

Leadership and Organizational Performance through Human Resource Strategies

Abdulrahman Alsughayir

Assistant Professor, Dean of Student Affairs
Al - Imam Muhammad ibn Saud Islamic University- Riyadh
Kingdom of Saudi Arabia, e-mail: aaalsughayir@yahoo.com

Abstract

Leadership style is a kind of method and ability that aims to realize organizational targets and affect all organizational activities. This quantitative study focused on various business domains in Saudi Arabia to examine how leadership styles are related to human resource strategies and organizational performance. The study adopted the self-administered survey methodology technique using a pre-validated pre-piloted questionnaire. Data were analyzed using structural equation modelling. A total of 269 questionnaires were returned with a response rate 93.3% based on a convenience method. Our survey found that the leadership style has a positive and direct relationship with organizational performance and an indirect relationship with human resource strategy as a mediator, while human resource strategies contribute positively and significantly to organizational performance. The findings are relevant for operating human resource management strategies and developing leadership style. In practice, the various leadership styles presented here can serve as a basis with which enterprises can implement various HRM strategies. An enterprise can use this information to promote recognition and devotion among its employees based on a range of strategies or leaderships, and then creates the overall organizational performance.

Introduction

In the modern competitive business world, organizations must adapt to meet their customers' needs. Organizations rely on their leaders to facilitate these changes and innovations. The degree to which an organization achieves its goals and objectives depends on its managers and their leadership styles. Managers who adopt appropriate leadership styles can impact productivity in a positive way. Studies have shown that an organization's performance is directly correlated to the leadership styles of its leaders.

There is a common belief that effective leadership positively influences organizational performance [1]. In the United States context, Behling and McFillen [2] confirmed a link between leadership and high performance by developing a model of charismatic/transformational leadership in which a leader's behavior can inspire and empower his or her subordinates to exert high effort and commitment and be willing to take risks. Furthermore, for many organizations, success may result from leadership's wisdom, technical capability and innovation, excellent quality or a distinguished reputation, all of which are "human-related". Therefore, since 1980, a company's human resource management (HRM) strategy has become an important issue [3].

While different studies have investigated the effect of leadership style and human resource (HR) strategy on organizational performance, most have been conducted in developed countries and only a few in less developed countries [4]. Nijssen et al. [5] questioned the validity of applying the findings from developed countries to smaller, less developed countries. The research findings from more developed countries are not necessarily applicable to organizations in less developed countries [4], which mean that great care must be taken when extending the findings of studies conducted in developed countries like the USA to countries such as Saudi Arabia. The principal objective of the study is to provide deeper insights into the relationships between leadership style and organizational performance in the context of Saudi Arabia.

Literature review

Leadership style

Mousavi et al. [6] defined leadership as the process by which a subordinate is influenced by being inspired to achieve a target, the group cooperates, and the established mission is accomplished, with support from external groups. Fry [7] defined leadership as the use of a strategy to inspire staff and enhance their potential for growth and development. Northouse [3] described leadership as a process by which an individual influences a group to achieve a common goal.

Stogdill [8] argued that leadership style is a kind of method and ability that aims to realize organizational targets and affect all organizational activities. According to Fiedler (1969), leadership style refers to a relationship by which someone makes a number of people work together for a common goal. Four main modern leadership style theories have been presented: (1) charismatic leadership, (2) transactional leadership, (3) transformational leadership, and (4) visionary leadership (3; 1). These styles were adopted as the dimensions of the leadership style in this study and are discussed below.

Transactional leadership and performance

This leadership style, which is based on bureaucratic authority and legitimacy within an organization, emphasizes work standards, task-oriented goals, and assignments. The main focus is on completing tasks and employee compliance, and organizational rewards and penalties help influence employee performance. According to Robbins [9], transactional leaders “guide or motivate their followers in the direction of established goals by clarifying role and tasks requirements.” Part of transactional leadership is an exchange process that leads to followers complying with their leader’s request, but is unlikely to generate enthusiasm and commitment to the task objective. Leaders focus on having internal actors perform the tasks that are required for the organization to reach its desired goals [10]. A transactional leader’s objectives are to ensure that internal actors clearly understand the path to goal attainment, to remove potential barriers within the system, and to motivate actors to achieve their goals [11]. Fry [7] found transactional leadership to be the primary factor behind organizational success at both levels the team and individual, and that such leadership behavior has a vital connection to group and individual performance factors.

