Visionary Leadership and Organizational Citizenship Behavior: An Assessment of Impact of Sectarian Difference

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Abstract

Visionary leadership has been identified as one of the determinant of organizational citizenship behavior (OCB) of subordinates in organizations. However, the relationship between visionary leadership and OCB may vary from context to context. Differences between private and public sector organizations provide two organizational contexts where imperially established relations between variables would differ to a significant degree. Therefore, it warrants reexamining the established relationships between these two sectors. The objective of this study is to examine the possible impact of sectarian differences of private and public sector on the relationship between visionary leadership and OCB. Hypotheses were developed based on literature review, hypothesizing possible relationship between visionary leadership and OCB, and moderating effect of sectarian differences. This study was based on the survey design and a sample 250 subordinates was selected for the data collection. Two standard questionnaires were administered among the sample respondents measuring visionary leadership and OCB. Data was analyzed using structural equation modeling with the alternative model testing procedure. First, it was found that there is a positive and significant relationship between visionary leadership and OCB. Further, it was revealed that there is a strong positive relationship between visionary leadership and OCB in the private sector than in the public sector. It was also revealed that the sectarian difference has a moderating effect on the relationship between visionary leadership and OCB. Limitation of the study was pointed out and implication of the finding was discussed.

Key words: Visionary Leadership, OCB, Sectarian Difference and Moderating Effect
JEL Classification: C 19, G13, G 14
1. Introduction

Leadership and leadership effectiveness has been a focal point of researchers in the field of management since the beginning of 20th century (Guand-Lu, et al., 2012). As a result of this continuous interest of researchers on leadership, an array of leadership behavior termed as leadership styles have been identified. Among these leadership behaviors, charismatic leadership, transactional and transformational leadership, ethical leadership and visionary leadership stand more popular. However, visionary leadership is particularly considered as a leadership requirement for business organizations in today’s competitive environment. Its positive impact on various organizational and employee’s outcomes have been highlighted. Organizational Citizenship Behavior (OCB) is one of the employee’s outcomes which is largely determined by the visionary leadership (Yulk, 2006). With the fact that meaning and determination of employees’ outcomes differ depending on the organizational context (Markovits, et al., 2010), it can claim that visionary leadership bears positive association with OCB, its effect may vary from context to context. Number of studies which assess separately the impact of visionary leadership on OCB in the private and public organizational context, relatively few studies have attempted to examine the effect of visionary leadership on OCB taking these two sectors together. The purpose of this study is to assess the impact of visionary leadership on OCB hypothesizing a moderating effect of sectarian differences between public and private sector organizations in Sri Lanka.

2. Literature Review

Visionary leadership defined as one that “established goals and objectives for individual and group action, which define not what we are but rather what we seek to be or do” (Colton, 1985, p. 33), is said to stand apart from other form of leadership in inspiring vision and communicate that vision among subordinates so that organizations moves from good to better (Jul-Chan & Colin, 2004). Further visionary leadership brings out positive outcomes in organizations by creating and communicate a view of a desired state of affairs that clarifies the current situation and induces commitment to an even better future (Conger, 1999). This results in high trust in the leader, high commitment to the leader, high levels of performance among followers, and high overall organizational performance (DuBrin, 1998). This range of positive outcomes are brought by the balance concern on both the organization and subordinates. Visionary leaders are said to have insight into followers’ needs or values and to develop a vision statement reflecting those needs or values (Kirkpatrick, 2004). This high concern of visionary leadership on followers increases the job satisfaction and OCB of employees in organizations (Lee, et al., 2013).
Researchers claim that this happens because the vision has positive effects on followers’ selfconcepts; followers become motivated to achieve the vision because they find it meaningful, identify with it, and believe in the vision and their ability to achieve it (Zaid, 2006). Effective communication of visionary leadership changes subordinates attitudes and outputs resulting in organizational transformations (Waldman, et al., 2001). This way of behavior of visionary leaders will lead to better relationship with their subordinates and improving the OCB of them. Shamir, House, & Arthur, (1993) posited that visionary leadership minds on collective workout and collective commitment of the team. At the same time, they make the followers self sacrifice and intellectually stimulating subordiantes with individualized consideration (Valenzuela, 2007).

2.1 Organizational Citizenship Behavior (OCB)

Organizational citizenship behavior involves a set of discretionary behavior of employees which are not officially required by the organization (Organ, 1988). It posits that employees with high level of OCB will perform high and go above and beyond their supervisor’s expectation (Zacher & Jimmieson, 2013). OCB claimed to be a multi-dimensional construct. Williams and Anderson, (1991) Identified two component of OCB as compliance, which indicates employee’s intention to follow the organizational rules and altruism that is employees helping behavior in work.

