

Enigma in Transformational Leadership - Been There Done That Syndrome vs. Black Box in Transformational Leadership: A Case from Pakistan's Public Sector

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Abstract

In present study, we seek to develop a conceptual model to check the direct effect of transformational leadership along with its rarely addressed indirect impact on affective organizational commitment through psychological empowerment particularly in public sector. The mediation model under transformational leadership theory is tested using PLS modelling. The results of the study are based on a sample size of 117 respondents from a public sector organization i.e., NADRA (National Database and Registration Authority) located nationwide in Pakistan. However, the scope of the present study encompasses the five major regions of Punjab province. The results positively supported the effect of transformational leadership on affective organizational commitment. Moreover, psychological empowerment mediated the relationship between transformational leadership and affective organizational commitment. Implications extend the literature in terms of applicability of transformational leadership theory in public sector organizations.

Keywords: Transformational leadership; Affective organizational commitment; Psychological empowerment; PLS-SEM; Pakistan

Introduction

A plethora of research eminently describes the robustness of transformational leadership which align organizational rationale with followers' job-related outcomes such as commitment [1,2]. To date it is arguably believed to be one of the most researched leadership concepts yet there is a dire need to examine the universal applicability of transformational leadership through certain mechanism [3,4]. Being one of the rarely studied areas by researchers it is of vital importance to shed light on the mechanism to understand that how and why transformational leaders affect the employees and their organizations. One kind of the influences this mechanism can exert is by mediation [5]. Inevitably a number of researchers have provoked to extend transformational leadership theory literature by carrying out further studies on any of the psychological processes through which follower attitudes and behaviours are influenced by a transformational leader [6]. Thus these 'processes' which direct a transformational leadership style towards organizational outcomes remained a 'black box' i.e., inadequately addressed and thus same 'black box' i.e., how work related behaviours like organizational commitment is affected by transformational leadership remained the main focus of present study [7,8]. Such knowledge will aid to understand and better predict that why and when transformational leadership will emerge and will be effective [5].

Secondly, although the repercussions of transformational leadership on employee attitudes and performance are found to be positive in a Meta analyses, but generally there are less studies found concerning empirical evidences for applicability of transformational leadership in public sector [9,10]. Moreover, it is arguably believed that the structure and conditions in a public sector context would hinder the effects and emergence of transformational leadership [11].

Thus, our current study embodied two fold objectives: Firstly in order to uncover the dearth of empirical investigations related to processes through which transformational leadership indirectly impacts work related attitudes and behaviours e.g., organizational commitment. One of the processes focused in current study is psychological empowerment; a process studied by Avolio [12] to

understand how transformational leadership impacts organization commitment, but the generalizability of the process required another study to be carried out in other organizations. Though concerns regarding leaderships are primitive and significantly increased since 1970s yet there isn't as much of studies to establish the link between TL, psychological empowerment and work related outcomes. Moreover, Fock et al. [13] asserted to study the impact of psychological empowerment on work related outcomes like commitment etc. Thus we studied this relationship in the context of a high power distance society i.e., Pakistan being moderately high in power distance index and having 18th rank among 52 countries. Commitment holds a distinguished importance in business literature, being a binding force between an individual and the course of actions directing towards relevant targets. Organizational value is created by a committed work force by virtue of being engaged in pro work behaviour like motivation and high performance. As commitment formed by virtue of positive work experiences makes a voluntary bond, such behaviour is the resultant of high quality exchange between employees and their organization comprising of personal efforts extended for organization, organizational loyalty, identification with the organization and involvement in organization. Employee related concerns are strongly linked to affective commitment. Hence commitment is one integral aspect which can foretell the stability and longevity of employee and employer relationship. Affective Organizational Commitment which is simply called as Organizational Commitment remained the focus of present study which is an intense organizational emotional attachment.

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Received July 28, 2017; Accepted September 20, 2017; Published September 27, 2017

Citation: Hasnain A (2017) Enigma in Transformational Leadership - Been There Done That Syndrome vs. Black Box in Transformational Leadership: A Case from Pakistan's Public Sector. Bus Eco J 8: 319. doi: [10.4172/2151-6219.1000319](https://doi.org/10.4172/2151-6219.1000319)

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The second aim of this study revolves around the extension of transformational leadership literature in the context of public sector organization, yet another less studied area. The inconsistencies in findings are captivating enough to start such an endeavour e.g., it is claimed that the usefulness of transformational leadership is questionable and even unethical to be pursued in a public organization structure given heavy reliance on formal rules and procedures and bureaucratic control mechanisms like formalization, centralization and reutilization [14]. Thus encumbering administrative tasks hampers leaders to exhibit transformational leader behaviours. According to bureaucratic control doesn't necessarily influence transformational leadership process in a negative manner and thus contrary to aforementioned viewpoint it is cogently believed that contemporary changing scenario in terms of more global competition, public criticism and squeezing revenues has tilted the focus of public organization leader towards performance and more output and such a scenario can be dealt with transformational leadership only [15]. Public organizations are less bureaucratic than ever according to a number of studies [16]. Moreover, new ideologies' wave made their way to such organizations to import business models in public sector in order to bring control and enhance effectiveness on account of new public management [17].