Transformational Leadership and Performance

Transformational differs from transactional leadership in the way that individuals are motivated. The behavior of a transformational leader originates from his or her personal values and beliefs and will help motivate subordinates to achieve more than is expected of them [12]. Burns [13] identified transformational leadership as a process whereby “one or more persons engage with others in such a way that leaders and followers raise one another to

higher levels of motivation and morality.” Feinberg et al. [14] claimed that transformational leaders support and promote cooperative decision making. Similarly, Gillespie and Mann [15] argued that the leaders of an organization looking to achieve its goals and objectives and gain cooperation should encourage employees to grow and develop, offer emotional support, set high goals, and work both individually and as a team to develop employees’ abilities. Gillespie and Mann [15] also found that the ability of a transformational leader to communicate, and develop followers will help promote trusting relationships between the members of the organization. Previous studies have shown that transformational leadership is strongly correlated to organizational performance. This statement also expressed by Zhu et al. [16] stated that transformational leadership has been positively linked to organizational performances and that chief executive officers play a vital role in a firm’s success.

Charismatic leadership

Authentic leadership provides the basis for understanding why certain leaders are considered charismatic. Voon and Ayob [17] argued that the influence of leadership originates from the nature and behavior of the leader. These factors may cause employees to perceive their leader as charismatic in the sense that the leader genuinely represents the group he or she leads and, moreover, that the leader’s behavior reflects his or her own values and those of the group [3].

Visionary leadership

Visionary leaders innovate a strategic future vision, then communicate that vision by framing and using metaphors, modeling the vision through consistent action, and building commitment towards the vision [17, 18). Scholars [*e.g.* 16] have suggested that visionary leadership results in high levels of cohesion, trust, commitment, and motivation, and therefore performance in new organizational environments.

Human resource management strategy

An organization’s HRM strategy is a set of inner-organizational personal management strategies. Effective application of such a strategy can help enterprises effectively use employees to achieve organizational targets. A number of scholars have attempted to delineate various types of human resource management strategy. These classifications include the inducement strategy, the investment strategy, and the participation strategy presented by Dyer [19], and three other types of HRM strategies (accumulation, utilization, and facilitation) offered [20]. Subsequently, Northouse [3] presented the development strategy, the motivational strategy, the reinforcement strategy, and the transfer strategy as dimensions of an HRM strategy.

Organizational Performance

Choi and Mueller [21] argued that an enterprise must consider financial and non-financial indices simultaneously when evaluating performance. Non-financial indices such as employee morale and product quality are important for a company’s long-term operation. Long and Thean [12] claimed that organizations were most commonly measured using traditional financial performance factors such as return on investment, earning power, and, most commonly, sales revenue. Therefore, the present study has adopted the performance measurement methods that Ali et al. [22] presented, such as financial performance, organizational effectiveness, and business performance, as dimensions of organizational performance.

The relationship between leadership and organizational performance

Many reasons why there should be a relationship between leadership and performance. First among these is related to practice. Contemporary markets, which are intensive and dynamic, feature innovation-based competition, price/performance rivalry, decreasing returns, and the creative destruction of existing competencies [22]. Scholars and practitioners have both suggested that effective leadership behaviors can help improve performance when organizations are faced with such new challenges [23, 24]. It is also important to understand the effects of leadership on performance because some researchers [e.g., 16] consider leadership to be one of the key driving forces behind improvement in a firm's performance.

Effective leadership is considered as an active source of management development for the improvement of organizational performance [17, 25, 26]. For example, transactional leadership can assist an organization in more efficiently achieving its objectives by connecting job performance to valued rewards and by making sure that employees have the resources they require [16].

