The Relationships between Transformational Leadership, Knowledge Sharing, Trust and Organizational Citizenship Behavior

Rose Su-Jung Lin and Jui-Kuo Hsiao

Abstract—The purpose of this study is to hypothesize and test the relationships between transformational leadership, knowledge sharing, trust and organizational citizenship behavior. A sample of 710 nurses completed survey measures. The results showed that transformational leadership was significantly related to knowledge sharing and trust. Moreover, knowledge sharing and trust were significantly related to organizational citizenship behavior. Hence, the findings from this study advance understanding of the relationship between them. The implications of the results contribute profoundly practicing to researchers and meaning managers. Transformational leaders emphasize on the meaning of tasks that subordinates engage in at work. It appears that by transformational leaders may also be demonstrating trust by their subordinates, therefore creating opportunities for them to significantly impact their work, which could lead to higher levels of OCB.

Index Terms—Knowledge sharing, organizational citizenship behavior, transformational leadership, trust.

I. INTRODUCTION

During the past decade, knowledge became the primary asset which generates organizational wealth [1]. Knowledge sharing is an activity involving the transfer and dissemination of knowledge from one person to another. Owing to the changing rapidly of medical knowledge and technology, knowledge sharing of nursing staff therefore has a vital role in facilitating the growth of knowledge to increase its value. When knowledge is retrieved from those who hold it and shared with those who need it, organizational effectiveness is significantly improved [2]. Indeed, to encourage knowledge sharing within the organizations the management needs to increase the opportunities for employees to propose new ideas and thoughts [3]. In this context, knowledge sharing is logically correlated with leadership whose behavior motivates their members to act and challenge the process. Followers are decisive for leadership effectiveness. Therefore, this study would like to delve into subordinate's organizational citizenship behavior (OCB).

As Podsakoff *et al.* [4] empirically supported that transformational leadership (TL) was positive association with OCB. OCB is definitely beneficial to organizations'

Rose Su-Jung Lin is with the Department of Nursing, Ching Kuo Institute of Management and Health, Keelung, Taiwan (e-mail: rsjlin@gmail.com).

operations in the long run which will play a crucial role in determining the effectiveness of organizational performance. It has been established that OCB leads to tangible benefits for employees and organizations in many industries [5]. Most of previous studies investigating the relationship between TL and OCB have focused on corporate organizations instead of non-profit medical institutions. In the circumstance of medical institutions, trust in management, and knowledge sharing have always been strongly emphasized in order to perform substantial workload and professional skills, especially to overcome stressful work. Nurses are a majority of personnel in the medical team and their performance closely relate to the development of hospital. Thus, nurses were selected as the target group in this study to delve into the TL effects upon the trust of subordinates in their managers and the intention of knowledge sharing with their OCB. The purpose of this study is to hypothesize and test the relationships between transformational leadership, knowledge sharing, trust and organizational citizenship behavior.

II. LITERATURE REVIEW AND HYPOTHESES

A. Transformational Leadership

Transformational leadership is regarded one of the most influential contemporary leadership theories [6]. According to Burns [7], the central feature of transformational leadership is based on the process by which leaders motivate followers or how leaders appeal to the followers' values and emotions. In other words, transformational leadership motivate followers to do more than they originally expected and often even more than they thought possible for the good of the group. Consequently, transformational leaders convert their followers to higher levels of performance and other positive work-related outcomes. They perform such characteristics of the theory by engaging in a class of behaviors including charismatic leadership, inspirational motivation, individualized consideration, and intellectual stimulation.

B. Organizational Citizenship Behavior

A number of empirical studies have demonstrated the positive effect of transformational leadership on followers' performance outcomes such as organizational citizenship behavior (OCB) [8]. Organizational citizenship behavior is work-related behaviors that are discretionary, not related to the formal organizational reward system, and in aggregate will build up the organizational performance effectively [9].

Manuscript received January 19, 2014; revised April 25, 2014.

Jui-Kuo Hsiao is with Center for General Education, Kang-Ning Junior College of Medical Care and Management, Taipei, Taiwan (corresponding author: Jui-Kuo Hsiao; e-mail: rgshaw@knjc.edu.tw).

