ORGANIZATIONAL CITIZENSHIP BEHAVIOURS IN SMALL AND MEDIUM ENTERPRISES IN THE CONTEXT OF LEADERSHIP BEHAVIOUR

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LIST OF ABBREVIATION

HRM	Human Resources Management
OCB	Organizational Citizenship Behaviour
SMEs	Small and medium Sized Enterprises
MBE-P	Management by Exception Passive
MBE-A	Management by Exception Active
CR	Contingent Reward
TFL	Transformational Leadership
TRL	Transactional leadership
IC	Individualized Consideration
IS	Intellectual Stimulation
IM	Inspirational Motivation
II	Idealized Influence

ABSTRACT

The purpose of this research is to find out "What is the effect of different types of leadership behaviour on organizational citizenship behaviour shown by employees with in small and medium enterprises"

Past literature research in the field of small and medium enterprises shows that SMEs research are related to the human research management. Most of past research about leadership behaviour have been done on large organization. A little level of research about leadership behaviour have been done on small and medium level enterprises. The question arises that leader behaviour on large organizational are same as in small and medium enterprises or different. Due to the personal and close relationship, short communication, informality and hierarchy structure cause the leader to behave in different way with in small and medium enterprises. These factor have a different effect by the leader toward their employees which is helpful to motivate the employees to perform beyond the requirement.

It is expected that transformational leader have a strong and positive effect on organizational citizenship behaviour shown by employees as transformational leader encourage the employees in order to perform beyond the requirement. It is also expected that contingent rewarding leadership behaviour have positive effect on employees to show organizational citizenship behaviour because after getting reward upon their performance, they feel more motivated to perform more than the requirement. Management by exception have two categories which are active behaviour and passive behaviour. It is expected that management by exception active have a positive effect because he work in an active way. He can find mistakes, failure and error before its effect and try to solve these mistakes, failure and error as soon as possible. It is expected that management by exception passive have negative behaviour because passive leader waiting for mistakes, failures and errors. Trust is also an important factor between leadership behaviour and employees. It is accepted that some certain degree of trust motive the employees to show organizational citizenship behaviour. Next to this it also help the employees to perform beyond the requirement.

The data were collected from the past researcher in order to find out results. Past research shows that when firm face serious problems or mistake, errors or any failure leader should be there in

order to solve problems, mistakes, failure and error. Leader in small and medium enterprise are required to give the authority to the employees in order to solve problems themselves. Leader should also create certain level of trust which is encourage the employees to show organizational citizenship behaviour.

Most of leader in small and medium enterprises do not know about their effect on employees. This research is based on past researcher. This research make aware the leader, how to influence the employees to show organizational citizenship behaviour.

CHAPTER-1 INTRODUCTION

1.1 **Research Background**

The Importance and need of the leader is increasing day by day due to the high level of competition as well as the technology and societies are becoming more advance. Changing business environment with the passage of time has cultivate the demand for the effective leader who has the ability to run and better functioning the organization in complex competitive environment specially in small and medium enterprises. The effective leader is that who have a positive influence on individual's performance that culminates the performance of the organization or that helpful to achieve the organizational goal (R. Sharkie 2009). Cummings and Schwab (1973) define as effective leader is a performance instrument who is ensuring the organizational performance.

During the past years research in HRM within small and medium enterprises; researchers develop a great interest (Heneman et al., 2000; Cardon & Stevens, 2004). In small and medium enterprises HR and leadership is seem closely related. Most of leadership researches have conducted in large organization while a very little research on leadership within SMEs have been done. This is amazing because in Germany around 80% enterprises are small and medium enterprises which make the main pillar as well as the largest employer of the German economy. According to the European Union criteria, small and medium size enterprises have less than 250 employees (http://ec.europa.eu, 2009). It is clear that focus in small and medium enterprises is very important in order to reduce the unemployment rate of any country. Most of SMEs enterprises don not give the importance to management of their personnel which is peculiar because human resource play a very important role for the success or of these firms (Wilkinson, 1999).

However, the human resources management topic is very vast topic with in small and medium enterprises. One topic which is very important topic with in small and medium enterprises is effect of leadership behaviour, because the leader behaviour has a greater influence in employee's performance and indirectly of small and medium enterprises. The workers behaviour in an organization is related to the behaviour of the leaders which means that leader have a great

impact on employee's performance and indirectly on organisation performance. Leadership behaviour in small and medium enterprises is changed due to a number of reasons. First of all if we compare SMEs with large organization then we can find that SMEs have a different characteristics and larger organizational have different characteristics. SMEs enterprises usually flat organizational structure with limited workforce. The owners in SMEs have the main authority and he is the person who decided the direction of the organization as well as he has a great impact on the organization. In the most of small and medium enterprises, owner and supervisor are not well educated and they have not any special education in management. The qualities of leadership have developed during job started as an employee and these people were appointed to a leadership position and just grew into that role (Koch and de Kok, 1999). Secondly, by comparing small organization with large organization then we can also find that small organization have different objectives. In small firms the owner is involved in day to day activities, he create a good personal relation and degree of respect between workers so these relation and respect value have seen often more important than increasing the profit. Leader in SMEs enterprises knows the value of their employees and he also knows that effective employees can lead the organization at highest level. In SMEs due to the owner impact, the leaders do not have a right degree of freedom to make a decision.

According to the above mentioned information it is expected that leadership behaviour have a different effect in small and medium enterprises. In small and medium enterprises, the employees should perform their duties beyond the contractual requirement and the influence of leadership behaviour based on organizational citizenship behaviour will be studied in this research.

1.2 **Research objective and central question**

The main purpose of this study is to examine the leadership behaviour in small and medium enterprises and to determine the role that leadership plays in small and medium enterprises in the Germany. For the successful business in SMEs the right leadership behaviour is very important which leads the organization to new way of competition, expanding the business, encouraging economic growth, expanding social mobility and extending employment opportunities of individuals and also creating job opportunities for others. To achieve the goal of the organization is important for the employees; the most important assets of the organization should perform

their best and this is possible with an effective leadership behaviour. The central question of this research study is

What is the effect of different types of leadership behaviour on organizational citizenship behaviour shown by employees in small and medium enterprises?

In order to answer the above mentioned question some steps must be taken. First the context is described theoretically. Small and medium size enterprises have different characteristics so the important part of the literature research is to focus on exploring the characteristics of SMEs. Secondly, the literature research has also to be done to define and clarify which types of leadership behaviour is important and what is the effect of leadership behaviour on organization citizenship in small and medium enterprises around the Germany. After describing the theoretical concept about SMEs and leadership behaviours, third part's aim is to find the empirical relation between organizational citizenship behaviour and leadership.

1.3 Theoretical framework and literature review

1.3.1 Small and medium size enterprises overview

A small level of research has been done in the area of small and medium enterprises which is an amazing effort. In small and medium enterprises the leadership research is very important because leadership has a more direct and by that greater impact on a comparably small group of employees which brings along different characters and objectives that SMEs have compared to larger enterprises.

A small and medium enterprise is known as a company with a limited number of employees and is formally defined as having 1-250 employees. In SMEs it is easier for the leader to create a team spirit and personal relationships. In SMEs companies, the dominant position of the owner, the lack of classical management styles and the low degree of specialization in the production process are important aspects on which small and medium sized enterprises differ from their large counterparts (Koch and de Kok, 1999). In SMEs the authority is mostly centralized and the power is in the hand of the owner who decides about the direction of the organization. The owner leads his supervisors and the employees to his decided direction. The owner has a great impact

on the overall company performance. His nature, background and behavior determine a lot of the decisions that are made in these organizations (Koch and de Kok, 1999). In small and medium enterprises the owner and the supervisor are not necessarily well educated and they often did not have any special education in management. They learn from job and grew by being a leader. The advantage is that they know what exactly happens on the production floor and they also have all the knowledge and information about what is going on in the production floor and the problems which arise during production and its solution.

Due to the limited number of employees in small and medium enterprises the production process is less specialized. Employees should be able to perform different tasks in order to maintain productivity and continuity of the organization especially during the absence of colleagues or during work stress. To accomplish these tasks within SMEs they are typically less formalized as well as the communication between employer and employee is more informal (Koch and de Kok, 1999).

1.3.2 Human Resource approaches in SMEs

Due to the different characteristics of SMEs, the dominant positions of owner, Lack of classical management style, a low degree specialization in the production process the owner of SMEs sets other objectives in the organization. SMEs owner most important objectives are maintaining Continuity, creating a good working climate and keeping full control (Koch and de Kok, 1999). In small and medium enterprises the owner wants that their employees must feel motivated towards the work and he also want that their employees feel enjoy the work for the purpose of continuity life of the organization. The owners of SMEs usually want to keep his full control in the organization in order to make sure that the work has been properly done.

According to the   Koch and de Kok (1999, p. 33) there are three general approached of human resources management with in the SMEs that support the above mentioned objective achievement. These are the

1.3.2.4 Firm coordination by employer

1.3.2.5 Accent on team spirit

1.3.2.6 Informal working procedures

1.3.2.7 **Firm coordination by employer**

In SMEs the main power is in the hand of the employer that is owner of the company and has a greatest responsibility in his hand. The owner salary is depend upon the profit operating by the company and he is the only one who personally think about the responsibility and feel personally in getting business order and getting best result. In SMEs the owner control plays a very important role in order to make a progress in working and getting best output for the profit and for the long life of the company. As per my personal experience owner take participate in each department of the firm and he also participate each issues and problems of the firm for the purpose of solution. He also knows very well that what is going on in production unit and how many unit ready and how much left. So owner want full control in order to overview all working in progress. In SMEs the employees are hardly involved in decision making process and mostly the decision makes by the owner. According to Koch and de Kok (1999), SME owners will not easily delegate tasks because they do not want to risk losing full control.

1.3.2.8 **Accent on team spirit**

According to the Koch and de Kok (1999), the team spirit makes employees feel part of the firm which makes them more ready to make an additional effort when this is needed. In small and medium enterprises the accent on team spirit is very important to the employees as well as to the employer. This accent on team spirit is helpful to creates better working environment as well as it also motivate the employees for the strong commitment to the organization. Employees will not feel motivated to find other job and they will keep continue their job in the firm which will benefit for the continuity of the firm. The motivation, team spirit and leader behaviour make the employees feel the part of the firm which encourage the employees to perform beyond the contractual requirement when needed (Koch and de Kok, 1999).