According to Mehra et al. [27], organizations seeking efficient ways to help them outperform their competitors often focus on leadership. This leader-centered perspective has offered valuable insights into the relationship between leadership and team performance [22]. Some researchers [e.g. 28, 29, 23, 30, and 3] have explored the strategic role of leadership and how leadership paradigms and leadership behavior can be used to improve organizational performance. Previous research has generated expectations that leadership paradigms will directly affect customer satisfaction, financial performance, and staff satisfaction. In the extant leadership research, results tend to depend on the level of analysis. House and Aditya [11] identified micro-level research with a focus on leaders in relation to their subordinates and immediate superiors, as well as macro-level research that have a closer focus on the overall organization and its environment. Other scholars have suggested that leaders, as well as their leadership styles, influence both their subordinates and organizational outcomes [e.g., 31]. This leads to our first hypothesis:

(H1): Leadership style has a positive effect on organizational performance.

Relationship between HRM strategy and leadership style

Successful leaders should eschew their own personal style and instead try to involve everyone in leadership, and combining leadership style with a HRM strategy will create suitable strategies over time [32]. Accordingly, a HRM strategy that encourages and trains staff can encourage leaders to reveal their leadership style [33]. The HRM strategy should be the core of a leadership style [34].

With regard to management, leadership should not solely emphasize care for employees and efficiency. In an organizational environment, managers should select a proper and effective HRM strategy and adopt a suitable leadership style in order to lead organizational members toward the organization's targets [33]. Accordingly, leaders combine communication, integration, and excitation to effectively implement the HRM strategy [11]. Based on the discussion above, we formulated the following hypothesis:

(H2): Leadership style has a significant effect on a company's human resource management strategy.

Relationship between HRM strategy and organizational performance

The HR function has changed greatly in recent years, with HR professionals coming to be viewed more as business partners. The organization's HR strategy should have a similar orientation in order to ensure the organization's success and also its sustenance. For example, business leaders must continually evaluate their talent area in order to determine whether

their organization has the appropriate expertise needed to achieve the company’s business strategy. Integrating HR strategy into the company’s business strategy forms the basis upon which the HR function can support and implement the company’s strategic plan in order to achieve a competitive advantage. The most profitable organizations are the ones that align their HR and business strategies. In an HR strategy is to help enhance profits, it must be well documented, and also integrated into the company’s business strategy; it must include practices that deliver the business strategy across the organization; and it must be considered part of the company’s leadership group, which has the ability to influence the business [29].

Riaz and Haider [35] believed that effective HRM strategies (which includes attitude assessment, recruitment and selection, work design, performance evaluation, labor participative management plans, incentive compensation, performance rewards, information sharing, and complaint handling procedures) can contribute to organizational performance. The degree of HR alignment can help indicate whether the work of the HR function is adding value to the bottom line of the business. To align HR, successful organizations stop viewing HR as a department with a budget, personnel, and tasks, and they instead define it as an organization that has customers, resources, and services to deliver. The next step is to determine whether the “customers” are receiving the “services” they expect.

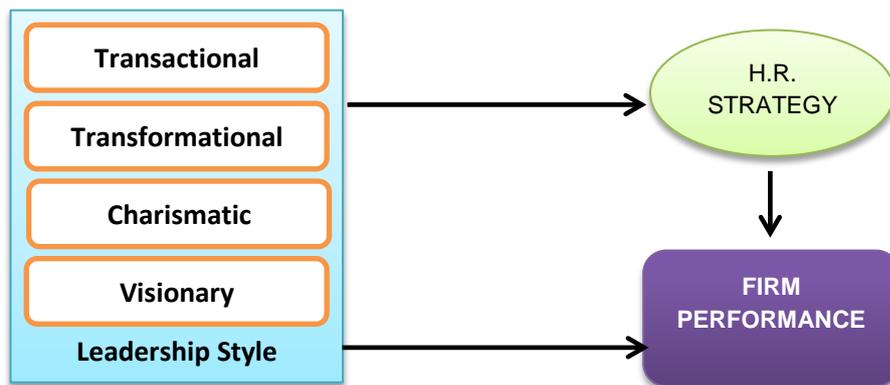
According to Riaz and Haider [35], innovative HRM strategies, such as careful selection, training, and incentive compensation, correlate positively with organizational performance. This led to H3:

(H3): A company’s HRM strategy has a significantly positive effect on its organizational performance.

