

# Impact of Organizational Culture on Leadership Style and Affective Commitment

LiLin, Wang shiqian

Faculty of Postgraduate Center, Limkokwing University of Creative Technology, Inovasi 1-1, Jalan Teknokrat 1/1, Cyber 3, 63300, Cyberjaya, Malaysia

**Abstract:** Organizational culture as the core of an organization, it is crucial to build a foundational and productive working environment. The objective of this paper is to investigate the impact of organizational culture on leadership and affective commitment in the higher education institutions in China. This research was carried out the five point Likert scale to measure the data. The quantitative survey method was applied and a sample of 400 employees from the higher education institutions of China. Convenience sampling technique is used to be instrument of the study. SPSS software was used to analyze the data collected based on descriptive statistics. The findings indicate that the organizational culture has significant influence on leadership and affective commitment in higher education institutions. The result indicates that organizational culture has moderating effect on the relationship between leadership style and affective commitment.

**Key Words:** Organizational Culture, Leadership Style, Affective Commitment, China

## Introduction

Alvesson, (2002) mentioned that organization culture is able to help company shaping the organizational strategies, its leadership styles and its relationship with the customers. It is also assist to gather, disperse and organize knowledge. It reflects on employees' attitudes, experiences, beliefs, and values of the organization, it also respecting interaction of individuals and groups through social learning in the organization. Moreover, culture highlights pay attention on human beings in the progress of organization, it emphasize the importance of creating appropriate systems to enable employees complete tasks and cooperate with each other in order to achieve a common organizational goal, which reflect it has strong influence on job performance in workplace. The cohesive organizational culture is capable to produce higher productivity, improve employee morale, work attitudes and it would encourage stronger employee commitment. Thus, organizational culture directly influence individual behavior and further influence on job performance through decision making, problem solving and strategy formulation. Furthermore, organizational culture is frequently reflecting on responsible for all matters of organizational shortages. Occasionally, it is credited with creating positive qualities.

## Problem statement

Based on the organizational role theory (Bandura, 1967), organizational culture as a factor at organizational level, the researcher would identify whether the organizational culture has positive moderating influence on the

relationship between leadership and affective commitment, organizational culture as a system of meanings, values and beliefs of an organization, which is also a reference to action (Mas'ud, 2004). The past studies lack the researches on organizational culture as a moderating variable as well as how it is functional in higher education field in China. Most past studies did research on the organizational level, the influence of organizational culture on organizational commitment or organizational performance (Michael & Craig, 2006; Teman, 2014; Jung, D. I & Avolio, 2016). Few of studies has investigated whether organizational culture or leadership has impact on one particular component of affective commitment. In this study, the researcher identified whether organizational culture has moderating effect on the relationship between the leadership and affective commitment.

## **LITERATURE REVIEW**

### **Leadership Style**

Kouzes and Posner (1997) have defined the leadership is an art to mobilize and motivate subordinates are willing to endeavor in completing the organizational tasks. According to Robbins (1991) leadership is the ability either influence the groups or individuals struggle to share inspirations and work toward organizational goals and objectives. Adler (1997) clarifies that "leadership is regarded as the ability to influence and inspire ways of thinking, acting, and behaving of its members". Chipunza (2006) further observed that leadership is an important interpersonal process that occurs between leaders and individuals or groups towards the organizational pursuance and objectives. Bass (1994) identified that leadership style mainly comprise three common parts, they are transformational leadership style, transactional leadership style and laissez-faire leadership style or condition without leadership. Transactional leadership style is one leadership style that basically emphasizes agreement between leaders and subordinates. Transactional leadership regarding that leaders are able to motivate and mobilize subordinates by exchanging rewards with certain performance. It seems in a transaction, a subordinate would be given appropriate compensation when they completed their duties in accordance with the contract (Mustopadjaja, 2008). While transformational leadership style is defined by Bass and Avolio (2003) as leaders are able to optimize employees' performance and further achieve organizational goals by altering the work environment, the way of motivation, and work patterns, and work values perceived by subordinates.

### **Organizational Culture**

Organizational culture refers to the personality of the organization and it reflecting the organization functions in some aspects. It is reflected from the attitudes, experiences, beliefs, and values of the organization, respecting interacts of individuals and groups through social learning in the organization. Moreover, culture highlights pay [www.ijsrp.org](http://www.ijsrp.org)

attention on human beings during the whole life of organizational, it emphasize the importance of creating appropriate systems to enable employees complete tasks and cooperate with each other in order to achieve a common organizational goal. The thought of cohesive business cultures is the underpinning of higher productivity, employee morale, work attitudes and it would encourage stronger employee commitment. Thus, organizational culture directly manage and constraints behavior which influence on job performance through decision making, problem solving and strategy formulation. Furthermore, organizational culture is frequently reflecting on responsible for all matters of organizational shortages. Occasionally, it is credited with creating positive qualities. A better explanation of organizational culture's concept would allow people solve problems and improve employee performance in proper way in organizations. The employee performance was considered as backbone of organization as it leads to organizational development in effectively. The employees' loyalty relies upon knowledge and awareness of culture due to it is beneficial to improve organizational behavior.

