**Abstract:** The paper aims at gathering empirical evidence on the relationship between transformational leadership and organizational commitment of employees'. Transformational leaders inspire followers to accomplish more by concentrating on the follower’s values and helping the follower align these values with the values of the organization. The purpose of this literature review is to investigate the impact of the transformational leadership style on organizational outcomes. This review examines the following organizational outcomes: organizational citizenship behavior/performance, organizational culture, and organizational vision. The review also explores commitment as a personal outcome of the follower. By understanding the impact of transformational leadership on these outcomes, transformational leaders can influence employee behavior so that such behavior has a positive impact on the organizations’ outcome and performance. The purpose of this paper is thus to highlight the behavior of the transformational leader and how this affects both the organizational and personal outcomes.

**Keywords:** transformational leadership, organizational commitment, organizational outcomes

I. Introduction

The most valuable and indispensable resource that any organization needs in order to be effective and efficient is human resource. Givens (1) has argued that well-qualified and capable personnel are important in context of achieving goals and objectives of an organization. The success of an organization depends on the hard working, loyal and involved managers and employees. Leadership is a bond which makes people to work together. Organizations at present are more concerned about understanding, development and improvement of their leadership. Transformational leadership is a modern approach towards leadership. Thamrin (2) has defined transformational leadership as what leaders’ do in order to transforms the values, needs, aspirations, followers’ priorities and also motivates their followers to exceed expectations.

Transformational leadership theory has captured the interest of many researchers in the field of organizational leadership over the past three decades. Burns developed this theory (3) and later Bass (4,5) and others (6),(7),(8) enhanced it. The major premise of the transformational leadership theory is the leader’s ability to motivate the follower to accomplish more than what the follower planned to accomplish (9). Transformational leadership has four components: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (4). Burns postulated that transformational leaders inspire followers to accomplish more by concentrating on the follower’s values and helping the follower align these values with the values of the organization. Furthermore, Burns identified transformational leadership as a relationship in which the leader and the follower motivated each other to higher levels which resulted in value system congruence between the leader and the follower (9).

Transformational leadership has been associated with the personal outcomes, (10) of the follower as well as organizational outcomes (11); (12); (13). Research has shown that transformational leadership impacts follower satisfaction (14) and commitment to the organization (1). Research has also shown that transformational leadership impacts employee commitment to organizational change and organizational conditions (15). Due to its impact on personal and organizational outcomes, transformational leadership is needed in all organizations (15).

Leadership is associated with organizational and employee performance, (2). Personal and organizational behavior related to leadership, demands a more candid look at the leadership styles which may have a positive or negative impact on these two variables. This literature review therefore investigates what impact transformational leadership style has on organizational outcomes as well as the personal outcomes of the follower. This review will examine the following organizational outcomes: organizational citizenship behavior/performance, organizational culture, and organizational vision. The review will also explore...
employee commitment as the personal outcome. By understanding the impact of transformational leadership on the organizational and personal outcomes mentioned above, transformational leaders can influence and motivate the behaviour of employees in such a way that the resultant behaviour has a positive impact on the organization.

Leadership plays an important role in determining employees’ commitment. Researchers have found that employees who are pleased with their supervisors/leaders and feel that they are being treated with respect and are valued by their management feel more attachment with their organizations (14). Commer,(16) defined organizational commitment as worker’s level of involvement with his job and organization. Organizational commitment can be attributed as employees’ loyalty and faithfulness towards organization and his intensions to be the part of that organization. Organizational commitment has significant importance because committed workers have less intention to quit the job, less often absent and highly motivated to perform at advanced level.

This literature review will investigate the following areas: transformational leadership theory and its relationship to, or influence on, organizational outcomes and the commitment of an employee as a personal outcome of the follower. Transformational leadership theory will provide the theoretical framework for examining the organizational and personal outcomes. The literature review will provide information regarding the importance of the transformational leadership theory to research and practice and for responding to the following research questions:

a. What is the impact of the transformational leadership style on organizational outcomes?

b. What is the impact of the transformational leadership style on the commitment of the follower?

II. Transformational Leadership Theory

Creating high-performance workforce has become increasingly important and to do so business leaders must be able to inspire organizational members to go beyond their task requirements. As a result, new concepts of leadership have emerged - transformational leadership being one of them.