1.3.2.9 **Informal working procedures**

Small and medium enterprises have some hierarchal structure that inspires its informal characters. The informal character helps to make quick changes, which is very important for SMEs because they often operate in dynamic environments (Mintzberg, 1980). In SMEs

employees wants to be a flexible working process and procedure in order to save the time and money. The workers give the importance to spend most of time on job than the spending time on administrative work. According to Koch and de Kok (1999), the job specification are only largely describe, the staff on the floor is mostly controlled or during break time and official meetings are seen as redundant. The flat structure of small firm, widely specific job requirements, unspecified production process, informal communication and strong personal relation makes the organizational citizenship behaviour more important with in small and medium enterprises. Due to limited number of worker in small and medium enterprises, it is need that worker should perform their duties more than the contractual requirement in order to maintain the productivity, continuity and long life of the organization which is the purpose and objective of the SMEs.

1.3.3 Organizational Citizenship behaviour Overview

Organizational citizenship behaviour (OCB) plays very vital roles in small and medium type of organizations. Now a day as every company is suffering from financial crises. So the value of organizational citizenship behaviour is increasing with the passage of time.

If we go back where the history of organizational citizenship behaviour started, in 1930 Chester Bernard observed the phenomena of organizational citizenship behaviour and named it "extra-role behavior" (Barnard, 1938). Extra-role behaviour means individual assistances on work place that go with specific roles required and not known by the reward system. After the observation of phenomena, in 1964 Katz used the term "citizenship" to represent the worker that showed "extra-role behaviors" (Katz 1964). Employees who show the good behaviour during working are valued by the manager because they make their job easier.

Later on (Bateman & Organ, 1983) began working on Organizational citizenship behaviour and write a large serious of articles on OCB. Extra-role behavior is referred to as innovative and spontaneous behavior, whereas technical performance required by the job, acceptable behavior to management is referred to as in-role behavior (Bateman & Organ, 1983). The basic concept of determined in role and extra role behaviours is the idea that the company can force certain level

of work out to the worker who needs a job which means extra working hours. On the other hand the companies can encourage extra role behaviour that can increase their competitiveness.

Organizational citizenship behaviour becomes one of the most important factors of an organization in controlling the efficiency and effectiveness in term of productivity and quality.

From the starting history to till now researcher studied and try to explain the organizational citizenship behaviour, initially organizational citizenship behaviour shaped by organ and his colleague (Bateman & Organ, 1983) (Smith, Organ, & Near, 1983) and define as individual behavior in the workplace, not directly recognized by an organization's formal reward system, yet serves to promote the general well-being of the organization. Organ conceptualized the organizational citizenship behaviour in 1988 and defined as individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system and that in the aggregate promotes the effective functioning of the organization, meaning that the behavior is not an enforceable requirement, it is a matter of personal choice and contributes positively to overall organizational effectiveness. Concerning organizational citizenship behaviour in small and medium enterprises the important things for the owner is probably required to maintain the continuity of the organization (Koch and de Kok, 1999) and for this purpose a small workforce required which should perform well with positive behaviour in order to maintain the continuity of the organization.

1.3.4 Dimensions of Organizational Citizenship Behaviour

Organ (1988) identified five dimensions of OCB that are

1.3.4.1 conscientiousness

1.3.4.2 Sportsmanship

 1.3.4.3 Civic virtue

1.3.4.4 Courtesy

 1.3.4.5 Altruism

Netemeyer (1997) has stated dimensions of organizational citizenship behavior in the form of four classes of sportsmanship, civic virtue, conscientiousness and altruism.

1.3.4.2 **conscientiousness**

Conscientiousness is an evaluation of employee performance or behaviours that exceed the company standard and regulation in term of working hours and rest hours. Organ called this aspect of organizational citizenship behavior as organizational Compliance that includes cases such as severe following from organizational rules so that the individual acts to his duties in a desirable manner even in cases that no one supervises him (Namm, 2003). Conscientiousness is a voluntary behavior to help the organization that employees go beyond the minimum intended necessities of their tasks (Castro, 2004). Organ (1988) believes that individuals with progressive organizational citizenship behavior continue their work at the worst conditions and even in the state of illness and inability which shows their high working Conscientiousness. Podsakoff define the conscientiousness as behaviors on the part of the employee that go well beyond the minimum role requirements of the organization, in the areas of attendance, obeying rules and regulations and taking breaks' (Podsakoff et al, 1990, p. 115). Employees who are conscientious will increase performance levels because employees are willing to work above the average and doing their best to improve results (Podsakoff et al., 2000). Employees who contain conscientiousness can handle their responsibilities easily and a business leader can give the assurance that a business rules will be met and that no extra break are taken. Employees who contain conscientiousness behaviour can increase the productivity themselves and their leader as well because these employees do not need much supervision which provides extra time for the supervisor to handle his other tasks (Podsakoff et al., 2000). Small and medium enterprises needs a employees who are working hard for the sake of the organization and can be trusted as well as who will also follow the policies of the organization even when they are not checked upon.

1.3.4.2 Sportsmanship

Sportsmanship has been defined as the ability of the employee to adapt himself to difficulties of the working environment without objection or formal and verbal complaint (Kernodel, 2007). Podsakoff defines the sportsmanship as 'willingness of employees to tolerate less than ideal circumstances without complaining' (Podsakoff et al., 1990, p. 115). Sportsmanship is behaviour which includes tolerance to the problems caused by the workers; behave in a positively in case of problems, do not complaint other peoples disturbing you during work, do not get angry with the

other people who have a different idea, respect others opinions sacrifice for the good team work, response in a good way during stress of work. Sportsman person always try to do his best for the betterment of the company. A gentleman bears these actions contently and do not exaggerate the small things. (Organ and Ryan, 1995; Köse et al., 2003; Özdevecioğlu, 2003: 122). It is about the tolerance to the problems and dissatisfaction among colleagues and managers who have direct and indirect relations with the organization. (Podsakoff et al., 2000: 515). Furthermore sportsmanship behavior of employees might set an example for others which will reduce complaining, increase satisfaction and enhance employee retention (Podsakoff et al., 2000). Considering the small and medium enterprises, complaining and then spreading the complaints in the workplace might reduce the moral within the company. It is important for the employees to maintain the value sprit of the team.

1.3.4.3 Civic virtue

Civic virtue is the tendency towards participation and Responsibility in organizational life and also creating a suitable image from the organization (Organ, Podsakoff and McKenzi, 2006). Civic virtue includes behaviors such as taking part in extracurricular and additional activities when such presence is not necessary, supporting development and the represented changes by managers of the organization and intention to study books, magazines and increasing of public information (Organ, 1988).According to Podsakoff, civic virtue is define as 'behavior of the employee that implies the responsible participation in the political life of the organization, like attending meetings and reading the intramural mail' (Podsakoff et al., 1990). Civic virtue is not taken into consideration in this research, because previous research only showed a weak correlation with leadership behavior (Podsakoff et al., 1996). Civic virtue is employee's behaviour which shows that employee is participating in an activity which is concern about organization life which include represented by voluntary attendance at meetings (Todd, 2003). Civic virtue as responsibly involving oneself in and being concerned about the life of the company (Borman et al. 2001). As per Baker (2005) explains Civic Virtue is responsible, constructive involvement in the political processes of the Organization. Coole (2003) argues that civic virtue was more limited in their relation to organizational effectiveness; i.e. the more the organization is effective the chances of emergence of this very behavioral aspect is the most. One of the acts about civic virtue includes employee suggestion for the cost improvement and

resource saving ideas which could directly influence the organizational operating efficiency (Neihoff & Yen 2004). In Small and medium enterprises civic virtue behaviour is very important because in SMEs employees are limited and each worker have a lot of responsibilities which is helpful for the employees to develop brainstorming ideas for the life of the organization.

1.3.4.4 Courtesy

Courtesy is a behaviour which is helpful to prevent problems during works. Podsakoff define the courtesy as 'discretionary behavior on the part of an individual, which involves helping others by preventing work-related problems to occur' (Podsakoff et al., 1990, p. 115). Those individuals that behave with others courteously try to prevent tensions and working problems with others (Bell and Menguk, 2002). Employees are well aware that their courtesy behaviour could influence colleagues. Employees who are consisting of courtesy behaviour will try to prevent the problem from occurrence which will reduce the presence of conflict between the employees. Supervisor has a positive effect of courtesy behaviour because he does not need to spend large amount of time for resolving the conflict. In small and medium enterprises, in order to keep maintain productivity with small workforce it is of special importance that employees help their leaders by preventing problems from occurring (Podsakoff, 2000). Furthermore the benefit of the courtesy is that it improves the organizational ability to adapt to environment change. Employees in an organization are most often connected with the customer who gives them the benefit and knowledge of knowing the market change. With the courtesy behaviour, they are willing to give the information and knowledge about the change in market to their colleague and leaders. On the basis of these market changes information will helpful for the organization to adopt these changes quickly which will be the benefit for the organization performance (Podsakoff, 2000).

1.6.5 Altruism

It is a voluntary behaviour of individual to help their colleague in case of if he or she is new or less skilled and to help him by giving training or if he or she is absent during work and you can complete his work task. Altruism is helping to colleagues in order to complete their works under abnormal organizational conditions (George and Rino, 2006). According to Podsakoff altruism is defined as "all discretionary behavior that has the effect of helping others with an organizationally relevant task and/or problem" (Podsakoff et al., 1990, p. 115).

There are two beneficial way of altruism behaviour, in first way, it is helping behaviour of workers to their colleagues, which is helpful to increase the productivity. During helping behaviour, seniors sharing their best practices to their colleague which is helpful to become more productive. The second beneficial employee's behaviour is doing work for absent or busy Colleagues will maintain productivity as well as it increases organizational flexibility (Podsakoff et al., 2000). Altruism behaviour in small and medium enterprises is very important because these types of firms have limited workers, so it is important to help each other's. Employees with altruism behaviour are helpful to enhance the team sprit which is helpful to give and maintain the straightly relationship and trust in SMEs as well as it also create the friendly environment which makes the organization more attractive to work for and it is therefore less likely that employees will leave the organization (Podsakoff et al., 2000). Other advantage of altruism behaviour is that during helping behaviour, the supervisor does not need to spend an amount of time to solve the problems.

Beside these five types that are identified by organ about organizational citizenship behaviour, some other types are identified by Podsakoff about organizational citizenship behaviours in his literature (Podsakoff et al, 2000). One of these types is self-development which is concern freely behaviour of the employees to improve their knowledge, skills and abilities. Other types which are different are organisational loyalty and organisational compliance. Organizational loyalty defines as promoting the organization to the outsiders, defending and protecting it against external threats and keeps committed to the organisation even under adverse conditions. Organisational compliance is about the acceptance of the organisations rules, regulations, and processes.