Theoretical Foundation and Hypotheses Development

Transformational leadership

A political sociologist Burns brought forward the concept of Transformational Leadership in a classic book named as 'leadership'. In doing so he explains a leader as an individual who is capable enough to instigate the spirit of enthusiasm in his followers to achieve leader and followers' goal in a better way [18]. According to Bass and Bass [19], the crux of Transformational Leadership Theory resides in the notion that followers' higher level of thinking is aroused due to leaders' certain behaviours and thus this kind of leadership has emerged as one of the most important approaches to understand the effectiveness of a leader. The leadership field has been taken from the verge of extinction to the new horizons of being scientifically explored by the scientists with the virtue of TL theory as contributed by Bass and Bass [19]. Berson and Avolio [4] affirms TL theory by arguing that this leadership style inspires the followers to raise questions related to variety of ways, goals and assumptions to explore the better ways out for specific objectives and thus meeting one of the major responsibilities of a leader i.e., to eloquent organization's mission, vision, strategy and goals in order to aid followers towards attaining organizational rationale. The followers of such leaders are transformed to performances of higher levels as well as productive work related behaviours by virtue of these four dimensions which are individualized consideration, intellectual stimulation, charisma and inspirational motivation [20]. Thus by exhibiting charismatic behaviours for followers, arousing in them inspirational motivation, providing followers with intellectual stimulation and treating them with individualized considerations makes higher level of performances possible [21].

Organizational commitment

Convincingly OC has received significant attention by organizational researchers because of the ubiquitous role it plays in determining employees' behaviour [22,23]. The phenomenon in which an individual is affiliated to an organization on psychological basis is called organizational commitment [24]. The strength of an individual's identification and involvement relatively is assessed through his commitment towards the organization.

The two distinguished decisions on ongoing basis made by an employee are either to participate or to produce and perform for an organization. This implies that considerations which lead towards participation in organization are different from those that result in production for the organization [25]. This participatory and production orientations are used to define commitment with the help of exchange and psychological approach, respectively [26]. Nevertheless according to Meyer and Allen [27] psychological commitment in this regard comprise of a) affective commitment i.e., a desire, b) continuance commitment i.e., a need and c) normative commitment i.e., an obligation to be identified and involved with an organization. Meyer et al. [28] found the viability of affective commitment against continuance commitment being former positively related to performance and later having a negative relationship with performance. Another study done by Meyer and Herscovitch [29] reaffirms the same notion by depicting the highly favourable and strong correlations of affective commitment with individual level (e.g., stress and family conflict) and organizational level (e.g., OCB and performance etc.) outcomes hence we used affective organizational commitment which is believed as one of the highly desirable outcome to carry out this study [30].

Moreover, in addition to aforementioned studies investigating the impacts of OC on various outcomes there are studies which profoundly study the antecedents of OC. One of the key determinants of organizational commitment is leadership. Most of the research work done in the past endorses this relationship [31]. This furthers the stance by stating that transformational leaders endorse the intrinsic value related to goal accomplishment by advocating follower's effort and goal achievement linkages and thus encourage followers' organizational commitment.

There is accumulation of evidences which suggests that TL is strongly related to the attitudes and performance of its followers. Thus to be effective it is required by a leader to aid his followers in carrying out their decision by motivating them through their support in their respective plans. Counterproductive behaviors like absenteeism and turnover are associated with a workforce having lack of commitment [32]. Likewise a plethora of research documents the positive impact of committed workforce e.g., less absenteeism, less turnover likelihood [33].

Transformational leaders enable their followers to have more involvement level towards their work by inspiring them to approach problems by pursuing new ways and challenges and consequently increased levels of commitment towards organization [1].

On the basis of this literature we hypothesize as follows:

Hypothesis 1: There is a significant and positive relationship between transformational leadership and affective organizational commitment.

Moreover, according to Chan and Mak [8] how transformational leaders impact organization commitment has met with inadequate efforts than the direct impacts. Hence, we used psychological empowerment in the present study to assess the indirect impact of transformational leadership on organizational commitment [7].

Psychological empowerment

Spreitzer [34] defined the concept of empowerment comprising of these four set of cognitions i.e., competence, impact, meaning and self-determination in which an individual's intrinsic task motivation resides which reflects the work role orientation of an individual. These four cognitions involve self-efficacy, influence on outcomes related

to organization, weight one puts for a task on the basis of standards of individuals and autonomy respectively. Empowerment has been associated with dissolving hierarchical structure of an organization. It results in organizational decision making with a broad plan due to inherent autonomy, guidance and skills. Thus an empowered and committed workforce is the hallmark of an effective organization. The relationship with the leader is one of the most important factors that contribute to empowerment, engagement and satisfaction of employees [35]. Employees can manage themselves if they are given the chance to comprehend and transform their powers in a work environment. Higher job satisfaction and organizational commitment is found among empowered employees and thus they have more energetic and positive work experiences [14].

The transformational leadership theory gives psychological empowerment a pivotal role as a mechanism by transforming employees to their full potential and thus higher performance levels. Employees have esteemed feelings of having an impact for their organization being follower of transformational leaders and thus they have more inclination to be identified with their leaders by psychological empowerment enhancements [36]. Empowerment has been linked to transformational leadership in a study conducted by Jung et al. [37]. Similarly empowerment, job satisfaction and organizational commitment are found to be positively associated in past studies [38].