Transformational leadership theory has highlighted the importance of leaders’ influence on followers’ emotional states (17) and several studies have provided emotion-type insights into the transformational leader–follower linkage. (18), for example, showed that transformational leaders who suggested alternative solutions to problems and who showed individualized consideration to followers were able to redirect follower negative feelings of frustration and helplessness to more constructive ones, which, in turn, led to heightened followers' performance. Conversely, perceptions of minimal transformational leadership behaviours resulted in high levels of follower frustration and low performance levels. Transformational leadership may be found at all levels of the organization: teams, departments, divisions, and organization as a whole. Such leaders are visionary, inspiring, daring, risk-takers, and thoughtful thinkers. They have a charismatic appeal. But charisma alone is insufficient for changing the way an organization operates. For bringing major changes, transformational leaders must exhibit the following four factors, depicting the four I’s, which include: Inspirational, Intellectual, Idealized and Individualized aspects.

Insipirational Motivation: The foundation of transformational leadership is the promotion of consistent vision, mission, and a set of values to the members. Their vision is so compelling that they know what they want from every interaction. Transformational leaders guide followers by providing them with a sense of meaning and challenge. They work enthusiastically and optimistically to foster the spirit of teamwork and commitment.

Intellectual Stimulation: Such leaders encourage their followers to be innovative and creative. They encourage new ideas from their followers and never criticize them publicly for the mistakes committed by them. The leaders focus on the “what” in problems and do not focus on the blaming part of it. They have no hesitation in discarding an old practice set by them if it is found ineffective.

Idealized Influence: They believe in the philosophy that a leader can influence followers only when he practices what he preaches. The leaders act as role models that followers seek to emulate. Such leaders always win the trust and respect of their followers through their action. They typically place their followers needs over their own, sacrifice their personal gains for them, ad demonstrate high standards of ethical conduct. The use of power by such leaders is aimed at influencing them to strive for the common goals of the organization.

Individualized Consideration: Leaders act as mentors to their followers and reward them for creativity and innovation. The followers are treated differently according to their talents and knowledge. They are empowered to make decisions and are always provided with the needed support to implement their decisions. Recent studies have also shown that energetic, exciting, and emotionally appealing expressions of charisma created positive moods in followers (19). Studies have observed that the emotion-related phenomena of burnout (20) and stress (21) in the workplace are all interrelated. Such results imply that transformational leadership can be interpreted as a process in which leaders use emotions to: communicate a vision to, as well as elicit responses from,
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followers; and to ensure that followers are emotionally motivated to perform their tasks beyond their own expectations (22). The qualities of empathy, motivation, self-awareness, trust, and emotional stability, all qualities of a transformational leader, are also considered to be important elements of emotional intelligence (23)(24).

III. Transformational Leadership And Personal Outcomes

Research studies have repeatedly shown that transformational leadership is positively connected to personal outcomes such as job satisfaction and commitment (25)(26)(1). Bass, 1985 thus declared that transformational leaders inspire their followers to go above and beyond their own self interests for the sake of the organization as a whole. As a result, these leaders are able to bring a deeper insight and appreciation of input received from each member. Bass further argued that transformational leaders encourage followers to think critically and look for new approaches to do their jobs. This challenge given to followers motivates them to become more involved in their tasks which results in an increase in the degree of satisfaction with their work and commitment to the organization. There is also empirical support for this position. Boerner, (11) showed that transformational leaders had a direct impact on followers’ empowerment, morality, and motivation. In another experimental study, (27) reported a significant impact of transformational leadership on followers’ commitment and unit-level financial performance. Other studies also showed positive relationships between transformational leadership and personal outcomes such as satisfaction, performance, and commitment (13). By showing respect and confidence in their followers, transformational leaders create a great degree of trust and loyalty on the part of the followers to the extent that followers are willing to identify with the leader and the organization. The consequence of this is followers who trust in and identify with the leader, and are willing to commit to the organization even under very difficult circumstances.

Organizational Commitment as a Personal Outcome

An employee’s commitment to an organization is usually a choice that they make depending on their environmental surroundings. Mowday, (28) argues’ that commitment utilizes three components: identification with the values and goals of the organization, willingness to exert effort on behalf of the organization, and commitment to stay in the organization. Organizational commitment is defined by Mowday (28) as the relative strength of an individual’s identification with and involvement in a particular organization. As previous studies (1) and (29) have shown, commitment will be viewed differently depending on the researcher focus. Yukl provided a definition that refers to an internal agreement and enthusiasm when carrying out a request or a task. Bass, on the other hand, refer to loyalty and attachment to the organization when discussing commitment. Previous research studies demonstrated that an individual’s work experiences and organizational and personal factors serve as antecedents to organizational commitment (30) (31). One key determinant of commitment is leadership (28). As argued by Barling and others (27), transformational leaders engender their followers’ commitment to the organization. Others like (5) focus on the organizational goals and values and (10), emphasise on and team commitment, which is a very common aspect at the workplace. Extensive research is available which indicates that transformational leadership is positively associated with organizational commitment in a variety of organizational settings and cultures (20) (15) (13) among others. Previous research has found that transformational leadership has a large impact on organizational commitment (32).