1.3.5 Antecedents of Organizational citizenship behaviour
In small and medium enterprises the leadership behaviour is very important part which is also important antecedent of organizational citizenship behaviour. In SMEs the leadership play a vital role in order to influence the employees to show organizational citizenship behaviour. However, the leadership behaviour is not only factor that influence employees, there are also some other antecedents that are play important role in predicting employee citizenship behaviour which are

employee characteristics, task characteristics and organizational characteristics (Podsakoff et al., 1996; 2000).

1.3.5.1 Employee characteristics

Employee characteristics included education, Knowledge, training and work experience which he/she can use these characteristics during job. Individual characteristics of employees in a firm are influencing the presence of the organizational citizenship behaviours (Podsakoff et al. 1996). In small and medium enterprises the role of employees which contain employee characteristics are very important because they can solve lot of problems easily due to his personal characteristics. Due to the education, knowledge, training and work experience he can makes lot of big success able decision for the continuity and for the long life of the firm. Individual characteristics person can create brainstorming ideas by using his education and experience which can be helpful to increase the profit of the SMEs firms.

1.3.5.2 Task characteristics

A task characteristic includes the response of the task, task reutilization and intrinsically satisfying task (Podsakoff et al, 2000). During working when task provide a response by themselves this will motivate the employee to go beyond the requirement. Let's explain more clear by example, during work when any things happened wrong and task is to provide the information what went wrong then employees can immediately provide the information about the mistakes and at the same time employees can also provide the solution of the mistakes. In small and medium enterprises employees can also inform directly to the management about the problems and its solution which will motivate the employees to work harder to improve the process. In small and medium enterprises, when extra task become the routine in everyday life then it getting boring for the employees. And boring task will not motivate the employees to make extra struggle.

1.3.5.3 Organizational Characteristics

According to the Podsakoff, organizational characteristics include formalization of the organization, inflexibility of the organization, group cohesiveness, staff support, reward outside the leader's control and the degree of spatial distance between supervisors and subordinates

(Podsakoff et al., 1996; 2000). Organization characteristics also include the infrastructure of the organization, educated and experienced staff, latest machinery and the best process system of the organization. Podsakoff describe that group cohesiveness perceived support from organization and reward outside the leader control is pointedly related to the organizational citizenship behaviour. On the other side organizational inflexibility, organizational formalization, staff support and spatial distance is not related to the some factor of organizational citizenship behaviour. Small and medium types of enterprises carrying small level of organizational formalization, small level of organizational inflexibility, small level of advisory and staff support, small level of distance between leader and employee and high level of group cohesiveness.

1.3.6 Benefit of organizational citizenship behaviour

As organ define that when behaviours aggregated over time and people, organizational citizenship enhances organizational effectiveness. There could be some reason why citizenship behaviour influences organizational effectiveness. OCBs could contribute to organisational success by (Podsakoff et al, 2000; 543-546)

- Enhancing co-worker and managerial productivity.
- Freeing up resources so they can be used for more productive purposes.
- Reducing the need to devote scarce resources to purely maintenance functions.
- Helping to coordinate activities both within and across work groups.
- Strengthening the organisation's ability to attract and retain the best employees.
- Increasing the stability of the organisation's performance, and
- Enabling the organisation to adapt more effectively to environmental changes.

People provide the organizations an important source of supportable competitive advantage. It is the responsibility of the human resource management to determine or calculate the performance of the employee in the organization. Particularly when we think about organizational citizenship behaviour, it could be very important for the organization that peoples carry out extra activities which are not formally written down in company policy. When we consider small and medium types of companies, it can be expected that these small and medium types of companies are dependent upon in role employee's behaviours but more dependent on extra role behaviours.

There are lot of reasons for that, in small and medium organization the employees have to carry out extra activity due to limited number of employees. In case of absence of one or two employee other employees should be willing to carry out the work task of missing worker because there is no back up. In small and medium types of organization the functions are less specified and employees have to carry out extra task that are not formally written down, However this can be described in roles behaviour. Organizational citizenship behaviour is very important in these situations too, as the task are formally written down and you can find the certain overlap between the task of the employees and extra roles task performance which is overlapping to his actual task and employees should also be able to carry out these extra task. Additionally Katz (1964) explained that organisations cannot anticipate with perfect accuracy to all those activities essential for reaching objectives. Particularly in small and medium enterprises, this is important because these types companies have limited employees that have to react to these unexpected activities.

1.3.7 Defining the Leadership

Leadership is the ability to influence a group toward the achievement of a vision or set of goals (Robbins, Stephen P.; Judge, Timothy A. 2009). Leader in an organization plays a very important part to achieve organization goals by influence the employees. Simply the leader is that person who has an ability to use his belief, ideas and vision practically by influence the employees in an organization. Antonakis et al. (2004) define the leadership as; leadership is essential part for the variety of reasons at both level of supervisory level and strategic level. According to Limsila and Ogunlana (2008); leadership is a process or act of influencing the activities of an organized group in its efforts toward goal setting and goal achievement. In small and medium enterprises leader has a great impact on functioning of the organization as well as successful achievement of goals.

1.3.8 Leadership Behaviour and its effect on Organizational citizenship behaviour

As I mentioned above that leadership is that who influence the employees to achieve organizational goal. Leader have a great effect of organization performance as he motivate the employees to perform beyond the requirement as well as leadership behaviour could also enhance, neutralize or decrease the degree of organizational citizenship behaviour (Podsakoff et

al., 2000). In small and medium enterprises, it is very difficult to have employees who behave flexibility and work beyond the requirement. Effective leadership behaviour is helpful to achieve or increase the willingness of the employees to show organizational citizenship behaviour. The Organizational citizenship behaviour origin is started from the Ohio state university with the development of the path goal theory (House, 1996). According to the path goal theory the leadership is defined as 'will be effective to the extent that leaders complement the environment in which their subordinates work by providing the necessary cognitive clarifications to ensure that subordinates expect that they can attain work goals' (House, 1996, p. 326). Three main things that influence the workers, firstly the leaders are complementing the environment. Secondly leaders provide the clarification in order to direct the employees to their work. Thirdly leaders always motivate the worker that they can achieve the organizational objective. Effective leader always try to motivate and inspire the workers to keep in right direction. In below I shall describe the different leadership behavior

1.3.8.1 Transactional leadership (TRL)

Transactional leadership style was first describe by the Max Weber in 1947 and then after it is described by Bernard Bass in 1981. Transactional leadership style focus on basic management process of controlling, organizing and short term planning. According to the Maslow's hierarchy of needs, transactional leadership works at basic level of needs satisfaction, where the transactional leaders focus on the lower level of hierarchy .The objective of transactional leadership is to make a sure that the way to attain organizational goal is clearly understood by the employees, to remove the potential barrier within the system and to motivate employees to achieve organizational goal (House and Aditya, 1997). Transactional leader focus on internal matters required for the organization to achieve the goal (Boehnke et al, 2003). Identifying the lower level needs of the employees for the achievement of the organizational goal will guide them how successful execution of those task lead them to achieve job reward is a part of the transactional leadership (Zaleznik, 1983; Avolio & Bass, 1988). According to Bass (1985), transactional leader also limits the employee's efforts towards goals, job satisfaction and effectiveness and leader is acceptable as for as it goes but basically it is a prescription for organizational mediocrity. Transactional leader also connected with exchange reward for those employees who performed well and also punish them as well who did not perform their work

well (Bass and Riggio, 2006, p. 8). Transactional leadership have two components, one is management by exception and second is contingent reward.

1.3.8.1.1 Passive Management by exception (MBE-P)

In management by exception the passive leader intervenes only when standards are not met and only take action after rules have been broken or mistakes are "brought their attention". Passive leader are waiting for any mistakes, error and deviance occurs then after he takes action. Management by exception Passive leader is not taking action before any error or mistake occurs. Passive leader fails to interfere before the problem become serious (Bass and Riggio, 2006, p. 4-8). These types of leader are only monitoring the mistakes and error and then focus on fixing these error and mistakes. It means passive leader notice only the things went wrong rather than the things that went well. Within small and medium enterprises when the passive leader waits until problems become serious and it effect the whole organization.

1.3.8.1.2 Active Management by exception (MBE-A)

This type of leader is actively involved in monitoring mistakes, error and deviances from standard and takes the necessary action when it required. Active leader continuously keeps eyes on worker performance and make some change to the employees work to make a process correction. Active leader follow the production processes with active way and point out their attention on error, mistakes and irregularities (Bass and Riggio, 2006, p. 8). By keeping track on error and mistakes in active ways make the leader easier to give feedback because the leader is aware the processes their employees are involved in (Bass and Avolio, 2004). In small and medium enterprises active leader is very important because he find problem for its start which will help to solve lot of problems.

1.3.8.1.3 Contingent Reward (CR)

Reward is given to the employee who worked effectively and efficiently for achieving organizational goals. According to Judge and Bono (2000) defined contingent reward as providing an adequate exchange of valued resources for followers support. Contingent Reward is the most active form of transactional leadership but is less active than transformational leadership, because one can engage in contingent reward without ever being closely engaged

with followers." The involvement of leader in contingent reward behaviour is actually giving the reward to the employees in exchange for successfully and satisfactory done the work (Bass and Riggio, 2006, p.8). Leader provide the information to the management that which employees work efficiently and effect for the achievement of organizational goal is eligible for the reward and reward is given in the inform for example pay, advancement or job security (House, 1996; Bass, 2008). According to Bass (1997) "leaders clarify expectations, exchange promises and resources for support of the leaders, arrange mutually satisfactory agreements, negotiate for resources, exchange assistance for effort, and provide commendations for successful follower performance." The involvement of leader in active ways in monitoring the employees working activity at the operational process lead to the development of appropriate reward system (Yukl, 1989). In small and medium enterprises, due to low degree specialization in production process, the leader is required to more clarify the work that is needed to do for the employees and also clarify that reward can be obtained in successfully completion of the works. Due to small work force and extra work activity in small and medium enterprises it is very necessary to give the reward to the employees for the purpose to motivate them.

1.3.8.2 Transformational Leadership (TFL)

Transformational is using different techniques in order to increase the performance, moral and motivation of the employees. Transformational leader transform or change the basic values, beliefs, needs, preferences and attitude of the employees to perform further than the minimum level specified by the organization (Podsakoff et al, 1990; Lowe, Kroeck and Sivasubramiam, 1996). Transformational leader have four components and these component also known as 4I's (Bass & Avolio, 2005).

1.3.8.2.1 Idealized Influence (II)

The transformational leader is charismatic and behaves like a role model confirming that he will be respected and trusted (Bass and Riggio, 2006, p. 6). Transformational leader should work in a good way that makes him respected and trusted. Leader also gives the feeling to the worked that they are working for important purpose and in this way the transformational leader is able to increase the involvement of employees in the firm. In small and medium enterprises the owner should need to check the centralized role, employees can feel easily uncomfortable to spread

their idea and talk with the owner due to their firm coordination and top to down communication (Koch and de Kok, 1999). Transformational leader are ready to take risk. They can give the answer upon doing right things, showing high moral and ethical standard.