According to Bass theory Transformational leadership comprise of ideal influence, inspiring motivation, mental persuasion and personal consideration. A significant relationship has been found between transformational leadership and employee empowerment as transformational theory has a sheer emphasis upon empowerment and its role being central process to bind objectives of the organization with commitment [39]. Ozaralli affirms that many studies support the positive relationship between transformational leadership and psychological empowerment [40]. Indeed a plethora of research advocates that followers are more inclined towards task accomplishment as they do the required activities comfortably being empowered while working with high moral standards exhibited by leaders and corresponding expectations [41]. Likewise in another study depicted a positive relation between transformational leadership and empowerment [42].

Thus on the basis of these arguments we can say that commitment at its full potential along with performance in an energized manner can be felt when employees find greater sense of meaning in their assigned roles [43]. It is evident from the literature review that there is relationship between transformational leadership and psychological empowerment which subsequently leads towards certain employee work attitudes.

Thus, we further hypothesize as follows: Hypothesis 2: There

is a significant and positive relationship between transformational leadership and psychological empowerment.

Hypothesis 3: There is a significant and positive relationship between psychological empowerment and affective organizational commitment.

Hypothesis 4: Psychological empowerment mediates the positive relationship between transformational leadership and affective organizational commitment.

Conceptual Framework

Conceptual framework has been developed after a thorough literature review pertaining to relationships among variables employed in this study. Figure 1 explains the model presenting the relationships between transformational leadership, psychological empowerment and affective organizational commitment.

Research Methodology

Measurement instrument

The measurement scales used for present study comprise of formative constructs. In order to operationalize transformational leadership, 22-items transformational leadership scale was adopted from the 5 point Likert scale developed by Podsakoff et al. [44]. Few of the sample items included: "My leader encourages employees to be team players"(Group goals), "Shows respect for my personal feelings" (Individualized Support), " My leader leads by 'doing' rather than simply by 'telling'" (Appropriate role model), "My leader has provided me with new ways of looking at things that used to be a puzzle for me" (Intellectual stimulation), "My leader insists on only the best performance" (High performance expectations) and "My leader Paints an interesting picture of the future for our group" (Articulating a vision) etc. Reliability of the measure is evident from the value of the Cronbach alpha for the overall scale (averaged across all dimensions) which was 0.857. Psychological empowerment was measured by a 7-item scale adopted from [34]. Sample items included: "The work I do is very important to me", "I have significant autonomy in determining how I do my job", "My impact on what happens in my department is large", "I have a great deal of control over what happens in my department" covering these dimensions competence, impact, meaning and self-determination. Reliability of the measure is evident from the value of the Cronbach alpha for the overall scale (averaged across all dimensions) which was 0.880. Few items were dropped in factor analysis due to poor factor loadings below 0.50. For Affective Organizational Commitment 9-items scale was employed which was originally developed by Porter et al. [45] on a five point Likert scale. A sample item is: "I really care about the fate of this organization," etc.

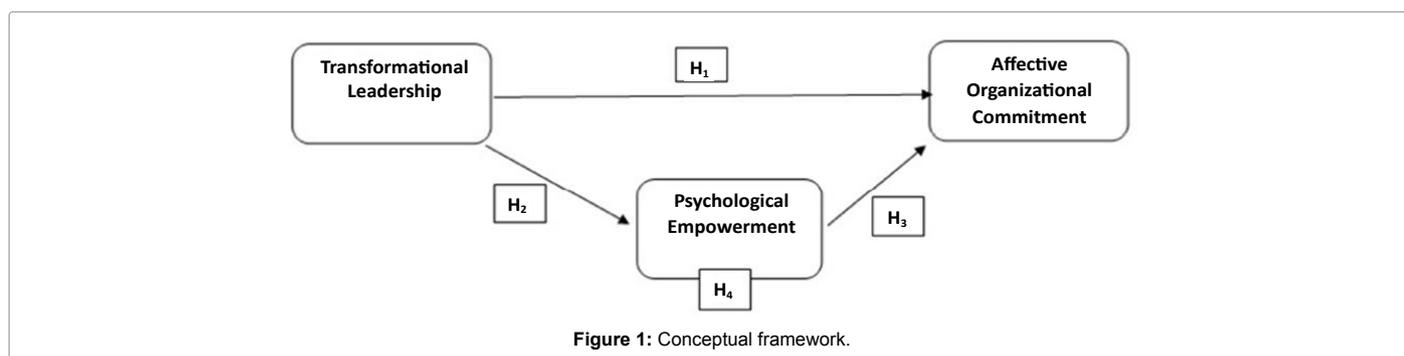


Figure 1: Conceptual framework.

Reliability of the measure is evident from the value of the Cronbach alpha for the overall scale (averaged across all dimensions) which was 0.902.

Sampling and data collection

Population of the present study comprises of five major regions of NADRA namely Multan, Lahore, Faisalabad, Islamabad and Sargodha in Punjab province of Pakistan. NADRA holds an esteemed status as a System Integrator worldwide and has considerable amount of experience in serving both public and private sector clients in terms of solutions related to operating, designing and implementations [46]. More than 11,000 technical and management personnel are serving at NADRA. They play their respective roles in registering citizens and printing Computerized National Identity Cards for over 95 million Pakistanis. Since Its commencement in year 2000, NADRA has gained a reputable status in a short period of time. Statistics from ID World (organizers of ID Card and Electronic Passport Forum) reveal that NADRA is ranked among the World's Top 50 Suppliers of e-Passport Technology for 4 years. (2005-2009) [NADRA, n.d., para 1,2,3]. 50 questionnaires were randomly distributed to the top and middle management employees in each of the five regions aforementioned. Hence, 250 questionnaires were distributed for the purpose of data collection. The initial response rate was calculated to be 60%, as 150 filled questionnaires were returned. A more keen scrutiny was done for discarding incomplete responses, a further reduction of 33 questionnaires resulted in a grand total of 117, that accounts to a mere 48% final response rate. Prior research done by Hair et al. [47] suggest Smart PLS as an appropriate tool to be used for handling data of small size. Moreover, to elaborate it further; in order to employ structural equation modelling (SEM) technique for data analysis, minimum sample size should be 100. Thus, a sample size of 117 was deemed to be appropriate to employ SEM technique for analyzing the data.

