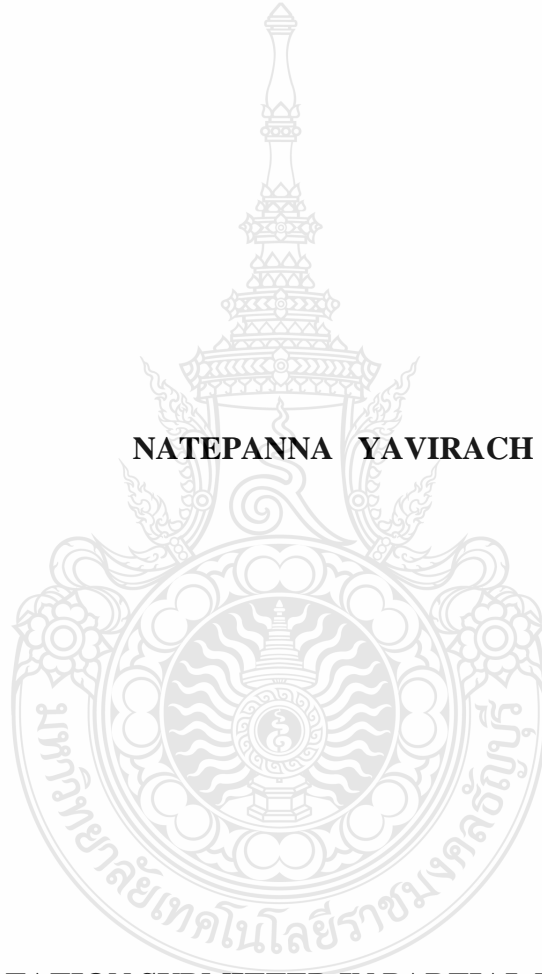


**THE IMPACT OF TRANSFORMATIONAL AND TRANSACTIONAL
LEADERSHIP AND SUBORDINATE'S JOB SATISFACTION,
ORGANIZATIONAL COMMITMENT ON TEAM EFFECTIVENESS**

NATEPANNA YAVIRACH

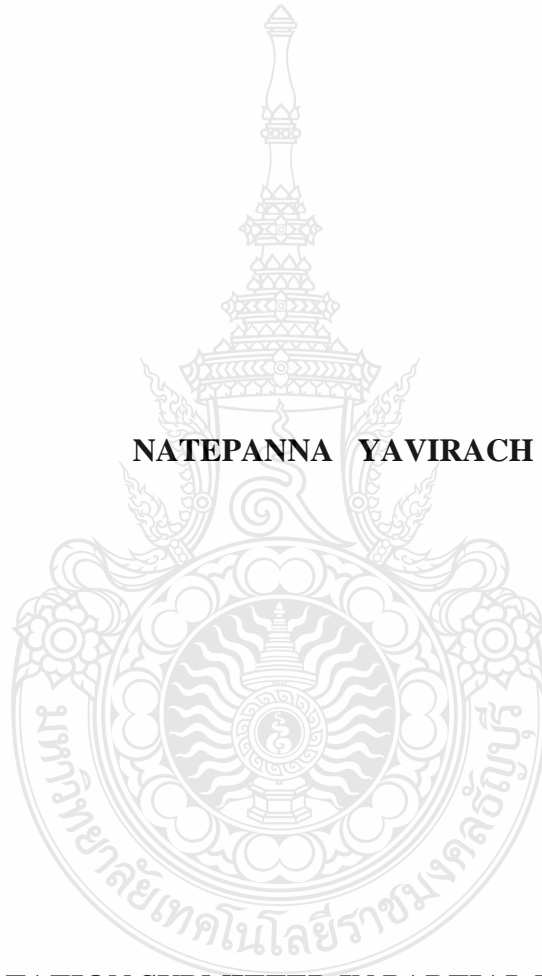


**A DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT
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RAJAMANGALA UNIVERSITY OF TECHNOLOGY THANYABURI**

2012

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Dissertation Title The Impact of Transformational and Transactional Leadership and Subordinates' Job Satisfaction, Organizational Commitment on Team Effectiveness