1.3.8.2.2 Individualized Consideration (IC)

Individualized consideration means leader treat employees individually with own needs capacities, and ambitions. As an individual consideration, transformational leader spend time teaching and coaching the workers and by offering learning opportunities make followers struggle hard for higher performance levels (Eisenbeiss, Boerner and Griesser, 2007). In small and medium enterprises with small workforce and close personal relation make the leader easier to focus the individual needs, preferences and desires. These transformational leaders are considering being good listener and along with this coming personal interaction.

1.3.8.2.3 Inspirational Motivation (IM)

By using inspirational motivation, transformation leader makes and determined idea of the future and shows trust in achievement of goals (Bass and Riggio, 2006, p. 6). He also provides future challenge and problem of works which in turn motivate the employees to be ready for that future problems and challenges in order to achieve organizational goals (Boerner et al., 2007). Transformational leader show enthusiastic and optimism for the future which will also motivate the challenge the workers to achieved organizational goals. They create an environment of commitment to organizational goal and vision.

1.3.8.2.4 Intellectual Stimulation (IS)

Transformational leader encourage a new ideas and creativity to their workers. Leader also motivates the employees to think about problems in a new way. The Intellectual leader checks each worker ideas and creativity from different angle in order to know either these idea are right or not.

1.3.8.3 Laissez-faire leadership

Laissez faire leader try to avoid in participating when an important issues arises, he become absent when needed in these issue, avoiding in making decision, delay in responding and ignoring the responsibilities.
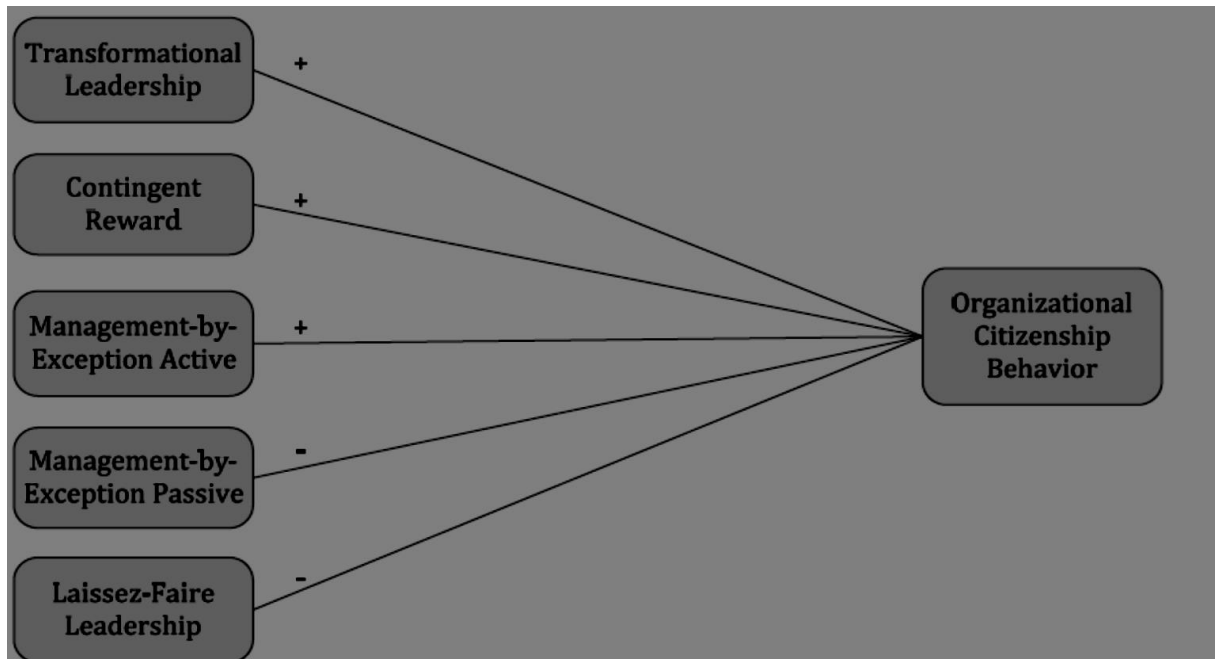
Figure-1 Leadership model and OCB

As per figure 1 model the transformational leader, contingent reward and management by exception active have a positive impact on organizational citizenship behaviour because these leadership behaviour use different method to motivate and influence the employees towards organizational citizenship behaviour. On other hand management by exception passive and laissez fair have a negative impact on organizational citizenship behaviour.

1.3.9 Full Range Leadership Model

The full range leadership model is divided under three categories that differ may be in their influence process (Bass & Avolio, 2005). These categories include Transactional leadership, Transformational leadership and passive avoidant behaviour. The below figure 2 describes the leadership behaviour that work and practice within the organization. The leadership factors are

grouped as transformational, transactional or laissez-faire style of leadership (Bass and Avolio, 1990).
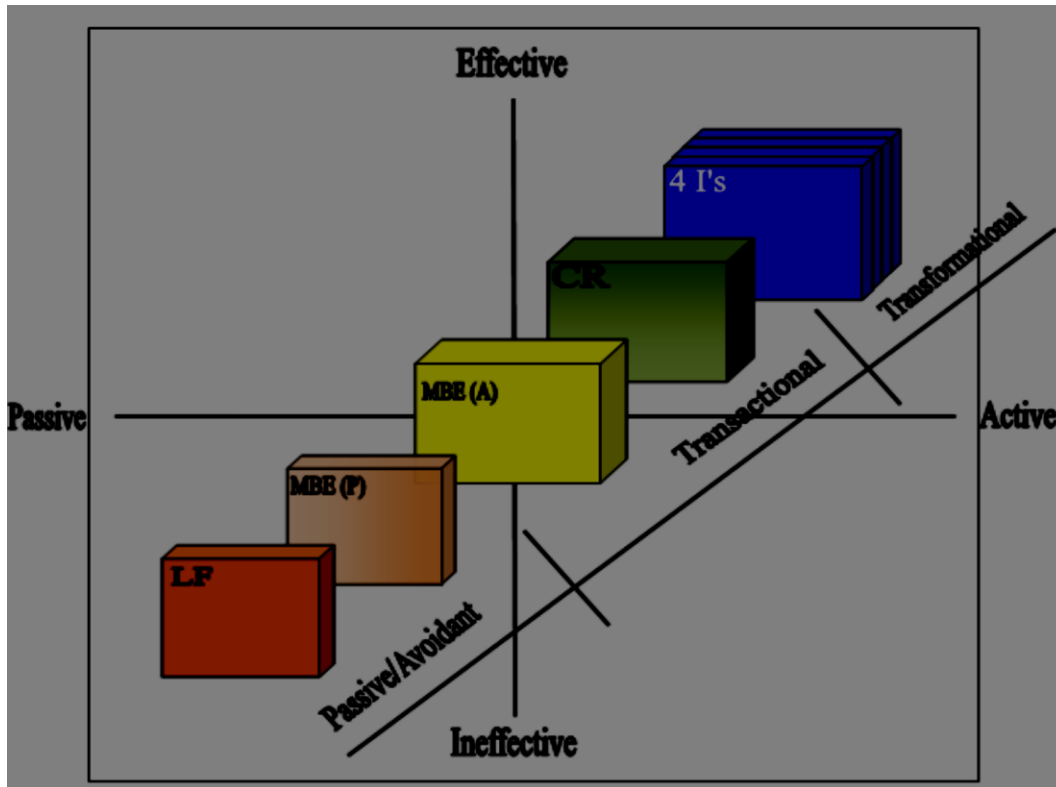
Figure 2- Full Range of Leadership Model (Bass and Riggio, 2006, p. 9)

1.4.0 Leadership and trust

Trust between leader and employees plays a very important role in order to perform the duty beyond the job requirement within small and medium enterprises. According to the Podsakoff et al. (1990) says that when the leader have certain degree of trust between their employees then work is performed beyond the requirement. The relationship between leader's behaviour and the employees in form of trust has a greater influence in order to perform well during work time. Leadership behaviour in form of Laissez-fair is not creating the trust relationship between employees. Laissez fair leader try to hide or escape in time when an important issue is discussed and not there when needed. He also tries to walk away from his responsibility. So laissez fair leader are destroying their trust level between the workers. Particularly, in small and medium enterprises, the laissez fair behaviour of the leader will decrease the trust that worker have for their leader.

The leadership behaviour in form of transactional is not influencing the trust level (Podsakoff et al., 1990), but if we give the focus on contingent reward, then it might build the trust level. (Ferrin and Dirks, 2002). Concerning the management by exception, leader can earn trust level by keep and eyes on employee's work for the purpose to finding the error on the other hand employees also showing their organization citizenship behaviour even they know that their performances is not noticed. In small and medium enterprises the close personal relationship between leader and worker foster the trustful relationship and this relationship influence the employees to work beyond the contractual requirement. Transformational leader have no direct effect on OCB (Podsakoff et al. 1990) but he can influence organizational citizenship by level of trust. Transformational leader use different techniques to influence the employees to work beyond the requirement and these techniques also helpful to foster the personal relation and trust.
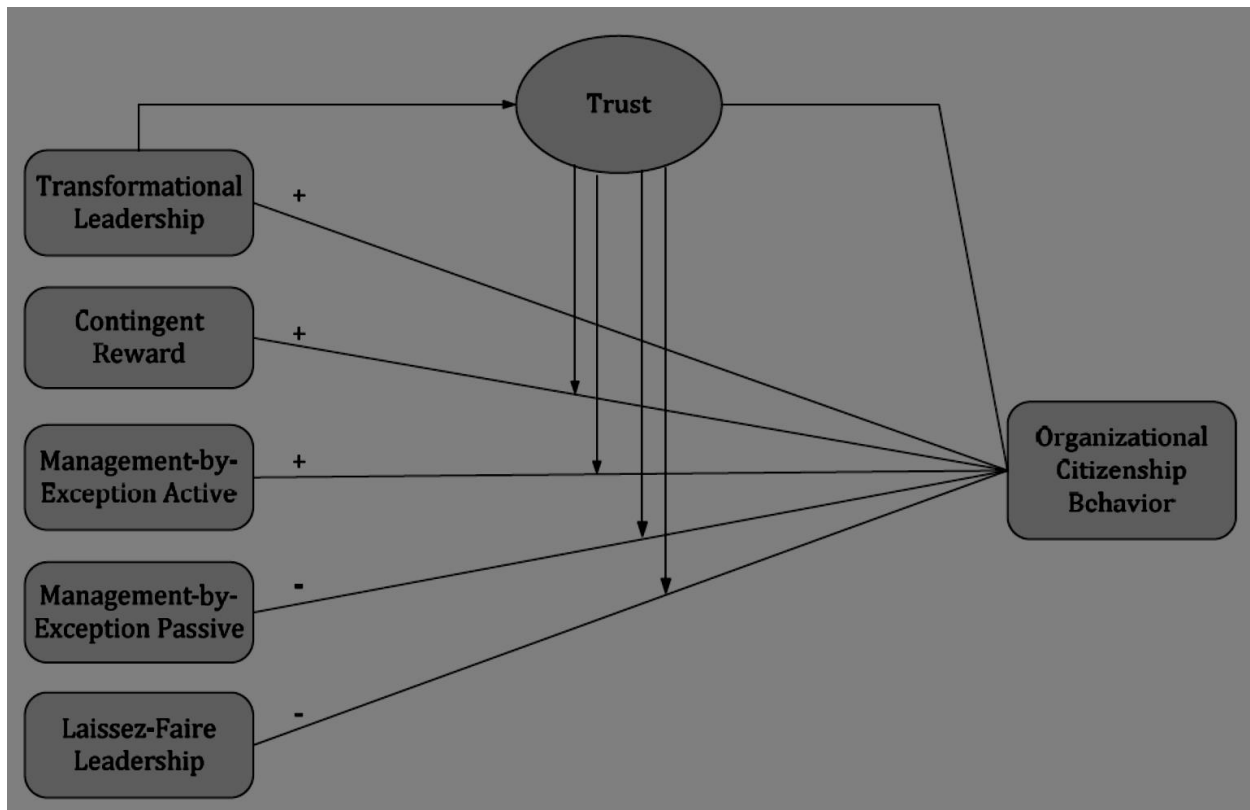

