing similar organization. This happens because vision is every persons own perception of future.

Communicating a clear, doable and compelling vision is an important feature of leadership. Followers must know on continuous basis the meaning, focal point and clarity of vision. Organizational change process is not attainable without this communication. An employee joins an organization with a personal vision about the desired accomplishment in career. A leader should know his subordinates objectives. He has ability to convert these objectives into organizational vision up to what extent he can do. He must help his subordinates to comprehend individual visions into a common vision (Kouzes & Posner, 2002). Not a single leadership style can be termed as perfect for all existing management conditions.

Leaders at large are most humble, precious and trustable personalities. Leadersdemonstrate groups how to set, define and express visions to achieve goals, sharing risks, moral values and their subsequent unrealistic impact on job as well as organizational performance (Bass et al., 2003). Encouraging motivation is something that is implemented toenhance individual and team spirit by communicating encouragement to workers so that they can achieve their vision.

Visionary leadership is suggested for organizations who desire to continue be competitive indynamic business world. These organizations focus on four dimensions of vision i.e. articulation, development, communication, and its efficient implementation. Researchers have mostly ignored subordinates participation in visionary process due to its less implementation (Kantabutra & Avery, 2002; Howell & Shamir, 2005). Vision gives aconnection among present and future. It helps to boost and inspire subordinates to future.

Leaders typically anticipated offering anobvious vision of the future. Acceptance, sharing and commitment to vision by subordinates are their ultimate power. A leader through vision captures the hearts and mentality of subordinates or by motivating their followers achieves their desired future state. Visionary leadership comprise of well-built exciting features and a vision of abetter future to motivate their followers.

Leadership creates change and establishes direction through their vision, support people withthe vision, motivate and inspire Therefore, there is no exact definition of leadership (Yukl, 2002). Leaders are necessary elements that influences group and motivate their subordinatetowards achieving desired result.

Employee's job performances have divided in two categories. One is task performance and other is dispositional performance. Task performance is task and responsibility of every employee and related to all work such as monitoring absent and present employees. Job satisfaction increases the organizational productivity, responsibility, and employees will do the work efficiently and at their performance increase. (Coomber and Barriball, 2007). Employee's recognition enhances the employee participation (Lawler, Mohrman & Ledford, 1995).

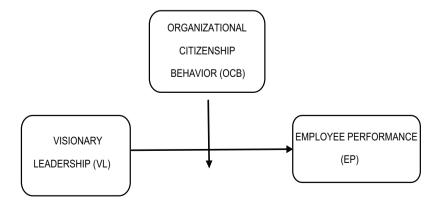
Performance is regarding behaviour or what employees do, not about what employees produce or the outcomes of their work". Perceived employee performance represents the common faith of the employee about his behaviour and contributions in the organizational success. Teseema and Soeters (2006) have study on eight HR practices which includes recruitment and selection practices placement practices training compensation employee performance evaluation promotion grievance procedure and pension or social security in relation with the perceived performance of employees.

Organ (1988) says OCB endorse the efficiency of the organization rather than employee performances that are recognized by the official reward systems, on the base of this, Organ (1988, 1990) projected a seven-factor model of organizational citizenship behaviour. Williams and Anderson defines two features that are OCBs directed at the organization and OCBs directed at employees, as he says features like humanity, politeness and keeping peace in organization are related with OCBs directed at employees, whereas features like obedience, keeping company public reputation, etc., are associated with OCBs directed at the organization (Podsakoff, Whiting, Podsakoff and Blume 2009). Eatough et al., (2011) highlight the dual foci of OCB as voluntary actions refining the social and emotional situation of employees working, where the technical centre of the firm functions, can advantage the firm and their employees.

OCB is not related with formal organizational policies rather it is demonstrated at employee's will (Organ 1988). The implementation of HPWS indicates that organizations value their employees, thus resulting in OCB (Sun, Aryee & Law, 2007). Positive relationships between HPWS and OCB have been observed in many studies like, in India Biswas, Srivastava and Giri (2007) found the positive effect of HPWS on OCB. Similar findings has been found in Dutch employees by Boselie (2010) and Boon et al. (2011), in USA by Kehoe and Wright (2013), in England by Snape and Redman (2010) and Alfes et al. (2012) and in Malaysia and Wales by Gould-Williams and Mohamed (2010).

We considered that OCB is also related to performance. OCB is largely discretionary and typically not compensated. Accordingly, it is reasonable to expect a positive correlation between OCB and task performance. OCB appears to have a significant influence on the in-role performance of employees, especially managers' ratings of employee performance (Allen & Rush, 1998; Werner, 1994). Therefore, following an approach similar to that of Wayne et al. (2002), we added a structural path from OCB to the performance with effective leadership.

7. Theoretical Framework



8. RESEARCH METHODOLOGY

Data has been collected through questionnaire and cross-sectional in nature. Non-probability sampling technique has been used to collect the data.

8.1. Population of the Study

The population of this study was employees working in the service sector of Rawalpindi/Islamabad regions of Pakistan. 275 questionnaires were analysed out of 350 distributed questionnaires.