Analysis and Findings

The present study is characterized as: a) comprised of a small sample size, b) predictive in nature and c) using formative constructs. These reasons endorse the appropriateness of Partial Least Square based Structural Equation Modeling tool (PLS-SEM) to produce more robust results. In PLS-SEM, to assess the reliability and validity, measurement and structural parameters are estimated in two stages: measurement model (Outer model) and structural model (inner model). This aids in understanding the relationship between indicators and constructs as well as between independent variables and latent variables respectively. In other words, prior to testing hypothesis related to relationships among constructs, it examines the validity and reliability of the measurement scales [48].

Demographic profile

Descriptive analysis was performed before testing the proposed hypothesis. As aforementioned, in sum, 250 questionnaires were distributed, 117 were deemed to be fit for advanced multivariate analysis. Out of 117 respondents, 70.1% were males and 29.9% were females. The majority of respondents (64%) belonged to age bracket of 26-35 years and almost 75% of respondents were well educated i.e., they possessed bachelor or master degree. Similarly, the respondents belonged to diversified working experience and varied managerial positions as exhibited in Table 1.

Measurement model (Outer model)

In order to access the measurement model, as an initial procedure;

Description	Frequency	Percent	Cumulative Percent
Gender			
Male	82	70.1	70.1
Female	35	29.9	100
Age			
20-25 years	28	23.9	23.9
26-30 years	40	34.2	58.1
31-35 years	35	29.9	88
36-40 years	7	6	94
41 years and above	7	6	100
Education			
High school Certificate	25	21.4	21.4
Bachelor Degree	57	48.7	70.1
Master Degree	31	26.5	96.6
Others	4	3.4	100
Working Experience			
Less than 1 year	16	13.7	13.7
1-5 years	41	35	48.7
6-10 years	48	41	89.7
11-19 years	7	6	95.7
20 years or more	5	4.3	100
Managerial position			
Gender			
Male	82	70.1	70.1
Female	35	29.9	100
Middle Management	36	30.8	30.8
Lower Management	81	69.2	100
Total	117	100	100

Table 1: Demographic profile of respondents.

PLS-SEM measures the reliability and validity of the constructs in terms of (a) Internal Consistency (composite reliability), (b) Indicator Reliability, (c) Convergent Validity and (d) Discriminant validity [49]. Outer model's internal consistency is measured by the estimates of composite reliability and Cronbach's alpha. In order to measure constructs and to determine estimates of reliability which indicates interrelatedness of items; value >0.7 depicts satisfactory while <0.6 denotes lack of reliable results [49]. Composite reliability is a more preferred criterion to measure upper bound of reliability [50]. Conversely Cronbach's alpha is used for lower bound reliability estimation. Hulland [51] suggested that a value of 0.7 is highly acceptable for composite reliability whereas Cronbach alpha of value >0.8 is considered as a good indicator of internal consistency between items measuring a given construct [52].

Convergent and discriminant validity are used to measure the construct's validity. According to Campbell and Fiske [53] convergent validity demonstrates high relatedness among multiple measures of one construct. Average Variance Extracted (AVE) and significant standardized loading (i.e., $t > 1.96$) are utilized for the measurement of convergent validity due to the fact that AVE affirms variance of constructs by its own indicators [54]. An indicator's minimum acceptable value of 0.5 is used to explain the construct variance up to 50% [55]. Thus, Table 2 validates the fact that AVE values for this study are well above acceptable value of 0.50 [55]. Table 2 duly provides evidence of the measures of construct's internal consistency and convergent validity.

After verifying and ensuring convergent validity, discriminant validity was accessed which signifies that one construct is dissimilar to the other constructs. Discriminant validity is the second criterion

Construct	Items	Loadings	AVE	Composite Reliability	Cronbach Alpha
Transformational Leadership	ARM1	0.794	0.502	0.888	0.857
	ARM2	0.799	-	-	-
	ARM3	0.797	-	-	-
	AV1	0.655	-	-	-
	AV2	0.616	-	-	-
	AV5	0.612	-	-	-
	GG1	0.688	-	-	-
	GG2	0.674	-	-	-
Psychological Empowerment	E1	0.723	0.582	0.906	0.88
	E2	0.706	-	-	-
	E3	0.681	-	-	-
	E4	0.815	-	-	-
	E5	0.772	-	-	-
	E6	0.834	-	-	-
	E7	0.793	-	-	-
Affective Organizational Commitment	OC1	0.626	0.564	0.92	0.902
	OC2	0.739	-	-	-
	OC3	0.701	-	-	-
	OC4	0.703	-	-	-
	OC5	0.828	-	-	-
	OC6	0.838	-	-	-
	OC7	0.808	-	-	-
	OC8	0.717	-	-	-
	OC9	0.772241	-	-	-

Table 2: Convergent validity.

