The Study of the effects between Leadership Style, Organization Culture, Employees Performance on Leadership Performance (Case: Government Hospitals in Isfahan)

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Abstract

In the modern organizational world, management is one of the main effective factors on the societies which its appropriate forms is closed to the leadership. The leadership is considered as one of the fundamental concepts in the administration of society and its social revolutions. The reason is that administration of every society and organization is based on its leadership. In addition, selection of an appropriate leadership style plays an important role in the formation and establishment of favorable social culture so that establishment of appropriate organizational culture paves the way for sustainable competitive advantage. The present study is a practical research from purpose view and is a descriptive-survey one from research methodology view. The statistical population of this study consists of 4576 employees of the public hospitals in the city of Isfahan. A total of 230 employees were selected as sample members. The validity of questionnaire was examined and proved based on the viewpoints of management professionals and professors. Also Cronbacsh' Alpha Coefficient was employed for examining reliability of the questionnaire. The coefficient was 0.89 which proves reliability of the questionnaire. The Amos and SPSS are the main statistical software which was used for analyzing the research data and test the hypotheses at both descriptive statistics (frequencies, percentages, cumulative frequencies, average, and standard deviation) and inferential statistics (t-test, regression analysis, analysis of variance, Colomogrov-Smirinov, and Freedman test) levels. The findings revealed that all of the research hypotheses are supported. In other words, leadership styles and organizational culture influence leadership performance and employee performance significantly.

1. Introduction

Leadership is considered as one of the main functions of management in achieving organizational goals and maximizing productivity. Indeed, achieving organizational goals is not possible or is very difficult without leadership. Management or leadership style of any organization determines its culture and strategies (Yan and Lee, 2011). Indeed, leadership is a good path of organizational revolutions. This is why that effective leader is considered as one of the main organizational resources. A large part of organizational failure in achieving productivity derives from its inefficient management and leadership style (Elkins and Keller, 2003). Leadership style not only depends on the individual characteristics of leader, but also on the identity of situation in which leaders and subordinate communicates with each other (Aliakbari, 2010). Organizational culture is known as one of the most effective factors on development and expansion of countries. Indeed, organizational culture is a set of the effective shared values and opinions on the behavior and thought of organizational members. It can be considered as start point of both organizational success and failure (Softland, 2011). Organizational culture is one of the main grounds of change and revolution in organizations. Since organizational revolutions focused on the fundamental areas of organization, the purpose of such plans is changing and revolting organizational culture. From organizational culture perspective, organizational face may be active or inactive. Even so-called successful organizations may need fundamental internal revolution. If an organization has not any effective interaction with its members, then its productivity will be destroyed (Rezaeian, 2009). With respect to organizational culture and its role in members' behavior and organizational achievement, it is necessary to investigate it seriously (Edkinz and Kadol, 2004). Organizational culture influences other organizational factors seriously such as structure and design of organization, organizational environment, human resource, leadership style, and goal-achievement path. If organizational members have not any recognition of their organization, they will not be able to understand organizational identity and its goals (Chatman and Cha, 2005). In addition, they will not learn how to behave and act in the system. It is should be noted that organizational culture makes employees aware from organizational goals and objectives. It also makes them committed toward it. As a result, a considerable integrity will be created between organization's goals and members' goals. In such a situation, employees feel that their goals can be achieved through attaining organizational goals (Heresy and Blanchard, 2008). This is why that the present study was aimed to investigate the effect of leadership styles and organizational culture on the employees' performance and leadership in the public hospitals in the city of Isfahan.

2.Literature review

Leadership is the art of moving others in achieving shared goals (Robbins, 2006). The interactive leaders are satisfied with maintaining the existing conditions and direct their subordinated so exactly that achieve organizations and members' goals and promote employees. But interactive leaders are considered as motivator of subordinated and reinforce their spirit. Indeed, transactional leadership refers to the changes in employees' values and priorities and motivating them to achieve higher levels of goals (karak et al. 2011).