Figure 3-Full range leadership model with OCB and Trust

1.4.1 Organizational Justice

One of the important factors is organizational justice (Colquitt et al., 2001). Greenberg (1987) introduce the term of organizational justice in regard how the employee can analyse the

behaviour and attitude of the organization and the result which come from these behaviour and attitude. For example if any company fire some workers without any reason then workers may can feel the sense of injustice and workers behaviour towards work could affect the quality of the product. Justice or fair treatment is a process that an action or decision should be fairly right according to religion, color, ethic, equity and law. People are naturally attracted to the events of justice and situations in their everyday lives, across a variety of contexts (Tabibnia, Satpute, & Lieberman, 2008). Some research and studies have shown that organization justice or fair treatment have a great impact on employee's feelings, beliefs, attitudes and behaviours which lead the employee's high commitment and over time duties job (Yaghobi et al., 2010). Research in organizational justice shows that the procedure used in making decision and interpersonal treatment used by decision maker have an effect on individual's attitude and behaviour about fairness of outcome received from these decision (Bies & Moag, 1986; Bies & Shapiro, 1987; Folger & Greenberg, 1985; Greenberg & Folger 1983). Organizational Justice in decision making process which helps to increases the efficiency of employees and creates the good image and trust of the management in the eyes of employees. Organization should have clear policies for organizational justice in decision making process. In small and medium enterprises organizational justice is very important; this is helpful to motivate employees towards work in order to achieve organizational goals. OJ has three types that are distributive justice, procedural justice, and interactional justice. A first type is distributive justice which means that fairness distributions of work, resources and pay etc., to the workers. Perceptions of distributive justice can be fostered when outcomes are perceived to be equally applied (Adams, 1965). The second type is procedural justice that means every process should have rules and regulation. Each process should be clear and free of error. When individuals feel that they have a voice in the process or that the process involves characteristics such as consistency, accuracy, ethicality, and lack of bias then procedural justice is enhanced (Leventhal, 1980). Interactional justice means an action that individual receives as decision by providing the explanation and providing the information that is sensitivity and respect (Bies & Moag, 1986). According to Colquitt (2001) interactional justice divided into two parts that interpersonal justice and informational justice. In interpersonal justice people are treated with good manner, politeness, dignity and respect by management and third party involves in executing process. Information justice means a decision are made according to information and explanation that have been provided. OCBs are related to

both procedural justice (DeConick, 2010; Cohen-Charash & Spector, 2001; Karriker & Williams, 2009) and distributive justice perceptions (Cohen-Charash & Spector, 2001; Karriker & Williams, 2009) The impact of OJ is that it creates trust and commitment (Cohen-Charash & Spector, 2001); improve job performance (Colquitt et al., 2001) and customer satisfaction and loyalty (Bowen, Gilliland and Folger 1999).

1.4.2 In Role Behaviour

According to Katz (1964) three types of behaviour identified to be essential for the better functioning of the organization in which two are importance here; (a) Employees need to meet particular role requirement however, (b) there is also need to be some kind of spontaneous activity that goes beyond these role prescription. From the previous research it is clear that extra role behaviour and in role behaviour is different. Concerning small and medium size enterprises, organizational citizenship behaviour is confused about the level of in role behaviours. Williams & Anderson (1991) create a scale which measures the in-role behaviours of workers, defined as 'behaviors that are recognized by formal reward systems and are part of the requirements as described in job descriptions' concerning the small and medium size enterprises jobs are not always well described. So definition of in role behaviour need a little change and is defined as 'behaviours that are recognized by formal reward systems and are part of the requirements belonging to the job' (van Riemsdijk, Mesu and Sanders, 2009, p.3). So word requirement is chosen rather than description because as i mentioned before that in SME, one may find that job is not always well defined (Mesu et al., 2009). Job in small and medium size enterprises are largely describes which makes the different between organizational citizenship behaviour and in role behaviour. When workers do not know exactly about their job requirement then how they can shows in role behaviour.
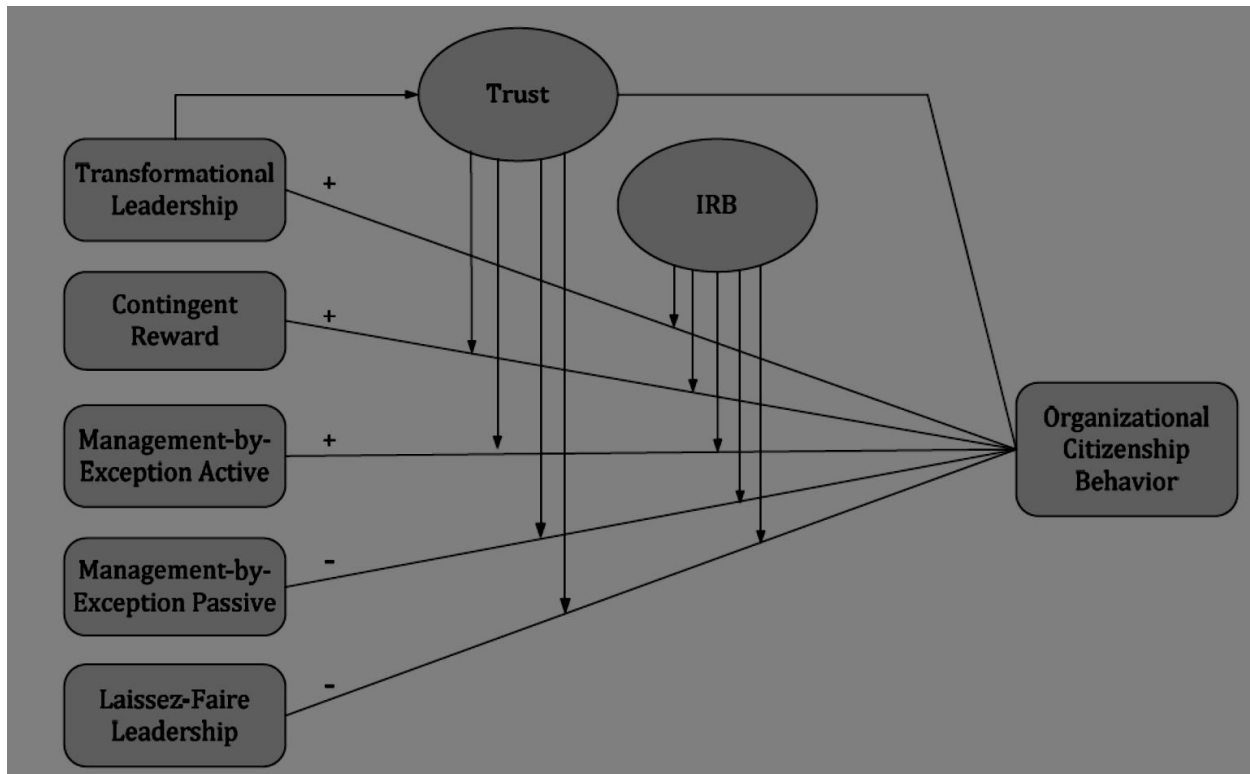
Figure 4-The Full Range of leadership model with OCB, IRB and Trust

1.4.3 Hypotheses to Be Investigated

On the basis of conceptual frame work, the following hypotheses is to be investigated for this research study

H1: The effect of Laissez fair leadership behaviour on organization citizenship behaviour is negative shown by employees.

H2: The effect of Management by exception Passive on organizational citizenship behaviour is negative shown by employees.

H3: The effect of Management by exception active on organizational citizenship behaviour is positive shown by employees.

H4: The effect of Transformational rewarding leadership on organizational citizenship behaviour is positive shown by employees.

H5: Trust creates the strong relationship between laissez-faire leadership behaviour and transactional leadership behaviour and organizational citizenship behaviour.

H6: Trust is arbitrating the relationship between transformational leadership behaviour and organizational citizenship behaviour.

CHAPTER-2 METHODOLOGIES

2.1 Introduction

The above chapter describes the literature review and theoretical information about leaderships, organizational citizenship behaviour and organizational justice. This chapter will describe about how the leadership behaviour related to organizational citizenship behaviour with in small and medium enterprises and its effects. The data is collected four production orientated enterprises with size small and medium for purpose to find the result of the leadership behaviour effect and organizational citizenship behaviour. With the large sample size in small and medium enterprises, we can find a good result of leadership behavior effect in organization. According to the European Union definition, small firm consist of employees between 10 and 50 and have turnover less or equal to Euro 10 million and medium size firm describe as 50 to 250 employees with turnover less or equal to euro 50 million. In case of 10 employees, it is consider too small firm and this can be shopkeeper, in the railway station or in the street corner, so this research is not considering less than 10 employees firm. It is interesting to consider small and medium enterprises because in these enterprises we can see the strong control level.

2.2 Research Design

The research design shows how the information is collected for this research which include finding out data gathering process, the use of instrument and the way how the instrument administrated and how the information organised and analyzed.