Constructs	1	2	3
Transformational Leadership	0.708		
Psychological Empowerment	0.649	0.763	
Affective Organizational Commitment	0.705	0.748	0.751

Table 3: Discriminant validity.

which ensures that several measures of a certain construct should be highly linked to measures of their own construct than being related to other construct's measures [53]. Cross loadings and Fornell-Larcker criterion are used to determine discriminant validity [56].

Cross loading determines indicator level discriminant validity while Fornell-Larcker criterion helps to assess discriminant validity at the construct level. Thus it helps to determine that up to what extent the construct under consideration is different from rest of the constructs [57]. Relevant constructs' cross loadings for each item were examined as per criteria explained by Bagozzi and Yi [55]. Few items were omitted due to poor factor loadings i.e., below the cutoff value of 0.5. The second approach utilized was Fornell-Larcker criterion shown in Table 3. Thus, adequate discriminant validity is ensured in this study by depicting significantly greater value of diagonal element in corresponding columns and rows in comparison to off-diagonal elements as exhibited in Table 3.

Structural model (Inner model)

If the measurement model is proved valid then the second step involves an assessment of the structural model estimates [58]. The assessment of structural or inner model takes place with the help of examining a direct relationship between independent and dependent variable. Structural Model is used for the purpose of hypothesis testing. For this purpose, path coefficients were examined using PLS-SEM algorithm and significance of relationship between hypotheses was examined by bootstrapping procedure. The data were bootstrapped for 50000 samples to get the structural model. This process indicates the path coefficients of the independent variables and dependent variable.

Direct effects: In order to test the postulated hypothesis, firstly the direct effects were tested; then direct and indirect effects were analyzed, and lastly mediation effects were tested. The results of direct effects revealed that the hypothesized relationships between transformational leadership and affective organizational commitment, transformational leadership and psychological empowerment and psychological empowerment and affective organizational commitment were statistically significant at $p < 0.01$ as exhibited Figures 2-4, respectively and summarized in Table 4 as follows.

According to results, for H1 there exists a significantly positive relationship between transformational leadership and affective organizational commitment ($\beta=0.722$; $t=11.440$; $p < 0.01$), therefore H1 is supported. Similarly H2 is supported as results reveal a statistically significant relationship between transformational leadership and psychological empowerment ($\beta=0.663$; $t=9.001$; $p < 0.01$). With respect to H3 results reflect that there exists a positive and substantially significant relationship between psychological empowerment and affective organizational commitment ($\beta=0.819$; $t=18.226$; $p < 0.01$). Hence, H1, H2 and H3 are supported. The details pertaining to results of hypothesis testing are given as under in Table 4.

Direct and indirect effects: Prior to examining the mediation effects, PLS structural direct and indirect effects were analyzed. Indirect effects are defined as the summation of both direct and indirect effects between two particular constructs. Hayes [58] argues that indirect effect is concerned with the influence of X on Y through an intervening variable M. It is quantified as the product of paths $-a$ and $-b$ and is interpreted as the quantity that Y is expected to change as X changes as a result of X's effect on M which, in turn, influences Y. Moreover, it is pertinent to examine the total effects before confirming mediation effects in PLS model, as total effects demonstrate a complete image of the mediating constructs' role, as well as provide insights to practitioners about cause and effect relationships (Table 5).

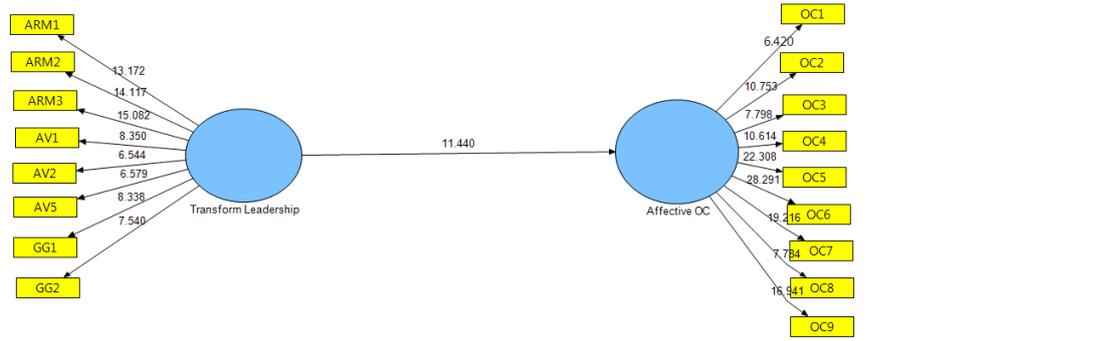


Figure 2: PLS bootstrap model for transformational leadership and affective organizational commitment.

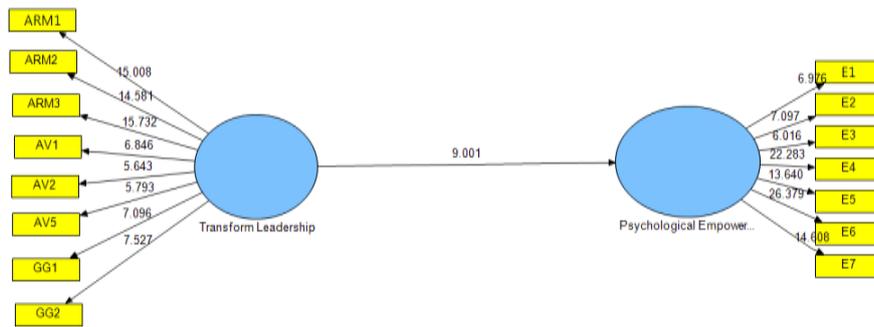


Figure 3: PLS bootstrap model for transformational leadership and psychological empowerment.

