

Research Article

Studying the effect of encouraging -changing behaviors of the leadership on the branches' performance with the mediator role of employees perception of charismatic leadership in the MASKAN bankbranches of Khuzestan province

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ABSTRACT

The main purpose of this research is to study the effect of incentive behaviors-encouraging the leadership on the branches' performance with the mediator and indirect role of perception of the charismatic leadership. The study population consists of MASKAN bankers working in branches of Khuzestan Province. The number of directors is 70, so according to population size (finiteness of the population) and taking into account the extent of sample population for descriptive and survey researches, the census was used. Research method is based on practical purpose and data collection is considered as descriptive researches and in terms of the relationship between the study variables, it is causal and based on structural equations. In order to collect the research data, three questionnaires were distributed among all the heads of branches, and to evaluate and describe the general characteristics of respondents, the descriptive statistical methods such as frequency tables and mean were used. Also the analysis of the achieved data was conducted using SPSS software and SMART PLS. The results showed that the perception of charismatic leadership mediates the effect of incentive – encouraging behaviors on branches performance.

Keywords: incentive - encouraging behaviors, charismatic leadership, performance

INTRODUCTION

Strive for better performance is something that is the great expectation of all the organization beneficiaries including customers, employees and shareholders. CARNER (2001) says that in the challenging and turbulent environment, the organizations gradually realize that yesterday competitive advantage is not a guarantee to survive tomorrow, this imposes a great pressure on organizations to learn how they can in a best way improve their performances and advantages and be better than the competitors [13]. The organization performance is a wide combination of both non-tangibles perceptual like organizational knowledge increase, and objective and tangible perceptuals such as economic and financial results. Various models have attempted to

introduce and evaluate the organizational performance. Evaluation of these models showed that, at first the organizational performance changes should be evaluated and measured. Secondly changes in organizational performance should be considered at all levels of the organization and the individual and collective goals of the organization should be in line with the organizational goals. To measure organizational performance, while observing the tangible economic results such as the capital output rate, the margin profit increase and such things, we also should evaluate and measure the level of creativity and innovation and organizational knowledge growth. Today, leadership is considered as an important and unique principle for organizational

success. Today organizations are more careful about the leadership improvement than ever before. The importance of leadership in organizations has led the researchers and scientists to find the characteristics of successful leaders in organizations and always try to mention these characteristics in organizations. So the leadership instead of absolute focus on leader capabilities focuses on interaction and cooperation. Successful organizations are the ones that have an effective person is the head of them [14].

Problem statement

In the modern organizational world, one of the most important factors affecting the communities is the management element, and its desirable from is the management along with leadership. Leadership is one of the fundamental concepts of society management and it is associated with social changes, because the foundation of each society and organization administration is based on it. Without leadership, improving the social goals and achieving the ideal is either impossible or very difficult. Most of the presented definitions of leadership are based on influence and effectiveness. Therefore, the leadership involves an effective process by which the leader exerts its effectiveness on the followers. The charismatic leadership is a trait that is based on the followers' perception of leadership behaviors. In other words, charisma is not an individual attribute which is the result of one's place in the organization, but it is the certain features that arise from leaders' behaviors. Charisma is a social skill and intangible power and helps people to voluntarily and willingly follow the leaders and have a pattern for themselves. Ancient Greek legends believe in the divine gift of charisma, charisma at work makes confidence and creates a surge of happiness, commitment and productivity among subordinates [7]. Technological changes and developments in recent years have changed the competitive environments, and these changes have faced the companies with new challenges and opportunities. Challenges are in such an extent that even successful organizations can no

longer with the consistent technology and productions easily replicate their success. It is clear that all the efforts of an organization in all areas should be clear in its function, and most of the organizations using a variety of tools and mechanisms try to improve their performance. For this purpose, the functional status evaluation is one of the important issues that are considered by the organizations. A lot of people with different occupational fields such as strategic planning, production, financial operations and organizational improvement have focused on the organizational performance issue [8]. According to the presented contents we can say that Charismatic leaders using their personal ability express the ideas and views in a way that they can be understood by their followers. This speech power is in a way that includes the needs of followers, so it has a high motivation power, and it can have a deep and exceptional effect on its followers. As we know, the conceptual framework is effective in shaping the individual behavior, when under circumstances following a certain behavior is imposed, the perception role is not that much pervasive, but when the person willingly chooses the practice the perceptual world plays a more direct and manifest role. This will make the employees to have a greater sense of loyalty to the organization, so the moral obligation, belief in values and organization goals, and the tend to stay longer in the organization will increase, the loyal and interested employees will have a higher motivation and their agreement and accompaniment with organization changes is more and it would provide a higher performance and efficiency for the organization [8]. Therefore, studying the effect of charismatic leadership on the performance of the branches through the impact on employees' perception of the leader is the research subject.