Name-Surname Mrs. Natepanna Yavirach

Program / Major Subject Business Administration/Management

Dissertation Advisor Dr. Anuwat Sriudom

Academic Year 2012

DISSERTATION COMMITTEE

Chairman

(Associate Professor Dr. Wai Chamornmarn)

Committee

(Dr. Sungworn Ngudgratoke)

Committee

(Associate Professor Dr. Chanongkorn Kuntonbutr)

Committee

(Assistant Professor Dr. Khemaree Rugchoochip)

Approved by the Faculty of Business Administration, Rajamangala University of Technology Thanyaburi in Partial Fulfillment of the Requirement for the Doctoral Degree of Doctor of Philosophy in Business Administration

.....Dean of the Faculty of Business Administration
(Associate Professor Dr. Chanongkorn Kuntonbutr)

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Name – Surname Mrs. Natepanna Yavirach

Program Business Administration

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ABSTRACT

The purpose of this study is to explore the role of transformational and transactional leadership styles on team effectiveness and subordinates' job satisfaction perceived by their leaders' behavior. The subjects are the employees from 13 autonomous universities in Thailand. The full range leadership model is applied as a theoretical framework. The instrument used to collect data is The Multi Leadership Questionnaires (MLQ-5X), Job Satisfaction Survey (JSS), Organization Commitment Questionnaire, and Team Effectiveness Survey (TES). The structural equation model (SEM) is the statistical technique applied to figure out the result of the framework.

The result indicates that both transformational and transactional leadership behaviors have direct and indirect effect on subordinates' job satisfaction, organizational commitment, and have consequent impact on team effectiveness. Transformational leadership has stronger impact on team effectiveness and transactional leadership has stronger impact on contingent rewards and management by exception (active). For implementation, leaders in changing circumstance organization as autonomous university need to adopt both leadership styles that encourage subordinates for overall organizational effectiveness beyond expectations. The further research should be conducted by focusing more on team performance, team empowerment and trustworthy.

Key words: transformational leadership, transactional leadership, job satisfaction, organizational commitment, team effectiveness

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CHAPTER 1

INTRODUCTION

Background and Statement of the Problem

For the past two decades that the world has moved to the economic integration, this situation has an impact on many countries including Thailand. Even this situation may increase the economic growth; however, it may create negative effect on many local organizations including educational institutions. The freedom of business investment from foreign countries may encourage multinational enterprises that have more advantage than local firms have in making business investment in various industries. In addition, the areas of free enterprises also have service industry that includes educational operation. This indicates that higher educational operation may have affected by the operation of foreign universities. Then, the management of the universities in Thailand needs to be aware of managing change to create advantages for competition. Furthermore, the government policy on higher education has changed to encourage all government own universities to be autonomous. The management of those universities has changed their paradigm from government supported to the self-support management.

Currently, there are 78 public universities in Thailand that have been granted all managerial resources by the government. Those resources include academic financial support, infrastructure, educational materials, and educational policy. However, the office of the Ministry of Education announced a government policy to

all public universities that they must comply with the policy of being an autonomous administration in educational management. Consequently, this reform in management and administration of government own universities may have an impact on the leadership styles of the universities' management or leader in order to create high quality in higher education standards and organizational effectiveness for the global competition.

Leaders are people who are perceived to manage their organizations to be dynamic and effectively response to changing over time. Leaders are widely recognized as being very important people in organizations through an established vision of the future and formulation strategies that respond to internal and external changes. Some researcher indicates that leaders are important person to the responsible of all activities in the organization. They are involved in determining the group or organization's objectives, encouraging between behaviors in the pursuit of these objectives, and influencing group maintenance (Yukl, 1994). Therefore, a study of leadership styles in Thai universities is crucial in the rapidly changing environment. Effective leadership is needed to revitalize, organize and facilitate the adaptation to the changing environment. Many public and private organizations have been confronted with the need to change (Yukl, 2001). The challenge of changing circumstances for leaders in Thai universities is to develop the capabilities of their organization and its administration.

To study the success of leadership style, two style of leadership have been mentioned as transactional leadership and transformational leadership. The concepts of these styles are widely interested by various researchers.