It should be noted that interactive and transactional leaderships are not two autonomous theories, but they are two ends of a certain continuum. The difference between interactive and transactional leaderships is that interactive leader uses reward as a control mechanism by which employees will be motivated, but transactional leaders consider reward as a part of designed system for reinforcing employee' commitment and their internal motivation (Raferti

and Griften, 2004). In addition to interactive and transactional leaderships, excellence leadership is third type of leadership styles. Indeed, leadership can be defined as a spiritual relation in the post-modern workplace and excellence leaders can be considered as subject of study in a more comprehensive workplace. Excellence leadership employee values, attitudes, behaviors (love to others, hopefulness, and vision) for creating internal motivation in the employees. As a result, membership and spiritual feeling of employees, and achieving positive organizational outcomes will be increased (Fray et al., 2005).

Interactive, transactional, and excellence leaderships are related to each other so complexly that excellence leadership combines two leaderships and develop them. There are five leadership approaches in the hierarchy of leadership approaches including scientific management, excellence management, leadership of values, cultural leadership of trust, and spiritual leadership. It should be noted that higher level approaches includes lower level ones. Excellence leadership, which attends all employees, is a holistic approach in terms of leadership (Senders et al., 2003). The results of meta-analysis studies reveal that transactional leadership is more effective, innovative, and satisfying for employees (Loo et al., 1996). Selecting an appropriate leadership style plays an important role in development and establishment of favorable organizational culture. Indeed, development of an appropriate organizational culture is the main prerequisite of achieving competitive advantage (Robbins, 2011). Organizational culture reflects some of the latent styles of leadership behaviors in the organization (Smirisich, 2010). Different types of culture in the organization may influence management and leadership styles differently (Tesoi et al., 2010). Organizational culture refers to a system of shared inference of organizational members to the organization. Indeed, it is the main characteristic that differentiates two different organizations (Robbins, 1995). Organizational culture consists of two layers. The first layer (values and opinions) refers to the sensible symbols such as coverage, behavior, ceremonies, and rituals. The second layer is basic foundation of culture which includes all fundamental values, prerequisites, opinions, mental processes, and organizational groups. Roughly speaking, norms, tradition, rituals, and prerequisites are the main constructive factors of organizational culture (Zomorodian, 1995). Efficient manpower is attended by organizations and institutes because of its valuableness. Employment of manpower requires capable leaders and utilization of effective leadership styles so that they can develop favorable organizational culture (Salimi et al., 2010). Broadly speaking, organizational culture refers to the identity and quality of the actions which organizations do for achieving their missions. During past decades, organizational world faces many changes in different areas. Handling with different challenges requires appropriate style of performance measurement so that improvement in different areas can be achieved (tavallaei, 2007). Performance is defined as evaluation of behavior and activities of an employee in achieving organizational goals (Bersen and Linin, 2010). Behavioral performance includes activities and strategies which employees and leaders utilize for achieving their job responsibilities. Behavioral performance, also, refers to the quality of employees' activities (Jaroski et al., 1991). Efficient manpower is attended by organizations and institutes because of its valuableness (Salimi et al., 2010).

So, the following hypotheses can be developed based on the literature review.
1. Leadership Types influences Organization Culture significantly.
2. Leadership Types influences Employees Performance significantly.
3. Organization Culture influences Employees Performance significantly.
4. Leadership Types influences Leadership Performance significantly.
5. Organization Culture influences Leadership Performance significantly.