8.2. Measures

The scale used to check the responses of visionary Leadership was developed by (Podsakoffet al., 1990). Scale used is rated from (1)"strongly disagree" to (5)"strongly agree".

Smith, Organ, & Near's (1983) 15-item scale was used to measure OCB.

Employee performance has been measured by using the scale developed by Farh and Cheng (1997), which consists of four items.

9. FINDINGS

9.1. Reliability

The reliability of Cronbach's Alpha for visionary leadership, organizational citizenship behaviour and employee performance is 0.859, 0.655 and 0.672. The entire reliability tests are satisfactory because they meet the minimum recommended requirement (Sekaran, 2000; Lee Cronbach, 1951 & Nunnaly, 1978) so the reliability coefficient is acceptable.

The above Table 1 shows the reliability values of the given instruments, which show that they meet the minimum criteria (Sekaran, 2000; Lee Cronbach, 1951 and Nunnaly, 1987). Hence the reliability coefficient is acceptable.

The Table 2 represents the mean values, standard deviation, and the range of minimum maximum scores. The minimum score value of variables visionary leadership, OCB and employee performance are 2, 2 and 3 and maximum score values for these are 5, 5 and 5 respectively. Table results shows the mean values of visionary leadership, OCB and employee performance as 3.73, 3.72 & 3.91 and standard deviation values are 0.393, 0.482 & 0.554 respectively.

9.2. Correlation

Correlation coefficients tell the relationship of variables whether positive or negative. In this research VL has been taken as independent variable, EP is as dependent variable and moderating role of OCB. Table 3 shows their relationships and statistical

Table 1: Reliability analysis of the research instruments for main study reliability statistics items					
	Cronbach's alpha	Number of items			
Visionary leadership (VL)	0.859	37			
Organizational Citizenship behaviour (OCB)	0.655	15			
Employee performance (EP)	0.672	4			
N=275					

Table 2: Mean, standard deviation, range of minimum and range of maximum scores on allmeasures (n=273)							
Descriptive statistics N		Minimum	Maximum	Mean	Standard deviation		
VL	275	2	5	3.73	0.393		
OCB	275	2	5	3.72	0.482		
EP	275	3	5	3.91	0.554		
Valid N (list wise)	275						

significance. VL has positive correlated relationship of 0.462^{**} with employee performance. Values 0.462^{**} between 0.3 and 0.7 show a moderate linear relationship but still positive. The P value of test is 0 that means relationship is significant. Hence, moderate relation between visionary leadership and employee performance. The EP is positively correlated with OCB is 0.359^{**} and their value 0.359^{**} lies between 0 and 0.3 indicate a weak positive linear relationship. In these cases, the P value is 0 that is significant. VL is positively correlated with OCB and their values is 0.559^{**} indicate a moderate positive linear relationship. Correlation between visionary leadership, OCB and employee performance relationships are significant at (p < 0.05).

10. REGRESSION ANALYSIS

The unstandardized coefficients shows the intercept and slope values that are 1.482 and 0.652. The relationship between VL and EP is positive. We interpret slope as 1% increase in visionary leadership, the change in employee performance observed is 65.2% and intercept value suggested that if VL is 0, the average value of EP is about 1.482. The Standardized Coefficients shows the slope value is 0.462. We interpret slope as 1% increase in VL, the change in EP observed is 46%. In table the t values are 5.206 & 8.579 and their both P values are 0.00. Therefore, t > 2 and P < 0.05 that means data is statistical significant and we reject the Ho (null hypothesis). The value of t-test is 8.579 if we take the square of t-value (8.579*8.579)= 73.59 and the F test = 73.60 which is same as f-value that again sowing the close relationship between t and f statistic. Table 4 shows that this is significant at P < 0.05. The large F value, determine that VL is related to EP.

Adjusted R-Square value is 0.211 that a measure the 21.1% of the variance in the EP is explained by variations in the VL. The r-square is known as coefficient of determination and is the most commonly used to measure the goodness of fit of a regression line. The r-square value of 0.214 means approximately 21.4 percent of variation in VL is explained by the variation in the EP.

Table 3: Correlations anal	ysis of visionary leadership	o, motivation and organization p	erformance correlations VLOCBEP
VL			
Pearson correlation	1	0.559**	0.462**
Sig. (2-tailed)		0.000	0.000
N	275	275	275
OCB			
Pearson correlation	0.559**	1	0.359**
Sig. (2-tailed)	0.000		0.000
N	275	275	275
EP			
Pearson correlation	0.462**	0.359**	1
Sig. (2-tailed)	0.000	0.000	
N	275	275	275

Correlation is significant at the 0.01 level (2-tailed)

Table 4: Regression analysis of visionary leadership on employee performance								
Model R	R square	Adjusted R	Standard error of change	Statistics square the estimate R square	F change	df1, df2	Sig. F change	
1 0.462a	0.214	0.211	0.492	0.214	73.6011	271	0.000	
Coefficient								
Model	Unstan	dardized		Standardized t				
	Standard error	Beta	t	Sig.coefficients	Coefficients B			
1								
(Constant)	1.482	0.285		5.206	0.000			
Visionary leadership	0.652	0.076	0.462	8.579	0.000			

Dependent variable: Organization performance, a. Predictors: (Constant), Visionary leadership, b. Dependent variable: Organization performance

The r-square value is quite low but in cross-sectional data r-square values is low because of the diversity of unit in the sample. The r-square shows that model is worse fit.

