

# Unlocking Leadership Impact: The Role of Psychological Empowerment in Organizational Citizenship Behavior

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#### **Abstract**

Leadership styles have been shown to have a profound impact on many variables, from engagement to pro-social behavior all the way to performance. This study examined two leadership styles, specifically transformational and transactional leadership, and their impact on organizational citizenship behavior (OCB). In a survey (*N*=118) with employees from diverse organizations, we studied how these leadership styles shape employee OCB, particularly how psychological empowerment may mediate these relationships. We found a significant positive relationship between transformational leadership and psychological empowerment, which indirectly fosters an environment that leads to increased OCB among employees. In contrast, transactional leadership demonstrated a direct positive effect on OCB without a significant mediating effect of psychological empowerment. The findings highlight the critical importance of considering both transformational and transactional leadership styles to best understand and influence OCB in a workplace context. Together, they offer differing and valuable insights for organizations seeking to foster a positive work environment and encourage employees' voluntary contributions to organizational success.

*Keywords:* transformational leadership, transactional leadership, organizational citizenship behavior, psychological empowerment

# Unlocking Leadership Impact: The Role of Psychological Empowerment in Organizational Citizenship Behavior

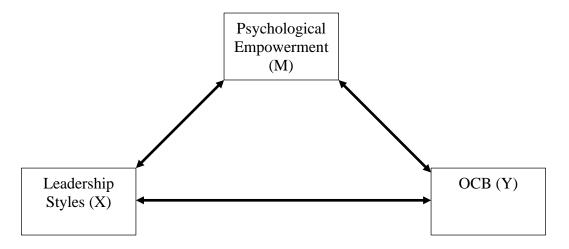
Over the last decade organizations experienced a vast change in leadership styles (Turner, 2021). Instead of traditional leadership styles, new leadership styles emerged to manage employees and achieve desired external (e.g., financial performance) and internal organizational outcomes, (e.g., followers' pro-social behavior; Gill & Mathur, 2007). The impact of leadership styles on employee behavior is crucial to consider when striving for higher organizational performance (Igbaekemen, 2014). Therefore, organizations have shifted their focus to a more collective leadership composition, emphasizing internal factors like the psychological well-being of employees in the workplace (Shahzad et al., 2022; Turner, 2021).

One influential leadership style integrated into organizations is transformational leadership, aimed at inspiring and motivating employees (Khan et al., 2021). Supporting its increased prevalence, a qualitative analysis of leadership letters from corporate executives of Fortune 500 companies by Legutko (2020), revealed that transformational leadership is implemented more often compared to other leadership styles such as authentic or servant leadership. By integrating a more collective focused approach into leadership, employee interests and needs receive more attention, resulting in more motivated and dedicated employees (Shi & Zhou, 2023). Transformational leadership impacts employee behaviors, such as pro-social behavior (Gill & Mathur, 2007). This results in outcomes, such as a more positive internal work environment, enhancing employees' supportive behavior (e.g., knowledge sharing) towards work colleagues, which is a crucial determinant for an organizations' goals (Monyei et al., 2022; Zhu & Akhtar, 2014). Further, leaders incorporating a transformational leadership style are influencing employees' psychological empowerment in the workplace, which in turn is proposed to influence employee organizational citizenship behavior (OCB) (Saira et al., 2021). A study by Saira et al. (2021)

highlights the positive influence of transformational leadership on OCB by the mediating effects of psychological empowerment. OCB, in turn, has been shown to positively affect organizational performance (e.g., increased organizational commitment; Smith et al., 1983). Thus, to further understand how these variables interconnect, this study examines how these variables are related.

Contrary to transformational leadership, we will also examine the influence of another leadership style - transactional leadership. Transactional and transformational leadership have been conceptualized as contrary to each other (Bass, 1985; Bass, 1990), hence this study aims to compare the effects both leadership styles exhibit on followers' work demeanors. Hollander (1958) defines this leadership style as an exchange of resources between followers and leaders, indicating a more restrictive form of leadership, aimed at the enhancement of external organizational outcomes (e.g., maximization of profit). Hence, transactional leadership is proposed to limit employee autonomy and flexibility in the workplace, indicating a negative effect on psychological empowerment (Bian et al., 2019). Thus, this study contributes to the existing literature by comparing both styles to reveal their impacts on follower OCB.

**Figure 1**Theoretical model of the variables.



*Note.* Leadership styles: Transformational and Transactional.

#### **Theoretical Framework**

#### Transformational and Transactional Leadership

The concept of transformational leadership is directed at creating change in followers, with the aim to turn followers into leaders. Transformational leadership also aims to increase follower motivation in the workplace and to create a more autonomous work environment, in which followers are given more responsibility in their work (Roberts, 1985; Bass, 1995).