Theoretical Foundations of research:

Encouraging- changing behaviors:

Incentive is an environmental event that leads people to start a specific behavior or detract from it. Incentives always result from behavior and by

doing so they create expectations in people that pleasant or unpleasant implications are going to happen. Incentives don not make behaviors, but the affect the possibility of something to be answered or not. Incentive is a kind of situational sign that announces that whether the behavior brings reinforcing and punishing implications or not. This awareness about the value of incentive stimulus is learned through the experience [10]. The definition of reinforcement practically is easy. Reinforcement is any external event that increases the behavior. But theoretically, it is more difficult to define reinforcement; in learning reinforcement is an increase in the severity of behavior through its consequences. The conception of reinforcement is not the awareness of the relationship between behavior and consequences, a person may know that certain behavior will lead to a certain type of reinforcement, however active learning can occur without awareness of any signs [15].

Charismatic leadership:

Charismatic leadership or leadership based on exceptional attractions is a kind of leadership that has the power to inspire the followers, and this happens only when the abilities are originated from the individual characteristic and commitment. In this kind of leadership, a relationship without the use of financial rewards or coercion is established [7].

Performance:

Performance literally means the state or quality of function. So, organizational performance is a general structure that refers to the organizational operations. The most famous definition of performance is presented by Indigo et al. (2002): "The process of explaining the quality of effectiveness and efficiency of past endeavors." According to this definition, the performance is divided into two components: 1) the efficiency that describes how to use the resources in the production of products or services in the organizations, the relation between the real and the ideal combination of inputs to produce certain outputs; 2) the efficiency that describes the degree of achievement of organizational goals.

These objectives are usually explained in the form of appropriateness (the degree of inputs compliance with the requirements of the customer), accessibility (aspects such as frequency, providing among the priority groups, and physical distance) and quality (the degree of realization of the required standards) [14].

Research background:

Ponsombut et al (2014) have provided an article about the factors affecting the charismatic leadership among elementary school principals. The statistical population included 840 managers of primary schools branches. The sample was selected using random sampling. The research data with the distribution of standard questionnaire MLQ based on five Point Likert-type scales was collected from the organizations. And after collecting the data using structural equations the study of the overall fitting of the model and research hypothesis tests were conducted. The results of the analysis show that creativity and motivation and perception are the effective factors on the indication of the characteristics of charismatic leadership among elementary school principals. The research model has a suitable fitting. Wilderom et al (2012) have provided the article of studying the effect of charismatic leadership and organizational culture on purpose and organization performance perception.

This research is descriptive survey study. The statistical population included 1,214 employees of 46 branches of the bank in the Netherlands. To evaluate the hypothesis of the study, some questionnaires were distributed in the branch under study. For data analysis correlation test and structural equations was used in the study. After collecting data the confirmatory factor analysis was used to evaluate the overall fitting of the model. The results of the analysis show that charismatic leadership and organizational culture dimensions have a significant and positive effect on the objective and performance conception. Nohe et al (2013) Charisma and organizational development: a case study of the effect of

charismatic leadership on commitment to change the team performance. In this study, the questionnaires in a sample of 33 leaders and 142 followers in a large German company was distributed, after collecting data the confirmatory factor analysis was used to evaluate the overall fitting of the model. Confirmatory factor analysis also shows that the model has a suitable fitting and charismatic leader with an impact on employee perceptions and employee commitment affects team performance.

EFTEKHAR and AKHTAR (2012): The impact of transformational leadership on organizational performance, the purpose of this study is to investigate the effect of two comparing leadership style on the achievements of organizational performance.

These methods are transformational leadership and organizational leadership. A sample of 155 participants from Pakistan-profit service broadcasting were selected, data analysis based on a five-point Likert-type scale was collected from organizations, and AMOS and SPSS software were used for statistical analysis. The results show that transformational leadership compared to the other leaderships is more effective on the organizational learning. The common managers and leaders can take advantage of this research. Their main aim is to maximize organizational profits. So they can choose the leadership style and improve the activities and achieve the maximum profit. Grant & Hafman (2011) Outsourcing of inspiration: the function of ideological messages of the leaders (Charismatic) on the beneficiary.

The research data at three levels objectively over a period of 64 days for one of the largest universities in the United States America was collected. To measure the performance, achieved income from graduates, the rate of students' scholarships and the working hours of employees were taken into consideration. After collecting data using structural equations the impact of ideological messages from the leader (charismatic) on the performance was evaluated. Research results confirm the significant and

positive effect of the charismatic leader messages on the performance.

SANJAGHI et al (1390) studying the effect of team empowerment on the relationship between transformational leadership and organizational performance (Case study research and development units of oil industry in Tehran). To evaluate the hypotheses of the study, the questionnaires were distributed in the studied units, and the analysis of results was performed using the software Lisrel, the software output had a suitable fitting.