According to the definition of Farh and his colleagues [10], OCB is a pattern of behaviors that are different from the technical efforts required by the job and add surplus value to the activities related to the work being done in psycho-social terms. If the organization can promote its employees' OCB, great benefits in human resource management can be expected. OCB comprises not only statute of positive movements and contributions, but also the willingness to endure the irregular costs, inconveniences, and minor frustrations that often go along with working in an organization [11]. However, OCBs are usually subtle, difficult to measure, not normally contained in formal performance appraisal systems, and deficient in consensus about the dimensionality of this construct.

C. TL, Knowledge Sharing and OCB

Knowledge sharing has long been viewed as one of the most important components of knowledge management [12]. To maximize the value of knowledge is important for managers. Knowledge sharing practices should be an essential part of day-to-day dialogue [13]. However, commonly existing issues internal to enterprises result in obstacles to knowledge sharing among peers. Most knowledge owners are unwilling to share their most important knowledge assets with others [14]. The concept of knowledge markets recognizes the interest that individuals have in holding onto the knowledge they possess [15]. In order to part with it, they need to receive something in exchange. Any organization is a knowledge market in which knowledge is exchanged for other things of value-money, respect, promotions, or other knowledge. This derives three dimensions for knowledge sharing which are reciprocity, reputation and altruism.

Teh and Yong's study [16] has proven that the individual's intention to share knowledge is an important factor influencing the actual knowledge sharing behavior. Besides, Mogotsi [17] confirmed that there is a positive correlation between knowledge sharing behavior and OCB and knowledge sharing behavior indeed is a type of OCB. As a result, there is a positive relationship between knowledge sharing intentions and OCB. These findings lead to the hypotheses as follows:

- H1a: Transformational leadership is positively related to knowledge sharing.
- H1b: Knowledge sharing of subordinates is positively related to their OCBs.

D. TL, Trust and OCB

Knowledge Interpersonal trust has cognitive and affective foundations [18]. Wat and Shaffer [19] stated that a good relationship with your manager is consisted of trust, mutual appreciation, and respect. Indeed, when a supervisor trusts his/her subordinates, subordinates in turn trust their supervisor [20]. Empirical studies tend to support a positive relationship between TL behaviors and trust in manager [21]. Previous studies explored the relationship of TL and trust in the leader, and found that TL is the strongest predictor of trust in the leader [22].

A leader who practices TL behaviors to build employees' trust in him/her may produce followers who tend to engage in

self-sacrificial behavior in the form of organizational citizenship behavior [23]. Hence, Yukl [24] claimed that followers may be motivated by transformational leaders to perform beyond expectations because followers' trust and respect them. Besides, organizational citizenship behaviors such as altruism, conscientiousness, sportsmanship, courtesy, and civic virtue are positively related to trust in one's supervisor [4]. Based on previous literature, the hypotheses are formed as following:

- H2a: There is a positive relationship between TL and subordinates' trust in management.
- H2b: There is a positive relationship between subordinates' trust in manager and OCB.

III. METHODS

Convenient sampling was adopted for this study. It consisted of 710 nurses and they were employed from three district hospitals in the northern Taiwan. Only ward nurses were involved in the study; nurses occupying a leading position as head nurses and assistant head nurses were excluded. After deleting invalid questionnaires, 565 responses were received, yielding an effective response rate of 79.6%, which was rather high. Self-report with six-point Likert scales were used in this study. The questionnaire was designed using a number of existing, field-tested instruments to assess TL, trust, knowledge sharing, and OCB. A pilot survey was conducted to identify potential problems with the interpretation of terms and concepts.

A. Transformational Leadership (TL) Questionnaire

Transformational Leadership was measured using items from the subset of the Multifactor Leadership Questionnaire (MLQ) [25]-[26]. The MLQ has 27 transformational items measuring four dimensions of TL including charismatic leadership, individualized consideration, intellectual stimulation, and inspirational motivation. The overall scale's reliability coefficient (alpha) was .98.