### **Affective Commitment**

Allen and Meyer (1990) defined that the affective commitment is one component of organizational commitment, which refers to the employees possess emotional attachment to involve and identify the organization. Mostly, researches were undertaken in the area of organizational commitment focuses on affective commitment. For example, the Brunetto and Farr-Wharton (2003) has undertaken a considerable literature review and found that affective commitment has been investigated in areas such as job satisfaction, communication, turnover, intent to leave and stress, perceived fairness and supportiveness of managers, perceived ability to be promoted and job performance. Studies on affective commitment have also been conducted under various contexts, such as in nursing, citizen behaviors and commitment to a particular community. It also reflects the employees' satisfaction and communication with their colleagues, and it will create a supportive work environment with satisfaction. Allen & Meyer, (1991) have suggested that affective commitment plays an important role because it is more potential benefits for organizations than other components of commitment. High affective commitment means that employees are willing to take duty beyond assigned and it is beneficial for organization.

### **Leadership Style, Organizational Culture and Affective Commitment**

According to (Meyer et al.,2010) suggested that organizational commitment would increase through changing the organizational culture which tends to person organization (culture) fit Results from investigations from Blau (1985) and Williams and Hazer (1986) revealed that leadership style had greater influence on commitment than a structured or task-oriented one, while Kim (2002) identified a participative management style has positive and significant relationship with employees' job satisfaction and commitment. Organizational culture is

important in generating commitment and enhancing performance (Deal and Kennedy, 1982; Lok and Crawford, 2001; Peters and Waterman, 1982). In particular, studies in various industries and countries has identified that innovative and supportive cultures had strong positive effects on commitment and job satisfaction, while bureaucratic cultures had a negative impact (Brewer, 1993; Brewer, 1994; Brewer and Clippard, 2002; Kratina, 1990; Krausz et al., 1995; Lok and Crawford, 2000; London and Larsen, 1999; Rashid et al., 2003; Silverthorne, 2004; Trice and Beyer, 1993; Wallach, 1983). Adel Mohamed (2014) identified that empirical results indicated that the relationship between organizational culture and organizational commitment in National Oil Corporation of Libya was positive significant relationship, while the dominant culture was hierarchy culture and the dominant organizational commitment was affective commitment.

## RESEARCH METHOD

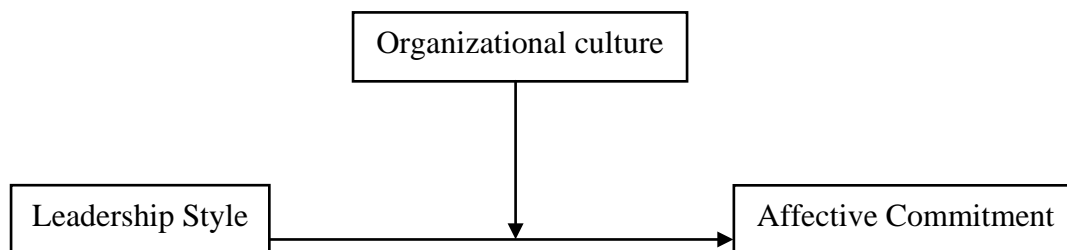
### Research Framework

The researcher developed the conceptual framework and figured out the instrument scales for each variable. In this proposed model, leadership style as independent variable and the scale was adopted from Marlowe and Nyhan (1992). Affective commitment as dependent variable which was measure by instrument developed by Cook and Wall (Cook & Wall, 1980). Organizational culture is moderating variable, which is measured by using the GLOBE questionnaire (House et al., 1999, 2002, 2004). This study attempts to demonstrate the moderating effect of organizational culture between leadership style and affective commitment (See Figure 1).

### Research Hypotheses

H1: There is a positive relationship between leadership style and affective commitment.

H2: There is a moderating effect of organizational culture between leadership style and affective commitment.



## ANAYSIS AND FINDING

In order to test the moderation, the researcher centered the predictor variables and gained a product of multipliers of two variables of leadership style and organizational culture. Through R square change, people could judge whether the moderator or interaction account for significant variance in the dependent variable (Aiken & West, 1991). Based on the R square change results, the main effect of leadership style and organizational culture accounted for 23% of variance in affective commitment and it was significant, the interaction with leadership and organizational culture accounted for additional significant 1.7 percent of variance (Table 1). Based on the coefficients table (Table 2), the coefficient of leadership style and organizational culture is significant at 0.000 level. It also presented that when entering interaction term of organizational culture as the moderator to the model, the result is still significant at 0.001 level. At the end, it can be concluded that organizational culture can be a moderator in the relationship between leadership style and affective commitment. Thus, organizational culture positively moderates the link among leadership style and affective commitment.

