



Effects of Work-Life Quality as a Mediated Factor between Transformational Leadership and Organizational Citizenship Behavior of Employees in a Financial Bank in Thonburi Branch

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Abstract

The objectives of this study were to explore: (1) transformational leadership, work-life quality, and organizational citizenship behavior and (2) the effects of the mediated factor of the work-life quality correlated with the transformational leadership towards the organizational citizenship behavior of the employees in a financial bank in Thonburi branch. The sample size is the 121 employees of a financial bank in Thonburi branch. The research employees completed a questionnaire as the research tool. The statistics used in the study were percentile, means, standard deviation, and Structural Equation Modelling (SEM) analysis. The results of the study revealed that: (1) the employees of the financial bank in Thonburi branch had an overall level of work-life quality and their organizational citizenship behavior at the highest level; whereas the transformational leadership was at a high level, and (2) the work-life quality as a mediated factor correlated with the transformational leadership and the organizational citizenship behavior. Based on the results of the study, it was found that the work-life quality was a significant motivating factor in contributing and developing the employees to have good organizational citizenship behavior.

Keywords: *Transformational leadership, Work-life quality, Organizational citizenship behavior*

1. Introduction

In the globalization era which highly challenges in economic competition, all business transactions have to find out strategies to maintain their transactions among the highly competitive and unavoidable organizational competitions. All business transactions have to adjust and transform themselves to contribute the organizational competitive advantages (Boonyoo, 2018) in response to variably changeable environments in economics, society, politics, and technology (Research and Development Institute of Sufficiency Economy Philosophy Foundation, 2012). Due to those changeable circumstances, to change and develop organization sustainability, organizations need to organize the internal organizations both in the organizational performance and the organizational effectiveness at the highest profitability. In this case, human resources are regarded as kinds of resources paying a primary significant role for the organizations as a stakeholder engagement to mobilize the organizations to support the achievements of the expected organizational objectives (Helmiatin, 2014). To develop human resources sustainability, organizations have to rely on the development of individual's work-life behaviors to engage organizational citizenship behavior. Also, this behavior comprises both individual characteristics under specific environments and multiple characteristics of organizational environments (Kaewchur, 2017). It is excluded in the formal need of organizational behavior; otherwise, it is an optional need of organizational behavior and a supportive behavior which engages organizational work efficacy and effectiveness of work and organizations instead (Sadeghi, Ahmadi, & Yazdi, 2016). Additionally, if organizations have employees with good citizenship behavior and can contribute to employee engagement, these employees will be proud of being part of the organization and will dedicate themselves to the entirety of the organizational advantages. This can be regarded as organizational competency and a tendency to produce high productivity as well (Thongtanunam et al., 2015).

Financial banks are considered financial institutions that provide all forms of financial services and are committed to operating based on the concept of sustainable organizational development. Moreover, these organizations continuously develop new financial products as well as carrying out customer-centered



operations considering that the customers are the gateway to profits of a financial bank. Apart from work commitment to achieve organizational goals, banks give emphasis on the employees' creativity and support to employees' job involvement behavior, apart from job responsibilities to achieve organizational goals (A Financial Bank, 2017). However, to contribute to the organizational citizenship behavior (OCB) of employees, organizations have to motivate employees to engage in transformational organizational changes in order to meet expected social behaviors such as engaging in job involvement, contributing to profitability and positive outcomes, and solely following the organizational objectives by their individual work (Madhu & Krishnan, 2005). Furthermore, the organizational leaders must create positive internal work environments to enhance the employees' satisfaction in good work-life quality, consequently contributing to the good visions and missions of organizations (Alfonso, Zenasni, Hodzic & Ripoll, 2016; Beiranvand, Javanmard & Ghasemi, 2016; Chaturvedi & Saxena, 2017; Helmiatin, 2014; Nanjundeswaraswamy & Swamy, 2015) This means that work-life quality is the overall work environments which continually affects the organizational citizenship behavior (Chaturvedi & Saxena, 2017).

Based on the background and significance of the aforementioned problems, the researcher focused on the effects of work-life quality as a mediated factor between transformational leadership and organizational citizenship behavior of the employees in a financial bank in Thonburi branch. Based on the study, the researcher explored the correlated factors that contribute to the organizational citizenship behavior of those employees in a financial bank in Thonburi branch as guidelines for the executives to improve employee retention and to stimulate in full effort employees' competency. This will also serve as a pathway to reduce employee turnover and to further promote the better work-life quality of their employees.