The transformational leadership is those who stimulate and inspire followers to achieve both extraordinary outcomes and to develop their leadership capacity. While, transactional leadership focused on contingent rewards and the exchange of benefits with their followers to clarify a sense of duty. Transformational leaders also help followers grow and develop into leaders by empowering them and aligning the objectives and goals of individual followers (Bass & Riggio, 2005). Bass and Avolio (1985) identified transformational factors of idealized influence, inspirational motivation, individualized consideration, and intellectual stimulation that have been implicated as factors that generate employee satisfaction and outcomes beyond expectation. Research finding highlighted the positive influence of transformational leadership on organizational outcomes.

On the other hand, transactional leadership refers leaders and their subordinate exchange relationship to each incentives through contingent reward. Active management-by-exception is also transactional leadership behavior. This means that leader monitors the subordinates' performance and focus on out of standard of work and takes corrective action (Bass, 1985, Burns, 1978, Yammarino *et al.*, 1993). This is supported by Bass (1985) that explained transactional leadership recognizes their subordinates needs and exchange with rewards to their subordinates' satisfaction. Those studies were conducted in the Western culture countries. However, the difference in culture may have an impact on different respond to the leadership styles. Moreover, there has a little empirical analysis of the theoretical relationships combination among transformational and transactional leadership to subordinates' job satisfaction, organizational commitment, and team

effectiveness. Therefore, this study examines the impact of these leaders' behavior to team effectiveness in Thai universities.

Purpose of the Study

The purposes of this study can be determined into four main streams.

1. To explore the effect of transformational and transactional leadership behavior to subordinates' job satisfaction, organizational commitment and team effectiveness.
2. To investigate direct and indirect effect of transformational and transactional leaders' behavior that to subordinates job satisfaction, organizational commitment and team effectiveness.
3. To investigate perception of transformational and transaction leadership of subordinates to their leaders in universities organizational context on team effectiveness.
4. To explore the leaders' behavior that encourages team effectiveness.

Research Questions and Hypotheses

The problem of this study is concentrated on the degree of relationship between transformational and transactional leadership and subordinates' job satisfaction, organizational commitment affect to team effectiveness in eleven autonomous public universities in Thailand from the higher educational institutions'

list. The main problem is to explore the style of leaders as perceived by their subordinates affects to team effectiveness. Then, this study also figures out the factors of transformational and transactional leadership components that indicates relationship between behavior and team effectiveness. Moreover, the factors of leaders' behavior affect to subordinate's job satisfaction and organizational commitment were investigated. In addition, subordinates job satisfaction relates to organizational commitment that affect to team effectiveness were studied. Therefore, the aim of this study is to answer the following research question.

The study of transformational leadership which relates to this study is designed to understand leaders' administrative performance in public universities in Thailand. The study deliberates on the effectiveness of the organization which is divided into six main research questions.

1. Do Thai leaders in universities have leadership style on transformational behaviour?
 - 1a. Do Thai leaders' behaviour expresses idealized influence to their subordinates?
 - 1b. Do Thai leaders' behaviour encourages inspirational motivation their subordinates?
 - 1c. Do Thai leaders' behaviour influences intellectual stimulation to their subordinates?
 - 1d. Do Thai leaders' behavior demonstrates individualized consideration?
2. Do Thai leaders in universities have leadership style on transactional behaviour?

2a. Do Thai leaders' behaviour expresses high scores on contingent rewards to their subordinates?

2b. Do Thai leaders' behavior expresses high scores on management by exception to their subordinates?

2c. Do Thai leaders' behavior expresses high scores on laissez-faire?

3. To what extent leadership style affect to job satisfaction and organizational commitment ?

4. To what extent leadership style has relationship with team effectiveness?

5. Do subordinates' job satisfaction and organizational commitment affect to team effectiveness?

6. Do leadership styles relate to subordinate's job satisfaction, organizational commitment impact to team effectiveness?



Hypotheses

Hypothesis 1a: There is positive significant relationship between transformational leadership and subordinates' job satisfaction.

Hypothesis 1b: There is positive significant relationship between transactional leadership and subordinates' job satisfaction.

Hypothesis 2a: There is significant relationship between transformational leadership and organizational commitment.

Hypothesis 2b: There is significant relationship between transactional leadership and organizational commitment.

Hypothesis 3a: There is significant relationship between transformational leadership and team effectiveness.