The foundation for the concept of transformational leadership divides into four facets: inspirational motivation (leaders' ability to provide inspiring visions), intellectual stimulation (leaders' ability to foster innovative and unconstrained thinking), individual consideration (leaders' ability to provide support for followers demands), and idealized influence (leaders' ability to act as a responsible and reliable role model for followers) (Bass, 1985; Effelsberg & Solga, 2015). Transformational leaders strive to inspire and create room for follower development, aimed at enhancing follower motivation and aspiration in their work (Roberts, 1985; Bass, 1985). This also provides evidence as to why this leadership style is being implemented increasingly in organizations today (Legutko, 2020) and is receiving more attention in leadership research (Coleman & Donoher, 2022). As this leadership style shifts the focus to internal organizational outcomes (e.g., sense of collective identity), it is proposed that this will lead to a more engaged and motivated workforce, which in turn will lead to the achievement of external organizational outcomes (e.g., financial performance; Shahzad et al., 2022; Shi & Zhou, 2023; Turner, 2021).

Transactional leadership, on the other hand, is a leadership style which incorporates an effectiveness-oriented approach by working with a reward-sanction approach (Judge & Piccolo, 2004). This leadership style can be defined as an arranged exchange of resources between leaders and followers (Hollander, 1958). The construct of transactional leadership divides into three dimensions: *contingent rewards* (leaders set clear expectations, set goals,

and provide rewards for successful task completion), *management by exception (active)* (leaders actively monitor followers' work and intervene (if necessary) to prevent problems from arising), and *management by exception (passive)* (leaders only intervene when problems arise, and otherwise allow followers to work independently) (Judge & Piccolo, 2004). Research suggests that this leadership style has an ambivalent effect on followers' work attitudes, as it redirects the focus to organizational outcomes rather than on follower development in the workplace, but it also promotes followers' motivation to perform well in their respective lines of work (Young et al., 2021).

### **Organizational Citizenship Behavior (OCB)**

Organizational citizenship behavior (OCB) can be defined as voluntary actions and behaviors that employees engage in at their workplace (Organ, 1988; Posadkoff et al., 2000). An important aspect of OCB is that it should not be forced or demanded of employees to engage in OCB as it must be voluntary (Bolino et al., 2002). These behaviors are not part of their formal job requirements but contribute to the effective functioning of an organization. There are several types of OCB, such as helping colleagues with tasks, contributing to a positive work environment, actively trying to improve organizational processes, and going above and beyond what is required to meet customer needs (Brief & Motowidlo, 1986; Organ, 1988). Hence, organizations can benefit from OCB, since it can lead to increased employee innovative behaviors and job satisfaction, as well as decreased turnover rates (Smith et al., 1983; Organ, 1988). Consequently, we examine how leadership styles and empowerment influence followers' engagement regarding OCB.

#### Transformational/Transactional Leadership and OCB

Previous research aimed at examining the relationship between transformational leadership and employee OCB found a positive relationship between both variables (Gill & Mathur, 2007). Barbuto & Burbach (2006), support these findings by proposing that the

foundation for this relationship is a leaders' ability to display enhanced empathetic concern for their employees, which is suggested to enhance followers' pro-social motivation. Furthermore, followers' increased understanding and involvement in their respective organization leads to a greater sense of responsibility and fosters follower engagement in pro-social behaviors (Barbuto & Burbach, 2006). Hence, we propose a positive relationship between transformational leadership and followers' pro-social behaviors.

Previous research has found a positive relationship between transactional leadership and employee OCB, as transactional leadership directly influences followers' sportsmanship and altruism (Podsakoff et al., 1990). A possible explanation for this relationship is the fact that followers perceive their engagement in OCB as means of achieving tangible and intangible rewards. Hence, this engagement is proposed to be based on extrinsic motivation (Podsakoff et al., 1990). Contrary to these findings, Gang Wang et al. (2011) found that transactional leadership is less effective in promoting positive employee outcomes. Moreover, Bian et al. (2019) and Pillai et al. (1999) supported these claims and reported that transactional leadership induces lower employee commitment to actively engage in OCB. A reason for this could be followers' motivation to engage in these behaviors, since transactional leadership is more concerned with controlling employees work behavior instead of fostering proactive behaviors. As the current body of research diverges in opinions on the relationship between transactional leadership and follower OCB, we propose that there does appear to be an effect, but it remains to be seen in which direction it occurs.<sup>1</sup>

**Hypothesis 1a.** Transformational leadership has a positive influence on followers' OCB in the workplace.

**Hypothesis 1b**. Transactional leadership influences followers' OCB in the workplace.

<sup>&</sup>lt;sup>1</sup> H1a is one-sided and H1b is two-sided, however the alpha level is set at 0.05 for both.