The motive of conducting this research is to find out the effect and influence of leadership behaviour on employees with in small and medium enterprises. There is no much research have been done in small and medium enterprise about leadership behaviour and organizational citizenship behaviour. This research was planned to conducted through the survey through questionnaire were asked from different companies. The benefit of doing survey research is that it can be done quickly and the possibility of privacy is high and costs are little (Babbie, 2004). In order to find out the leadership effect on organizational citizenship behaviour shown by employees, four small and medium productions oriented enterprises within Bavarian state were contacted and ask them if they are willing to participate in this research but they have rejected to participate in this research. There are different reason in Germany why the firm did not

participating in this research. One of the reason for this research is to getting the permission from union is necessary which they ask lot of paper work and even that it is difficult to get permission the second reason of this research is about the companies as they are no agree to participate in this research as it creates a problems and conflict between the supervisor's and the workers because during the questionnaire survey, subordinates were asked to fill these questionnaires about their direct leader and then these direct leaders were also asked to fill questionnaire about their subordinates. It is also asked to the subordinates to rate about their leader's behaviour and level of trust that they had on him and on the other hand it is also asked to the leader to fill questionnaire about organizational citizenship behaviour and in role behaviour shown by employees in an organization. So that is why they feel feared to participate to this research. In order to solve this problems data were collected from previous research.

2.3 Research Measures

In order to find out the effect of leadership behaviour on organizational citizenship behaviour shown by employees in small and medium enterprises a questionnaire survey is conducted in previous studies. In the first step, an interview with the owner/manager was conducted in order to find out general information about the company history, product information and numbers of employees. After that a questionnaire was divided to the workers and their direct bosses with in these enterprises. The questionnaire sheet is divided into two categories, one category is for employees who ranked their supervisors and second category is for supervisors who can rank their employees. The common question which was asked is as below.

- Gender: Male of female
- Age: five categories are mentioned which are; age 20 year old and younger, between 21 year and 30 years old, between 31 years old and 40 years old, between 41 years old and 50 years old and last categories is between 51 years old and 60 years old.
- Educational level: divided in to four categories which are (1) lower education included general education at low level, vocational education at lower level. (2) Medium education included medium general education, medium vocational education. (3) Higher general education included higher general secondary education and preparing university. (4) Higher education included higher vocational education and university.

- Organizational tenure: it included no categories but ask open question for knowledge about how long employees and supervisor serve for the organizational.

Organizational Citizenship behaviour

In order to measure organizational citizenship behaviour 24 items scale was used which is developed by Podsakoff et al (1990). Civic virtue is only the dimension which is not measure because in the several studies of Podsakoff et al (1990) it is found that civic virtue is only dimension of organizational citizenship behaviour which is less impressive. All dimension of organizational citizenship behaviour demonstrate the reliabilities in between .82 and .85.

Leadership Behaviour

  Leadership behaviour which include transactional, transformational and laissez faire leadership were measure by using MLQ form 5X (Bass and Avolio, 2004). In MLQ 5X form of questionnaire the Idealized influence attributed was not measured because the leader attributions cannot be changed. The leadership behaviour has the consistent reliability more than .71.

Trust

6 item scales of Podsakoff et al. (1990) were used in order to measure the effect of leader trust with connection leadership behaviour and organizational citizenship behaviour and this 6 items scale demonstrate the reliabilities of more than .90 and measures the employees levels of faith in and loyalty to the leader.

In Role Behaviour

In order to measure "in role behaviour" 7 items scales on in role performance assessment were used which is developed by Williams and Anderson (1991) for the purpose to find out whether the employees are truly outperform their jobs responsibilities or just fulfil their work condition. This 7 items scale shows the reliability of .91.

All measure instruments were used 5 point scale with following values.

1: Strongly disagree   Never

2: Tend to disagree   Infrequently

3: Neither Agree nor Disagree   Sometimes

4: Tend to agree   Frequently

5: Strongly agree   Always

2.4 Research Sample

In order to find the effect of leadership behaviour on small and medium enterprises different companies qualifying as SME in Germany, which were selected randomly and approached and asked them if they are willing to participate in this research. The purpose of this master research is to focus only in small and medium enterprises. It is not possible to collect data from all small and medium enterprises within Germany, so sampling is necessary. When creating sample, not all SME enterprises were acceptable to participate in this research. Sampling of this research was based on several purposes which mean that the organizations needed to have specific characteristics.

CHAPTER-3 ANALYSIS AND RESULT

As was explained in the previous chapter, data was obtained through previous research and to find out the effect of leadership behaviour in small and medium enterprises.

3.1 Hypothesis Overview

Hypothesis 1

The effect of Laissez fair leadership behaviour on organization citizenship behaviour is negative shown by employees. According to the previous research it is found that laissez leadership behaviour has statically a negative effect on organizational citizenship behaviour. so it is clear that the leader who are absent and who are not participating in company works and their employees are involved are reducing the level of organizational citizenship behaviours show by employees. So hypothesis one is accepted

Hypothesis 2

The effect of Management by exception Passive on organizational citizenship behaviour is negative shown by employees. According to the previous research statically it is found that management by exception passive have not negative effect on organizational citizenship behaviour as it shows positive relationships between management by exception passive and organizational citizenship behaviour. So hypothesis number two is not accepted.

Hypothesis 3

The effect of Management by exception active on organizational citizenship behaviour is positive shown by employees. As per previous research, statically it is found that management by exception active have no positive effect on organizational citizenship behaviour as negative relationship were found between them . So according to the previous research result it is found that more leader involved in management by exception active behaviour so the employees shown less organizational citizenship behaviour. So hypothesis 3 is not accepted.

Hypothesis 4

Transformational leadership who are rewarding has a very strong and positive effect on organizational citizenship behaviour shown by employees as per previous research. However these positive relationships were weak as per research result and also insufficient. So hypothesis 4 is not accepted.

Hypothesis 5

Trust creates the strong relationship between laissez-faire leadership behaviour and transactional leadership behaviour and organizational citizenship behaviour. As per the past research there is no significant change were found in organizational citizenship behaviour but some coefficient change due to the influence of the trust. Management by exception passive in relationship with organization citizenship were change in an inverse way. Secondly laissez faire leadership behaviour with relation to organizational citizenship behaviour becomes unimportant due to the effect of trust and only the coefficient of management by exception active remains almost same. So it is clear that only the coefficient of relationship between laissez faire leadership and organizational citizenship behaviour changed due to the effect of trust. So hypothesis 5 is partially accepted.

Hypothesis 6

Trust is arbitrating the relationship between transformational leadership behaviour and organizational citizenship behaviour. According to the past research transformational rewarding leadership behaviour has a positive effect on employees trust and on the other hand trusts have a positive effect on organizational citizenship behaviour. However, according to the past research there is not direct relationship were found between transformational rewarding leadership behaviour and organizational citizenship behaviour. So only indirect effect found and hypothesis 6 is considered to be rejected.

3.2 Effect of dimensions on organizational citizenship behaviour

Conscientiousness

With concern of direct effect only laissez-faire leadership behaviour was negatively related to the conscientiousness. All other leadership behaviour has positive influence to the conscientiousness but these relationships were weak and insufficient. There is only way that leadership can influence conscientiousness of employees is through trust because the trust is positively related to the conscientiousness as per the past research.

Sportsmanship

According to the past research it is found that sportsmanship is only the dimension of organizational citizenship behaviour in which lot of variance were described by the leadership behaviour. Concerning the management by exception active and laissez-faire leadership behaviour is significantly related to the sportsmanship. This shows that most of leader makes an attention on mistakes and failures and they are more indifferent concerning their employees and their works and less they are showing sportsmanship. Concerning other leadership behaviour like transformational rewarding leadership and management-by exception passive have a negative relationship with sportsmanship.

Courtesy

As per the research done in the past Laissez-faire leadership behaviour is only factor that negative effect the courtesy and all other leadership behaviour have a positive effect but all these relation are weak and insignificant. Trust is positively affected by the courtesy when proper control done by the leadership behaviour. By gaining the trust leader can affect the courtesy behaviour.

Altruism

As per the research only the management by exception active are related to the altruism which means that more leader are focusing on mistakes and irregularities and make the attention of leaders on these issues and few employees show their helping behaviour to their leader and also to their colleagues. Other all leadership behaviour and trust have a weak to moderate relations towards the altruistic behaviour of the employees.

3.3 Effect of trust

According to the past research it is found that trust have a significant effect on organizational citizenship behaviour. To start with different leadership behaviour it is clear that trust has a significant effect and influence on laissez faire leadership behaviour and next to this trust is significant influence by organizational citizenship behaviour. it mean that trust playing a very important role to make a influence between laissez faire leadership behaviour and organizational citizenship behaviour. Through the past research it is also found that trust did not mediating the role between transformational rewarding leadership behaviour and organizational citizenship behaviour as strong indirect effect were found. Transformational rewarding leadership behaviour was influenced by the trust and on the other hand trusts considerably influenced by organizational citizenship behaviour. so transformational rewarding leadership behaviour can achieve the organizational citizenship behaviour through earning the trust.

3.4 Effect of in role behaviour

In role behaviour and organizational citizenship behaviour are two different concepts but some time organizational citizenship behaviour is evaluated as being in role behaviour. In order to find out that organizational citizenship behaviour is related to in role behaviour, it is necessary to examine the effect of in role behaviour on organizational citizenship behaviour. Within past research correlations show whether an independent and dependant are relating to each other without representing any causal relationship (Reinard, 2006, p. 92). During research positive and negative relation are not in reversed when controlling in role behaviour and the correlation are not changing widely. So it is assessed that in role behaviour and organizational citizenship behaviour are seen as different concepts. It is also clear in the research that there is no significant influences of in role behaviour on organizational citizenship were found.

CHAPTER-4 DISCUSSION

The discussion part of this study starts with the direct effect model. The direct effect of all leadership behaviour will be explained and discussed concerning expectation that were set in this chapter. Before starting this section it is very important to point out that employee in small and medium enterprises shows a very realistic level of organizational citizenship behaviour and that particularly the dimension of sportsmanship was influenced by the behaviour of the leadership.in this section I shall explain how the leadership behaviour influence this.