2. Objectives

1. To explore the transformational leadership, work-life quality, and organizational citizenship behavior of the employees in a financial bank in Thonburi branch
2. To explore the effects of the mediated factor of the work-life quality correlated with the transformational leadership towards the organizational citizenship behavior of employees in a financial bank in Thonburi branch

3. Review Literature

After reviewing the literary works, concepts, theories, and related research studies, the researcher has summarized as the following:

1. Transformational Leadership (TL): transformational leadership is the behavior that contributes to the positive transformational change of organizations and motivates the subordinates to recognize their organizational needs, to recognize more the profitability or positive outcomes of teamwork than their personal interest. Additionally, the leaders may manipulate their power or authority to engage huge transformational organizational changes. This can assist in organizational recovery from extensive treats to organizational achievement. Based on the previous studies, it was found that the relationship between transformational leadership and work-life quality adhered to the organizational justice as the transferrable factor correlated with work-life quality (Beiranvand et al., 2016). Furthermore, the transformational leadership has an influence on organizational citizenship behavior. That is, transformational leadership can inspire social satisfaction behavior among employees and most of the organizations give significance to the employees' positive attitudes and transformational leadership to further mobilize organizational achievement sustainability (Madhu & Krishnan, 2005).

2. Work-Life Quality (WLQ): work-life quality is the responsiveness of organization to needs and job satisfaction. If organizations have employees with good work-life quality, the human resources in internal organizations will have job satisfaction and further gain positive effects on organizational efficacy. Based on previous studies, it was found that work-life quality is related to organizational citizenship behavior. This means that work-life quality is the overall work environments which continually affects the performance of organizations (Chaturvedi & Saxena, 2017). Moreover, the human resources who have organizational citizenship behavior tend to gain higher scores of emotional intelligence and have



established the role of organizational values also contribute to the customers' satisfaction (Alfonso et al., 2016).

3. Organizational citizenship behavior (OCB): organizational citizenship behavior is a behavior that is not defined in organizational policy but it is an individual's behavior of voluntary positive attitudes (Madhu & Krishnan, 2005). Although organizational citizenship behavior (OCB) will neither receive formal nor informal rewards, it is still regarded as a beneficial organizational behavior. Conversely, if the organizations lack those behaviors, their organizational systems cannot operate peacefully. That is, those organizational behaviors are regarded as supportive organizational behavior that engages employees' work-life quality which contributes to positive visions and missions within an organization (Helmiatin, 2014) to mobilize the organizational achievement sustainability. The organizational citizenship behavior includes providing altruism (help), sportsmanship (endurance), civic virtue (cooperation), conscientiousness (responsibility awareness), and so on. When all of these components are engaged in internal organizations, it can gradually develop organizational achievement of sustainability (Schnake & Dumler, 1997). Based on the aforementioned literature review, the conceptual framework for this study is presented below.

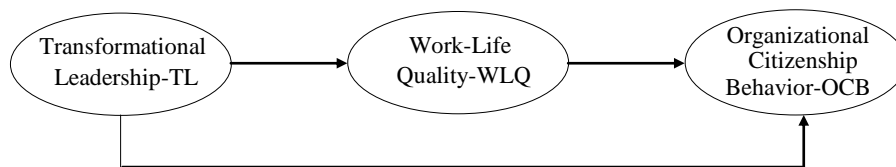


Figure 1 Research framework

4. Research Hypotheses

Hypothesis (H1): transformational leadership has an impact directly on the work-life quality.

Hypothesis (H2): transformational leadership has an impact directly on the organizational citizenship behavior.

Hypothesis (H3): work-life quality has an impact directly on the organizational citizenship behavior.

Hypothesis (H4): work-life quality as the mediator variable correlated with the influences of Transformational leadership and organizational citizenship behavior.

5. Research Methodology

This study was quantitative research and implemented a questionnaire as a research tool. The questionnaire was conducted from concepts, theories, and related literature review. The scope of the study was divided as follows:

1. Populations in the study: the total population in the present study was 173 employees of a financial bank in Thonburi branch (A Financial Bank, 2017). The sample of 121 employees of a financial bank in Thonburi branch were selected using Yamane's formula (1973) of calculating sample size under the reliability of 95% and accepted error of ± 5 and stratified random sampling and simple random samplings in each branch.