### **Psychological Empowerment**

Psychological empowerment has an influential effect on followers' work demeanors and attitudes (Dust et al., 2014). The concept of psychological empowerment separates itself into four core characteristics, namely: *competence* (followers trust in own capacities to fulfill assigned task(s)), *meaning* (followers' attitudes and placed importance on their respective job), *self-determination* (followers' sense of autonomous impact on work related processes), and *impact* (followers' meaningful influence/impact on operating results) (Spreitzer, 1995). The concept of psychological empowerment increases followers' self-efficacy in the workplace, resulting in several positive outcomes such as heightened work motivation (Conger & Kanungo, 1988; Thomas & Velthouse, 1990). Hence, we investigate which role it will play between the relationship of leadership styles and follower OCB.

#### Self Determination Theory: The Mediating Role of Psychological Empowerment

The self-determination theory (SDT) by Deci and Ryan (2000) is utilized to explain the link between the two variables. SDT is a theory that is directed at explaining how individuals are motivated to pursue and attain goals (Deci & Ryan, 2000). Further, SDT proposes that individual motivation is linked to the three basic psychological needs: relatedness, autonomy, and competence (Ryan & Deci, 2017). *Relatedness* defines the interconnection one feels to their respective social surroundings in which they engage. *Autonomy* is an individuals' sense of control they perceive in their actions and choices. *Competence* pertains to the crucial requirement for individuals to perceive efficacy in their pursuits and achieve their desired results (Ryan & Deci, 2017). Hence, the current study employs SDT as a framework, to investigate how transformational and transactional leadership influence employee OCB in the workplace, and how this relationship is mediated by follower's psychological empowerment.

The relationship between psychological empowerment, transformational leadership and OCB is supported by previous literature (Saira et al., 2021). In addition, there is a positive relationship between OCB and pro-social behavior (Brief & Motowidlo, 1986), thus OCB can be seen as a form of pro-social behavior in the workplace. In relation to transformational leadership, followers' psychological empowerment is a key component, as employees autonomous work behavior and responsibility is fostered by transformational leaders. Furthermore, followers' self-concept in the workplace becomes more tied to leaders' visions and aspirations, resulting in an increased sense of influence on the part of employees (Schermuly & Meyer, 2020). Therefore, we propose that psychological empowerment is an outcome of successful transformational leadership.

Literature offers an ambivalent relationship between psychological empowerment, transactional leadership, and OCB (Pillai et al., 1999; Gang Wang et al. 2011; Bian et al., 2019). On the one hand, it is proposed that transactional leadership is negatively impacting employee autonomy and adjustability in the workplace, which decreases employees' sense of empowerment in the workplace (Bian et al., 2019). On the other hand, the contingent rewards dimension of transactional leadership aligns with the external regulation dimension of the SDT framework. This involves setting clear expectations, goals, and providing rewards for successful task completion. Thus, employees who perceive OCB as the most viable way to obtain tangible rewards will be motivated to go beyond the formal job requirements, which is in line with the findings of Podsakoff et al. (1990). It is also worth noting that research found that transactional leadership, with its emphasis on contingent rewards, may not significantly contribute to autonomy and competence (Cerasoli et al., 2016; Deci et al., 2017), indicating that it does not fulfill all the basic needs to feel empowered in the workplace. Since empowerment is suggested to be a crucial determinant for employee engagement in OCB

(Bian et al., 2019), we propose that psychological empowerment negatively mediates the relationship between transactional leadership and follower OCB.

**Hypothesis 2a.** Psychological empowerment positively mediates the relationship between transformational leadership and follower OCB.

**Hypothesis 2b.** The relationship between transactional leadership and follower OCB is negatively mediated by psychological empowerment.

Consequently, this research is examining the relationship between transformational/transactional leadership and employee OCB. Additionally, this study investigates how this relationship is possibly mediated by employees' psychological empowerment.

Research Questions<sup>2</sup>:

- 1. To what degree does transformational/transactional leadership influence employee OCB in the workplace?
- 2. To what extent does psychological empowerment mediate the relationship between transformational/transactional leadership and employee OCB?

#### **Methods**

#### **Research Design and Procedure**

This study was approved by the Ethics Committee of the Faculty of Social and Behavioral Sciences of the University of Groningen. The convenience sample for this study was gathered by distributing an online survey using Qualtrics. The survey opened on July 19, 2023 and closed on December 30, 2023. Afterwards, the results were consolidated into one dataset.