4.1 Direct Effects

The most notable finding is that the direct effect model did not shows most of projected and important relation. The result only shows the major inverse effect of laissez faire leadership behaviour on organizational citizenship behaviour shown by employee in small and medium enterprises. Laissez faire leadership behaviour has a strong negative and important relationship to the organizational citizenship behaviour. According to the literature, a leader who are completely absent cannot motivate the employees to do more than the requirement. Laissez faire leadership behaviour is one of the factors who decrease the level of sportsmanship shown by the employees. According to the past research it is found that leader did not involve much in laissez faire leadership behaviour. However the past research shows a negative strong correlation even within these lower levels of laissez faire leadership behaviour, especially concerning production oriented small and medium size enterprises, employees immediately decrease the level organizational citizenship behaviour when they are ignored by their leader and also not guided and controlled and when they also feels that their leader does not have interest in them. Management by exception passive shows a positive but weak relationship with organizational citizenship behaviour. However this relationship was irrelevant, it was amazing because of positive effect came. It was expected that management by exception passive have negative effect because of the leader always focus on mistakes, failures and error (Bass and Riggio, 2006, p. 8). Management by exception passive always waiting until problems become serious as this act expected to lower the organizational citizenship behaviour but it is not a case in the past research. It is also found that Management by exception passive in small and medium enterprises are not highly passive but as per research a level of passive in small and medium enterprises has a

positive effect on organizational citizenship behaviour as shown by employees. With the sense of controlling employees and controlling work process of management by exception in passive behaviour, employee's shows more conscientious, altruistic and courtesy behaviour.so management by exception passive have a weak positive influence on organizational citizenship behaviour as per the research done by past researcher.

Management by exception active has inverse relationship with organizational citizenship behaviour. During research done by past research it is expected to have a positive relation but surprisingly found negative relation with organizational citizenship behaviour. Management by exception active leaders always works accurately, actively and following the working process and carefully monitors the workers while keeping tracks of all mistakes (Bass and Riggio, 2006, P. 8). Management by exception active leaders also focus the errors and mistakes and give their feedback and they are also stopping the problems before it become serious which is expected to have positive effects (Brass and Avolio, 2004). However past research shows that this had a negative effect on the level of organizational citizenship behaviour shown by employees. May be workers knows that their leader checking them and make their attention on mistakes and failure again and again which make the employees to understand that their leader only focus on mistakes, error and failures rather than the things went right. Leader gives the feedback on mistakes, errors and failure which are not motivating the employees because the feedback focuses only on mistakes, errors and failures. According to Steelman the feedback should be in a positive manner for the purpose of motivating the employees work (Steelman et al., 2004). Checking the employees in an active way and focusing the feedback on mistakes may arise the negative effect on organizational citizenship behaviour. Next to this employees did not have a chance to solve problems themselves due the interfering leader when problem arise. This act will decrease the level of organizational citizenship behaviour. Management by exception active also have negative effects on the dimension of organizational citizenship behaviour which includes sportsmanship and altruism. It means employees show less helping behaviour towards management by exception active leader because management by exception active leader focus more on negative things rather than positive things. It is also found that management by exception active leader have weak positive effects on the conscientiousness and courtesy of their employees which means that employees work a little above the average and to small extent stopping problems for colleagues from occurring when leader is active in management by

exception. However management by exception active have a negative relation on organizational citizenship behaviour. According to the Podsakoff et al. (1990) research transactional leadership behaviours is directly related to the organizational citizenship behaviour, Podsakoff research did not find the effect on the dimensions of transactional leadership behaviour. It is expected that transformational rewarding leadership behaviour showed strong positive and direct relationship with organizational citizenship behaviour but in the past research it is found that this relationship was weak and insignificant. Past research shows that transformational leadership behaviour and contingent rewarding behaviour were highly correlated which result problem. When new factor analysis contingent rewarding behaviour turned out to be loading on the same factor as transformational leadership behaviour which means that employees in small and medium companies could not make difference between those concepts. Due this transformational leadership behaviour and contingent rewarding were combined into new factor and called as transformational rewarding leadership. This kind of leadership behaviour were expected to have a strong and positive relationship on organizational citizenship behaviour shown by employees and it is also expected that employees would feel confident and motivated and also show the conscientiousness and helping behaviour because their leader give them the opportunity to develop and establish themselves. Transformational leader working as a role model treating employees as separately and trying to understand their needs and wants and capability and he is also helping to develop each employees strength and motivate them to think creative and innovative way (Bass and Riggio, 2006, P, 6-7). This all point expected to have strong effect on organizational citizenship behaviour. However from the past research the result was totally different, the leader with in small and medium companies shows a moderate level of transformational rewarding leadership behaviour and research shows that the effect on organizational citizenship behaviour were very week. The reason is that in small and medium enterprises the employees have a lot of responsibility to perform different task and they have not decision making rights. The owners in small and medium enterprises hardly delegate the power authority to their employees. This could be problems that transformational rewarding leadership behaviour has a less effect on organizational citizenship behaviour.

In the discussion chapter, we have discussed the effects of different leadership behaviours was discussed. It is clear that laissez faire leadership having the least positive effect and transformational leadership have most positive effects. It is also found that management by

exception passive have more positive effect than management by exception active. Transformational rewarding leadership have the positive effect, however these effects were weak and lay close to the effect of management by exception passive.

4.2 Effect of Trust

According to the previous research done by Podsakoff et al. (1990) and Pillai et al. (1999) no direct relation were found between transformational leadership and organizational citizenship behaviour but they found that these effect influenced by the trust. In small and medium enterprises, due to the small level of workforce it is expected that trust in high level already exist and these trust could be influence by leadership behaviour and also could be influenced the relationship between leadership behaviour and organizational citizenship behaviour. However, past research shows that the variance in organizational citizenship behaviour did not change through the influence of thrust. Concerning the management by exception active it is found that the influence of trust is hardly changes anything concerning its effect on organizational citizenship behaviour. The reason is that management by exception active leader develop deterrence based trust as employees in an organization are expected to fulfil their job requirement because of sanctions that will appear otherwise (Rousseau et., 1998). When the employees duties are well structure and the process are mentioned in a good and accurate way, so controlling of employees in this way creating is trusty relationship.

In compare, the regression of Management by exception passive and transformational rewarding leadership change in a direction and the laissez fair leadership regression changed unsatisfactory. On a research it is found that trust have a great influence between different style of leadership behaviour and organizational citizenship behaviour.

According to the Podsakoff et al. (1990) research explained that transformational leadership behaviour had no direct effects on organizational citizenship behaviour but trust play a very important role in order to influence transformational leadership behaviour toward organizational citizenship behaviour. So due to these effect it is found that transformational rewarding leadership behaviour have a positive and strong effect on the level of trust. Especially in small and medium enterprises trust is very important in order to maintain personal relation and strong organizational culture and this help them to relay personally on each other (Rousseau et al., 1998). These level of trust are determined to have a positive, strong effect on organization

citizenship behaviour. Although no direct effect between organizational citizenship behaviour and transformational rewarding leadership behaviour were found. The indirect effect between transformational rewarding leadership behaviour and organizational citizenship behaviour is that it is not sure whether organizational citizenship behaviour is effect by transformational rewarding leadership behaviour or other things that influenced trust (Preacher and Hayes, 2004). Transformational leadership behaviour is influenced by trust and trust influences organizational citizenship behaviour. However it is not proved that organizational citizenship behaviour was influenced by transformational rewarding leadership behaviour.

Trust also effect the relationship between laissez faire leadership behaviour and organizational citizenship behaviour. in the past research it is found that trust is mediating the relationship between laissez faire leadership behaviour and organizational citizenship behaviour. it is also found the direct important relationship between laissez faire leadership and organizational citizenship behaviour, there is also a direct and important relationship between trust and laissez faire leadership, there is also important and direct relationship between organization citizenship behaviour and trust

4.3 Effect of In role Behaviour

Past research show us that organizational citizenship behaviour and in role behaviour were differentiated. The coefficient of in role behaviour hardly changed next to this, the variance of organizational citizenship behaviour latterly decrease. So no important effect of in role were found. This is due to broadly describe the job requirements and informality with in small and medium enterprises. It was expected that organizational citizenship behaviour some time helpful for organizational citizenship behaviour but it was not a case. However employees in small and medium enterprises shows little level of in-role behaviour and the correlation between in-role behaviour and organizational citizenship behaviour were found only moderate.

CHAPTER-5 CONCLUSION

The main and the central question of this research is to find out "**What is the effect of different types of leadership behaviour on organizational citizenship behaviour shown by employees with in small and medium enterprises?**

Analysis the previous research and results, it is clear that the leadership behaviour in total explained a quarter of the variance in organizational citizenship behaviour which is its self is a considerable amount. However, the different leadership behaviour have different effect.

It is clear that Management by exception passive have a direct effect on organizational citizenship behaviour which means that employees shows more organizational citizenship behaviour within small and medium enterprises when leader behave passively in monitoring the working process and facilitates the mistakes. Employees in a small and medium enterprises like the working responsibilities and try to solve the problems by themselves. With compare to the management by exception passive, management by exception active has an opposite effect. Which means that management by exception active leader always focus on mistakes and failures and point out the employee's attention towards these problems which less employees shows the organizational citizenship behaviour. Employees in a small and medium enterprises are working independently and they don't want to be check by their leader when problem arise because they want to solve these problem by themselves.

Transformational rewarding leadership behaviour in small and medium enterprises showed positive but weak relationship with the organizational citizenship behaviour which means transformational rewarding leadership behaviour do not have big influence towards organizational citizenship behaviour shown by employees in SMEs. Leaders who take care of all individual needs and wants and who emphases on employees to work as creative mind and who work only for the organizational purpose, these leader can influence small extend of employees organizational citizenship behaviour. Only laissez faire leadership have significant level of effect on organizational citizenship behaviour. Laissez faire leader are not present when needed and most of time they avoid getting involved in problems soluation and their employees are showing less organizational citizenship behaviour.

When we consider the effect of trust, we find some amazing effects. Management by exception passive leadership behaviour, management by exception active leadership behaviour with relationship to the organizational citizenship behaviour have not much change. Trust had a small level of influence between management by exception passive leadership behaviour, management by exception active leadership behaviour and organizational citizenship behaviour which are not enough. Although trust had an important effect on transformational rewarding leadership behaviour which increase the level of organizational citizenship behaviour because employees showed the trust in their leader. However no direct effect were found between transformational rewarding leadership behaviour and organizational citizenship behaviour. Only indirect effect were found between them. It is also observed in past research that trust influence the relation between laissez faire leadership behaviour and organizational citizenship behavior. However laissez faire leadership behaviour have an important negative effect on organizational citizenship behaviour and also have important negative effect on trust level. Although trust importantly influence the organizational citizenship behaviour. There is a direct negative effect were found between organizational citizenship behaviour and laissez faire leadership behaviour and these negative effect are very strong because laissez faire leaders decrease the level of employees trust. To summarize the result in short and agreeing with the present literature, laissez faire leadership showed important opposite relationship to the organizational citizenship behaviour. Transformational leadership had strong and important connection with the levels of trust which is helpful to increase the organizational citizenship behaviour shown by employees in a small and medium enterprises. Thus, agreeing with the current literature whereas strong direct negative effect showed by laissez faire leader towards organizational citizenship behaviour, transformational leader showed indirect but strong effects. Although, as per the previous research transformational rewarding leadership behaviour did not showed large enough effect on organizational citizenship behaviour. Transformational rewarding leadership behaviour showed only direct positive but weak relationship towards the organizational citizenship behaviour. It clear that employees like to work beyond the job requirement when leader work and monitor by using management by exception passive behaviour.

