TRANSFORMATIONAL LEADERSHIP AND JOB PERFORMANCE: THE ROLE OF ORGANIZATIONAL IDENTIFICATION

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ABSTRACT

While the link between transformational leadership and follower job performance has been established, the individual-level mechanisms underlying this relationship remain unclear. In this study, we investigate the salience of the mediating role of organizational identification in explaining the process by which transformational leaders elicit higher performance among followers. Based on social identity theory, we argue that transformational leadership positively affects the job performance of the employees who report to them as those feel a stronger emotional bond to their organization.

We collected data in three phases from 252 supervisor-subordinate dyads in a Chinese manufacturing company located in Zhejiang Province. Using confirmatory factor analysis and structural equation modelling, our study shows that transformational leadership has a positive influence on organizational identification and employee performance. Furthermore, organizational identification was found to partially mediate the relationship between transformational leadership and employee performance. Our findings provide evidence that transformational leadership can elicit the same positive behavioural responses in Chinese employees as it does in previously studied Western contexts. By analysing organizational identification as an intervening mechanism, we provide a more nuanced understanding of the processes by which transformational leaders influences the job performance of followers in Asia.

Keywords: Transformational Leadership, Organizational Identification, Performance, China

INTRODUCTION

In the past decades, the impact of transformational leadership behaviour on follower performance has received significant attention (Judge & Piccolo, 2004; Wang, Oh, Courtright, & Colbert, 2011; Yang, Zhang, & Tsui, 2010). While the link between transformational leadership and follower job performance has been established, the individual-level mechanisms underlying this relationship remain unclear. Originally conceived by Burns (1978), transformational leadership motivates followers to put the needs of the organization above their own and increases follower performance through improved goal orientation. Bass (1985) proposed that transformational leadership consists of four basic inter-related behaviours: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. In this study, we investigate the salience of the mediating effect of organizational identification in explaining the process by which transformational leaders elicit higher performance among followers.

Organizational identification refers to the psychological bond that ties an employee to his or her organization (Smale *et al.,* 2015). The significance of organizational identification for both the entire organization and its individual members has long been recognized (Brown, 1969; Ashforth & Mael, 1989; Simon, 1997[1947]). Organizational identification has been positively associated with a number of positive work outcomes, such as job satisfaction, job involvement, organizational loyalty, work group attachment, and cooperative behaviours and negatively related to the intention to leave the organization (Adler & Adler, 1988; Dutton, Dukerich, & Harqauil, 1994; Elsbach, 1999; Jones & Volpe, 2010; O'Reilly & Chatman,

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1986; Riketta, 2005; Rousseau, 1998; Van Dick, 2001). However, much of the previous research on organizational identification has been conducted in Western contexts. Organizational identification is particularly relevant in transforming Asia, where employee loyalty is increasingly difficult to establish due to a rapidly changing task environment and the continuous restructuring of its organizations.

Our study utilizes social identity theory to examine the mediating role of organizational identification in the relationship between transformational leadership and task performance (Ashforth & Mael, 1989; Elsbach, 1999; Kramer, 1991). Social identity theory asserts that employees define themselves based on their group memberships (Tajfel 1978). For employees with high levels of organizational identification, congruence exists between their values and those of the organization. The employees are linked to the organization cognitively and emotionally and they consider organizational membership important to their self-definition (Zavyalova, Pfarrer, Reger, & Hubbard, 2016). As a consequence, such individuals are less likely to maximize their self-interest at the expense of the organization (Lange, Boivie, & Westphal, 2015).

In spite of the plethora of research on organizational identification, limited work has examined its role within the context of transformational leadership. Hence, it remains unclear how the organizational identification of employees impacts their behavioural responses towards transformational leadership. The present study aims to close this research gap by: 1) reviewing the effect of transformational leadership on employee performance, 2) analysing the relationship between transformational leadership and organizational identification, 3) studying the effect of organizational identification on employee performance and 4) analysing the mediating role of organizational identification in the relationship between

transformational leadership and employee performance. To test our hypotheses, we collected multi-source data in three phases from 252 supervisor-subordinate dyads in a Chinese textile manufacturing company located in Zhejiang Province, one of China's richest and most entrepreneurial areas.