Participants were told that the purpose of the research was to examine their work and their relationship with their immediate supervisor. Participants were contacted via a shared

<sup>&</sup>lt;sup>2</sup> Note: we are testing both leadership styles independently from each other.

link and asked to complete an online survey. Before starting the survey, participants were informed that participation was voluntary and that the survey would take approximately 5 minutes to complete. They were also informed that the data collected would be kept confidential and that their participation would remain anonymous. All respondents used in the analysis gave informed consent. The survey consisted of questions related to leadership styles (transformational and transactional), psychological empowerment, organizational citizenship behavior (OCB), and demographic information such as their age and gender (see Appendix for the full survey). To overcome potential order bias, the items in the questionnaire were shuffled for each participant to ensure that the order in which the items were answered was different for each person (Perreault, 1975).

# **Participants**

The online survey study was conducted among 177 employees working in different organizations. However, 55 participants were excluded, of whom 2 did not give informed consent, 18 because they were not (currently) employed, and the remaining 35 because of incomplete responses.<sup>3</sup> Therefore, the final sample size consisted of 118 participants. The age (M = 2.49, SD = 1.189) of respondents varied from 18 to 74 while the mean age range was 25 to 34 years old. Additionally, we asked participants for their gender (50.8% female, M = 2.49, SD = 1.189), and assessed their English proficiency (M = 1.97, SD = .598), to ensure participants understood the content of the items.

#### **Materials**

### Transformational and Transactional Leadership

Leadership styles were measured on scales developed by Jensen et al. (2019).

Transformational leadership had 7 items and transactional leadership had 12 items, rated on a

5-point Likert scale (1 = *strongly disagree* to 5 = *strongly agree*; e.g., the leader "*Concretizes*"

<sup>&</sup>lt;sup>3</sup> For the analysis only complete responses were included.

a clear vision for the organization's future"). Reliability analysis showed high consistency for transformational (M = 3.606, SD = .882,  $\alpha = .918$ ) and transactional leadership (M = 2.79, SD = .603,  $\alpha = .802$ ). Transformational leadership was moderately left-skewed and transactional slightly right-skewed.

# Psychological Empowerment

Psychological Empowerment was measured using a 12-item scale developed by Spreitzer (1995). The scale divides itself into four facets of empowerment: meaning, competence, self-determination, and impact. Each facet consists of three items. Participants had to indicate on a 5-Point Likert scale (1 = strongly disagree to 5 = strongly agree) how much they agree with the given statements (e.g., "I have significant autonomy in determining how I do my job"). The reliability analysis indicated high internal consistency (M = 3.378, SD = .763,  $\alpha = .894$ ). The distribution was closely symmetrical.

### Organizational Citizenship Behavior (OCB)

OCB was measured using a 14-item scale. The items used for this scale were taken from Henderson et al. (2020) who adapted the scale which was originally developed by Williams & Anderson (1991). The participants indicated their agreement with each given statement on a 5-Point Likert scale (1 = never, 5 = always). Items assessed followers helping behavior (e.g., "I helped others who have been absent."). We observed that the scale distribution was nearly symmetrical. The reliability analysis indicated good internal consistency (M = 3.072, SD = .486, a = .743).

#### **Results**

To test what effects transformational and transactional leadership have on followers' OCB we conducted two regression analyses in SPSS. Additionally, we tested the mediating influence of followers' psychological empowerment on the relationship between transformational leadership, transactional leadership, and follower OCB.

### **Descriptive Statistics and Correlations**

Table 1 presents the descriptive statistics and correlations for control variables and the primary variables under investigation. We observed a significant negative correlation between transformational and transactional leadership (r = -.211\*, p < .05). Additionally, transformational leadership was positively correlated with psychological empowerment (r = .268\*\*, p < .01). OCB had a positive significant correlation with transactional leadership (r = .245\*\*, p < .01) and psychological empowerment (r = .458\*\*, p < .01). Regarding the control variables, age correlated positively with both psychological empowerment (r = .325\*, p < .05) and OCB (r = .246\*\*, p < .01). English proficiency was negatively correlated with age (r = .373\*\*, p < .01).

# **Hypothesis Testing**

To test the hypotheses in the moderated mediation model, the Process macro for SPSS (Hayes, 2012; model 4) was used. We employed bootstrapping to evaluate the mediating effect of psychological empowerment on the relationship between transformational,

 Table 1

 Descriptive statistics and correlations between variables.

Pred	ictor	M	SD	1	2	3	4	5	6
1. Tr	ransf.	3.606	.882	-					
2. Tr	ransac.	2.796	.603	211*	-				
3. PE	Е	3.378	.763	.268**	133	-			
4. O	СВ	3.072	.486	083	.245**	.458**	-		
5. Aş	ge	2.49	1.189	179	.067	.325*	.246**	-	
6. <b>G</b> 6	ender	1.55	.564	.083	041	075	.049	089	-
7. Er	nglish	1.97	.598	023	.046	207*	.034	373**	.056

*Note.* N=118.