Methods

Based on our literature review and the three hypotheses presented above, we have constructed our research framework, as shown in Figure 1.

Figure 1 Research framework



Data Collection

The present study used a quantitative questionnaire to collect empirical data that measured the three following variables: transformational leadership, firm performance, and strategic HR. Prior to creating the formal questionnaire and analyzing the predictive questionnaire, we pilot-tested the measures to validate the questionnaire items. We applied the convenient sampling method and analyzed data using AMOS version 20. We conducted a confirmatory factor analysis (CFA) on the structural models and measurement models; CFA specifies which indicators define each latent construct [36]. We then used measurement analysis, direct indirect impact analysis (*mediating effect*), and composite reliability analysis

to test the hypothesized structural model's fit.

The questionnaire respondents included enterprise leaders and high-level operations staff from firms operating in various business domains in Saudi Arabia, including consultancies, software firms, banks, insurance firms, airlines, dried dated manufacturers, and petrochemicals companies. A total of 269 questionnaires were returned; after eliminating 18 incomplete questionnaires, 251 valid questionnaires remained. The average age of the respondents was 36 years. The job titles of the respondents were chief executive officer, analyst, deputy manager, senior manager, consultant, and management trainee. Work experience ranged from three years to nine. The average leader-follower relationship duration was 3.2 years.

Measuring instrument

Because the survey was conducted in Saudi Arabia, the questionnaire had to be translated from English to Arabic and the language on both versions had to be equivalent. The questionnaire was translated into Arabic by two bilingual Arabic/English lecturers from the Al Imam Language Center. The double-translation method was used in order to ensure that the Arabic version was an accurate representation of the English version [36].

Leadership style measurement

The scale, which was modified from the Zhu's [16] multifactor leadership questionnaire, had 28 questions. Based on frequency performance, leadership behavior was scored on a five-point Likert scale with the following levels: "never", "seldom", "occasionally", "often", and "always". Following the factor analysis, five factors were extracted as shown in Table 1.

Organizational performance measurement

The questionnaire asked respondents about how their companies had performed over the past three years compared to their competitors. Our main reason for choosing organizational management performance over the past three years was to reduce short-term difference. The questionnaire had 10 questions, each of which used Likert's five-point scoring system, with scores ranging from "strongly disagree" to "strongly agree". After the factor analysis, we extracted three factors, as shown in Table 1.

Human resource management strategy measurement

In the present study, the HRM strategy is divided into the following dimensions of the HRM strategy development strategy: transfer strategy, reinforcement strategy, and motivational strategy. This scale evolved from reference to relevant literatures, based on the human resource management strategy questionnaire presented by Weng [37].

Results

Exploratory factor analysis (EFA) reliability using α value was extracted as shown in Table 1 for all variables.

Three major components had eigenvalues >1 , which cumulatively explains 90.2 percent of the variance. Factor 1 represents "leadership style" and consists of the 13 items that remain from the 17 originally proposed items. Factor loadings >0.50 explained 51.7 percent of the variance. Factor 2, "organizational performance", consists of five items with a factor loading >0.50 and a percentage of variance of 62.8 percent. The final factor was human resource strategy, which consists of six items out of the nine originally proposed items. In conclusion, the EFA suggests that all of the factors are likely to be constructs of each

measure; therefore, the internal consistency of each construct is substantiated.

The data presented in Table 1 provides sufficient evidence of the reliability of the constructs, given that the Cronbach's Alpha is >0.80. The next item from the output is the KMO and Bartlett's test (KMO should be >0.50 in order for a satisfactory factor analysis to proceed). The KMO measure in Table 1 is 0.940. The Bartlett's test of sphericity is also significant, at <0.050, which indicates that the scales have high levels of internal consistency and are reliable, with Cronbach's Alpha values >0.921. This suggests that all of the study's constructs and variables are based on well-established instruments with high reliability scores (from previous studies), and each construct has very good internal consistency.