B. Organizational Citizenship Behavior (OCB) Questionnaire

The Chinese citizenship behavior questionnaire has been developed by Farh, Earley and Lin [10] with five dimensions (20 items): identification with the company, altruism toward colleagues, conscientiousness, interpersonal harmony and protecting company resources. The overall scale's reliability has been to be acceptable (α = .84).

C. Knowledge Sharing Questionnaire

The questionnaire includes thirty questions based on Davenport and Prusak's [15] concept and developed by Hwang [27] including three dimensions: reciprocity, reputation, and altruism. The overall scale's reliability coefficient (alpha) was .94.

D. Trust Questionnaire

A measure to assess affect- and cognition-based trust levels was applied in this study which was developed by McAllister [28]. The overall scale's reliability has been to be acceptable (α = .95).

IV. RESULTS

To understand correlations among TL, knowledge sharing, trust in manager, empowerment, and OCB, a matrix of correlation coefficients in this study was produced in Table 1. The correlations between TL and knowledge sharing (r = .32, p < .01), and trust (r = .77, p < .01) provided evidence to support hypotheses H1a and H2a. It was observed that TL behavior ratings correlated strongly with trust in manager ratings potentially maybe because they both were collected from the subordinates. Supporting hypothesis H1b, knowledge sharing had a positive correlation with OCB (r = .46, p < .01). As is also evident from Table II, trust in manager was significantly related to OCB (r = .34, p < .01). Therefore, hypotheses H2b was supported.

TABLE I: MEANS, STANDARD DEVIATIONS, AND CORRELATIONS

| Variables | Mean | S.D. | 1 | 2 | 3 | 4 |
|-----------|------|------|-------|-------|-------|-------|
| 1. TL | 4.31 | 0.84 | (.98) | | | |
| 2. KS | 4.33 | 0.57 | .32** | (.94) | | |
| 3. Trust | 4.27 | 0.79 | .77** | .43** | (.95) | |
| 4. OCB | 4.76 | 0.53 | .29** | .46** | .34** | (.84) |

Note: N=561; reliability coefficients for the scales are in parentheses along the diagonal. ** p < .01 (2-tailed)

TL= Transformational Leadership; KS= Knowledge Sharing; OCB= Organizational Citizenship Behavior

V. DISCUSSION

Based on the correlational analysis and structural equation modeling, all hypotheses were supported. The results of this study revealed that in addition to knowledge sharing, TL was related to trust. These results provide more understanding of the relationship between TL and OCB. The relationship between TL and subordinates' intention to share knowledge showed a significantly positive correlation, indicating that TL had an effect on subordinates' intention to share knowledge. This result supported previous study of Crawford [29] and it implied those behaviors of charismatic leadership, inspirational motivation, individualized consideration and intellectual stimulation of a transformational leader will encourage subordinates' knowledge sharing.

The evidence for the direct relationship between the subordinates' knowledge sharing and OCB is an important finding, and it is in line with the theory of reasoned action (TRA) by Ajen and Fishbein [30] who affirmed that behavior of the leading factors is the behavioral intention. In this view, OCB is influenced by the knowledge sharing intentions. However, one empirical research found an inconsistent finding [16] with this study that reported individual's OCB has a positive effect on intention to share knowledge. Because they contended employees' intention to share knowledge is likely to be influenced by OCB in today's business world and employees who perceive OCB are more apt to develop behavior intention to share knowledge. In the light of TRA, there are interdependent relationships between attitudes, intentions and behavior. Accordingly, the subordinates' knowledge sharing has an effect on OCB, viceversa.

This study confirmed that TL would have an effect on subordinates' trust in manager. Since nursing managers who

play TL behaviors are more likely to be trusted, this is not surprising. Also, the present research established that subordinates' trust in manager would have an effect on OCB. These findings are in line with previous studies [21], [31]. Theoretically, trust in transformational leaders may result from the social exchange relationship established with followers [23]. Social exchange theory suggests that trust evolves over time from a history of positive interactions that subsequently guide future expectations and exchange reactions [32].