This chapter is structured as follows: we first review the literature on transformational leadership and organizational identification before developing our hypotheses. We then explain how the data were collected and analysed, and present our findings. Finally, we discuss our results and their implications before making suggestions for further research.

LITERATURE REVIEW

Transformational Leadership

Originally conceived by Burns (1978) in his study on political leaders, transformational leadership has emerged as arguably the dominant leadership concept of the past decades (Banks, McCualey, Gardner, & Guler, 2016; Mhatre & Riggio, 2014). Deng Xiaoping, Lee Kwan Yew, Nelson Mandela, Steve Jobs, and Jack Welch are classic examples of transformational leaders. They are change agents who created, communicated, modelled and implemented a shared vision for their countries and firms.

Bass (1985) distinguished transformational leadership from transactional leadership. The latter is based on a rational exchange process in which followers comply with leader requests to secure rewards and avoid punishment. This is a "carrot-and-stick" approach in which a leader engages in management-by-exception in case an employee makes a mistake or some unforeseen event arises and provides contingent rewards for adequate performance. While not necessarily ineffective (Judge & Piccolo, 2004), the transactional leadership style fails to

generate enthusiasm and trust, admiration and respect for the leaders, which are all features of transformational leadership (Yukl, 2013). Bass (1985) suggested that transformational leaders appeal to the higher-order needs of followers and exhibit four primary behaviours: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. These four dimensions, collectively often referred to as the "four I's", transform followers, and, as a consequence, their organization.

Idealized influence means that transformational leaders act as role models who gain respect, trust and admiration from followers by setting high moral standards, and by demonstrating ethical behaviour (Wang *et al.*, 2011). Modelling means that a leader's words and actions are consistent and that they exemplify the behaviours they want to see in others (Schwarz, Newman, Cooper, & Eva, 2016).

Inspirational motivation refers to the degree to which leaders develop and articulate a shared vision that fosters enthusiasm and is inspiring and energizing to followers (Shamir, House, & Arthur, 1993). A compelling vision is a crucial part of transformational leadership. A vision is an idealized future state that is more appealing than maintaining the status quo. A shared vision has a unifying component, as it allows people from various organizational departments to contribute and be part of something bigger and worthwhile.

Intellectual stimulation encourages followers to apply creative and innovative thinking and novel methods to solve work problems. Transformational leaders challenge long-standing assumptions and norms, support a learning orientation and ask followers to look at problems from different angles (Wang *et al.*, 2011). They encourage experimentation so that followers discover practices and processes that are more consistent with the desired vision. By doing so, transformational leaders involve followers and turn change into a collective activity.

Finally, individualized consideration means that leaders coach and mentor followers depending on their particular needs so that they can achieve their full potential. Transformational leaders treat their followers as unique individuals who have specific developmental needs, abilities and aspirations, all of whom can contribute to the change process and to turning the vision into reality (Bass & Stogdill, 1990).

Other researchers have developed Bass's (1985) classic four-dimensional framework of transformational leadership. Podsakoff, Mackenzie, Moorman, and Fetter (1990) suggested that transformational leadership encompasses six behaviours, i.e., identifying and articulating a vision, providing an appropriate model, fostering the acceptance of group goals, high performance expectations, providing individualised support to staff and intellectual stimulation. Building on Podsakoff *et al.*'s (1990) work but distinguishing between the behaviours of providing support to staff and encouraging individual development and subtituting charisma—the Greek word for divinely inspired gift—for high performance expectations, Careless, Wearing, and Mann (2000) identified the following seven transformational leadership behaviours: 1) communicates a vision, 2) develops staff, 3) provides support, 4) empowers staff, 5) is innovative, 6) leads by example, and 7) is charismatic.

Organizational Identification

Nobel laureate Herbert Simon (1997[1947]) was amongst the first scholars to draw attention to the concept of organizational identification, which he considered an "emotional tie" between the individual and the organization. Simon noted that "a person identifies himself with a group when, in making a decision, he evaluates the several alternatives of choice in terms of their consequences for the specified group" (1997[1947], p. 284). He also pointed

out that attachment to the organization is based on certain incentives that link an individual to an organization, for example, salary, prestige, friendship and future opportunities that the organization may offer (March & Simon, 1957).

