Transformational Leadership and Organizational Citizenship Behavior in the COVID-19 Era: Mediating Analysis

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Abstract.
Human resources (HR) is an essential aspect of an organization and requires good governance. The COVID-19 outbreak that has affected the entire world has provided organizational learning in human resource management. This study examines the relationship between transformational leadership (TL) and organizational citizenship behavior (OCB) mediated by job satisfaction (JS). A quantitative design was used to test models and hypotheses. The study sample included 116 professional-level employees representing team members from the marketing, accounting, human resources department, and operations departments of 35 wedding organizers operating in DIY. Data were analyzed using least squares structural equation modeling (PLS-SEM). The results show that TL has a positive effect on JS OCB. JS has no direct impact on OCB and is unable to mediate the relationship between TL and OCB. This study contributes to the literature by providing empirical findings that TL is a significant predictor of OCB, and also a predictor of JS.

Keywords: transformational leadership, job satisfaction, organizational citizenship behavior

1. Introduction

Human resources (HR) is an essential aspect for the survival of an organization so that it requires good governance to maintain quality human resources. The Covid 19 Pandemic Outbreak that has infected the entire world has provided organizational learning in human resource management. [1], organizations suddenly have to navigate things that have never happened before and try to find solutions to new challenges in organizational operations. No organization can bid and experience Covid-19 disruption, which has experienced disruptions in the supply chain, planning, and simulations the organization [2]. Organizations must be alert and adapt to unexpected events, which create increased uncertainty and directly impact organizational performance and survival. Leaders must make a complete change in the arrangement of people and work assignments within the organization, because according to [3], changes in governance
go to work, the transition to remote work, and work from home during COVID-19, practice at work has gone into chaos. This condition demands that human resources in an organization be willing to play an extra role outside of their job duties. Extra role behavior outside of work assignments is known as Organizational Citizenship Behavior (OCB).

OCB is a set of behaviors that support the organizational cooperation system. However, it is not systemized or recorded in the organization’s formal system and is not related to special rewards [4]. OCB can be encouraged to form naturally, even if it is difficult or impossible to formalize in an organization [5]. OCB is needed for the functioning of the work unit effectively. However, OCB is not something that can be formally determined or requested [6]. Even though a company that has HR with extensive and considerable OCBs will get efficiency, increased productivity, higher customer satisfaction, and better financial results, when compared to companies where OCB has low HR [7]. An organization develops in formal and informal social systems, which rely on the role of individuals in the system to perform functions that have been determined by the system and require extra behavior outside the job role [8].

Efforts to grow OCB in employees are often determined by their superiors’ leadership style, especially leadership that is on the side of employees. OCB increases organizational achievement, productivity and enhances the organization’s ability to attract and retain the best people [9]. The ability to attract and retain people in the organization can be influenced by the leadership style of the manager. According to [10], leadership is related to the characteristics, behavior, influence, interaction patterns, role relationships, and restorative job positions. [11], argued that leaders should pay attention to followers’ sense of self-worth, as is done by transformational leaders. Transformational leaders motivate followers to do more than desired by setting challenging expectations and achieving higher performance standards [12]. Also, good leaders in an organization can inspire employees to engage in behaviors that have positive results for the workplace [13]. The empirical findings of several researchers prove that OCB is a consequence of a TL style [12-17] found that TL does not have a direct effect on OCB, but indirectly through trust.

This paper incorporates the mediating effect of Job Satisfaction (JS) to examine the indirect effect of transformational leadership (TL) on OCB. JS is recognized as an essential organizational strategy in improving employees’ mental and physical abilities [18]. Through TL, employees will feel trust, admiration, loyalty, and respect for the leader, and they are motivated to do more than expected initially [10]. The relationship between TL and JS is proven in studies [19-21] On the other hand, several studies have revealed
a positive relationship between job satisfaction and OCB [22-27]. Meanwhile, TL and OCB’s indirect effect through JS is still little investigated [28-29].

1.1. Literature Review

1.1.1. Organizational Citizenship Behavior

OCB was first introduced [30], with the basic idea of being cooperative systems described as indispensable ‘and the’ willingness of people to contribute efforts’ to those systems. The term ‘Willingness’ means more than solidarity, esprit de corps, or loyalty. Meanwhile, [31], states that OCB refers to the non-mandatory contribution of members or employees to the organization that employs them, which is related to discretionary behavior that members give to their organization. ‘Discretionary’ means that the behavior is not part of the job description or a job requirements dimension.