REFERENCES

- Y. H. Li, J. W. Huang, and M. T. Tsai, "Entrepreneurial orientation and firm performance: The role of knowledge creation process," *Industrial Marketing Management*, vol. 38, pp. 440-449, 2009.
- [2] S. Mecklenberg, A. Deering, and D. Sharp, "Knowledge management: a secret engine of corporate growth," *Executive Agenda*, vol. 2, pp. 5–15, 1999.
- [3] H. F. Lin and G. G. Lee, "Effects of socio-technical factors on organizational intention to encourage knowledge sharing," *Management Decision*, vol. 44, no. 1, pp. 74-88, January 2006.
- [4] P. M. Podsakoff, S. B. MacKenzie, R. H. Moorman, and R. Fetter, "Transformational leader behaviors and their effects on followers' trust in leader, satisfaction and organizational citizenship behaviors," *Leadership Quarterly*, vol. 1, no. 2, pp. 107–142, April 1990.
- [5] A. F. Schlechter and A. S. Engelbrecht, "The relationship between transformational leadership, meaning and organizational citizenship behavior," *Management Dynamic*, vol. 15, no. 4, pp. 2-16, 2006.
- [6] J. Bono and T. Judge, "Self-concordance at work: toward understanding the motivational effects of transformational leadership," *Academy of Management Journal*, vol. 46, pp. 554-571, 2003.
- [7] J. M. Burns, *Leadership*, New York, USA: Harper, 1978.
- [8] H. Wang, K. S. Law, R. D. Hackett, D. Wang, and Z. X. Chen, "Leader-member exchange as a mediator of the relationship between transformational leadership and followers' performance and organizational citizenship behavior," *Academy of Management Journal*, vol. 48, no. 3, pp. 420-432, 2005.
- [9] D. W. Organ, "The motivational basis of organizational citizenship behavior," *Research in Organizational Behavior*, vol. 12, pp. 43-72, 1990.
- [10] J. L. Farh, P. C. Earley, and S. C. Lin, "Impetus for action: a cultural analysis of justice and organizational citizenship behavior in chinese society," *Administrative Science Quarterly*, vol. 42, pp. 421-444, 1997.
- [11] D. W. Organ, Organizational citizenship behavior: The good soldier syndrome, Lexington, MA: Lexington Books, 1988.
- [12] D. J. Lee and J. N. Ahn, "Reward systems for intra-organizational knowledge sharing," *European Journal of Operational Research*, vol. 180, no. 2, pp. 938-956, 2007
- [13] A. Riege, "Three-dozen knowledge-sharing barriers managers must consider," *Journal of Knowledge Management*, vol. 9, no. 3, pp. 18-35, 2005.
- [14] P. Senge, "Sharing knowledge," *Executive Excellence*, vol. 15, no. 6, pp. 11-12, 1997.
- [15] T. H. Davenport and L. Prusak, Work knowledge: how organizations manage what they know, Boston, MA: Harvard Business School Press, 2000.
- [16] P. L. Teh and C. C. Yong, "Knowledge sharing in is personnel: Organizational behavior's perspective," *Journal of Computer Information Systems*, Summer, pp. 11-21, 2011.
- [17] I. C. Mogotsi, "An empirical investigation into the relationships knowledge sharing behavior, organizational citizenship behavior, job satisfaction and organizational commitment," Ph.D. dissertation, Pretoria Univ. 2009.
- [18] J. D. Lewis and A. Wiegert, "Trust as a social reality," *Social Forces*, vol. 63, pp. 967-985, 1985.
- [19] D. Wat and M. A. Shaffer, "Equity and relationship quality influences on organizational citizenship behaviors: The mediating role of trust in the supervisor and empowerment," *Personnel Review*, vol. 34, no. 4, pp. 406-422, 2005.
- [20] K. Sanders and B. Schyns, "Trust, conflict and cooperative bahaviour," *Personnel Review*, vol. 35, no. 5, pp. 508-518, 2006.
- [21] V. L. Goodwin, J. Lee Whittington, B. Murray, and T. Nichols, "Moderator or mediator? examining the role of trust in the

transformational leadership paradigm," Journal of Managerial Issues, vol. 23, no. 4, pp. 409-425, 2011.