Despite this promising beginning, only a few studies focused on organizational identification in the next decades. Patchen (1970), for example, conceptualized organizational identification as consisting of the following elements: a perception of shared interests and goals with other organizational members, a feeling of solidarity that generates a sense of belongingness to the organization; and support for and defence of the organizational goals and policies. Lee (1969, 1971) added taking pride in the organizational tenure and fulfilment of personal needs as sub-components of organizational identification.

More recently, there has been a surge in organizational identification research, particularly following Ashforth and Mael's seminal work that defined organizational identification as the "perceptions of oneness with or belongingness to" the organization (Ashforth & Mael, 1989, p. 21). This definition is based on social identity theory (Elsbach, 1999; Kramer, 1991). Tajfel (1978, p. 63) defined social identity as "that part of an individual's self-concept which derives from his knowledge of his membership of a social group (or groups) together with the value and emotional significance attached to that membership." Identification can have multiple and potentially overlapping foci, for example, the team, department, or business unit (Horstmeier, Boer, Homan, & Voelpel, 2016). Organizational identification is a form of identification, in which individuals classify themselves into a particular social category as members of the organization (Ashforth, Harrison, & Corley, 2008). This classification allows individuals to bring order to their social environment and locate themselves and others in it (Mael & Ashforth 1992), for example by distinguishing between ingroup and outgroup

(Ashmore, Deaux, & McLaughlin-Volpe, 2004; Brewer & Gardner, 1996). Social identity theory argues that individuals link organizational membership to their self-concept and self-esteem (Riketta, 2005) and that the main motive for group membership is self-enhancement (Elstak, Bhatt, Van Riel, Pratt, & Berens, 2015). Individuals identify with organizations to see themselves in a positive light, for example because the prestige associated with an organization allows them to think of themselves more highly and perceive themselves as a worthwhile person (Fuller *et al.*, 2006; Jones and Volpe, 2010).

Organizational identification has a conceptual overlap with other constructs that measure psychological attachment, particularly with the affective component of organizational commitment (Edwards, 2005). This is evident in the definition of affective commitment as "the employee's emotional attachment to, identification with, and involvement in the organization" (Meyer & Allen, 1991, p. 67). However, Pratt (1998, p. 178) noted that the constructs are different, as "identification explains the individual-organization relationship in terms of an individual's self-concept, [while] organizational commitment does not." Moreover, Ng (2015) found meta-analytical evidence for the distinctiveness and incremental validity of organizational identification and organizational commitment.

HYPOTHESES DEVELOPMENT

Individual-level job performance has been differentiated into in-role performance (i.e., task performance that is stipulated in the job description) and extra-role performance (i.e., organizational citizenship behaviour that is not explicitly required by one's job). That transformational leadership is positively related to follower task performance has been assumed right from the outset. Bass's (1985) original book about transformational leadership

is titled "Leadership and performance beyond expectations". His "four I's", described above, are regarded as transformational as they turn employees into high performers.

Transformational leaders motivate followers to exert more effort on behalf of the organization by explaining how their respective tasks contribute to turning the shared vision into reality (Wang *et al.*, 2011). Followers, hence, become more intrinsically motivated to perform at higher levels as they view their task outcomes as more meaningful and significant (Bono & Judge, 2003). Transformational leaders set high standards and instil in their followers the confidence that they can achieve their goals (Shamir *et al.*, 1993). This increased self-efficacy positively affects performance (Bandura, 1997). Moreover, through 'individualized consideration' behaviour, transformational leaders attend to the needs of their followers and provide them with the support and coaching necessary to accomplish their task (Howell & Hall-Merenda, 1999). Finally, through 'intellectual stimulation', transformational leaders may elicit higher levels of employee creativity and innovation that may result in higher follower performance improvements (Jung, Chow, & Wu, 2003).

Findings from several empirical studies indeed suggest that transformational leadership enhances employee performance (Barling, Weber, & Kelloway, 1996; Bono & Judge, 2003; Koh, Steers, & Terborg, 1995; Kovjanic, Schuh, & Jonas, 2013). Recent meta-analytic work by Wang *et al.,* (2011) found that transformational leadership had a positive relationship with follower task performance. In the Chinese context, Yang *et al.* (2010) find that transformational leaders significantly affect the performance of front-line workers in three different Chinese organizations. Thus:

> *Hypothesis* 1: Transformational leadership is positively related to employee performance.