Hypothesis 3b: There is significant relationship between transactional leadership and team effectiveness.

Hypothesis 4: There is significant relationship between subordinate's job satisfaction affect to team effectiveness.

Hypothesis 5: There is significant relationship between organizational commitments affect to team effectiveness

Theoretical Perspective

The theoretical perspective of this study is derived from the theoretical leadership model of transformational and transactional leadership style. The theoretical perspective comes from the theory of full-range leadership that has been studied and developed over a twenty-year period of leadership theories (Bass & Avolio, 1985; Burns, 1978). Bass (1985) suggested that transformational leadership influences organizational and subordinates' outcomes, and that transformational leadership styles respond to competitive organizational settings, and the full range leadership style includes transformational and transactional leaders behavior has been found in organization that show positive organizational outcomes. Moreover, Bass & Avolio (1993) stated that the full-range of leadership including

transformational and transactional leadership styles enhance the leaders and follower relationship in positive outcomes. The Full Range Leadership model included both transformational as well as transactional components of leadership. Bass's 4 Is, or transformational components, were Idealized Influence, Inspirational Motivation, Intellectual Stimulation, and Individualized Consideration. Transactional leadership behaviors included Contingent Reinforcement (based on exchange theory), Management-by-Exception (MBE), Management by Exception (Active) or MBE-A refers to leaders who proactively watch for deviations from standards and/or mistakes/errors by subordinates in terms of their assigned tasks and then take appropriate corrective action. Management by Exception (Passive) or MBE-P denotes a more passive stance by leaders, where leaders wait for deviations and/or mistakes and errors to happen, then take the necessary action to correct the situation. Laissez-Faire Leadership (LF), another component of the Full Range Leadership model, is a complete avoidance or absence of leadership.

Definition Terms

Transformational leadership style

The concept of Transformational Leadership, identifying particular constructs associated with leadership that when utilized “inspire followers with challenges and persuasion that provides meaning and understanding, expanding the abilities of followers”. The components of Transformational Leadership include idealized

influence, inspiration, intellectual stimulation, and individualized consideration (Bass 1985).

Idealized Influence

Idealized influence is identified in leaders who behave in a manner that causes followers to want to follow them. Leaders who rate highly on the idealized influence scale tend to have more proactive behaviors and emphasis on continuous improvement. The leader displays behaviors associated with organizational goals. Idealized influence refers to the leader's ability to exercise intensive and diffuse influence over the beliefs, attitudes and behaviors of followers (Bass, 1985).

Inspirational Motivation

Inspiration refers to the behaviors of leaders that motivate and inspire followers, such as establishing and challenging goals and providing meaning to the job. Inspirational leaders display enthusiasm and optimism and provide a vision of the future that is appealing to their followers. The leaders provide an environment that represents the energy and perseverance that separates exceptional followers who are willing to go beyond average followers in order to accomplish organizational goals (Bass, 1985).

Intellectual Stimulation

Intellectual stimulation means transformational Leaders encourage problem solving. They encourage creativity and novel approaches that result in subordinates conceptualizing and understanding problems. The leader provide an environment that encourages follower to challenge the status quo in the continually improve the overall organization. Leaders and follower openly exchange high expectations creating a vision that demands higher standards (Bass, 1985).

Individualized Consideration

Individualized consideration identifies transformational leaders recognize and value diversity while providing each follower with specifically tailored opportunities for learning and development. Individualized consideration includes adapting and responding to individual needs in a supportive manner. The leaders recognize that each follower is an individual with individual needs to be developed within the organization. Followers are provided the opportunity for personal attention and learning opportunities to develop higher levels of potential that will positively affect the organization (Bass, 1985).

Transactional Leadership

Transactional leadership means that leader rewards their followers depending on their competency and performance. Transactional leadership focused on contingent rewards and positive reinforcement (Bass & Avolio, 1994).

Contingent Reward

The contingent reward has been found to be effective, although not as much as the four categories in transformational leadership in motivating others to achieve higher levels of development and performance. The leader states what needs to be done and promises rewards in exchange for carrying out the assignment (Bass & Avolio, 1994).

Management-by-Exception (active)

Management by exception (active) identified that the leader arranges to actively monitor deviances from standards, mistakes, and errors in the follower's assignments and to take corrective action as necessary (Bass & Avolio, 1994). Leader monitors to ensure mistakes do not occur.