Table 1. Presents the results of the EFA and the Cronbach's alpha.

Constructs	items	Factor loading	α
Charismatic leadership	<i>Item 1</i>	0.847	0.865
	<i>Item 2</i>	0.736	
	<i>Item 3</i>	0.698	
	<i>Item 4</i>	0.812	
	<i>Item 5</i>	0.701	
Transactional leadership	<i>Item 1</i>	0.872	0.921
	<i>Item 2</i>	0.903	
Transformational leadership	<i>Item 1</i>	0.884	0.828
	<i>Item 2</i>	0.811	
	<i>Item 3</i>	0.789	
Visionary leadership	<i>Item 1</i>	0.779	0.834
	<i>Item 2</i>	0.725	
	<i>Item 3</i>	0.698	
Organizational performance	<i>Item 1</i>	0.801	0.876
	<i>Item 2</i>	0.816	
	<i>Item 3</i>	0.741	
	<i>Item 4</i>	0.722	
	<i>Item 5</i>	0.737	
human resource management strategy	<i>Item 1</i>	0.832	0.896
	<i>Item 2</i>	0.804	
	<i>Item 3</i>	0.752	
	<i>Item 4</i>	0.688	
	<i>Item 5</i>	0.632	
	<i>Item 6</i>	0.775	

Confirmatory Factor Analysis (CFA)

Despite the good results produced by EFA, we made modifications using confirmatory factor analysis (CFA) to ensure that our hypothesized model met the SEM assumptions. Although the items were statistically significant under EFA, they may be subject to certain modifications. The measurement model, which is a CFA model, specifies the way in which the variables measured represent a construct that is not measured directly [36]. We used the AMOS 20.0 software to assess the model and examine discriminant and convergent validity. We used SEM to further analyze the 16 items noted in the CFA. As reported in Table 2, RMSEA and RMR are both well within the ranges of acceptability that Abbas et al. [38] recommended, respectively. As noted above, [38] indicated that a RMSEA of less than 0.08 indicates both a good fit and a reasonable approximation error within the population. The measurement model's RMR indicates a good fit.

Table 2. Confirmatory factor analysis (CFA) of all measurement and structured model (goodness-of-fit indices)

CFA Model	df	CMIN	CMIN/df	NFI	GFI	AGFI	CFI	REMSEA
Leadership style (Exogenous)	2	2.931	1.465	0.998	0.995	0.981	0.998	0.031
HRM (Exogenous)	2	2.870	1.435	0.995	0.994	0.957	0.999	0.029
Organizational performance (Endogenous)	2	2.664	1.332	0.996	0.996	0.986	0.999	0.022
Structural Model	282	321.32	1.139	0.958	0.938	0.912	0.990	0.021

Table 3. CMIN (Goodness-of-Fit indices) Hypothesized Model

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	66	321.32	282	0.058	1.139
Saturated model	406	0.000	0		
Structural model	16	14158.805	378	0.000	37.457

As shown in the tables, all indices indicate that the model has achieved a good level of overall fit.

Table 4. Hypothesized Model (Goodness-of-Fit indices)

Measures	Fit Indices		Threshold Values	
		RMSEA	0.027	below 0.08
Absolute Fit Level	GFI	0.927	0.90 and Above	
	P- Value	0.000	P- Value \geq 0.05	
		AGFI	0.912	0.90 and more
Incremental Fit Level		CFI	0.999	0.90 and more
		TLI	0.992	0.90 and more
		NFI	0.969	0.90 and more
		CMIN/df	1.139	Less than 2.0
Parsimonious Fit Level	SMC (R ²)	0.720	Bigger better	