2. Research tool in this study: a questionnaire was implemented as a research tool in the present study. Part one was the personal factor of the participants whereas parts 2 to 4 was a questionnaire to assess the level of transformational leadership, work-life quality, and organizational citizenship behavior. Parts 2 to 4 included questions which employed the ratio of Likert's 5 scales (Likert, 1932).

3. Data collection: the researcher had collected the data from 121 participants of employees of a financial bank. The rate of the questionnaire had been returned 100% and the validity of the questionnaire was rechecked, coded, and further analyzed the data by statistical analysis.

4. Data analysis: The researcher gathered the data from the questionnaire and calculated statistically using a software program. The statistical analyses comprised of: (1) personal background information of the participants was analyzed by percentage; (2) the data of level of transformational leadership, work-life



quality, and organizational citizenship behavior were analyzed by means and standard deviation; and (3) the analysis of the relationship between structural equation modelling and level of factors affecting both direct and indirect effects were analyzed by structural equation modelling software program of PLS-Graph 3.0 (Chin, 2001).

6. Results

1. Regarding the analysis of personal factors, it was found that the majority of the participants were females (80.99%), who had less than 30 years of ages (56.20%). They had graduated in Bachelor degree or equivalent level (89.26%). Their length of employment was 1 to 3 years (34.71) and they had a monthly income of fewer than 20,000 baht (42.98%).

2. Regarding the analysis of transformational leadership, work-life quality, and organizational citizenship behavior levels, it was found that organizational citizenship behavior was at the highest level ($\bar{X}=4.67$, $SD=0.22$); followed by work-life quality ($\bar{X}=4.65$, $SD=0.22$), and transformational leadership factor ($\bar{X}=4.49$, $SD=0.29$).

3. The result of structural model test is an analysis of direct and indirect regression coefficients for organizational citizenship behavior (OCB) as shown in Figure 2.

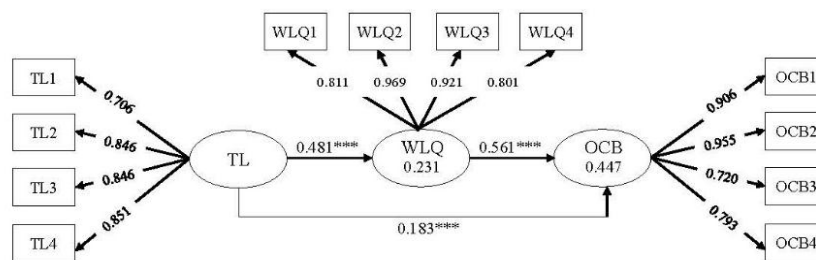


Figure 2 Relationship of structural equation modeling

Figure 2 shows the analysis of the structural equation modeling could be described as follows: (1) the transformational leadership (TL) and work-life quality (WLQ) had direct effects on the organizational citizenship behavior with a calculated range of 0.183 and 0.561 respectively. Based on the analysis, it was also found that the transformational leadership (TL) had indirect effects on the organizational citizenship behavior (OCB) with the range of 0.269, and (2) the transformational leadership (TL) had direct effects on the work-life quality (WLQ) at the range of 0.481.

The researcher has summarized the baseline of Structural Equation Modeling relationships of structural factors affecting organizational citizenship behavior in Table 1.

Table 1 The baseline of structural equation modeling relationships

Latent Variable	R ²	Effect	PTL	WLQ
Organizational Citizenship Behavior (OCB)	0.447	DE	0.183**	0.561***
		IE	0.269	0.000
		TE	0.452	0.561
Work-Life Quality (WLQ)	0.231	DE	0.481***	0.000
		IE	0.000	0.000
		TE	0.481	0.000

Notes: DE = Direct Effect, IE = Indirect Effect, TE = Total Effect



4. Results of hypothesis testing of multiple mediator factors correlated with transformational leadership toward organizational citizenship behavior are shown in Table 2.