Management-by-Exception (passive)

Management-by-exception (passive) identified that leader set standards of work but waiting for problems to arise before acting then taking corrective action (Bass & Avolio, 1994). Leader intervenes only if a problem occurs.

Laissez-Faire

Laissez-faire is the avoidance or absence of leadership and it is the most inactive as well as the most ineffective leader. Laissez-faire leaders do nothing with their work and not any take action with problems (Bass & Avolio, 1994).

Subordinates' Job Satisfaction

Job satisfaction is the most frequently studied variable in organizational behavior (Spector, 1997). Job satisfaction is a concept of individual attitude toward their total job situation. Job satisfaction consists of many factors: pay, promotion, supervision, fringe Benefits, contingent rewards (performance based rewards), operating procedures (required rules and procedures), coworkers, nature of work, responsibility, achievement, authority and communication. The Job Description Index (JDI) is identified into five facets of satisfaction: work, pay, promotion, supervision, and coworkers, Spector (1997).

Moreover, previous researches found another dimension of job satisfaction is participation in decision making and job satisfaction. Jame (1978) found that participation in decision making predict subordinate's job satisfaction. In addition, job involvement and participation in decision making has correlate with job satisfaction Siegel & Ruh (1972). Participation in decision making appears to promote job satisfaction and commitment, whereas task variety and work effort foster participation (Brenda et al, 2006). In public organization, the study on the Role of Participation in Decision-Making in the Organizational Politics-Job Satisfaction also found positive relationship Witt et al (2000). In university, Florence (2011) found positive strong relationship between participation in decision making and job satisfaction among academic staff in public university. Therefore, this study also identified that participation in decision making related to job satisfaction from the characteristics of transformational leadership behavior. As a

result, this study used fringe benefit, decision making and operating procedures (rules and procedures) as an important variables.

Organizational Commitment

Organizational commitment refers people's in organization's committed to its values and goals with their effort on behalf of organization. Organizational commitment provides a broad measure of the effectiveness of leadership behaviors. Meyer and Allen (1991) presented evidence suggesting commitment consists of affective commitment, continuance commitment, and normative commitment.

Affective Commitment

Affective Commitment refers to the employee's emotional attachment to, identification with, and involvement with the organization. Employees with a strong affective commitment continue employment with the organization because they want to do so (Meyer & Allen, 1991).

Continuance Commitment

Continuance Commitment refers to an awareness of the costs associated with leaving the organization. Employees whose primary link to the organization is based on continuance commitment remain because they need to do so (Meyer & Allen, 1991).

Normative Commitment

Normative commitments refer to a feeling of obligation to continue employment. Employees with a high level of normative commitment feel that they ought to remain with the organization (Meyer & Allen, 1991).

Team Effectiveness

Team effectiveness refers to the system of getting people in organization to work together effectively. Larson and La Fasto (1989) have demonstrated eight criteria or factors that are consistently associated with team excellence and high performance. The eight criteria of effective team characteristics refer to clear goals that all group members committed, open honest communication, cooperative decision-making, an atmosphere of trust, a sense of belonging, good listening, team mission and participation by all members (Larson & La Fasto, 1989). In this study, researcher used seven criteria of team effectiveness. It is because researcher identified that team effectiveness relate to these seven variables as the factors of team measurement from input of the clear goals and group member commitment and team mission along with the processes of work in term of open honest communication, atmosphere of trust, cooperative decision-making, and sense of belonging, good listening and participation of all members. This study researcher used Larson and La Fasto (1989) dimension of team effectiveness that constructed into seven dimension of team effectiveness on member attitudes namely, clear goal, committed for

achievement, open and honesty, good communication, a sense of belonging, good listening and participation.

Delimitations and Limitations of the Study

The limitations of this study are controlled by sampling from particular faculty of the thirteen autonomous universities. The large number of sample size from all faculties would have high power to the results generalization. The multi-stages sampling method and quota random sampling were conducted from the name list. The limitation of sampling does not represent the particular different faculty nature of work and work behavior.