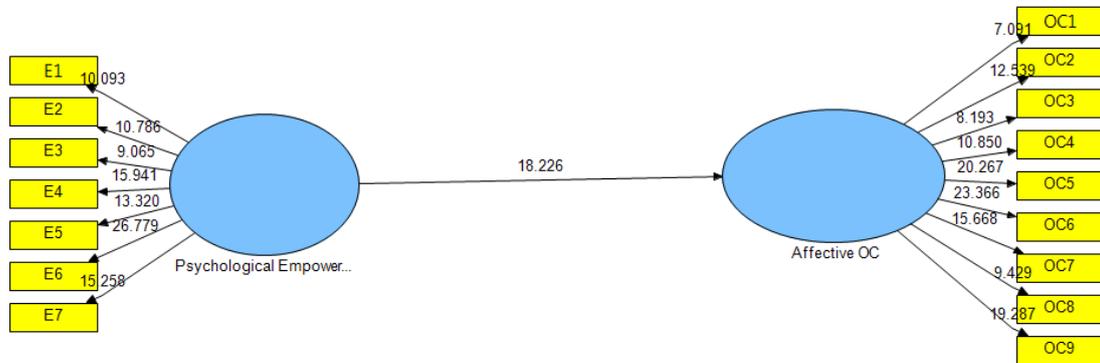


Figure 4: PLS bootstrap model for psychological empowerment and affective organizational commitment.

Hypothesis	Relationship	Std. Beta	Std. Error	t-Value	p-Value	Decision
H1	TL ->AOC	0.722	0.063	11.440***	0.0001	Supported
H2	TL ->PE	0.663	0.073	9.001***	0.0001	Supported
H3	PE ->AOC	0.819	0.044	18.226***	0.0001	Supported

***p<0.01, Results are significant for two tailed hypotheses where: T values >2.58 (p values < 0.01).

Table 4: Hypothesis results (Direct effects).

Direct and Indirect effects have been further demonstrated through Algorithm and Bootstrapping models as exhibited in Figures 5 and 6, respectively. The results presented in Table 5 and illustrated in Figures 5 and 6 demonstrate statistically significant indirect effects. Significant indirect effects indicate potential mediation effects of psychological empowerment on the relationship between transformational leadership and affective organizational commitment.

Mediation effects: Bootstrapping technique as suggested by Hair et al. [59] has been employed in order to analyze mediating effect of psychological empowerment on the relationship between transformational leadership and affective organizational commitment. Moreover, mediation is measured by multiplying the average of paths “a” and “b” and then dividing the obtained value by the standard error of the paths as demonstrated in the formula: $T=(a \times b)$

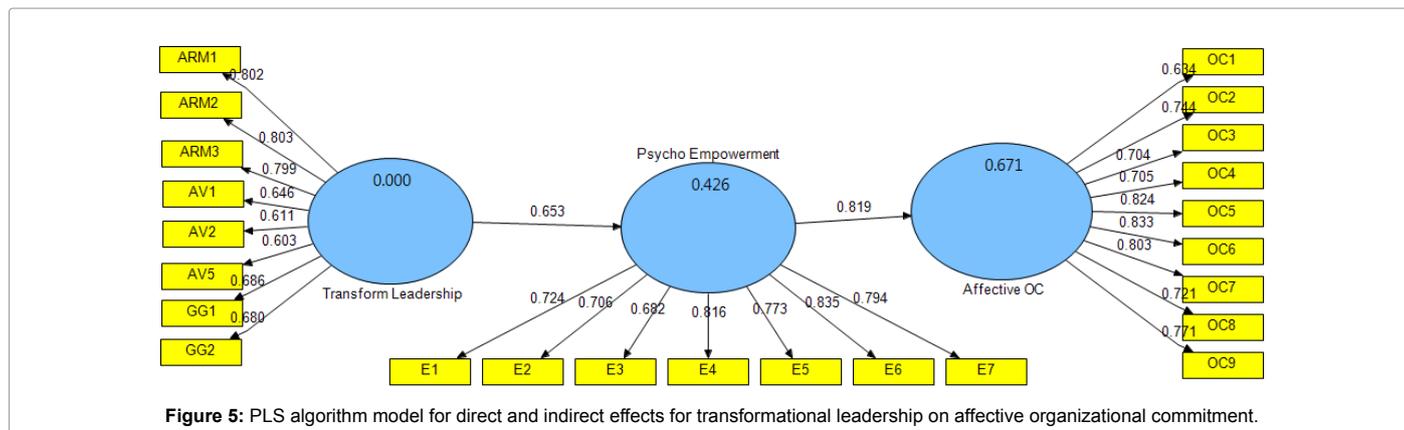


Figure 5: PLS algorithm model for direct and indirect effects for transformational leadership on affective organizational commitment.