**Table 1: Regression**

	R	R <sup>2</sup>	Adjusted R <sup>2</sup>	Std. Error	R <sup>2</sup> Change	F Change	df1	df2	Sig. F Chang
1	.484 <sup>a</sup>	.234	.231	.577	.234	71.320	2	467	.000
2	.501 <sup>b</sup>	.251	.246	.571	.017	10.389	1	466	.001

a. Predictors: (Constant), average\_OC, average\_LS

b. Predictors: (Constant), average\_OC, average\_LS, centre\_LS\*OC

**Table 2: Coefficients of centered variables**

1	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.655	.162		10.198	.000
	average_LS	.185	.050	.194	3.665	.000
	average_OC	.346	.055	.335	6.313	.000
2	(Constant)	1.525	.166		9.197	.000
	average_LS	.200	.050	.211	3.994	.000
	average_OC	.355	.054	.344	6.541	.000
	centre_LS*OC	.143	.044	.131	3.223	.001

a. Dependent Variable: average\_AC

**CONCLUSION AND DISCUSSION**

The past studies lack researches on organizational culture as a moderating variable as well as how it is functional in higher education field in China. Most of past studies researched on the organizational level, the influence of organizational culture on organizational commitment or organizational performance (Michael & Craig, 2006; Teman, 2014; Jung, D. I & Avolio, 2016) and few researchers took account of the most important component of commitment. In this study, the researcher identified organizational culture moderating effect between the leadership and affective commitment. The result from the analysis suggests that organizational culture moderating the relationship between leadership style and affective commitment. Therefore, supervisors' considerations or motivations will improve employees' positive attitude while their affective commitment will arise. This result is in lines with the previous studies (Brewer and Clippard, 2002; Lok and Crawford, 2000; London and Larsen, 1999; Rashid et al., 2003; Silverthorne, 2004). Leaders need to realize the important impact of their personal leadership styles upon their employees' commitment to the workplace, and their endeavors normally reflects on the shared values and norms within the organization. Hence, leaders could consider changing their leadership style and collaborate with the organization's culture to enhance their effectiveness or initiate changes to the culture itself. Further it reaffirms the application of contingency approach in conceptualizing leadership styles and behavior.

## REFERENCE

- Allen N, Meyer J (1990), 'The measurement and antecedents of affective, continuance, and normative commitment to the organization', *Journal of Occupational Psychology*, Vol. 63, pp. 1-18.
- Aiken & West, 1991, *Multiple regression: Testing and interpreting interactions*. Newbury Park: Sage.
- Ali, Elmi & Mohamed, 2013, *Intergovernmental Fiscal Relations in Latin America: Policy Design and Policy Outcomes*, Inter-American Development Bank, Washington DC.
- Bandura, 1967, Behavioral psychotherapy. *Scientific American*, 216, 78-86.
- Brunetto, Y. and Farr-Wharton, R. (2003), "The commitment and satisfaction of lower-ranked police officers: Lessons for management", *Policing: An International Journal of Police Strategies & Management*, vol. 26 no. 1, pp. 43-63.
- Dr. Adel Mohamed Ali Shurbagi (2014) *The Relationship between Organizational Culture and Organizational Commitment in National Oil Corporation of Libya*. 2nd International Conference on Research in Science, Engineering and Technology (ICRSET'2014), March 21-22, Dubai (UAE).

- D. I. & Avolio, 1999, Collective efficacy. In J. E. Maddux (Ed.), *Self-efficacy, adaptation and adjustment: Theory, research and application* (pp. 305-328). New York: Plenum Press.
- Jung, D. I & Avolio, 2016, Efficacy-performance spirals: A multilevel perspective. *Academy of Management Review*, 20, 645-678.
- Jung, D. I & Avolio, 2016, Individual consideration viewed at multiple levels of analysis: A multi-level framework for examining the diffusion of transformational leadership. *Leadership Quarterly*, 6, 199-218.
- Meyer, J.P., Hecht, T.D., Gill, H., & Toplonysky, L. (2010). Person–organization (culture) fit and employee commitment under conditions of organizational change: A longitudinal study. *Journal of Vocational Behavior*, 76(3), 458–473.
- Mas'ud, 2004, Path-goal theory of leadership. *Journal of Contemporary Business*, 5, 81-97.
- Michael & Craig & Keith, 2006, The social scientific study of leadership: Quo vadis? *Journal of Management*, 23, 409-473.
- Michael & Craig, 2006, Team research in the 1990s. In M. Chemers & R. Ayman (Eds.), *Leadership theory and research: Perspectives and directions* (pp. 245-270). New York: Academic Press.
- Michael & Craig, 2006, *Applied multiple regression/correlation analysis for the behavioral sciences* (2nd Ed.). Hillsdale, NJ: Erlbaum.
- Muhammad & Abdul Kadir & Nurhazirah, 2013, Relations between work group characteristics and effectiveness: Implications for designing effective work groups. *Personnel Psychology*, 46, 823-850.
- Mustopadidjaja, 2008, *Reframing Organizations, Artistry, Choice and Leadership*, Second Edition.
- Rinny Wowor, 2014, *Manual for the Multifactor Leadership Questionnaire*. Palo Alto, CA: Consulting Psychologists Press.
- Teman, 2014, *Full leadership development: Building the vital forces in organizations*. Thousand Oaks.
- Zoha 2002, *Organisational Behaviour and Design*, AMED, London.