[9], divides OCB into two types, namely Individual OCB (OCBI) and Organizational OCB (OCBO), which are affiliate and challenge oriented. OCBO benefits the organization in general, such as providing advance notification when unable to come to work, complying with informal rules designed to maintain order. Meanwhile, OCBI is related to OCB, which is aimed at individuals and indirectly contributes to the organization [23]. In this study, the OCBs investigated were individual OCBs of employees.

1.1.2. Transformational Leadership

[32], define TL as the extent to which a manager is seen as charismatic because it treats each subordinate as an individual and as intellectually stimulating, and is different from transactional leadership, which concentrates on maintaining the status quo by satisfying needs. Psychic and material followers of the moment. Meanwhile, according to [10], TL describes how influential leaders inspire and change followers by attracting their ideas and emotions. Transformational leaders generate high awareness and interest in groups or organizations, increase self-confidence, and move followers gradually from concern for existence to attention for achievement and growth [33].

TL has several factors, namely: (1) charisma, (2) individual consideration, and (3) intellectual stimulation of a leader to its members [32].
1.1.3. Job Satisfaction

JS is a pleasant emotional state that results from assessing one’s work on achieving one’s work values [34]. Furthermore, it is said that work is not an entity but an abstraction, which refers to the combination of tasks performed by individuals in specific physical and social contexts to obtain financial (and other) rewards. [35], state that emotional regulation is the root of job satisfaction, which is obtained from a person’s positive and negative experiences, which can impact positive or negative attitudes towards work and organization.

1.1.4. Transformational Leadership and Organizational Citizenship Behavior

JS is a transformational leader who has a primary goal: to bring followers and develop at a level where they have succeeded in completing organizational tasks without any intervention from the leader [36]. If an employee is given attention, the opportunity to develop himself without the leader’s intervention will make an employee have high OCB. Previous studies on the effect of TL on OCB were carried out by [12-16, 37]. Based on this explanation, the hypothesis is proposed:

H1: TL has a positive relationship to OCB

1.1.5. Transformational Leadership and Job Satisfaction

JS is a positive feeling about a job that results from evaluating its characteristics. JS is not only about working conditions, but personality also plays a role [38]. Even the regulation of one’s emotions also has a role in shaping JS [35]. His superior’s leadership pattern can trigger working conditions, emotions negative or positive an employee. A good leader in an organization can inspire employees to engage in behavior that has positive results for the workplace [12-13]. The author argues that TL can lead to JS from employees. The relationship between TL and JS was found by [19-21] Based on this explanation, a hypothesis is proposed:

H2: TL has a positive relationship with JS.
1.1.6. Mediation Effect of Job Satisfaction

In explaining JS and OCB, many studies have cited the social exchange theory introduced by [39] concerning individuals’ voluntary actions motivated by the returns expected to be brought, and usually according to the real conditions of what they bring and do to people other. Also, according to [24], employees who are satisfied with their work will exert extra effort and contribute to the organization. Logically, a satisfied employee would tend to speak positively about the organization, help others, and exceed normal expectations in their job, perhaps because they want to reciprocate their positive experience.

H3: JS has a positive relationship with OCB.

H4: JS has a positive mediating impact on the relationship between TL and OCB.

2. Methodology

2.1. Measurement Scale

TL uses four dimensions [17]. Two items are used to measure each dimension (idealized influence, individualized consideration, intellectual stimulation, and inspirational motivation), which are modified to suit the context of this study. The measurement scale uses a Likert scale of 1 - 5 with a scale rating ranging from 0 (strongly disagree) to 5 (strongly agree).

JS uses five dimensions developed by [40], and two items are used to measure each dimension (work, pay, promotion, supervision, co-worker), which is modified in this study.
The measurement scale uses a 1-5 Likert scale with a scale rating ranging from 0 (very dissatisfied) to 5 (very satisfied).

OCB was measured using five dimensions of the OCB from Organ (1988), in [17], and two items were used to measure each dimension (altruism, Conscientiousness, Sportsmanship, courtesy, civic virtue), which were modified to suit this research. The measurement scale uses a Likert scale of 1-5 with a scale rating ranging from 0 (strongly disagree) to 5 (strongly agree).