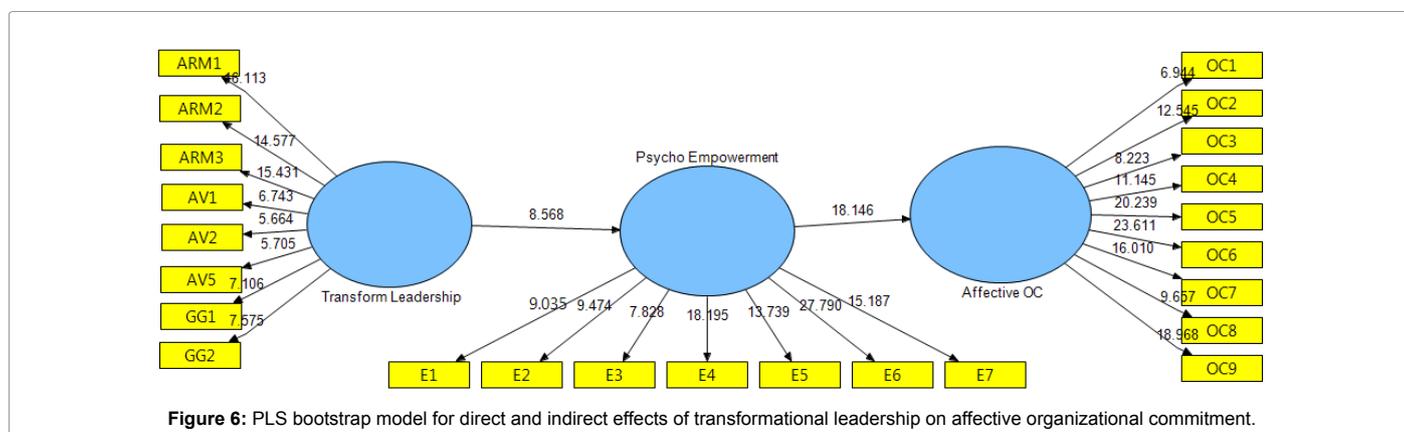


Figure 6: PLS bootstrap model for direct and indirect effects of transformational leadership on affective organizational commitment.

Path Coefficients	Std. Beta	Std. Error	t-Value	p-Value
TL ->AOC	0.534	0.086	6.159***	0.0001
TL ->PE	0.653	0.076	8.568***	0.0001
PE ->AOC	0.819	0.045	18.146***	0.0001

***p<0.01, Results are significant for two tailed hypotheses where: T values >2.58 (p values<0.01).

Table 5: Direct and indirect effects.

a × b	0.5415
S(a × b)	0.0873
T Value	6.2003***
P Value	0.0001
Decision	Supported

***p<0.01, Results are significant for two tailed hypotheses where: T values >2.58 (p values < 0.01)

Table 6: Mediation effects of psychological empowerment.

$S(a \times b)$

where: “a” is the value of relationships between independent variable and mediating variable, “b” is the value of the relationship between mediating and dependent variables, and $S(a \times b)$ is the standard deviation of (a) and (b). Furthermore, both of the paths i.e., “a” and “b” must be acquired from the PLS bootstrapping in order to determine the significance of their coefficients and standard errors [49]. Generally, in case of PLS bootstrapping technique for testing mediation, “T” represents significance level of the coefficients. Mediation is ascertained if T value is equal to or greater than 1.96 at 0.05 significance level using two tail test, or 1.64 at 0.05 significance level using one-tail test [60]. Table 6 presents the results of mediation analysis. Results reveal that psychological empowerment significantly mediates the relationship between transformational leadership and affective organizational commitment ($t=6.200$; $p<0.01$). Effect size (f^2) of mediating variable on structural model as recommended by Chin [61] was calculated to be 0.31; which indicates that 31% of total effect of transformational leadership on affective organizational commitment was explained by psychological empowerment. Hence, on the basis of results presented in Table 6, H4 is supported. Table 6 is presented as follows.

Assessment of variance explained in the endogenous latent variable

R² (Coefficient of determination) is defined as “a measure of predictive accuracy, and its magnitude describes a combined effect of exogenous latent variables on each endogenous variable”. Hair et al. [47] suggests R² value as significant criterion to measure predictive accuracy of model while utilizing PLS-SEM analysis. Range of values lies between 0 and 1. Prediction power is determined by the values of R². According to Cohen [62], R² values of 0.19, 0.33 and 0.67 are reported as weak, moderate and strong respectively [47]. Assessment of Variance Explained in the Endogenous Latent variable is demonstrated in Table 7.

Hence, the R-Squared value of the endogenous latent variable (Affective Organizational Commitment) is 67.11%, indicating substantially strong level of model fitness as per Cohen [62] criteria.

Assessment if predictive relevance

In order to measure the predictive relevance of the model, blindfolding technique has been employed as suggested by Chin [61].

Latent Variable	Variance Explained (R2)
Affective Organizational Commitment	67.11%
Psychological Empowerment	42.60%

Table 7: Variance explained in the endogenous latent variable.

Total	SSO	SSE	1-SSE/SSO
Affective Organizational Commitment	1053	685.3	0.3491
Psychological Empowerment	819	638.6278	0.2202

Table 8: Construct cross-validated redundancy.

The value of predictive relevance i.e., Q-Square for the Endogenous latent variables should be greater than zero. Predictive relevance of the model employed in the study is illustrated (Table 8).

Hence, Q2 shows an acceptably good relevance (0.3491) for the criterion variable (Affective Organizational Commitment), indicating that the model developed for the study has substantial predictive ability and predictive relevance.

Discussion

The findings of this study have important implications for both theory and practice particularly in the context of public sector.