<sup>\*</sup> p < .05 \*\* p < .01

transactional leadership, and OCB, ensuring reliable statistical inference without relying on distributional assumptions. As recommended by Hayes (2013), 10.000 bootstrap samples were utilized for each leadership style analysis.<sup>4</sup>

For transformational leadership it was found that the relationship between transformational leadership and psychological empowerment was significant (a path) (b = .232, p = .003). Additionally, the relationship between psychological empowerment and OCB (b path) was significant (b = .330, p < .001). The total effect, which describes the effect of transformational leadership on OCB, without considering the mediator (c path), was not significant (total effect = -.045, 95% CI = [-.146, .056]). Consequently, as already seen in the correlation table, hypothesis 1a was not supported, as a positive significant effect of transformational leadership on OCB was hypothesized.

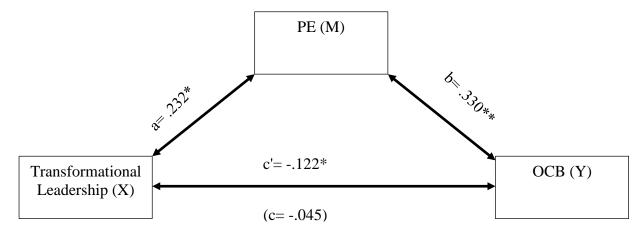
The test of indirect effects showed that the relationship between transformational leadership and OCB, mediated by psychological empowerment, was significant (indirect effect = .077, 95% CI = [.020, .153]), as the confidence interval did not encompass zero. Furthermore, the direct effect of transformational leadership on OCB, while controlling for the mediator, was also significant (c′ path) (direct effect = -.122, 95% CI = [-.213, -.031]). This shows that psychological empowerment partially mediated the relationship between both variables. Consequently, partial support for hypothesis 2a was found, as by increasing empowerment, transformational leadership affects OCB (see Figure 2).

The relationship between transactional leadership and psychological empowerment (a path) was found to be negative, but not significant (b = -.168, p = .151). The relationship between psychological empowerment and OCB (b path), on the other hand, was significant (b = .319, p < .001). The test of indirect effects showed that the relationship between

<sup>4</sup> When encompassing the control variables in the analysis, (age, gender, English proficiency), no significant change in effects was observed.

Figure 2

The mediating effect of PE on Transformational leadership and OCB.



*Note.* \*p < .05, \*\*p < .01; All presented effects are unstandardized; a: effect of transf. on PE; b: effect of PE on OCB; c`: direct effect of transf. leadership on OCB; c: total effect of transf. on OCB.

transactional leadership and OCB was not significant, as the CI included zero (indirect effect = -.054, 95% CI = [-.147, .022]).

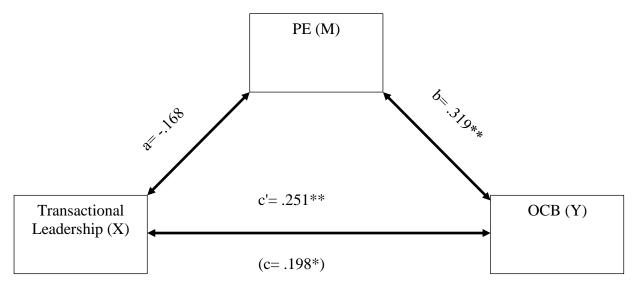
Interestingly, the direct (c' path) and total effect of transactional leadership on OCB (c path) were positively significant (direct effect = .251, 95% CI = [.126, .377]; total effect = .198, 95% CI = [.054, .342]), contrary to the hypotheses as we expected a negative mediating effect of psychological empowerment. Therefore, hypothesis 1b was supported, as a significant effect of transactional leadership on OCB, which was found to be positive, was hypothesized. Nonetheless, no significant result for hypothesis 2b was found, which hypothesized a negative mediating effect of psychological empowerment on the relationship between transactional leadership and OCB (see Figure 3).

#### **Assumptions**

# **Normality**

After the main analyses, the necessary assumptions for regression analysis were tested on the residuals to see whether the model fits the data. To check for normality, which indicates whether residuals are normally distributed, the Shapiro-Wilk test was used for the

**Figure 3**The mediating effect of PE in the relationship between Transactional leadership and OCB.



*Note.* \*p < .05, \*\*p < .01; All presented effects are unstandardized; a: effect of transact. on PE; b: effect of PE on OCB; c`: direct effect of transact. on OCB; c: total effect of transac. on OCB.

different mediation paths (Table 2). There was no significant evidence that the residuals were non-normally distributed, which means that the assumption of normality has been met.