6. Employees Performance influences Leadership Performance significantly.

3.Conceptual model of study

The conceptual model of this study has been presented in figure 1. The research hypotheses have been indicated in the relationships between research variables.
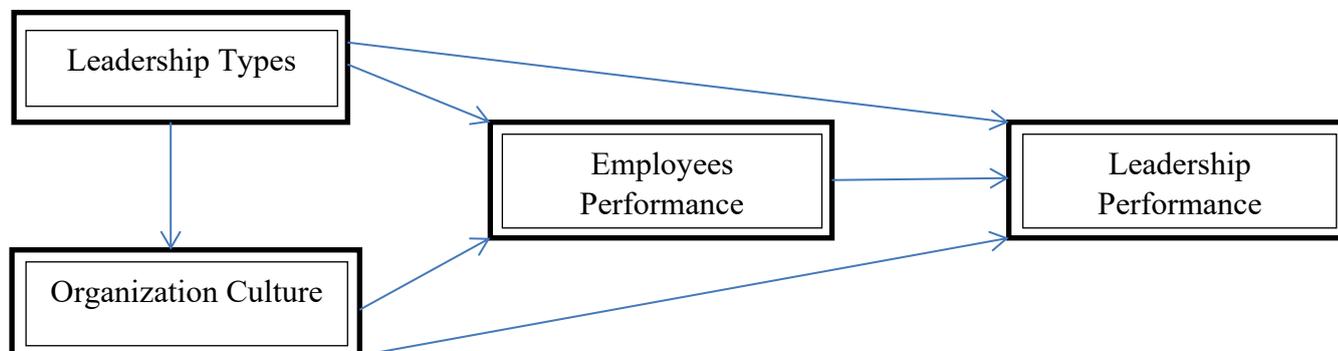

Fig2: The conceptual model of study

4.Research methodology

4-1.Research method

This study is a descriptive research from purpose view. The reason is that the authors only describe the existing conditions (Hafeznia, 2008). This study is also a practical research. The practical study is used for finding solution for research questions. Also this study is a correlation research. The correlation studies are determined to examine the relationship between research variables. Also the purpose of such studies is to evaluate the correlation between variables that have relationship with another variable (Khaki, 2010). There are several types of descriptive studies that the survey has been used in this study. Indeed, the surveys are determined to predict and analyze the relationship between variables. In summary, it can be said that this study is a survey-correlation research. Also it is should be remembered that this study has a case study approach.

4-2.Statistical population and sample

Due to limited size of study's sample, 230 samples including males and females employees of public hospitals in Isfahan were selected using simple random sampling method. For identifying the sample size a primary study with 30 samples carried out. By calculating standard deviation and putting this value in the Cochran's limited sample size formula the appropriate sample size was achieved.

$$ n = \frac{Z^2_{\frac{\alpha}{2}} . \sigma^2}{d^2} $$

n: desired sample size, α: level of significance (5%), d: standard error (5%), σ^2: variance of statistical sample and N size of sample. After estimation of standard deviation primary sample

4-3.Data-collection method

The authors use questionnaire for collecting the data in field study and also review method in the library studies. In order to examine and confirm validity of the questionnaire, face validity has been used. Also Cronbachs' Alpha coefficient has been employed for examining and confirming reliability of the questionnaire. The questionnaire has been developed based on Likert five-point scale.

5.Reliability and validity of questionnaire
5-1.Validity of the questionnaire

Validity refers to this fact that the measurement instrument can measure the main variable and characteristic (Khaki, 2008). Assuring trust of the questionnaire is a technical thing, but validity is more than a technique (Homan, 1994). There are three types of validity including face, content, and construct validity. Face validity is a primary measure and is less important than content validity. On the other hand, it is should be remembered that validity refers to the degree in which the instrument can measure a concept precisely (Khaki, 2008). In face validity, the researcher seeks to examine that whether instrument measures the main concept of research or not. This is why that face validity has been employed in this study and then the authors seek to ensure that whether the questionnaire is developed based on the literature review.

5-2.Reliability of the questionnaire

Reliability of a questionnaire refers to its trust, predictability, and precise. The authors of this study used internal consistency for measuring reliability of data. Cronbachs' Alpha Coefficient is the most important measure of internal consistency that refers to the degree in which the questions of the questionnaire measure the variable or characteristic (Zohori, 2008). It is should be noted that Cronbachs' Alpha Coefficient cannot show the errors that are created through external factors such as difference in the test positions and differences in the respondents' responses during time and only examines the internal measures. This coefficient has been calculated through SPSS. This coefficient has been calculated based on 30 primary responses. This coefficient was 0.89 for 30 questionnaires and was 0.90 for 230 questionnaires.