Chester Barnard (1938) noted nearly 80 years ago that 'coalescence' between the individual and organization increases an individual\s conviction and willingness to devote increased effort to the organization. Organizational identification has also been linked to employee performance in more recent research (Liu, Loi, & Lam, 2011; Walumbwa, Avolio, & Zhu, 2008). There are several reasons to expect a positive relationship between the two variables. Firstly, as employees' beliefs about their organization become self-defining, employees with strong organizational identification can be expected to be more willing to serve the interests of the organization as well as they can (Carmeli, Gilat, & Waldman, 2007). As personal and organizational values and goals become increasingly congruent, employees with higher levels of organizational identification can be expected to work harder to continue to partake in organizational successes and avoid organizational failures. Working on behalf of the organization hence becomes akin to working on behalf of themselves (Ashforth *et al.,* 2008). In addition, organizational identification can create a strong sense of belonging among employees, which possibly encourages individuals to contribute their best for high team performance (Simon, 1997[1947]; Tyler, 1999). Hence:

Hypothesis 2:   Organizational identification is positively related to employee performance

There are several theoretical reasons to expect a positive relationship between transformational leadership and organizational identification (Epitropaki & Martin, 2005). Transformational leadership promotes organizational justice (Zhu, Sosik, Riggio, & Yang, 2012), contribution to the group (Shamir, Zakay, Breinin, & Popper, 1998), and fosters pride of being a group member (Zhu *et al.*, 2012). Transformational leaders create a sense of belonging to a larger group and a feeling of being part of something bigger (Deaux, Reid, Mizrahi, & Cotting, 1999). Through the process of organizational identification, employees

share organizational successes and failures and become psychologically intertwined with the fate of the organization (Mael & Ashforth, 1992; Tolman, 1943).

One point that transformational leadership and organizational identification have in common is that both constructs emphasize emotional aspects. Tajfel (1978, p. 63) argued that social identity does not only require cognitive identification but also demands the "emotional significance" of group membership and that the process of attachment and belonging is emotionally laden (Edwards, 2005). Harquail (1998, p. 225) noted that identification "engages more than our cognitive self-categorization and our brains, it engages our hearts." Affect hence reinforces identification. Transformational leaders frequently utilize affect and emotions to appeal to the hearts of their followers (Yukl, 2013). They express positive emotions more frequently to enthuse followers through an "emotional contagion process" (Barsade, 2002, p. 647) that activates their higher-order needs and makes them more aware of the importance of their task outcomes.

Moreover, individuals are likely to feel that their organization can offer greater future opportunities and development prospects because transformational leaders pay more attention to developing employees' full potential (Moriano, Molero, Topa, & Mangin, 2011). Thus:

> *Hypothesis 3*: Transformational leadership is positively related to organizational identification.

Shamir *et al.* (1993) suggested that organizational identification serves as a mediator of leadership and performance. Moreover, Wang, Law, Hackett, Wang, and Chen (2005) stated that the relationship between transformational leadership and employee performance is a process of social identification. This view stresses the personal meaning and value of work,

as individual efforts will be treated as contributing to greater common interests. Transformational leaders encourage employees to give up their self-interest for the benefit of the organization (Humphrey, 2012). Riketta (2005) noted that individuals with high levels of organizational identification link organizational membership to their self-concept. Hence, they should exert greater effort to work towards organizational goals to enhance their self-concept, resulting in higher job performance. Thus:

Hypothesis 4: Organizational identification mediates the positive relationship between transformational leadership and employee performance.

Our research model is depicted in Figure 1:

FIGURE 1 ABOUT HERE

RESEARCH METHODOLOGY

Sample and Procedures

A total of 252 supervisor-subordinate dyads from 24 teams within a Chinese textile manufacturing company producing polyamide fibre participated in our study. The company has revenues of more than one billion RMB and is located in Zhejiang Province. Prior to their distribution, a back-translation procedure (Brislin, 1993) was followed to assure that the questionnaires were adequately translated from English into Chinese. To minimize the risk of social desirability response bias, all participants were assured that their responses are completely confidential.