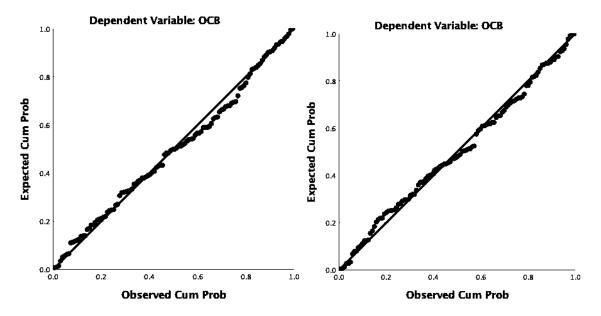
**Table 2**Shapiro-Wilk test to test for normality.

Variable	W	df	p
apath_1	.979	118	.058
apath_2	.979	118	.061
bpath	.993	118	.785
cprime_1	.987	118	.323
cprime_2	.989	118	.462
cpath_1	.986	118	.283
cpath_2	.988	118	.356

*Note.* Significant results ( $p \le 0.05$ ) suggest a deviation from normality.

Figure 4

PP-Plot(s) displaying the linearity assumption for the c` path of the mediation.



*Note.* Dependent variable: OCB. Independent variable(s): transformational (left) and transactional (right). Mediator: Psychological Empowerment.

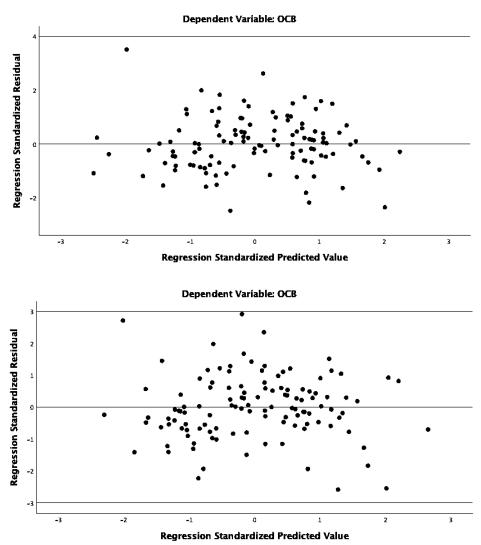
# Linearity

To ensure that the relationship between our independent variables and the outcome variable is linearly distributed, we tested for linearity, which is important for ascertaining whether changes in the independent variables correspond to proportional changes in the outcome variable. For the residuals for all paths the linearity assumption was met. The PP-plots (Figure 4) display the c'path(s) for both transformational (left) and transactional (right).

#### **Homogeneity**

To test if the residuals for each path have constant variances, the scatterplots for each path of the mediation model were examined. The residuals for the individual paths did not show a clear pattern of distribution which is why the assumption of equal variances was met for all paths. The scatterplot (Figure 5) displays the c´path(s) for both transformational and transactional leadership.

Figure 5  $Scatterplot(s) \ for \ testing \ homogeneity \ of \ variances \ for \ the \ c' \ path \ of \ the \ mediation.$ 



*Note*.1. Scatterplot: Transformational and PE on OCB; 2. Scatterplot: Transactional and PE on OCB.

#### **Discussion**

In recent years, organizations have shifted to more collective leadership paradigms, prioritizing internal factors such as employee well-being (Turner, 2021; Shahzad et al., 2022). Transformational leadership has emerged as a prominent style due to its ability to foster employee motivation and dedication (Khan et al., 2021), which in turn positively influences behaviors such as pro-social actions and enhances the internal work environment (Gill & Mathur, 2007; Monyei et al., 2022). Leaders who adopt transformational styles promote psychological empowerment among employees, which impacts OCB (Saira et al., 2021). In

contrast, transactional leadership involves a more transactional exchange between leaders and followers. This style may limit employee autonomy and flexibility, potentially hindering psychological empowerment (Bian et al., 2019). Nonetheless, it has been shown that this leadership style can still positively impact OCB (Podsakoff et al., 1990). The purpose of this study was to compare the effects of both leadership styles on OCB and to illuminate their respective impacts on organizational dynamics by including psychological empowerment as a mediator.

Our research on how different leadership styles affect follower OCB finds no significant effect between transformational leadership and OCB but finds an overall positive effect between transactional leadership and follower OCB. Additionally, when examining the impact of psychological empowerment, the findings suggest a significant partial mediating effect of empowerment on the relationship between transformational leadership and OCB. However, there is no evidence to suggest that empowerment acts as a mediator in the relationship between transactional leadership and OCB. Nevertheless, a positive overall effect between transactional leadership and followers' OCB persists, highlighting the significance of considering different leadership styles in shaping employee behavior within organizations.