Table 2 Results of testing hypotheses

Hypotheses				Coefficient (Coef.)	t-test	Results
H1	TL	→	WLO	0.481***	5.006	supportive
H2	TL	→	OCB	0.183**	2.391	supportive
H3	WLO	→	OCB	0.561***	6.703	supportive

Notes: (* refers to p-value ≤ 0.10 or $t \geq 1.65$) (** refers to p-value ≤ 0.05 or $t \geq 1.96$) (***) refers to p-value ≤ 0.01 or $t \geq 2.58$)

Table 2 shows the analysis of the relationship among all factors toward organizational citizenship behavior revealed that (1) transformational leadership had effects on the work-life quality with t-test score of 5.006; (2) transformational leadership had effects on the organizational citizenship behavior with t-test score of 2.391; and (3) the work-life quality had effects on the organizational citizenship behavior with t-test score of 6.703.

5. In terms of the influence of mediator variables as transforming variables of the relationship among independent variables and dependent variables as shown in Table 3

Table 3 Results of indirect structural equation modeling affecting organizational citizenship behavior

Hypotheses					Effect	Boot SE	Boot LLCI	Boot ULCI	
H4	TL	→	WLQ	→	OCB	0.340	0.064	0.229	0.484

Table 3 shows the analysis results of the indirect effects of the work-life quality correlated with the transformational leadership and organizational citizenship behavior revealed that the range of reliability did not cover zero. This was to say, the indirect effect was at Boot LLCi (0.229) to Boot ULCi (0.484). It could be concluded that the coefficient path analysis of work-life quality as a mediated factor correlated with the transformational leadership and organizational citizenship behavior had indirectly affected at no cover zero.

7. Discussion

Based on the data analysis, two factors could be discussed as follows:

1. Regarding the transformational leadership, the results of the study revealed that transformational leadership had an effect on both work-life quality and organizational citizenship behavior which was consistent with the study of Beiranvand, Javanmard and Ghasemi (2016). They suggested that transformational leadership correlated with work-life quality. They added that organizational justice would be the correlated factor with the work-life quality. Subsequently, the results of the present study supported the study of Madhu and Krishnan (2005) which argued that the transformational leadership had a negative effect on the organizational citizenship behavior in the chivalry factor; however, it had no effect on the organizational citizenship behavior in sportsmanship factor. Overall, transformational leadership had an effect on the organizational citizenship behavior in altruism, civic virtue, and conscientiousness and solely following the organizational objectives by their individual works.

2. Regarding the work-life quality, the results of the study revealed that work-life quality had an effect on organizational citizenship behavior. This result was consistent with the study of Alfonso et al. (2016) that the work-life quality had a direct effect on the organizational citizenship behavior. Organizational citizenship behavior tends to be possessed by any employees who had high scores of emotional intelligence. Furthermore, the organizational citizenship behavior plays a role of value behavior which could establish customer satisfaction. Likewise the study of Chaturvedi and Saxena (2017), the present study affirmed that work-life quality correlated with organizational citizenship behavior. That was to say, the work-life quality would be the entire work environments which continuously affects the work efficacy as well.



8. Conclusion

1. Suggestions in the application for further studies.

1.1 Based on the present study, it was found that the transformational leadership in idealized influence had averaged at the highest level. Therefore, it was significant that the executives should strictly focus on the administrative governance policy with the emphasis on morality in good governance to create the strategies and visions to establish the overall organizational advantages. This will consequently enhance their acceptance of and trust on leaders to lead them in overcoming all treats.

1.2 Based on the present study, it was found that the work-life quality in the psychological development factor had overall averaged at the highest level. Hence, it was crucial that the organizations should support the employees' trainings and support their job capacities to establish their creativity and modern technologies reliance to search for information to gain higher work efficacy.

1.3 Based on the present study, it was found that the organizational citizenship behavior regarding job recognition had averaged at the highest level. Therefore, the organizations should promote organizational citizenship behavior such as the altruism, conscientiousness, courtesy of others' decision-making, and acceptance with sincerity to establish the employees' happiness both in their physical aspect and gratitude to work which could further affect their teamwork performance.

2. Suggestions for further studies.

2.1 Further studies should explore the transformational leadership, work-life quality affecting the organizational citizenship behavior of other financial banks to compare the results with the present study.

2.2 Further studies should explore other factors that have a correlated effect on organizational citizenship behavior.

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