To reduce common method variance (Podsakoff, MacKenzie, & Podsakoff, 2012), we collected data from two sources (i.e., subordinates and their immediate supervisor) and at

three time intervals in 2014. At time 1, subordinates rated the transformational leadership style of their subordinates and provided demographic information. At time 2, two weeks later, they rated their organizational identification. A further two weeks later, at time 3, the supervisors evaluated the job performance of their subordinates. On average, a supervisor rated 10.5 subordinates. Approximately three quarters of the subordinates were male, their mean age was 29.3 years, and 92.5% held non-management positions. On average, they had worked for this organization for three years. The overall response rate was 88.4%.

Measures

Transformational leadership. Transformational leadership was measured using a seven-item scale created by Carless *et al.* (2000). Subordinates were asked to report the leadership behaviour of their direct supervisor on a five-point Likert scale. Sample items included 'My supervisor communicates a clear and positive vision of the future' and 'My supervisor encourages thinking about problems in new ways and questions assumptions'. The Cronbach's Alpha for this scale was 0.852.

Organizational identification. A six-item scale taken from Mael and Ashforth (1992) was used to measure organizational identification. Subordinates were required to rate the extent to which they identified with their organization on five-point Likert scales. Sample items included 'When someone praises my organization, it feels like a personal compliment' and 'When I talk about my organization, I usually say "we" rather than "they". The Cronbach's Alpha for this scale was 0.810.

Employee performance. Employee performance was measured using the three-item scale developed by Heilman, Block, and Lucas (1992). Supervisors were asked to rate each of their subordinate's performance individually on five-point Likert scales. The sample items were

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'He/she is very competent', 'He/she gets his/her work done very effectively' and 'He/she performed his/her job well'. The Cronbach's Alpha for this scale was 0.815.

Control variables. In this study, five control variables were included: gender, tenure in organization, tenure with supervisor, age and position.

FINDINGS

The mean, standard deviations, correlation, and reliability coefficients of all study variables are reported in Table 1.

TABLE 1 ABOUT HERE

We first conducted a confirmatory factor analysis using AMOS 22 to establish the discriminant validity between our study variables. Table 2 shows the properties of our hypothesized three-factor model (i.e., transformational leadership, organizational identification, and employee performance) in comparison to a one-factor model. With a RMSEA below the 0.05 level and with IFI and CFI levels above the 0.9 thresholds that indicate a good fit, our hypothesized model yielded an acceptable fit to the data (Tabachnik & Fidell, 2011).

TABLE 2 ABOUT HERE

This study tested the hypotheses using a structural equation model in AMOS 22. Table 3 lists the standardized regression coefficients for all the paths hypothesized in the model, with all of them having a significant positive relationship. The standard estimate of the path from transformational leadership to employee performance is 0.317. This is significant at the $p <$

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0.001 level, offering support for hypothesis 1, that transformational leadership is positively related to employee performance. The second path from organizational identification to employee performance tested hypothesis 2. The standard estimate of path from organizational identification to employee performance is 0.591. This is significant at the $p < 0.001$ level, offering support for hypothesis 2, that transformational leadership is positively related to employee performance. The third path from transformational leadership to organizational identification tested hypothesis 3. The standard estimate of path from transformational leadership to organizational identification is 0.499. This is also significant at the $p < 0.001$ level, offering support for hypothesis 3, that transformational leadership is positively related to organizational identification.

TABLE 3 ABOUT HERE

Finally, we found that organizational identification partially mediates the positive relationship between transformational leadership and employee performance. As shown in Table 4, the mediation effect of organizational identification (0.295) is less than the direct effect of transformational leadership (0.317).

TABLE 4 ABOUT HERE

DISCUSSION AND IMPLICATION

The first finding of our study is that transformational leadership has a positive effect on employee performance, i.e., a higher level of transformational leadership behaviour increases employee task performance. We also found a positive relationship between organizational

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identification and employee performance. Our results show that individuals who identify with their working organization are more likely to achieve a higher level of performance. The third finding of this study is that transformational leadership has a positive effect on organizational identification. Our study also shows that organizational identification is the mechanism by which transformational leaders engenders higher performance. Transformational leaders offer meaningful and challenging visions to followers and enhance followers' feelings of respect and influence. All these positive elements can help employees increase their sense of pride in their working organization, which subsequently enhances their identification with their organization (Riketta, 2005).