#### **Theoretical implications**

Contrary to the expectations outlined in hypothesis 1a, the direct influence of transformational leadership on OCB did not reach statistical significance. This finding contrasts with previous research (e.g., Gill & Mathur, 2007; Barbuto & Burbach, 2006) that found a positive relationship between these variables. However, it can be observed that transformational leadership has an indirect effect on OCB through psychological empowerment. Hence, even though there was no significant effect, it is still important to acknowledge the indirect impact that transformational leaders can have on employee OCB.

In line with previous findings, psychological empowerment appears to not only influence the relationship between transformational leadership and OCB, as empowerment had been previously found to positively mediate the relationship between transformational leadership and job satisfaction (Choi et al., 2016). This suggests that empowerment is a critical factor in transformational leadership and may also mediate other relationships of transformational leadership.

Furthermore, the results supported the notion of a positive direct effect of transactional leadership on OCB, which challenges prior research that has often portrayed transactional leadership as having ambivalent outcomes for employee behaviors (Gang Wang et al., 2011; Bian et al., 2019). The relationship between transactional leadership and OCB was not mediated by psychological empowerment. Furthermore, there was a non-significant negative relationship between transactional leadership and empowerment, hinting that the relationship appears to be negative. Our findings align with Deci and Ryan's (2000) Self-Determination Theory (SDT) and support existing literature (e.g., Deci et al., 2017; Podsakoff et al., 1990) that transactional leadership, which relies on contingent rewards, may not significantly promote employee empowerment due to incomplete fulfillment of the three basic needs (Cerasoli et al., 2016). Therefore, these findings indicate that the positive effects of transactional leadership on OCB may stem from factors unrelated to psychological empowerment.

#### **Practical Implications**

Our findings offer nuanced practical insights for organizations seeking to refine their leadership strategies. The mediating influence of psychological empowerment on OCB may not be immediately apparent, but its cultivation emerges as a critical mechanism for creating a positive and productive work environment (Avey et al., 2008). For organizations utilizing transformational leadership, leadership development initiatives should prioritize the

encouragement of psychological empowerment to unlock the full potential of this leadership style and foster workplace outcomes such as pro-social behavior and job satisfaction.

Transactional leadership, known for its results-oriented approach, has also been found to have a positive direct impact on OCB, possibly through the prospect of receiving contingent rewards. However, transactional leadership can limit employee autonomy and competence, hindering psychological empowerment (Deci et al., 2017). Instead, organizations seeking to promote OCB could strike a balance between transactional and transformational strategies, so that both psychological empowerment and contingent rewards can serve to increase employees OCB. Hence, organizations should consider investing in leadership development programs that specifically target the enhancement of both transformational and transactional leadership skills, as research supports their effectiveness of these programs (Pernick, 2001; Abrell et al., 2011).

Since both leadership styles have their own strategic benefits (Kuantan, 2015), organizations are encouraged to strategically leverage a combination of both leadership practices. This strategic integration is crucial for creating a workplace environment that not only meets organizational goals but also encourages pro-social behaviors. These programs should emphasize the importance of supportive and inspiring leadership and incorporate elements that empower employees (Pernick, 2001). This can include providing opportunities for skill development, fostering a positive organizational culture, involving employees in decision making, as well as offering tangible rewards so that the pool of strategies to encourage OCB is greater. Continuous evaluation and adaptation of leadership development programs will be crucial in aligning leadership practices with organizational goals and a positive workplace culture (Abrell et al., 2011).

Moreover, when considering extra role behaviors, companies should also delve away from strict leadership style perceptions and rather direct the focus on certain factors deemed

as important. For example, organizational justice perceptions, which serve as a ground base for developing positive work behaviors (Daouk et al., 2012), and other factors, such as organizational commitment and perceived organizational support, are crucial determinants for OCB (Jehanzeb, 2020). This could provide important insights for companies aiming to improve their workers motivation and environment, by encouraging employees to exhibit their engagement in extra role behaviors through intrinsic as well as extrinsic motivation, since existing research posits their relationship as complementary rather than conflicting (Finkelstein, 2011).

# **Limitations and Future Research**

Although evidence was partly found for the hypotheses, there are several limitations that can be addressed in future research. First, the questionnaire used in this study may have been too long and repetitive for participants, especially since the number of items for both leadership styles varied. Transactional leadership and OCB had a lot of items which may have caused the high number of incomplete responses (*N*=35). Although the reliability of the scales was sound, future research should aim for shorter scales, as shorter surveys tend to result in fewer incomplete responses (Göritz, 2014).

Second, there is a potential for common method bias (Podsakoff, 2003), as the sample was only drawn from self-report measures without any other form of alternative measurements. This could impact the validity of our findings, particularly since the same scales were used for all participants and only a small variation in the questionnaire was caused by shuffling the items. Future research could use a greater variety of measures, such as combining self-report and implicit association tests, and using multiple scales to assess constructs, to increase the validity of future findings (Podsakoff, 2003; Kock et al., 2021). In addition to this limitation, it is also important to highlight strengths of our study. We used a real-world sample and drew participants from diverse companies spanning various industries

to offer a multifaceted perspective, enriching the depth and relevance of our findings (Andrade, 2018).