Standard coefficient of beta is .462 that represents the (correlation) r value in the table shows a moderate significant positive relationship between VL and EP. Standard errors SE (b0) and SE (b1) are 0.285 and 0.076. Therefore, to measures the dispersion of the dependent variables around its mean, we check the value of standard error value. If SE shows the small value 0.285 it means the statistical data set are close to the mean average of the data set. After discussing all hypotheses H1 is accepted that visionary leadership is positively associated with employee performance.

Above Table 5 shows the moderating effect of OCB on dependent and independent relationship. In Unstandardized Coefficients, the intercept is 1.928 and their slope values of are 0.356 and 0.047. All shows positive relationship. The intercept value suggested that if visionary leadership is 0, the average value of employee performance is about 1.928. We interpret slope as one percent change in VL, the change observed in EP is 0.356 and one percent change in OCB (moderating variable), the change observed in EP is 0.356. The Standardized Coefficients shows the slope values are 0.252 and 0.245. We interpret slope 0.252 as 1% increase in VL, the change in EP observed is 25% and 1% change in motivation the change observed is 25%. The t values are 5.669, 2.425 & 2.353 and their both P values are 0.00, 0.016 & 0.019. They shows that their t > 2 and P < 0.05 so they all have positive relationship and are statistically significant. The value of F test = 40.185 that shows that OCB has affect on VL and EP. Adjusted R-Square value is 0.224 that a measure the 22.4% variance in the EP is explained by variations in the VL. The r-square value of 229 means approximately 22.9 percent of variation in VL is explained by the variation in the EP. Again r-square value is quite low but in cross- sectional data r-square values is low because of the diversity of unit in the sample. The r-square change is 0.016 that shows a small change in r-square. The 16 percent of variation is explained by the moderating variable (OCB). Standard coefficient beta (b1) is 0.252 that represents the (correlation) r value in the table shows a moderate significant positive relationship between VL and EP. With the moderating affect of OCB, correlation is 0.245. The values of SE (b0), SE (b1) and SE (b2) are 0.340, 0.147 and 0.020. After discuss all hypotheses H2 is accepted that OCB has moderating effect on the relationship between VL and EP.

11. THEORETICAL AND MANAGERIAL IMPLICATIONS

There are a lot of different serious challenges that are faced by the service sector of Pakistan. These challenges are due to enormous market competition. The turnover ratio of employee's that leaves service sectors are increasing day by day. The employees who joined these areas are facing many problems like lack of motivation on high performance, ambiguity in assigned task, employees are not performing well. This research highlighted the most important part, if organizations are providing all

Table	5: Moderati	ng regression .	Analysis on	visionary leadership ar	nd organization p	erformance	e
Model summary							
Model R	R square	Adjusted R	Standard error of change	Statistics square the estimate R square	F change	df1, df2	Sig. F change
1 0.462 ^a	0.214	0.211	0.492	0.214	73.601	1.271	0.000
0.479 ^b	0.229	0.224	0.488	0.016	5.537	1.270	0.000
Coefficient							
Model	Unstandardized			Standardized			
	Standard error	Beta	t	Sig. coefficients	Coefficients B		
1							
(Constant)	1.482	0 0.285		5.206	0.000		
Visionary leadership	0.652	0 0.076	0.462	8.579	0.000		
2							
(Constant)	1.928	0.340		5.669	0.000		
Visionary leadership	0.356	0.147	0.252	2.425	0.016		
Moderating variable	0.047	0.020	0.245	2.352	0.019		

Dependent Variable: Organization performance, a. Predictors: (Constant), Visionary leadership, b. Predictors: (Constant), Visionary leadership, Moderating variable, c. Dependent variable: Employee performance

facilities that not enough but leader style and behaviour is especially essential in improving the performance of its employees. The subordinates who areworking under such leaders are more motivated toward their target as compared to themanagers. Their organizational citizenship behaviour strengthens their performance at the work place under the supervision of the leaders. The followers are willingly achieving their goal because they have expectations ofhigh rewards on good performance. Basically the performance is composed of construct of unity, production effectiveness, scheduling, and target setting and also includeInformation management. Leaders of Organization must formulate suitable decisions bycompromise and utilize a group's participative way of leadership.

12. LIMITATIONS

One of the main problems is limited resources and time for data collection. We are targetingonly service sector of Pakistan situated in Rawalpindi and Islamabad. Data has been collected through convenience sampling technique which might include biasness. Towardattaining further standard results; future researchers could take sample from various sectors and different cities for taking reliable sample. In this research study there is only one independent variable i.e. visionary leadership was used for forecasting employeeperformance but there are a lot of literature that has identified different dimensions for predicting organization performance also. Consequently, future researchers could more explain employee performance by taking different independents variables.

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