IV. Transformational Leadership And Organizational Outcomes

Transformational leaders have also been found to influence subordinates by motivating and inspiring them to achieve organizational goals (33). Transformational leaders also try to help subordinates imagine appealing future outcomes (34) related to the organization. Research has shown that transformational leaders affect organizational outcomes such as organizational citizenship behaviour, organizational commitment, job satisfaction, effort, and in-role performance (32). Whereas a pattern close to the expected pattern was found for leader specific outcomes, very different patterns emerged for organizational outcomes including the personal outcome of commitment (35). This review of literature will specifically examine the influence of transformational leadership on the following organizational outcomes: organizational citizenship behaviour/performance, organizational culture, and organizational vision.

Organizational Citizenship Behaviour/Performance

Organizational citizenship behaviour/performance is described as non-obligatory, voluntary behaviour by an employee, which exceeds the employee’s normal work duties and is not associated with any type of organizational reward system (13). Research has shown that organizational citizenship behaviour/performance has a positive effect on employee performance (36) and produces positive benefits for organizations and organizational personnel. Organizational citizenship behaviour is by its very nature an extremely positive and desirable behavioural phenomenon (37), which any organization would want to promote and encourage.
Moreover, organizational citizenship behaviour/ performance has been shown to be positive, selfless behaviour for organizations because it involves employees giving help to each other without the expectation that those receiving the help will have to give anything back in return (32). Past research has also demonstrated that transformational leadership has a direct influence on organizational citizenship behaviour or performance (38)(39) (27).

Thamrin,(2) has observed that transformational leaders are often assumed to stimulate followers to perform beyond the level of expectations. Therefore, it seems likely that transformational leaders, by stimulating followers’ organizational citizenship behaviour, will enhance quality and quantity of follower performance. As theorized by (1), transformational leadership creates employees who are unselfish, faithful, and connected to the organization. These types of employees often perform beyond what is expected of them in the organization, in relation to their job descriptions. Several studies have shown a direct connection between transformational leadership and the following organizational citizenship behaviours: virtue, helping, sportsmanship, courtesy, and altruism (38)(9). Based on past empirical research (40)(37) concluded that transformational leadership has a direct and an indirect impact on organizational citizenship behaviour.

Organizational Culture

Organizational culture influences every facet of an organization (41) and impacts various organizational outcomes such as commitment, performance, productivity, self-confidence, and ethical behaviour (42) (43) (44). Several definitions have been proposed to describe culture. Tichy, (45) defined culture as the glue that holds an organization together. Forehand et al, (46) stated that an organization’s culture is comprised of distinctive characteristics that distinguish a particular organization from all others. Others like Aftab, (47) even proposed a more elaborate definition of organizational culture. Thus, different authors have described organizational culture as a property of an organization constituted by:

i. What its members’ taken-for-granted in terms of the beliefs regarding the nature of reality, called assumptions;
ii. The set of normative, moral, and functional guidelines or criteria that are used for making decisions, called values; and
iii. The practices or ways of working together that follow from the assumptions and values above, called artifacts (48)(49).

Thus, organizational culture reflects a sort of negotiated order (1) that arises and evolves as members work together, expressing preferences, exhibiting more-or-less effective problem-solving styles, and managing, at least satisfactorily, external demands and internal needs for coordination and integration (50). In effect, culture represents an aspect of the organizational environment that helps members make sense of their own and others’ behaviour (51). The leadership style of the organization’s leader has a major impact on the development of the organization’s culture. According to (50), the leader’s beliefs, values, and assumptions shape the culture of the organization and these beliefs, values, and assumptions are then taught to other members of the organization. Schein also stated that leaders have the power to embed organizational culture through various methods such as mentoring, role modelling, and teaching. Bass and others (34) argued that a transformational culture is one fitting with the model of the four I’s, (Inspirational motivation, Idealised influence, Intellectually stimulating and Individualized consideration), in which there is generally a sense of purpose and a feeling of family. Commitment thus becomes a long-term endeavour for the organization. Leaders and followers share mutual interests and a sense of shared fates and interdependence. A transformational leadership culture, like leadership, can build on or augment the transactional culture of the organization. The inclusion of assumptions, norms, and values which are transformationally based does not preclude individuals pursuing their own goals and rewards.