Number of individual and organizational factors have been identified as possible antecedents of OCB (Wang, 2011). Factors such as job satisfaction, organizational justice, organizational support and trust and leadership are said to be more prominent (Lee, et al., 2013). Leadership behavior particularly visionary leadership has been proclaimed to be increasing OCB in employees in organizations (Podsakoff, et al., 1996). Visionary leadership behavior such as empowerment, image building, risk taking, supporting an intellectual stimulating (Kirkpatrick, 2004) will result in discretionary behavior among employees. Therefore, it can hypothesize that

H1: Visionary leadership positively impact on employee’s organizational citizenship behavior

2.2 Sectarian Differences

Differences between public and private sector organizations have been examined in organizational behavior, management and organizational psychological research as well (Markovits, et al., 2010). Sectorial differences between public and private sector organizations have been pointed out in various ground. First, the characteristics of public sector organizations are different than those of the private sector in many ways (Baldwin,1987). More elaborate characteristics of public organizations as compared to the private sector include: having less flexibility in their reward system, needing to comply with more rigorous system, having more specialized and invariant job designs, having a strict reporting relationship, requiring higher
accountability, having more rules and regulations, possessing more constraints, and being absence of market incentives (Robertson & Seneviratne, 1995). The public sector differs in its environment in terms of market forces and exposure to legislation, legislatures, and civil service rules (Hooijberg & Choi, 2001). Nutt (2004) highlighted the fact that demands placed on public and private sector organizations vary to the extent that different practices were recommended for each sector. Notable differences of the public sector from private sector are factors such as that the public sector usually is less exposed to market pressures and is therefore less oriented toward profit-making, and that public organizations are often subject to political influences, affecting the behavior of both managers and employees (DenBreg, et al., 2009). Public sector organizations differ from private sector organizations not only in terms of characteristics, but also in terms of the values of employees (Moore, 1995). Lyons, et al., (2006) found that public sector employees value service to the society more than private sector employees. Therefore, it can reasonably assume that

H2: Sectarian differences between private and public sector organizations moderates the relationship between visionary leadership and OCB

3. Methodology

3.1 Sample

The sample of this study were 250 graduates’ students who were enrolled for postgraduate courses of Faculties of Commerce and Management Studies in Sri Lanka who belong to the middle and lower level management. The participants represents both the private and public sector organizations. 148 respondents are from private sector and 102 are from private sector. 62% of the respondents is female while the rest (38%) is male respondents. Most of them (74%) have served their organization more than five years and others (26%) fall between on to five year period of service.

3.2 Data collection procedure

Data was collected by administering the questionnaire personally among the sample respondents. Respondents were given two week time to fill the questionnaire and returned them. However, a reminder was made after one week so as to ensure the expected response rate. After two weeks’ time, 220 respondents have returned the filled questionnaires which is 88% response rate. This high rate of response was achieved given that sample is consisted of postgraduate students who have a higher enthusiasm in researching. However, 18 questionnaires were found to be incomplete and they were excluded from the analysis.

3.3 Measures
Visionary leadership was measured by using the adapted measure of Conger & Kanungo, (1987). This instrument assesses the vision and articulation, sensitivity to member’s needs, environmental sensitivity, and flexibility to change dimensions of visionary leadership. The instrument has 9 items for vision and articulation, 8 items for environmental sensitivity, 8 items for sensitivity to members and 7 items for flexibility to change. These items are scaled from strongly agree (5) to strongly disagree (1). The reliability coefficient (Cronbach’s Alpha) was .76 and construct validity was held ($\chi^2=124.01$, $df.=2$, RMSEA=0.07).

Organizational Citizenship Behaviors was assessed with 24-items OCB scale developed by (Podsakoff, et al. 1990). This measurement assesses the five dimensions of OCB proposed by Organ (1988). These dimensions were altruism (5 items), conscientiousness (5-items), courtesy (5 items), sportsmanship (5 items) and civic virtue (4 items). The responses were scaled form 1 (Strongly Disagree) to 5 (Strongly Agree). The reliability of this instrument was found to be high with Cronbach’s Alpha value (Alpha=.86; mean=2.88). It recorded a satisfactory level of model fit with sample data indicating its construct validity ($\chi^2=184.08$, $df.=4$, RMSEA=0.06).

3.4 Data analysis procedure

Data of the study was analyzed using structural equation modeling (SEM) since it provides a comprehensive analysis for detecting mediating effect of variables. As a first step, Confirmatory Factor Analysis (CFA) was used for testing the validity and reliability of the measures by testing the measurement models as prescribed by Byrne, (2010). Then, the model for effect of visionay leadership on OCB was tested between the private and public sector respondent to assess the moderating effect of sectarian differences.

4. Results and Discussion

Descriptive statistics with the reliability coefficient (\(\alpha\)) for visionary leadership and OCB dimensions are depicted in the table I