While there is evidence for the support of the universal relevance of transformational leadership (Bass, 1997; Muttenjohn & Armstrong, 2007), this does not imply that transformational leadership is equally effective in all situations (Yukl, 2013). In Asian societies that are characterized by high power distance and high in-group collectivism, such as in China, there is usually a high respect for seniority (Miao, Newman, Schwarz, & Xu, 2013). This may make transformational leaders even more relevant for the generation of organizational identification than in Western societies, as leaders are expected to provide direction and followers are expected to follow directions (Jung & Avolio, 1999). One reason that may explain why transformational leadership elicits higher employee performance in collectivist and relationship-based Asian cultures may be that transformational leaders focus on developing the collective identity of their followers and emphasize the need to achieve group goals.

Another reason for the importance of organizational identification is that many organizations in transforming Asia face a turbulent operating environment. Karl Weick (1995) pointed out

that humans are meaning seekers who identify with collectives to reduce the uncertainty that is inherent in a rapidly changing environment. In many emerging economies in Asia familiar environments change and employees feel a strong need to identify with their organization to create a sense of order in their life (Elstak *et al.,* 2015; Waldman, Ramirez, House, & Puranam, 2001). At the same time, in many Asian countries, such as Japan and Korea, frequent job transitions replace lifelong employment. As individual-organization relationships become more tenuous, the importance of some sort of work-based identification is increasing even more to satisfy the basic human needs for safety, affiliation and belonging (Ashforth, *et al.,* 2008; Van Dick, 2001).

Our results have significant practical relevance. To foster higher levels of organizational identification in employees and engender higher levels of job performance, organizations should consider identifying and promoting transformational leaders. Applicants can be screened through personality questionnaires to test their propensity for transformational leadership. Vignettes may also be utilized to evaluate how applicants react to different scenarios that require leadership skills.

In order to fully benefit from the increased employee performance, organizations should consider the development of training programs that assure that supervisors exhibit transformational leadership characteristics. Hence, supervisors need to be trained to establish and communicate an inspiring vision and to act as role models who can thereby gain respect and trust, and instil a sense of pride in their subordinates to work for this organization. Moreover, they need to learn how to intellectually stimulate their followers and to set high standards and expectations that motivate their employees to achieve higher levels of performance (Bass, 1985). Testing leadership behaviours before and after training sessions

and using control groups consisting of supervisors who have not yet been trained can help verify whether the training programmes augment transformational leadership skills and, ultimately, the job performance of their employees (Schwarz *et al*., 2016).

An important implication of our study is that organizations should pay more attention to followers' needs in order to enhance their identification with their organization, as this will ultimately translate into higher in-role performance. For example, organizations can provide more learning opportunities for employees and provide them with more discretion. Organizations can establish clear career plans for individual employees and help them to identify suitable positions inside the organization based on their expertise and background. Moreover, transformational leaders should coach and mentor followers and celebrate their individual contributions to the organization.

Limitations and Suggestions for Future Research

This study comes with several limitations that should be considered when interpreting its results. First, our data comes from a single organization in China. Hence, its generalizability to other organizations in Asia may be brought into question. To determine the generalizability of our findings, similar studies should be conducted in other countries and industries. Second, to strengthen causal inferences, future research may adopt a within-subject longitudinal approach to capture how the study variables develop over a longer time horizon.

Recent meta-analytic work suggests that transformational leadership is even more positively related to organizational citizenship behaviour (Wang *et al.*, 2011). While the focus of our study was on in-role performance, further research may examine whether OI also mediates

the relationship between transformational leadership and extra-role performance (Newman, Schwarz, Cooper, & Sendjaya, 2015).

We have implied that it is positive that transformational leaders engender higher levels of organizational identification due to its performance enhancing effects. Future research may also analyse the problems arising from over-identification (Dukerich, Kramer, & McLean Parks, 1998; Galvin, Lange, & Ashforth, 2015). Individuals who strongly identify with their organization may, for example, be more likely to behave unethically on behalf of the organization and violate ethical societal standards and norms. Hence, future research may analyse how it can be avoided that transformational leaders elicit organizational identification that generates unethical pro-organizational behaviour (Umphress, Bingham, & Mitchell, 2010).