2.2. Data Analysis

Testing models and hypotheses using a quantitative approach and collecting data in this study using a survey through a questionnaire to 116 employees who work in WOs in the Daerah Istimewa Yogyakarta (DIY). The research samples are professional-level employees who are representatives of team members from the marketing, accounting, human resources, and operational departments of 35 WOs operating in DIY. All participants are professional-level employees who are team members (or the internal team leader as appropriate).

Initial contact with the manager was carried out by chatting on Whatsapp to explain the research objectives while sending research permits and invitations to take surveys. Participation of respondents in this survey was voluntary. After obtaining approval from the manager, the questionnaire was distributed online via a google form, and 116 responses were obtained after eliminating 35 incomplete responses.

To ensure the validity and reliability of the study design, we administered the questionnaire in two stages. The research hypothesis was tested using structural equation modeling and analyzed using Smart Partial Least Square (Smart-PLS) 3.0.

Table 1 shows the respondents’ demographic data, where 65 percent of the respondents are male; 74.16 percent worked for less than five years, and 66 percent were between 21 and 40 years old.

3. Results

3.1. Content Validity and Convergent Validity

Measurement items are subjected to an iterative process during measurement analysis. Determine content validity; all items’ loading factors must have a value higher than 0.7 [41]. From 2 items of each dimension in TL, 1 item is discarded because it has outer
Table 1: Respondent Characteristics.

<table>
<thead>
<tr>
<th>Demographic</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>75</td>
<td>65</td>
</tr>
<tr>
<td>Female</td>
<td>41</td>
<td>35</td>
</tr>
<tr>
<td>Working-age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>≤ 5 years</td>
<td>86</td>
<td>74.16</td>
</tr>
<tr>
<td>&gt; 5 - ≤ 10 years</td>
<td>18</td>
<td>15.50</td>
</tr>
<tr>
<td>&gt; 10 years</td>
<td>12</td>
<td>10.34</td>
</tr>
<tr>
<td>Age Range</td>
<td></td>
<td></td>
</tr>
<tr>
<td>≤ 21 years</td>
<td>19</td>
<td>16</td>
</tr>
<tr>
<td>&gt; 21 - ≤ 40 years</td>
<td>76</td>
<td>66</td>
</tr>
<tr>
<td>≥ 41 years</td>
<td>21</td>
<td>18</td>
</tr>
</tbody>
</table>

loading < 0.7. Likewise, for the JS dimension, 1 item representing each dimension is deleted for the same reason. For the OCB dimension, two dimensions, namely altruism, and conscientiousness were removed; 1 item, sportsmanship, was deleted, 1 item courtesy was removed for the same reason.

After re-estimation analysis by deleting items with outer loading <0.7, the results in Table 2 show that all items have a value greater than 0.7, convergent validity is tested through the value of composite reliability (CR), which must exceed 0.6, the average variance extracted (AVE) value must be greater than 0.5 for all constructs [42]. Meanwhile, to evaluate internal validity, the Cronbach's alpha (C-a) value and composite reliability are used, which must be higher than 0.7 [41]. Table 2 shows that the CR value exceeds 0.8, CA exceeds 0.7, and all variables’ AVE exceeds 0.5. Based on the results described above, all items intended to measure this study's construction proved to be valid and reliable.

3.2. Hypothesis Testing

After the validity and reliability of the items were confirmed, the next step was to test the study’s hypothesis. The results of Table 3 show that there is a direct positive relationship between TL and OCB, as well as TL and JS. Job satisfaction, on the other hand, has no direct impact on OCB and is unable to mediate the relationship between TL and OCB. These results show that the third and fourth hypotheses of the study are not supported by the evidence. TL is necessary to boost employee OCB and JS.