<table>
<thead>
<tr>
<th>Component</th>
<th>Means</th>
<th>SD</th>
<th>(\alpha)</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. vision</td>
<td>4.12</td>
<td>1.01</td>
<td>.78</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Sensitivity to EN</td>
<td>4.31</td>
<td>1.08</td>
<td>.81</td>
<td>.67</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Sensitivity to E</td>
<td>4.10</td>
<td>1.21</td>
<td>.87</td>
<td>.49</td>
<td>.33</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Flexibility</td>
<td>3.89</td>
<td>1.32</td>
<td>.76</td>
<td>.44</td>
<td>.42</td>
<td>.33</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Altruism</td>
<td>4.21</td>
<td>1.09</td>
<td>.71</td>
<td>.56</td>
<td>-.45</td>
<td>.45</td>
<td>.44</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Conscientiousness</td>
<td>4.01</td>
<td>1.10</td>
<td>.76</td>
<td>.56</td>
<td>.56</td>
<td>.34</td>
<td>.43</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Courtesy</td>
<td>4.12</td>
<td>1.32</td>
<td>.81</td>
<td>.43</td>
<td>.43</td>
<td>.57</td>
<td>.47</td>
<td>.44</td>
<td>.44</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Sportsmanship</td>
<td>3.97</td>
<td>.98</td>
<td>.82</td>
<td>.34</td>
<td>.45</td>
<td>.64</td>
<td>.43</td>
<td>.34</td>
<td>.39</td>
<td>.55</td>
<td></td>
</tr>
<tr>
<td>9. Civic Values</td>
<td>4.02</td>
<td>.89</td>
<td>.78</td>
<td>.44</td>
<td>.55</td>
<td>.54</td>
<td>.45</td>
<td>.50</td>
<td>.49</td>
<td>.51</td>
<td></td>
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</tbody>
</table>
The above table indicates that all components of visionary leadership and OCB correlate each other to a significant degree so that SEM can be applied for assessing the effect of visionary leadership on OCB and the moderating effect of sectarian differences.

The table II carries the test of model testing for effect of visionary leadership on OCB

<p>| Table II: The Results of Model testing for effect of Visionary Leadership on OCB |
|------------------|------|-----|-------|-------|-------|</p>
<table>
<thead>
<tr>
<th>Visionary Leadership</th>
<th>OCB</th>
<th>χ^2</th>
<th>df.</th>
<th>β</th>
<th>χ^2/df</th>
<th>CFI</th>
<th>RMSEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>463.3</td>
<td>226</td>
<td>.65</td>
<td>2.05</td>
<td>.918</td>
<td>.070</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As shown in the Table II, the model for visionary leadership effect on OCB fitted with the data indicating a better model fit (χ^2=463.3, df.=226, χ^2/df=2.05, CFI=.918, RMSEA=.070), it indicated a significant and positive Effect of visionary leadership on OCB (β=0.65, p<0.01). It further revealed that the direct effect explains 67% of variance in OCB of employees.

However, the present study was aimed at examining the moderating effect of sectarian differences of public and private sector on the relationship between visionary leadership and OCB. For this, the direct effect model was tested among the public and private sector respondents dividing the sample into two groups. The table III depict the results of model testing.

Table III

<p>| The Results of Multi-Group Analysis |
|------------------|------|-----|------|-------|-------|</p>
<table>
<thead>
<tr>
<th>Step</th>
<th>χ^2</th>
<th>df.</th>
<th>Δχ</th>
<th>χ^2/df</th>
<th>CFI</th>
<th>RMSEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>463.3</td>
<td>226</td>
<td>2.05</td>
<td>.918</td>
<td>.070</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>551.1</td>
<td>227</td>
<td>86.8</td>
<td>2.08</td>
<td>.923</td>
<td>.065</td>
</tr>
</tbody>
</table>

According to the table III, model with invariant constraint (2) fitted with the data better (χ^2=463.3, df.=226, χ^2/df=2.08, CFI=.923, RMSEA=.065) than the free model(1) (χ^2=551.1, df.=227, χ^2/df=2.05, CFI=.918, RMSEA=.070), indicating the fact that it can be
held the standard parameters equal between the public and private sector organization. It means that there is difference in the effect of visionary leadership on OCB between public and private sector respondents. Therefore, it can conclude that sectarian differences moderates the effect of visionary leadership on OCB.

**Discussion**

It was found in this study that visionary leadership has a positive and significant effect on OCB in line with the claims of other researchers (Naguni et al, 2004). It stresses that leaders in the private and public sector organization should exhibits a visionary leadership behaviors such as articulating an attractive vision, communication of vision etc. so that they can improve the OCB behavior among their employees. Given the fact that OCB has become a must to have in todays, organizations, and leaders should engage more and more visionary behavior.

On the other hand, the finding of this study confirms the fact that sectarian differences between public and private sector organizations moderates the effect of visionary leadership on OCB as claimed by other researchers (Markovits, et al., 2010). As a result, leaders should consider the organizational context where they work when they provide visionary leadership. That is say that leaders should match their visionary leadership aspects according to the requirement of the context so that it will results in higher degree of OCB in employees in their respective organizations.

**5. Conclusions and Recommendations**

The present study found that there is a positive and significant effect of visionary leadership on OCB of employees of both public and private sector organizations in Sri Lanka. Further, it revealed that differences between the public and private sector organizations moderates the effect of visionary leadership on OCB. The finding of this study is bounded with certain limitations. The sample of the study was comprised of middle and lower level managers who assessed the visionary leadership behavior of higher level managers. However, different finding may be possible to come by if it takes a floor level employees’ sample. On the other hand, the sample of this study was relatively small when it compares with the total population. As a result, the generalizability of the finding is limited. A further study either with large sample or with
floor level employees is recommended so that more generalizable conclusions can be made.

References