Hypothesized Model Analysis

We used AMOS 20.0 Graphics software to run the structural model and test the hypothesized relationship between constructs. We compared the structure coefficients between latent variables using the maximum likelihood (ML) estimation to. We examined the goodness-of-fit indices (GOF) ML having assumed normal distribution among the observed variables; an assumption that the data in the previous section showed has been met. The model hypothesized in Figure 1 yields a χ^2 (chi-square) of 321.32, a degree of freedom of 282, and a *P*-value of 0.000 (which is not significant at the 0.050 level); this indicates that,

apart from the *P*-value, the model fits the data very well. However, the chi-square statistic is especially sensitive to the sample size, which means it is more appropriate to consider other fit measures. All of the other fit measures indicate the model's goodness of fit to the data, based on Table 3.

Mediating Effect of the Hypothesized Model

When a third variable or construct intervenes between two related constructs, this creates a mediating effect (see Table 5). The mediating effects of HR strategy were tested in the relationship between perceived leadership style and organizational performance. The results indicate that HR strategy is a partial mediator and its significant indirect effect of 0.381 does support the model we hypothesized in H3.

Table 5. Direct, Indirect, and Total Effects of Hypothesized Model

Endogenous Variable (Organizational performance)			
	Indirect effect	Direct effect	Total effect
Leadership style	0.381	0.329**	0.432**

Hypothesis Testing of Hypothesized Model

Abbas et al. [38] showed that each parameter's un- standardized estimate (SE) has regressions weights present, where the estimation of the critical ratio (CR.) is divided into the SE. If the result is above +/-1.96, (null hypothesis), then CR is 0" is rejected. Table 6 shows the SE and each parameter's CR.

Table 6. Regression Weight for Testing the Hypotheses Results (Hypothesized Model)

H.	Estimate	SE.	C.R.	P	Hypothesis Support
H1	0.818	0.053	11.396	***	Asserted
H2	0.258	0.030	8.667	***	Asserted

Discussion and conclusion

This study has examined the relationship between leadership style, organizational performance, and human resource management strategy, and has also asked whether the interaction between leadership style and HRM strategy affects organizational performance. Based on our findings, an organization can start adjusting its leadership style if it wishes to promote organizational performance. The results should have value for enterprises looking for suitable leadership candidates when implementing their HRM strategy.

In this study, HRM strategy (the independent variable) had a significantly positive effect on organizational performance. Overall, an enterprise will be affected by its development strategy, its motivational strategy, its reinforcement strategy, and its transfer strategy, all of which will directly affect its organizational performance. In HRM strategies, the development and motivational strategies have a significantly positive effect on organizational performance. In other words, an organization's performance will receive a significant boost if it uses either the motivational strategy or the development strategy for management. This suggests that implementing a development strategy and a motivational strategy for employees with high-work-willingness and for employees with low-work-willingness who have high work ability will help promote organizational performance.

The present study has used HRM strategies such as the development strategy, the

enforcement strategy, the motivational strategy, and the transfer strategy to establish a model with which to analyze the relevance between organizational performance and various leadership styles. This can be used as a reference basis for future relative research. In practice, the various leadership styles presented here can serve as a basis with which enterprises can implement various HRM strategies. An enterprise can use this information to promote recognition and devotion among its employees based on a range of strategies or leaderships, and then creates the overall organizational performance. Also, it is possible to use different leadership styles for different strategies. Consequently, this study has both theoretical and practical reference value.

Research implications

Although some researchers have suggested a hypothesized leadership-performance relationship, current findings are both inconclusive and difficult to interpret. Scholars have suggested that leadership helps enhance organizational performance, while others have argued to the contrary. The various concepts of leadership used by these studies have made direct comparisons virtually impossible. The failure to distinguish levels of leadership has left gaps and unanswered questions in the literature. There is, consequently, a need for future research to re-test the proposed leadership-performance relationship.