Third, the theoretical foundation of this research could have included more mediating variables other than psychological empowerment to determine the leadership style impact on followers' OCB. As previously mentioned, variables such as organizational commitment, perceived organizational justice, and perceived organizational support also serve as indicators for more pro-social work behaviors (Daouk et al., 2012; Jehanzeb, 2020). Therefore, considering these supporting factors together as mediators in future research might further explore the link between the variables on a deeper and more defined level.

Finally, the conceptualization of leadership and leadership styles appears to be complex. For instance, transformational leadership has been challenged for its ambiguous conceptuality (Northouse, 2013), which raises questions about its construct validity.

Additionally, it appears to have substantial overlaps with other leadership theories such as charismatic leadership, and visionary leadership (Rickards & Clark, 2006; Anderson & Sun, 2017). Therefore, future research should consider that leadership is a dynamic and multifaceted concept, and acknowledge that leadership perceptions may vary, especially over time (Foti et al., 2008).

In summary, our study contributed to beginning to unlock the complex impact leadership has on OCB and the role psychological empowerment plays, challenging established perspectives. To explore how best to promote OCB in a workplace environment, the study recommends strategic investment in comprehensive leadership development programs that combine the strategies of both leadership styles and advocates continuous evaluation for effective leadership in thriving workplaces.

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# **Appendix**

### **Transformational leadership**

Please indicate the most fitting answer choice to the given statements. My leader...

1	2	3	4	5
Strongly	Disagree	Neither	agree	Strongly agree
disagree		agree nor		
		disagree		

- ...Concretizes a clear vision for the organization's future
- ...Communicates a clear vision of the organization's future
- ...Makes a continuous effort to generate enthusiasm for the organization's vision
- ...Has a clear sense of where he or she believes our organization should be in 5 years
- ...Seeks to make employees accept common goals for the organization
- ...Strives to get the organization to work together in the direction of the vision
- ...Strives to clarify for the employees how they can contribute to achieve the organization's goals

## **Transactional leadership**

Please indicate the most fitting answer choice to the given statements. My leader...

1	2	3	4	5
Strongly	Disagree	Neither	agree	Strongly agree
disagree		agree nor		
		disagree		

- ...Rewards the employees' performance when they live up to the leader's requirements
- ...Rewards the employees' dependent on how well they perform their jobs
- ...Points out what employees will receive if they do what is required
- ...Lets employees' effort determine received rewards
- ...Gives individual employees positive feedback when they perform well
- ...Actively shows his or her appreciation of employees who do their jobs better than expected
- ...Generally does not acknowledge individual employees' even though they perform as required
- ...Personally compliments employees when they do outstanding work
- ...Gives negative consequences to the employees if they perform worse than their colleagues
- ...Makes sure that it has consequences for the employees if they do not consistently perform as required
- ...Takes steps to deal with poor performers who do not improve
- ...Gives negative consequences to his or her employees if they do not perform as the leader requires

# **Psychological Empowerment**

Please indicate the most fitting answer choice to the given statements.

1	2	3	4	5
Strongly	Disagree	Neither	agree	Strongly agree
disagree		agree nor		
		disagree		

#### Meaning

- The work I do is very important to me
- My job activities are personally meaningful to me
- The work I do is meaningful to me

#### Competence

- I am confident about my ability to do my job
- I am self-assured about my capabilities to perform my work activities
- I have mastered the skills necessary for my job

#### Self-determination

- I have significant autonomy in determining how I do my job
- I can decide on my own how to go about doing my work
- I have considerable opportunity for independence and freedom in how I do my job

#### **Impact**

• My impact on what happens in my department is large

- I have a great deal of control over what happens in my department
- I have significant influence over what happens in my department

# **Organizational Citizenship Behavior (OCB)**

Please indicate the most fitting answer choice to the given statements.

1	2	3	4	5
Strongly	Disagree	Neither	agree	Strongly agree
disagree		agree nor		
		disagree		

- I helped others who have been absent.
- I helped others who have heavy workloads.
- I helped orient new people even though it is not required.
- I assisted my supervisor with his/her work (when not asked)
- I took time to listen to co-workers' problems and worries.
- I took a personal interest in other employees.
- I passed along information to co-workers.
- My attendance at work was above the norm.
- I gave advance notice when I was unable to come to work.
- I took undeserved work breaks.
- A great deal of my time was spent on personal phone/email/other communications.
- I complained about insignificant things at work.
- I conserved and protected organizational property.
- I adhered to informal rules devised to maintain order.