First, although prior research in terms of bureaucracy, administrative tasks and lack of legitimate rewards for high performers has already endorsed the limited application of transformational leadership in public sector [10]. However, our results are in line with other stream of research that support transformational leadership applicability for example in private sector and particularly in public sector [15]. Second, we have provided empirical evidence to elucidate the 'black box' between transformational leadership and affective organizational commitment with the help of significant indirect effects of psychological empowerment. Hence, several contributions are made to extant knowledge from a theoretical perspective with the help of this much needed study [5]. Third, results of this study imply that such applicability can be a helpful source regarding planning for organizational development in terms of the contributions a transformational leader makes for employees' psychological well-being. Instead of large scale interventions, organizations should provide training to the leaders to exhibit transformational behavior for inculcating the spirit of empowerment in the workforce which in turn increases over all commitment levels.

Although ongoing changes because of shrinking revenues and cuts in budget can be a predictor for hindrance to incorporate transformational leadership in public sector, however; Javidan and Waldman [15] claimed that the same can be one of favoring arguments in bringing such processes to public sector. Moreover there are few studies which further endorse the same notion as a reasonable on account of embarking the importance of transformational leadership training and its impacts on employee outcomes like commitment etc. [63]. These findings are in line with a plethora of previous studies mentioned in introductory paragraphs implying the rationale behind a number of expected positive outcomes resides within employees' perception of its leader as a transformational also affirming linkage with work related behaviors like commitment etc. with respect to their cognitive and affective states [64]. Fourth, this study also thoroughly contributes to work commitment literature by adding up further antecedents of affective organizational commitment [65].

Moreover, organizations are viewed in a favorable manner by virtue of positive work experiences which is consistent with and based

upon the notions of social exchange theory [66]. This proposes that in addition to being in line with empirical studies the integrated model is well grounded in human motivation and behavioral psychological theories, and gives a noteworthy framework for future studies to augment knowledge base of transformational leadership influence process.

Additionally, although mostly such complex relationships are evaluated using statistical procedures which are simple bivariate analysis; Nevertheless the findings of our study enriches the existing transformational leadership literature on the basis of accurate and reliable findings by virtue of using PLS-SEM which is one of the second generation techniques using multivariate analysis. Importantly, we affirm the notion of Rucker et al. [67] that we should not rush to the conclusion of full mediation merely due to insignificant relationship between independent and dependent variable after introducing mediator. Such claims of 'full' and 'partial' mediation might impede further theory development. According to them full mediation dispirit researchers from studying other theoretically motivated mechanisms and thus encumber theory development unnecessarily. Moreover, according to Hoyle and Kenny [68] if one has measured all possible suppressors and mediators without any error in a confident manner only then a researcher can claim full mediation and in psychology without error only a few variables are measured.

Limitations and Future Research Directions

Like any study this study is not free from limitations and thus its implications should be considered accordingly. First, like majority of previous studies as per knowledge of the researcher, this study focused on either of the levels i.e., individual level or group level [7]. Consequently we suggest that upcoming researchers may focus on multi-level analysis to understand the indirect impact of TL on job related outcomes.

Second, our study is cross sectional in nature and thus a longitudinal study is required for future research to address the difficulty in drawing the causal nature of relationships among the study variables. Though cross sectional studies have a vital role in terms of comparisons and identifications of various relationships not tested before as such studies complete an important step for more rigorous testability of the associations by conducting longitudinal studies in future [69]. Third limitation of the current study relates to the composition and characteristics of the sample. The study was conducted in a public service sector organization with young, mostly male participants occupying middle level management. Fourth, besides we suggest that future researcher may consider continuance and normative commitment as well. We stressed upon affective organizational commitment only, however, there can be multiple forms of organizational commitment [27]. Our study is conducted in a federal public sector organization thus in order to assess the generalizability of the model it is suggested that it may be replicated in different organizations and sectors.

Another limitation of the current study is that we used self-reported data using questionnaires only, which is linked with potential problems like incapability to retrieve an objective reality [70]. However, as the current study emphasized psychological constructs, employee attitudes and perception of their leader [53]. Seeing this aim of capturing subjective preferences, perceptions of a phenomenon and motives such source can be regarded as appropriate [69]. Moreover, this study suggests that in order to increase the explanatory power of the model, a differentiated mediation process can be used where different mediators mediate different outcomes e.g. employee trust etc. Kovjanic et al.

[71] and suppressor variables in case of partial mediation as suggested by Rucker et al. [67]. In order to gain deeper insights about cultural contexts a comparative study between different cultures can be done in future [72-74].

Conclusion

The transformational leadership theory has been called into questions in public sector. Our results hold an enchanting position as it is one of the very few studies that have made contributions to depict the external validity and applicability of transformational leadership theory and processes within the public sector context. Thus, the present study can serve as a string of enhancement on leadership literature in public sector by empirically verifying that transformational leadership is positively associated with employee work attitudes and commitment and confirmed the mediating role of psychological empowerment. Thus we addressed the enigma in transformational leadership by bringing out an important mechanism out of its black box ensuring the existence of been there done that syndrome.

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Citation: Hasnain A (2017) Enigma in Transformational Leadership - Been There Done That Syndrome vs. Black Box in Transformational Leadership: A Case from Pakistan's Public Sector. *Bus Eco J* 8: 319. doi: [10.4172/2151-6219.1000319](https://doi.org/10.4172/2151-6219.1000319)