Table 1:pre test Cronbach's Alpha

Cronbach's Alpha	N of Items
0.891	40

Because the minimum acceptable level of reliability is 0.70, it can be said that the questionnaire of this study has desirable reliability. Also this coefficient was calculated individually for each of research variables. These findings have been indicated in table 2.

Table 2: scale, frequency of the questions, Cronbachs' Alpha coefficient, and resources of the questions

Variables	Scale type	Number of questions	Cronbachs' Alpha coefficient	Resources
Leadership Types	Likert five-point	10	0.90	[Yuan & Lee., 2011]
Organization Culture	Likert five-point	15	0.83	[Yuan & Lee., 2011]
Employees Performance	Likert five-point	6	0.85	[Ulh-Bien & marion,2009]
Leadership Performance	Likert five-point	9	0.84	[Ulh-Bien & marion,2009]

6.Data analysis

In order to analyze the research data, disruptive and inferential statistical have been used. In order to examine the demographic characteristics of the respondents, five questions have been used. The results of the descriptive test indicated that21% of the respondents were male and 79% of them were female. These results indicated that most of the respondents were female in Isfahan hospital. Also the results of this section revealed that about 33% of the respondents had less than 30 years old. Also the results revealed that 47% of the respondents had M.Sc.. 30% of them had job experience of 16-20years. These results have been indicated in table 3.

Table 3:
the respondents' demographic characteristics

percent	Distribution	Variables	percent	Distribution	Variables
11.7	Less than M.Sc.	Educational levels	21.7	Male	Sex
47.4	M.Sc.		78.3	Female	
23	M.A.				
17.8	P.H.D				
14.8	Less than 5 years	Job experiences	32.6	Less than 30 years	Age
26.5	6-10 years		33.5	30-39 years	
28.3	11-15 years		25.2	40-49 years	
30.4	16-20 years		8.7	More than 50 years	

Also inferential statistics have been used for testing the research hypotheses. In order to this, confirmatory factor analysis, path analysis, and structural equation modeling have been used. For this purpose, the SPSS and Amos have been used.

Table 4:
the goodness of fit indexes for structural equation modeling

main model	index	kind of fit index
10	NPAR	
0	DF	
---	P (More than 0.05)	
0	CMIN (Chi Square)	
000	AGFI (More than 0.9)	Unconditional
1	GFI (More than 0.9)	
---	(More than 0.9)TLI	
1	(More than 0.9) NFI	Comparative
1	CFI (More than 0.9)	
0	PNFI (More than 0. 5)	
0	PCFI(More than 0.05)	
0.000	RMSEA (Less than0.08)	Thrifty
---	CMIN/DF(Less than 5)	

7.Structural model

 It is necessary to attend the relationship between talent variables in the structural models. In such models, the existing relationship between talent variables that are derived based on the theory can be explained through collected data from sample members. In the structural equation models, the hypotheses can be tested through path analysis. The RMSEA is less than 0.08 that us acceptable. Therefore, it can be said that the predicted parameters are reliable in the model and so the hypotheses test can be done. In order to use Amos, it is should be remembered thatγ refers to theeffects of external variables on the internal variables and the βrefers to the effects of internal variables on each other. In order to examine significance of β and γ, it is necessary to examine t-value of every path.
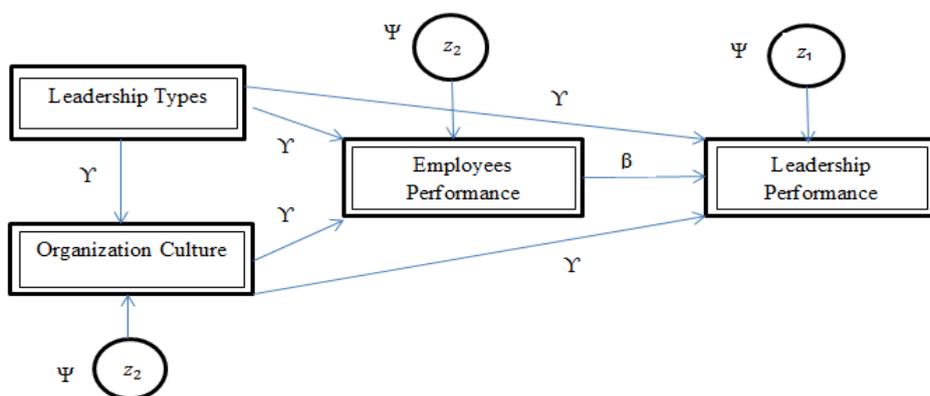