CONCLUSION

Social identity theory ties the individual's self-concept to a collective and suggests that identification consists of both a cognitive and an affective element. Transformational leaders appeal to both the head and heart of their followers and help them to build and maintain an emotionally satisfying relationship with the organization.

Utilizing multi-source and multi-level data from a Chinese manufacturing company, our study demonstrates that transformational leadership has a positive effect on organizational identification and employee performance, and organizational identification has a positive influence on employee performance. Furthermore, organizational identification partially mediates the relationship between transformational leadership and employee performance. By analysing organizational identification as an intervening mechanism, we provide a more

nuanced understanding of the processes by which transformational leaders influences the job

performance of followers in the Asian context.

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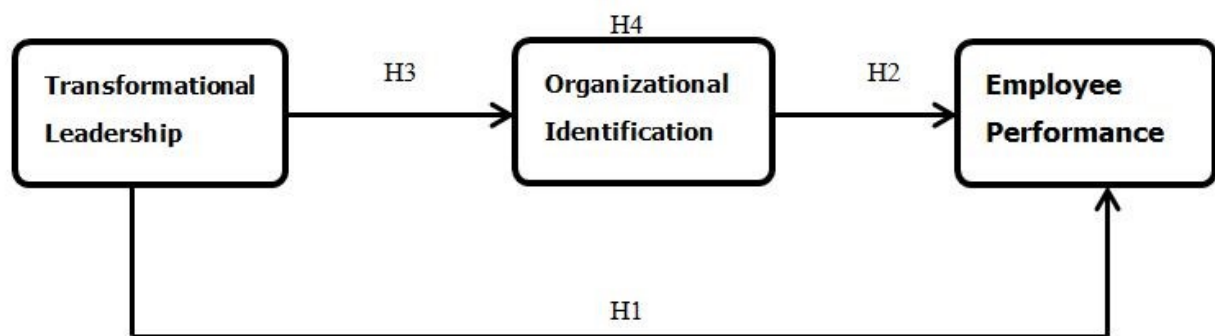
Figure 1. Research model

Table 1. Descriptive statistics, reliability coefficients, and correlation

Variable	Mean	SD	1	2	3	4	5	6	7	8
1.Gender	0.25	0.432								
2.Tenure in organization	1.65	0.702	-0.107							
3.Tenure with supervisor	1.43	0.624	-0.219**	0.750**						
4.Age	29.30	7.494	-0.001	0.483**	0.495**					
5.Position	0.08	0.265	-0.058	0.037	0.091	0.061				
6.Transformational leadership	3.68	0.768	-0.180**	0.236**	0.325**	0.171**	0.047	(0.852)		
7.Organizational identification	3.78	0.647	-0.025	0.106	0.148*	0.061	-0.012	0.408**	(0.810)	
8.Employee performance	3.73	0.699	-0.147*	0.169**	0.216**	0.104	-0.011	0.513**	0.602**	(0.815)

Note: **: $p<0.01$; *:$p<0.05$; Cronbach's alpha listed in parenthesis.

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Table 2.   Confirmatory factor analysis results

Model	$\chi 2$	df	$\chi 2$/df	IFI	CFI	RMSEA
Three-factor model	133.707	99	1.351	0.977	0.977	0.037
One-factor model	498.105	104	4.789	0.737	0.734	0.123

Note: $\chi 2$ = Satorra-Bentler scaled chi-square; IFI = incremental fit index; CFI = comparative fit index; RMSEA = root-mean-square error of approximation.

Table 3.   Path analysis results

Path Description			Estimate	S.E.	C.R.	P	Standard Estimate
EP	←	TL	0.239	0.055	4.362	0.00	0.317
EP	←	OI	0.693	0.108	6.426	0.00	0.591
OI	←	TL	0.320	0.056	5.771	0.00	0.499

Note: EP = Employee Performance; OI = Organizational Identification; TL = Transformational Leadership.

Table 4.   Direct, indirect, and total effects

Path	Direct effect	Indirect effect	Total effect
OI ← TL	0.499	0.000	0.499
EP ← OI	0.591	0.000	0.591
EP ← TL	0.317	0.295	0.612

Note: EP = Employee Performance; OI = Organizational Identification; TL = Transformational Leadership.