References

1. Bass, B.M. (1997), "*Transformational leadership: Industrial, military, and educational impact*", Mahwah, NJ: Lawrence Erlbaum Associates.
2. Behling, O. and Mcfillen, J. (1996), "A Syncretical Model Charismatic or Transformational Leadership", *Group and Organization Management*, Vol. 2, pp:120-160. doi: 10.1177/1059601104273061.
3. Northouse, P. G. (2011), "*Introduction to leadership: Concept and practice*", Thousand Oaks: Sage Publications, Inc.
4. Abbas, N. (2014), "Measuring the Impacts of Online Word-of-mouth on Tourists' Attitude and Intentions to Visit Jordan: An Empirical Study", *International Business Research*, Vol. 7(1).
5. Nijssen, S., Douglas, P., & Nobel, P. (1999), "Attitudes toward the Purchase of Foreign Products", *International Marketing Review*, Vol. 18(4), pp: 621-42.
6. Mousavi, S. H., Heidary, A. & Pour F. K. (2011), "The relationship between leadership styles and physical education teachers 'creativity'", *International Journal of Academic Research in Business and Social Sciences*, Vol. 1(3), pp: 82-84.
7. Fry, L. (2003), "Towards a Theory of Spiritual Leadership", *The Leadership Quarterly*, Vol. 14, pp: 693-727. doi:10.1016/j.leaqua.2003.09.001.
8. Stogdill, R.M. (1948), "Personal Factors Associated with Leadership: A Survey of the Literature", Reprinted in Bass, B(Eds), Bass, B.M., Stogdill (1990), *Handbook of Leadership: Theory. Research and Managerial Applications* (3rd Ed), *New York: Free Press. J. Psychol.*, Vol. 25, pp:35-71.
9. Robbins, S. P. (2003), "*Organizational behavior*", Upper Saddle River, NJ: Prentice Hall.
10. Boehnke, K., Bontis, N., Distefano, J. & Distefano, A. (2003), "Transformationaz. Leadership: An Examination of Cross-national Differences and Similarities", *Leadership and Organization Development Journal*, Vol. 24(1), pp: 5-17. doi: 10.1108/01437730310457285.

11. House, R. J. & Aditya, R. N. (1997), "The Social Scientific Study of Leadership: Quo Vadis? ", *Journal of Management*, Vol. (23)3, pp:409-473.
12. Long, C. S. & Thean, L. Y. (2011), "Relationship between leadership styles, Job satisfaction and employees' Turnover intention: A literature review", *Research journal of business management*, Vol. 5(3), pp: 91-100.
13. Burns, J.M. (1978), "*Leadership*", New York, NY: Harper & Row.
14. Feinberg, J. B., Ostroff, C. & Burke, W. W. (2005), "The role of within group agreement in understanding transformational leadership", *Journal of Occupational and Organizational Psychology*, Vol. 78(3), pp: 471-489.
15. Gillespie, N. A. & Mann, L. (2004), "Transformational leadership & shared values: the building blocks of trust", *Journal of Managerial Psychology*, Vol. 19(6), pp: 588 - 607. doi:10.1108/02683940410551507.
16. Zhu, W., Chew, K. H. & Spangler, W. D. (2005), "CEO transformational leadership and organizational outcomes: the mediating role of human capital enhancing human resource management", *The Leadership Quarterly*, Vol. 19, pp: 39-52. doi:10.1016/j.leaqua.2004.06.001.
17. Voon, M. L. & Ayob, M. C. (2011), "The influence of leadership styles on employees' job satisfaction in public sector organization in Malaysia", *International Journal of Business Management & Social Sciences*, Vol. 2(1), pp: 24-32.
18. McShane, S. L. & VonGlinow, M. A. (2000), "*Organizational Behavior*", Burr Ridge, IL: Irwin/McGraw-Hill.
19. Dyer, L. & Holder, G. (1988), "*Toward a strategic perspective of human resource management*", in L. Dyer (ed.). *Human Resource Management: Evolving Roles and Responsibilities*, ASPA BNA Handbook of Human Resource Management, Washington: Bureau of National Affairs, 1.
20. Schuler, R.S. (1989), "Strategic human resource management and industrial relations", *Human Relation Journal*, 42(2), 157-184. doi: 10.1177/001872678904200204.
21. Choi, F.D, Mueller, S. (1992), "What is Coefficient Alpha? An Examination of Theory and Application", *J. Appl. Psychol.* Vol. 78(2), pp: 98-104.
22. Ali, A.S., Sidow, M.A. & Guleid, H. S. (2013), "Leadership styles and job satisfaction: empirical evidence from Mogadishu universities", *European Journal of Management Sciences and Economics*, Vol. 1(1), pp: 1-10.
23. McGrath, G. R and MacMillan, I. C. (2000), "Entrepreneurial Mindset: Strategies for Continuously Creating Opportunity in an Age of Uncertainty", Harvard Business School Press Books.
24. Teece, D.J., Pisano, G. & Shuen, A. (1997), "Dynamic Capabilities & Strategic Management", *Strategic Management Journal*, Vol. 18(7), pp: 509-533. doi:10.1002/(SICI)1097-0266(199708)18:7<509::AID-SMJ882>3.
25. Lado, A. A., Boyd, N. G. & Wright, P. (1992), "A Competency-based Model of Sustainable Competitive Advantage: Toward a Conceptual Integration", *Journal of Management*, Vol. 18(1), pp: 77-91. doi: 10.1177/096977640200900303.
26. Rowe, W. G. (2001), "Creating Wealth in Organizations: The Role of Strategic Leadership", *Academy of Management Executive*, Vol. 15, pp: 81-94. URL: <http://www.jstor.org/stable/4165712>
27. Mehra, A., Smith, B., Dixon, A., & Robertson, B. (2006), "Distributed Leadership in Teams: The Network of Leadership Perceptions and Team Performance", *Leadership Quarterly*, Vol. 17, pp: 232-245. doi:10.1016/j.leaqua.2006.02.003.
28. Keller, T. (1992), "Transformational leadership and performance of research and development project groups", *Journal of Management*, Vol. 18, pp: 489-501.
29. Judge, T. A. & Piccolo, R. F. (2004), "Transformational & Transactional Leadership: A