The other limitation of study is pay no attention to some factors of others important dimensions such as team building, team members, team leaders, team cohesiveness, team potency and team capacity etc. These variables had been found components of team efficiency in organization. The suggestion for further study indicated that there are many dimension of team effectiveness relationship of those components.

Significance of the Study

This study provides insight into the knowledge of leaders' behavior on transformational style. Consequently, a wide range of changing in organization of the universities required each leader's ability to increase the complexity and adaptation of administrative tasks and respond to an increasingly more complex

environment. The results indicate what leaders should understand changing circumstances of organizations.

The contributions of this study are addressed into three levels of organization implementation.

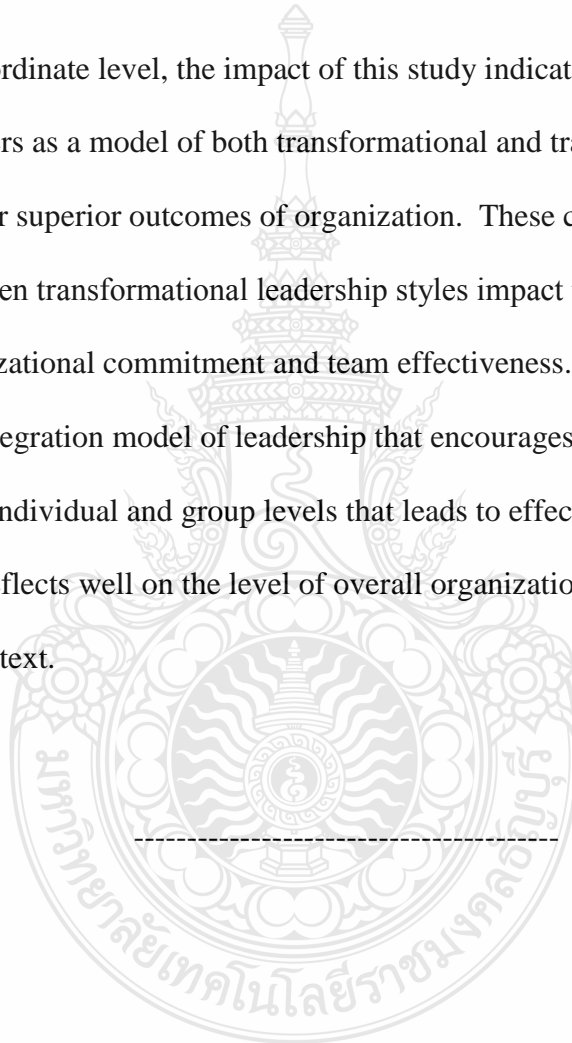
This study contributes an analysis of the perceptions of subordinates with regard to their leaders in terms of transformational and transactional leadership styles. Transformational leadership style consists of the four sub-scales of 'leader behavior' that indicated different results. Leaders should clearly articulate their visions, foster goals, expectations and identify the mission of organization through idealized influences. Transactional consists of the four sub-scales of "leader behavior" that include contingent reward, management by exception (active), management by exception (passive) and laissez-faire. Team effectiveness consists of the seven important dimensions include clear goal, team commitment, team member honesty, team communication, team participation, sense of belonging and team listening each other.

On practical level, the contributions of leadership to job satisfaction are enhancing the value of work and the encouragement of innovation. The findings of this study provide a reasonably clear picture of what is necessary in order to improve job satisfaction factors leading to higher performances.

On the theoretical level, this study expects to contribute to all public universities and the leaders of these institutions. The new model style of leadership is to improve individual performance through subordinate satisfaction and

organizational commitment as a mediating effect on team performance highest level of achievement and become team effectiveness. This new model creates a new knowledge in transformational and transactional leadership style by using the relationship and connection between work value attitude to enhance capabilities of individual and team work members.

On the subordinate level, the impact of this study indicates that subordinates perceive their leaders as a model of both transformational and transactional leadership styles for superior outcomes of organization. These combination relationships between transformational leadership styles impact to subordinate's job satisfaction, organizational commitment and team effectiveness. This relationship demonstrates an integration model of leadership that encourages accomplishment at higher of work on individual and group levels that leads to effective team achievement that reflects well on the level of overall organizational success in the Thai university context.