Figure 2: the effects of internal and external variables

Figure 3: the model of study (path analysis model)

The coefficient of path can be examined through P-value. If the value is less than 0.05, the coefficients are acceptable and vice versa. Therefore, it can be said that all of the research hypotheses are confirmed. The results of examining direct and indirect effects of independent variables on dependent variable have been indicated in table 5.

Table 5:

The results of hypothesis test

	Secondary hypotheses	Standard coefficient	Standard error	Critical ratio	p-value	Result
O-C ← L-T	H1	0.809	0.038	20.794	***	Is confirmed
E-P ← L-T	H2	0.243	0.067	3.484	***	Is confirmed
E-P ← O-C	H3	0.575	0.069	8.256	***	Is confirmed
L-P ← L-T	H4	0.268	0.067	3.484	***	Is confirmed
L-P ← O-C	H5	0.323	0.077	3.786	***	Is confirmed
L-P ← E-P	H6	0.219	0.064	3.085	0.002	Is confirmed
*** P is less than 0.001						

Table 6:
total, direct, and indirect effects

Dependent variable	Independent Variable	Direct effect	Indirect effect	Total effect
Leadership Performance	Leadership Types	0.27	0.24*0.22	0.32
	Organization Culture	0.32	0.58*0.22	0.45
	Employees Performance	0.22	_	0.22
Employees Performance	Leadership Types	0.24	_	0.24
	Organization Culture	0.58	_	0.58
Organization Culture	Leadership Types	0.81	-	0.81

8.Discussion and conclusion

The results of this study reveal that employee performance influences leader performance positively (β= 0.22). Also the results show that leadership styles influence employee performance positively (β= 0.24). Since leadership is one of the main motivators of organizational performance, pioneer managers make fundamental decisions. This part of our findings is supported by Namanich and Keller. The results of structural equation modeling show a significant positive relationship between organizational culture and leadership performance (γ= 0.58). Leadership styles influence leader performance positively (γ= 0.27). Another part of our findings reveal that organizational culture influences employee performance significantly (γ= 0.58). The results of this part of study are supported by Yan and Lee (2011). Confirmation of the relationship between leadership styles and organizational culture (γ= 0.81) indicated that selecting an appropriate leadership style by an organization or institute plays an important role in establishment of favorable organizational culture.

9.Limitations of study and future studies suggestions

Each study has several limitations that some of them exist in beginning of study. Also every comprehensive study has several limitations and difficulties that these prevent from generalizing its results to other cases. Recognizing these limitations paves the grounds for interpreting its results and promoting quality level of the future studies. There are several limitations in this study that some of these have been presented in the following sections. The difficulties that the researcher facing in communicating employees , employees' sensitivity toward questionnaire, and inappropriate organizational culture are the main limitations of this study. Undoubtedly, the main limitation of every study is that the authors cannot generalize the results of the study to other cases. Such a limitation exists in this study and the authors cannot generalize its results and findings to other cases. Also this study has been done in an especial area of Iran in the city of Isfahan and thereby its results cannot be generalized to other cities of Iran. Another limitation of this study is that there are other factors that influence leadership and employee performance beside the factors that have been considered in this study. Therefore, it is suggested that the future authors identify and examine these factors. If the future authors can examine different dimensions of leadership and employee performance individually, its results will be attractive.

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