- Meta-analytic Test of their Relative Validity”, *Journal of Applied Psychology*, Vol. 89(5), pp: 755-768.
30. Purcell, J., Kinnie, N., Hutchinson, S., Rayton, B. & Swart, J. (2004), “Understanding the People & Performance Link: Unlocking the Black Box”, *Research Report*, Chartered Institute of Personnel and Development.
 31. Tarabishy, A., Solomon, G., Fernald, W. & Sashkin, M. (2005), “The Entrepreneurial Leader’s Impact on the Organization’s Performance in Dynamic Markets”, *Journal of Private Equity*, Vol. 8(4), pp: 20-29. doi: 10.3905/jpe.2005.580519.
 32. Guo, L.Z. (2004), “*Strategic leadership has effect on organizational performance: The learning organization as an intermediary variable*”, Unpublished doctoral dissertation, National Taipei University, Taipei, Taiwan.
 33. Hewson, R. (1997), “New Dimensions in Strategic Leadership”, *Strategy Leadership Journal*, Vol. 25(5), pp: 42-47.
 34. Qin, M.C. (1998). “*Educational Administration: Theory Part*”, Taipei: Wu- Nan.
 35. Riaz, A. & Haider, M. H. (2010), “Role of Transformational and Transactional leadership on jobsatisfaction and Career satsofaction”, *Business Economic Horizontal* , Vol. 1(1), pp: 29-38. URI: <http://purl.umn.edu/95932>.
 36. Hair, J., Black, W., Babin, B., Anderson, R., & Tatham, R. (2006), “*Multivariate data analysis*”, (6th ed.), New Jersey: Upper Saddle River, Pearson Education, Inc.
 37. Weng RT (2002), “A study on cross-cultural and human resource management strategy of Taiwan affiliates in Mainland China”, Unpublished master's thesis, I-Shou University, Kaohsiung, Taiwan
 38. Abbas, A., Suleiman, A. and Almualla, A. (2013), “*Using structural equation modeling for beginner*”, Jordan, Amman: Ithraa, Inc.