The influence of transformational leaders on organizational cultures can be seen in the employees who work in the organization (52). Transformational leaders help subordinates discover who they are and what part they play in helping the organization achieve its mission. By interacting with subordinates in this manner, transformational leaders help subordinates increase their level of commitment to the organization (52). Transformational leaders also influence the organization’s culture through its impact on organizational productivity. When the values and the culture of an organization are accentuated by transformational leaders, productivity and innovation within the organization improves (1). Moreover, transformational leaders influence organizational culture by helping organizations see the world in different ways. As the external environment of the organization changes, transformational leaders influence organizational culture by helping organizations adapt to this new environment. Studies in various organizational types such as the military (5), religious organizations (53) (54) industry (55), technology (12) and laboratory settings (56) all demonstrate that transformational leaders provide the leadership style which produces effective organizations.
Organizational Vision

Transformational leadership has four components: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (4) involves motivating people, establishing a foundation for leadership authority and integrity, and inspiring a shared vision of the future (57). Idealized influence and inspirational motivation are connected with the leader’s ability to formulate and articulate a shared vision. The leader exudes power and impacts followers through visionary means (4). Developing a transparent vision and inspiring subordinates to pursue the vision is of great importance to transformational leaders. According to (52), transformational leaders emphasize new possibilities and promote a compelling vision of the future. A strong sense of purpose guides their vision. Transforming organizations led by transforming leaders appeal to human characteristics that lift their sights above the routine, everyday elements of a mechanistic, power-oriented system. Transformational leaders manifest passionate inspiration, such as the Hersey & Blanchard situational leadership approach, (58) and visibly model appropriate behaviours like the Kouzes & Posner model (59). The goal is change that raises the organizations to new and exciting possibilities. To reach the goal, organizations must receive new energy and vision from their leaders.

The process of transformational leadership grows out of this sense of vision and energy. Several studies (60) (61)(62)(63)(1)(64) have been conducted that demonstrate a positive relationship between transformational leaders and organizational vision. Transformational leaders are necessary in all organizations. The primary goal of these leaders is to change the current structure of the organization and inspire organizational employees to believe in a new vision that has new opportunities (52) for the individual and the organization as a whole.

V. Conclusion

Investigating the influence of transformational leadership on the organizational and employee outcomes can provide organizations and leaders with valuable insight related to organizational and employee behaviour. Prior research has demonstrated that transformational leadership has a direct influence on organizational citizenship behaviour/performance, organizational culture, and organizational vision. Research studies have also shown that transformational leadership impacts certain characteristics related to the follower such as commitment. Although the organizational and the personal behaviour examined in this review have been shown to be heavily influenced by transformational leadership, this review does not provide an exhaustive discussion of all the ways these behaviours are influenced by transformational leadership. Further empirical research related to these outcomes and transformational leadership may provide more insight into the development of theories related to leadership and organizational behaviour.

This empirical research has concluded that transformational leadership has a direct and an indirect impact on organizational citizenship behaviour. Further research could investigate the direct connection between transformational leadership and the organizational citizenship behaviours of virtue, helping, sportsmanship, courtesy, and altruism. This research could investigate any possible mediators of transformational leadership and individual behaviour. Empirical research has also shown that transformational leaders have organizations with strong cultures and are better than other leaders at providing activities which continue to build culture. Studies in various organizational types demonstrate that transformational leaders provide the leadership style which produces effective organizations. Further research could inquire and discover which attribute of the transformational leader has the positive effect on the organization culture or is it the leader’s overall leadership style. Further research in this area could investigate the ways in which transformational leaders positively affect the organizational vision and if there are any mediators between the leader and the vision.

Further research related to transformational leadership and employee commitment may also provide further insight into leadership theory and practice. Past research showed that transformational leadership is positively associated with organizational commitment in a variety of organizational settings and cultures. Further research in this area could investigate the effect of an individual’s work experiences, organizational and personal factors on commitment.

The findings from this empirical review show that the style of leadership has a profound impact on the employee outcomes for the organization and follower. Further research and analysis of these findings thus needs to be conducted as this may assist organizations in selecting leaders who have leadership qualities which would be an asset to the future growth and development of the organization as well as the future growth and development of the employees.
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