Analysis of the models suggests that although the transformational leadership does not have a direct effect on organizational performance, but team empowerment effectively has a positive and significant role in the relationship between transformational leadership and organizational performance. REZAEIAN et al (1388) providing a model for the formation of charismatic leadership in organizations from the perspective of strategic planning management, in this article by explaining the pattern of charismatic leadership we try to identify its effective factors and then the amount of each of the factors in the BAHMAN company will be analyzed. According to the data analysis, leader environmental consciousness, arranging the organization through perspective is possible through the development of charismatic leader goals. Further modeling by developing the ways to achieve the goals is possible; however the impact of each of these three components is different in the formation of charismatic leadership.

MOHAMMADI et al (1392) investigating the relationship between workplace spirituality and employee perceptions of a servant leadership. The purpose of this paper is to examine the relationship between the dimensions of workplace spirituality (feeling of belonging to the group alignment of individual and organizational values, work meaningfulness) and employees' perceptions of the characteristics of their managers based on the four components of servant leadership (service, humility, ability trust, kindness). After

designing research hypotheses, in a survey 126 questionnaires were collected to test hypotheses, Pearson correlation test, and structural equations analysis, mean tests of the population and Friedman variance analysis were used. The results show that there is a positive and significant relationship between the employees' evaluation of the organization environment based on the role of spirituality at the workplace and the managers' assessment based on serving components. Therefore, we can expect that by the improvement of spirituality in the workplace the servant values are strengthened in the leaders. AKBARI et al (1392) investigating the relationship between transformational leadership and organizational performance (Sample: governmental agencies of Kerman province). The main issue of this study is to investigate the relationship between transformational leadership and organizational performance. The purpose of this study is to determine the relationship the characteristics of transformational leadership with organizational performance.

This research is descriptive- survey study. The statistical population of the study included 320 deputies and heads of 37 governmental agencies of Kerman province. The statistical sample using the formula of finite population sampling is 179 people. In order to analyze the research data the correlation test and multivariate regression were used. The results have shown that there is a positive and significant relationship between transformational leadership and its components and organizational performance. The comparison of the statistical results for each component of transformational leadership and performance has shown that organizational performance is more associated with intellectual stimulation components.

The research hypotheses:

The main hypothesis of the research:

The encouraging -changing behavior of the leader directly has a relationship with the performance of

the branches and the mediation of employee perceptions of charismatic leadership.

Subsidiary Hypotheses:

1. There is a direct and significant relationship between the encouraging -changing behavior of the leader and branches performance
2. There is a direct and significant relationship between the encouraging -changing behavior of the leader and employee perceptions of charismatic leadership
3. There is a direct and significant relationship between the employee perceptions of charismatic leadership and branches performance

Procedure:

The method of the current study is based on the applicable objective and based on the data collection is the type of descriptive researches. In terms of the relationship between research variables is casual and based on structural equations. The theoretical foundations of the research are collected by the library method and the statistical raw data was collected through questionnaires.

In this study the statistical population consisted of MASKAN bank governors working in branches of Khuzestan Province. These presidents were 70 people. Thus, according to population size (finiteness of population) and taking into account the extent of sample for descriptive-survey research, the census was used.

RESULTS

The relationship between the studied variables in each of the research hypotheses is tested based on a casual structure with the partial least squares technique.

Using the partial least squares technique, the impact of each of these variables with regarding the same time effects of other variables in the form of a general model was evaluated.

Figure 1: The fitted model in the standard estimation

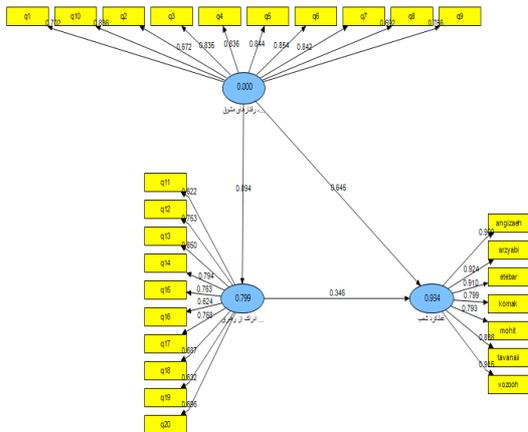
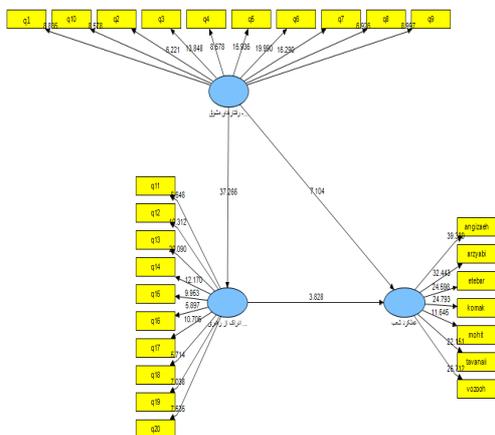