5.1. Recommendation

In this chapter, the below recommendation are based on the result that are mentioned on above chapter. These result are based on production oriented small and medium companies. According to the above mentioned result the leader in small and medium enterprises required to be involved in management by exception passive behaviour and transformational rewarding leadership behaviour for the purpose to get positive result on employee's organizational citizenship behaviour. Leaders who have a confident view about future and who works like a role model, who encourage their employees to think in an innovative way, who are considering the individual capability of employees into consideration, who always full fill the employees needs and want, those leader make the employees to perform beyond the requirement. Leader should always consider their decision either these decision are according to the moral ethic that makes the employees confident and feel trusted. Next to this employees should use their capability and strength in order to make the company well. It is also very important for the employees to know about their responsibility and what the company expected from them. Nevertheless, employees should have certain level of freedom from these responsibility and expectation to make a decision and solve problems themselves. Employees in small and medium enterprises don not like if their leader always focus on mistakes and failures, so it is necessary for the leader to give the chance to the employees to solve problems themselves. Employees should also need to understand that they have some degree of responsibility and also have a trust by their leader. Next to this, there is a very important reason to involve in Management by exception passive leadership behaviour and transformational rewarding leadership behaviour, these type of leadership behaviour have a positive effect on employees and also employees feel trust towards their leader. Management by exception leadership behaviour and transformational rewarding leadership behaviour have close and positive connection with trust more than the organizational citizenship behaviour and trust have a close relationship with organizational citizenship behaviour. So it is clear that employees shown more organizational citizenship when they have trust on their leader. When leader achieve high level of trust then employees become more willing to help to their colleagues and also to their leader to solve problems and mistakes and also fell happy to perform beyond the requirements.

What kind of activity the leader should not do in small and medium enterprises. He should not behave like management by exception active or laissez faire leader. These types of leader

behaviour are decreasing the level of trust which employees have on their leader. So it is clear that leader should monitor the employees in an active way. He should not always focus on mistakes, error and failure. When leader make the attention of the employees to words mistakes, error and failure and inform the employees in threat way to not to make mistake next time, this will decrease the level of organizational citizenship behaviour of the employees. However in small and medium enterprises the leader should be passive in case when he fined mistakes, failure and mistakes and leader should give the chance to the employees to solve problems themselves. Leader should always present when needed because in some cases important problems or decision cannot be postpone. Leader should avoid laissez faire behaviour in order get good result on organizational citizenship behaviour shown by employees in small and medium enterprises.

5.2 Limitation

There are several limitation of this research that can affect the result. First limitation of this research is the psychometric properties of the research instrument have problems. Transformational leadership behaviour and its four dimension did not load on the intended factors which show transformational leadership behaviour as a one factor can be easily understand rather than its four modules. It became clear that transformational leadership behaviour is connect with contingent rewarding behaviour. This could be multicollinearity problem and by uniting these two factor into one factor, we can solve problem and this uniting factor called transformational rewarding leadership. It is not possible to find out discrete effect on, inspirational motivation, intellectual simulation, idealized influence, contingent reward and individualized consideration without combining these two factor. According to the past research a courtesy factor exposed that inspirational motivation, idealized influence and individualized consideration had a positive effect on organizational citizenship behaviour. On the other hand contingent reward and intellectual stimulation had negative effect. So it is clear that these dimension had different effect.

Second limitation, past research used small number of people with in SMEs enterprises. It means total number of people who are involved are not high. This could be a reason may be employees don't not give the answer of the questionnaire because it could disturb or effect the relationship with the supervisor.

Third limitation of this study is the contradiction of definition of SMEs in different countries and studies. Due to that contradiction result cannot be generated.

Last limitation of this study is the limited analysis of data. The distributions of the questionnaire sheet to the supervisors shows unequal result and this unequal result problem were solved by weighting the result so that each supervisor have an equal portion of the outcome.

5.3 Direction of the future research

Consider this research as effect of leadership behaviour in small and medium enterprises, interesting future research can be occurred to the effect of leadership behaviour.

First of all, this research focused on technical and production oriented small and medium enterprises.It would be good and nice if you focus this research on other sectors like construction firms, advisory firms, accounting firms or whole sales firms in order to find out either these effect and interaction are same or different from technical or production oriented firms.

Secondly, it is useful to find out how trust is developed with in production oriented firms. These firm have a high level of trust and it is useful to find out that what things increase the high level trust. Did the leader influence can increase the trust or there are other factor that effect this high level trust. It is also very use full to know what factor or what things influence the leader in order to achieve high level of trust.

Finally it would be useful to find out individual effect of the separate dimension (intellectual stimulation, inspirational motivation, individualized consideration, idealized influence and contingent reward) on organizational citizenship behaviour. According to previous research it is clear that these individual dimension have different effect on organizational citizenship behaviour and it is useful to find out what kind of effect these dimension have on organizational citizenship behaviour.

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WEBSITES

European Union   http://ec.europa.eu/

Knowledge for entrepreneurship   http://www.entrepreneurship-sme.eu/

APPENDIX A: QUESTIONNAIRE

General questionnaire to the owner

1- What is the legal form of your company?

2- How your company categorised for example public limited or private limited or family owned company?

3- How many employees are working in your company?

4- Which kind of product you are producing?

5- Which market are served?

6- How long your company exit?

7- What is the sickness level?

8- What is the employee's turnover ratio?

9- What is the employee's level of education?

1-Organizational Citizenship Behavior (Podsako et al., 1990)

Questionnaire from Supervisor

A-Conscientiousness

1. Attendance at work is above the norm

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

2. Does not take extra breaks

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

3. Obeys company rules and regulations even when no one is watching

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

4. Is one of my most conscientious employees

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

5. Believes in giving an honest day's work for an honest day's pay

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

B-Sportsmanship

6. Consumes a lot of time complaining about trivial matters

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

7. Always focuses on what's wrong, rather than the positive side

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

8. Tends to make "mountains out of molehills"

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

9. Always finds fault with what the organization is doing

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

10. Is the classic "squeaky wheel" that always needs greasing

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

C-Courtesy

11. Takes steps to try to prevent problems with other workers

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

12. Is mindful of how his/her behavior affects other people's jobs

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

13. Does not abuse the rights of others

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

14. Tries to avoid creating problems for coworkers

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

15. Considers the impact of his/her actions on coworkers

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

D-Altruism

16. Helps others who have been absent

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

17. Helps others who have heavy workloads

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

18. Helps orient new people even though it is not required

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

19. Willingly helps others who have work related problems

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

20. Is always ready to lend a helping hand to those around him/her

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

2-In-Role Behavior (Williams & Anderson, 1991)

1. Adequately completes assigned duties

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

2. Fulfils responsibilities specified in job description

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

3. Performs tasks that are expected of him/her

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

4. Meets formal performance requirements of the job

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

5. Engages in activities that will directly affect his/her performance evaluation

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

6. Neglects aspects of the job he/she is obligated to perform

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

7. Fails to perform essential duties

Strongly disagree/ Never Tend to disagree/Infrequently Neither Agree nor Disagree/ Sometimes Tend to agree/frequently Strongly agree/Always

Leadership behaviour

Questionnaire from Subordinates

1-Leadership Behavior (MLQ, Form 5X; Bass & Avolio, 2CC4)

The person I am rating

A-Idealized Influence

1. Talks about his/her most important values and beliefs
Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently   Strongly agree/Always

2. Specifies the importance of having a strong sense of purpose

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

3. Considers the moral and ethical consequences of decisions

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

4. Emphasizes the importance of having a collective sense of mission

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

B-Inspirational Motivation

5. Talks optimistically about the future

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

6. Talks enthusiastically about what needs to be accomplished

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

7. Articulates a compelling vision of the future

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

8. Expresses confidence that goals will be achieved

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

C-Intellectual Stimulation

9. Re-examines critical assumptions to question whether they are appropriate

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

10. Seeks differing perspectives when solving problems

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/
Sometimes   Tend to agree/frequently Strongly agree/Always

11. Gets me to look at problems from many different angles

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/
Sometimes   Tend to agree/frequently Strongly agree/Always

12. Suggests new ways of looking at how to complete assignments

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/
Sometimes   Tend to agree/frequently Strongly agree/Always

D-Individualized Consideration

13. Spends time teaching and coaching

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/
Sometimes   Tend to agree/frequently Strongly agree/Always

14. Treats me as an individual rather than just as a member of a group

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/
Sometimes   Tend to agree/frequently Strongly agree/Always

15. Considers me as having different needs, abilities, and aspirations from others

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

16. Helps me to develop my strengths

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

E-Contingent Reward

17. Provides me with assistance in exchange for my efforts

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

18. Discusses in specific terms who is responsible for achieving performance targets

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

19. Makes clear what one can expect to receive when performance goals are achieved

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

20. Expresses satisfaction when I meet expectations

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

F-Management-by-Exception Active

21. Focuses attention on irregularities, mistakes, exceptions, and deviations from standards

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

22. Concentrates his/her full attention on dealing with mistakes, complaints, and failures

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

23. Keeps track of all mistakes

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

24. Directs my attention toward failures to meet standards

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

G-Management-by-Exception Passive

25. Fails to interfere until problems become serious

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

26. Waits for things to go wrong before taking action

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

27. Shows that he/she is a firm believer in "If it ain't broke, don't fix it

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

28. Demonstrates that problems must become chronic before taking action

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

H-Laissez-Faire Leadership

29. Avoids getting involved when important issues arise

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

30. Is absent when needed

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

31. Avoids making decisions

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

32. Delays responding to urgent questions

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

2-Trust (Podsako et al., 1990)

1. I feel quite confident that my leader will always try to treat me fairly

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

2.   My manager would never try to gain an advantage by deceiving workers

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

3.   I have complete faith in the integrity of my manager/supervisor

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

4.   I feel a strong loyalty towards my leader

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

5.   I would support my leader in almost any emergency

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always

6.   I have a divided sense of loyalty toward my leader

Strongly disagree/ Never   Tend to disagree/Infrequently   Neither Agree nor Disagree/ Sometimes   Tend to agree/frequently Strongly agree/Always