TL is needed to improve employee OCB and increase employee JS.
### Table 2: Descriptive Convergent Validity and Reliability.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Items</th>
<th>Loading factors</th>
<th>AVE</th>
<th>Cronbach's alpha</th>
<th>Composite Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformational leadership</td>
<td>The boss clearly understands the organization to be carried</td>
<td>0.723</td>
<td>0.556</td>
<td>0.736</td>
<td>0.833</td>
</tr>
<tr>
<td></td>
<td>Develop a team attitude and enthusiasm for employees</td>
<td>0.725</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Always looking for new opportunities for organizations</td>
<td>0.770</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Show respect for employees’ personal feelings</td>
<td>0.763</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>Feeling like being paid fairly for the work I do</td>
<td>0.756</td>
<td>0.699</td>
<td>0.890</td>
<td>0.920</td>
</tr>
<tr>
<td></td>
<td>When doing a good job get recognition</td>
<td>0.902</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Those who do well will get a chance to be promoted</td>
<td>0.906</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Feeling satisfied with co-workers</td>
<td>0.859</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Feeling happy with supervisor</td>
<td>0.742</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational Citizenship Behavior</td>
<td>Always keep abreast of changes in the organization</td>
<td>0.821</td>
<td>0.708</td>
<td>0.863</td>
<td>0.907</td>
</tr>
<tr>
<td></td>
<td>Attending meetings that are not mandatory but are considered important</td>
<td>0.788</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Develop a team attitude and enthusiasm for employees</td>
<td>0.725</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Always looking for new opportunities for organizations</td>
<td>0.770</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Show respect for employees’ personal feelings</td>
<td>0.763</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Table 3: Hypothesis Results.

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Path</th>
<th>P Value</th>
<th>t</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Transformational Leadership Job Satisfaction</td>
<td>P = 0.002*</td>
<td>3.140</td>
<td>Supported</td>
</tr>
<tr>
<td>H2</td>
<td>Transformational Leadership OCB</td>
<td>P = 0.019*</td>
<td>2.348</td>
<td>Supported</td>
</tr>
<tr>
<td>H3</td>
<td>Job Satisfaction OCB</td>
<td>P = 0.801</td>
<td>0.156</td>
<td>Not supported</td>
</tr>
<tr>
<td>H4</td>
<td>Transformational Leadership Job Satisfaction OCB</td>
<td>P = 0.241</td>
<td>1.175</td>
<td>Not supported</td>
</tr>
</tbody>
</table>
4. Discussion

In this study, the authors examined TL, JS, OCB and the relationship between these factors in an organization. The data for this study were collected from wedding organizer companies in DIY, Indonesia. They used PLS-SEM to determine validity and reliability, as well as to test the proposed model. Based on the test results, the measurements used are valid and reliable. These findings expand on existing research in three aspects. First, the results of the study found a direct relationship between TL and OCB, which is consistent with previous studies showing a positive relationship between TL and OCB [12-15]. Second, TL and JS also have a positive relationship, and confirm the findings [20] and [21]. Third, JS has no relationship with OCB, and cannot mediate the relationship between TL and OCB, so it is not by research [28]; and [29].

As stated Yukl [30] TL describes a leader who effectively inspires and transforms followers by attracting their ideas and emotions and bringing followers, developing at a level where followers complete organizational tasks without intervention of the leader [36]. The role of a leader can inspire employees to give extra roles to the organization without being asked. Employees feel trust, admiration, loyalty, and respect for the leader, and they are motivated to do more than expected initially [10].

5. Conclusion

This paper has theoretical and practical implications. Theoretically, this paper adds to the literature on empirically finding the relationship between TL and OCB, JS and OCB. It also adds to the empirical findings that there is no relationship between JS and OCB, nor the role of JS mediation on TL and OCB.

The practical implication is that TL is needed in conditions of uncertainty to increase employees’ OCB. The existence of the Covid-19 pandemic creates uncertainty in an organization. WFH policy reduces employees in the workplace requires sportsmanship, courtesy, and civic virtue from employees. A positive attitude in facing challenges, helping ease the work of other employees, volunteering to participate, and supporting the organization is needed in this situation. This behavior can be cultivated through a leader who can raise awareness and high interest in a group or organization, increase self-confidence, and pay attention to existence for employees’ achievement and growth [33].

This study seeks to build a JS model to mediate TL and OCB’s relationship among WO’s employees in DIY. However, there are still many limitations that cause the results
of this study to be imperfect. First, the sampling was not representative because it only took representatives from the team based on departments within the company. Second, there is a need to investigate the mediating effects of other variables such as organizational trust. As said [39], an employee will interpret and reciprocate and monitor the work environment, to assess whether they should trust top management. Third, using a single respondent from each department. Future studies should use dyadic respondents by asking employee representatives to respond to TL questions while managers answer JS and OCB question.

References