- [22] B. C. Holtz and C. M. Harold, "When your boss says no! the effects of leadership style and trust on employee reactions to managerial explanations," *Journal of Occupational and Organizational Psychology*, vol. 81, pp. 777–802, December, 2008.
- [23] R. Pillai, C. A. Schriesheim, and E. S. Williams, "Fairness perceptions and trust as mediators for transformational and transactional leadership: a two sample study," *Journal of Management*, vol. 25, no. 6, pp. 897–933, 1999.
- [24] G. A. Yukl, *Leadership in organizations*, 3rd ed., Englewood Cliffs, NJ: Prentice Hall, 1989.
- [25] B. M. Bass, *Leadership and Performance beyond Expectations*, New York, USA: Free Press, 1985.
- [26] B. M. Bass and B. J. Avolio, Full range leadership development: Manual for the multifactor leadership questionnaire, Palo Alto, CA: Mindgarden, 1997.
- [27] M. T. Hwang, "The research of relationship between civil servants' willingness of knowledge sharing, organizational trust and organizational culture," M.S. thesis, National Taiwan University of Science and Technology, Taipei, Taiwan, 2002.
- [28] D. J. McAllister, "Affect-and cognition-based trust as foundations for interpersonal cooperation in organizations," *Academy of Management Journal*, vol. 38, no. 1, pp. 24-59, 1995.
- [29] C. B. Crawford, "Effects of transformational leadership and organizational position on knowledge management," *Journal of Knowledge Management*, vol. 9, no. 6, pp. 6-16, 2005.
- [30] I. Ajen and M. Fishbein, *Belief, attitude, intention, and behavior: An introduction to theory and research*, Reading, MA: Addison-Wsley, 1975.
- [31] A. Asgari, A. D. Silong, A. Ahmad, and B. A. Samah, "The relationship between transformational leadership behaviors, organizational justice, leader-member exchange, perceived organizational support, trust in management and organizational citizenship behaviors," *European Journal of Scientific Research*, vol. 23, no. 2, pp. 227-242, 2008.
- [32] R. J. Lewicki and B. B. Bunker, "Trust in relationships: A model of development and decline," in *Conflict, cooperation, and justice: Essay inspired by the work of Morton Deutsch*, B. B. Bunker, J. Z. Rubin, and Associates, Ed., San Francisco: Jossey-Bass, 1995, pp.133-174.



Rose Su-Jung Lin was born in Taiwan, 1965. Lin's educational background included master degree of health administration, studied at the University of New South Wales in Sydney, Australia in 1995, and doctoral degree of Management (organizational management), graduated at the Yuan Ze University in Chungli, Taiwan in 2012.

She has worked in hospitals as a registered nurse for seven years including Mackay Memorial Hospital and Chi Mei Hospital.

After she got the master degree, she worked at the Kang-Ning Junior College of Medical Care and Management in Taipei, Taiwan as a lecturer for eight years. Then, she worked with the Department of Nursing, Ching Kuo Institute of Management and Health in Keelung, Taiwan as an assistant professor since 2007 until now, at the meantime she gained her doctoral degree. She has published a paper with the title "Are employees more committed and willing to accept critical assignments during a crisis? A study of organizational commitment, professional commitment and willingness to care during the SARS outbreak in Taiwan," in *The International Journal of Human Resource Management* (07 December 2011, online). Her research interests consist of organizational behavior, human resource management and health promotion.

Assist. Prof. Lin participates the International Council of Nurses (ICN) and Taiwan Nurses Association (TWNA).



Jui-Kuo Hsiao was born in Taiwan, 1969. Hsiao gained the master degree from the Department of Spots Science, National Taiwan Sport University, Taoyuan, Taiwan in 1994.

He worked with the Center for General Education, Kang-Ning Junior College of Medical Care and Management in Taipei, Taiwan as a lecturer since 1999 until now. His research interests comprise sport

psychology, sport management and structural equation modelling. Lecturer Hsiao participates Taiwan Sports Psychology.