Figure 2: The fitted model at the significant level



The main hypothesis of the research is as follows: Encouraging–changing behavior of the leader indirectly has a relationship with the performance of branches and employees' perception of charismatic leadership mediation. In response to this hypothesis, the following hypotheses have been set:

1. There is a direct and significant relationship between the encouraging -changing behavior of the leader and branches performance
2. There is a direct and significant relationship between the encouraging -changing behavior of the leader and employee perceptions of charismatic leadership
3. There is a direct and significant relationship between the employee perceptions of charismatic leadership and branches performance

Based on the first subsidiary hypothesis there is a direct and significant relationship between the encouraging -changing behavior of the leader and branches performance. The power of relationship between the encouraging -changing behavior of the leader and branches performance is achieved 0/645. And also the significance of the relationship is achieved 7/104 that is greater than 1/96 and shows that the relationship is significant. So the first subsidiary hypothesis is confirmed. The encouraging -changing behavior of the leader and branches performance has a significant relationship.

Based on the second subsidiary hypothesis there is a direct and significant relationship between the encouraging -changing behavior of the leader and employee perceptions of charismatic leadership. The power of relationship between the encouraging -changing behavior of the leader and employee perceptions of charismatic leadership is achieved 0/894. And also the significance of the relationship is achieved 37/266 that is greater than 1/96 and shows that the relationship is significant. So the second subsidiary hypothesis is confirmed. The encouraging -changing behavior of the leader and employee perceptions of charismatic leadership has a significant relationship.

Based on the third subsidiary hypothesis there is a direct and significant relationship between the employee perceptions of charismatic leadership and branches performance. The power of relationship between the encouraging -changing behavior of the leader and branches performance is achieved 0/346. And also the significance of the relationship is achieved 3/828 that is greater than 1/96 and shows that the relationship is significant. So the third subsidiary hypothesis is confirmed. The employee perceptions of charismatic leadership and branches performance have a significant relationship. To study the main hypothesis of the research, the encouraging -changing behavior of the leader and branches performance has an indirect relationship and has a significant relationship with employees' perception mediation from the charismatic

leadership. The mediation role of perception from the charismatic leadership should be studied. So we should calculate the indirect effect of encouraging -changing behavior on branches performance.

Total effect = direct effect + indirect effect

Indirect effect = effect of the independent variable on the mediator*the effect of mediator variable on dependent variable

Indirect effect: $0/894 + 0/346 = 0/309$

Total effect = $0/645 + 0/309 = 0/954$

DISCUSSION AND CONCLUSION

As it was told, the purpose of the article is to study the effect of encouraging -changing behaviors of the leadership on the branches' performance with the mediator role of employees' perception of charismatic leadership in the bank branches of Khuzestan province MASKAN bank. For this purpose, after the conducted investigations, firstly encouraging -changing behavior of the leader and the changing perception of charismatic leadership and performance variables were studied. And then the variables relationships were studied. This research try to answer this question that does the encouraging -changing behavior of the leader with charismatic leadership role can affect the branches performance? To answer this question, based on the achieved results of the partial least squares technique, it can be concluded that the encouraging -changing behavior of the leader affects the branches performance of MASKAN bank. These results are in accordance with the previous researches (Helder et al., 2008). The other results of the research show that the encouraging -changing behavior of the leader is effective on the perception of charismatic leadership in MASKAN bank in Khuzestan province. The impact of perception of charismatic leadership on branches performance was confirmed. These results are in accordance with the previous researches (Helder et al., 2008). Also the results show that the effectiveness of encouraging -changing behavior of the leader on the perception of charismatic leadership is more

than its effect on the performance of the branches. According to the achieved results, we can say that the development and improvement of encouraging -changing behaviors by the head of the bank branch in the bank affects the development and realization of the perception of the charismatic leadership process. And the development and improvement of perception of the charismatic leadership in the bank branches can affect moderating role of the charismatic leadership perception and in the relationship between the encouraging -changing behaviors and branch performance can greatly affect the branch performance improvement. MASKAN bank to improve the financial and knowledge function of its branches and having branches with better performance should design a support and encouragement system to inspire the superior behaviors of the employees to timely apply them in operational processes of the organization. Heads of MASKAN bank branches with incentive and motivated behaviors can help to strengthen the innovation and learning of the employees. Charismatic leaders with the benefit of factors such as idealized influence, inspirational motivation, stimulation of cultivation and development-oriented support can provide the fundamental changes in the attitudes and perceptions of employees and also the organizational culture, and through that they can promote the required functions for the success of the organization.

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