CHAPTER 2

REVIEW OF THE LITERATURE

Introduction

This chapter reviews the importance of leaders' behavior relating to leadership in organizations, the perspective and history of leadership and especially as it relates to transformational leadership as it affects a subordinate's job satisfaction, organizational commitment and team effectiveness. The following section describes transformational leadership related to the variables which have been explored by many researchers. The purpose of the first section is to explain the importance of leadership and emergence of paradigms in leadership theory and the subsequent background. The second section relates to research on the relationship of transformational and transactional leadership styles. The purpose is to identify the interrelationships of transformational leadership in its many perspectives of analysis. The third section describes empirical evidence of transformational leadership related to job satisfaction among subordinates and to identify the relationship between leaders and subordinates and what motivates and inspires employees to accomplish their given tasks. The fourth section relates to transformational leadership and job-satisfaction related to subordinate commitment. The last section refers to transformational leadership and team performance.

Moreover, this chapter synthesizes many perspectives and concepts from various research papers that investigated the relationship in the area of knowledge in transformational leadership styles and team performance with antecedent variables as subordinates' job satisfaction and organizational commitment.

An Importance of Leadership in the Organization

The leader is an important person in the organization who is responsible for all functions and accomplishments designated for achievement through its organization. The majority of researchers recognize the leader's performance as an influence over the employees as an element for organizational success. Leadership is a process by which a person influences others to accomplish an objective and offers direction to the organization. Leaders carry out this process by applying their attributes of leadership to subordinates, such as their beliefs, values, ethics, character, knowledge, and skills.

Individual traits, behavior and influence over people are characteristics to describe leadership (Yukl, 1989). Moreover, Robbin (2000) defined leadership as the ability to influence a group towards the achievement of goals. Also, Kouzes & Posner (1995) defined leadership as the art of mobilizing others to want to exert positive effort for shared aspirations to be attained. This is supported by Vecchio (1995) that the method on which the leaders affect and influence subordinates behavior, attitudes and values towards the organization to be able to reach a desired goal is defined as leadership. In addition, high achievement and the overall performance of the organization depend on the effective management of the leaders in the organizations (Nanus, 1992).

According to the higher educational system in Thailand, there is a need of change in circumstances of the government policy in higher education; this change affects all public universities in Thailand. All Thai leaders in the higher education need to improve and create a vision to be consistent with the organizational goals, formulate strategies and implement plans to bring about a more active performance.

Furthermore, those leaders need to instruct the employees' commitment to achieve the organizational goals. Sugarman (2000) stated that commitment to attain a common goal is influenced by effective leadership method in the universities through influencing team members. However, the employees' commitment derived from the leaders by their potential to communicate share visions and create teamwork.

Researchers concluded that the quality of leadership method in the university setting should be comprised of vision, trust, ability to communicate their vision and share this vision then bring it into reality together with the motivation of the team (Greenleaf, 1991)

The Perspective and Evolution of Leadership Theory

Bass's Handbook of Leadership (Bass, 1981) referred to the research leadership of over 4,500 studies. A review of the leadership literature reveals a series of 'schools of thought' from "Great Man" and "Trait" theories to "Transformational" leadership. To understand 'leadership theory' will allow one to distinguish the highlight of each theory rising from the knowledge of leadership. Robbin (2000) defined three key approaches to leadership theories; trait, behavioral and contingency theories. The following section is separated into the school of leadership developed from those three theories with transformational and transactional theories of leadership.

Trait Theory

Trait theory approach is the first major approach being studied as the key to leadership characteristic and has been studied since 1940 to 1950. Hundreds of studies were conducted on trait theory in the middle of 20th century (Stogdill, 1963). Since 1950, theorists began to focus their studies on leader behaviors because it was not clear that traits were the most important segments of personality. Individual traits, behavior and influence over people are characteristics to describe leadership which has not an impact on the performance of subordinates. However, researchers pointed out negative aspects of trait research which contributed to the new paradigm changed as a result of the study of leadership traits. During 1940, leadership research shifted from the 'traits approach' to leadership behaviors the behaviors of successful leaders. Almost all research on leadership had been shifted from the trait theory paradigm to behavioral theory paradigm. Thus, the primary focus of those studies was to determine the behaviors that increased the effectiveness of leadership by their subordinates' perspective (Yukl, 1989).

Behavioral Theory

During 1940 to 1960, the study of leadership style was focused on behavioral theory (Hersey et al, 1977). Hence, behavioral theories of leadership distinguished effective leaders from ineffective leaders (Yukl, 1989). Autocratic and democratic leadership style was the main study in the Iowa leadership method. The Ohio State University and the Michigan State University concerning to leadership theory were the two most popular behavioral leadership theories in the mid 1940 to 1950.

The two dimensions of leadership identified by the Ohio State University were: 'initiating structure' and 'consideration'. The extent to which the leaders define their role towards their subordinates in the structure to be able to attain a desired goal is defined as 'initiating structure'. Likewise, the leader's intensity of relationship towards their subordinates being regards as mutual trust and respect is highly defined as 'consideration'.

The study by Yukl (1994) also conceded The University of Michigan studied on leadership behavior. Its focus was the identification of relationships among leader behaviors, group processes, and measures of group performance. The study found three types of leadership behaviors that were different from 'effective' and 'ineffective' leader. The three types of behaviors were relations-oriented, task-oriented and participative-oriented behaviors. Interpersonal relationship such as the needs of their employees' and to accept individual needs are the first priority of a relations-oriented leader (Robbin 2000). Moreover, the need of the employees to feel important and their diverse qualities identified are recognized by the leader (Yukl, 2001). On the other hand, the accomplishment and success of the group is the main concern of Task-oriented leaders without regarding the personal aspect of the individual concerned (Yukl, 1994). 'Participative leadership' used more group supervision by subordinates in decision making, improvement of communication, promotion of cooperation, and the facilitation of conflict resolution.

The other well-known framework of leadership is Managerial Grid. Managerial Grid was developed by Robert Blake and Jane Mouton at the University of Texas in 1964 to 1978 (Yukl, 2001). The managerial grid was based upon the styles of leaders that are interested in people, their needs, and the concern for

production which was then identified into five leadership styles. The Managerial Grid focused on task (production) and employee (people) orientations of managers (Blake & Mouton, 1964). In response to the managerial grid, the leadership styles were separated into five basic leadership styles namely: (1,1), impoverished leadership style, (9,1), authority compliance leadership style, (1,9) country club leadership style, (5,5), middle of the road leadership style, and (9,9) team leadership style.

According to previous studies leaders may have an insight into themselves by using trait and behavioral theories in leadership style. Personal characteristic of the leader is defined by the Trait theory while the attempt to effect employee output by specific leaders is defined by the Behavioral theory approach. However, the account of interaction between people and taking account on the environment circumstances has not been fulfilled by the trait and behavioral approach to leadership style (Yukl, 2001).

Contingency and Situational Leadership Theory

The contingency theories focused on leader performance in dynamic environment. In addition, situational leadership approach suggests that leaders need to adjust their behaviors appropriately to different situations. According to Contingency theory, Fielder (1967) stated that leadership effectiveness depends on a match between the leadership traits or styles and the situation in which they practice their leadership. It is a trait-based situational theory. Thus, the focus is dictated to the interaction styles with the least-preferred co-worker (LPC). The theory is

situational due to the effectiveness of task and relationship focused leaders which varies in the function of the combination of situational characteristics termed as 'situational favorability' (Fiedler, 1967). Moreover, the leadership styles that need to be different in particular situation are supported by the study of Hersey & Blanchard (1977), they found that leaders need to be more flexible in their decision-making in changeable situations. It is stated that the challenge of situational leadership is for leaders adapt themselves in difference circumstance. There is no best style of leadership according to the fundamental underpinning of the Situational Leadership Theory. The amount of relationship and task behavior shown by the leaders to their subordinates is the basis on how to characterize leadership. Therefore, leadership style is categorized into four types which are named Situation 1 and Situation 4. These behaviors are delegating, participating, selling and telling.

House (1971) the pioneer of investigated Path-Goal Theory, which evolved from the expectancy theory of motivation suggested that leadership behaviors that increase the opportunities for goal achievement will result in greater employee motivation and satisfaction. He posited that both leadership behaviors of consideration (relations oriented) and initiating structure (task-oriented) influenced employee satisfaction and motivation to pursue goals. Therefore, the essence of such behaviors includes clarifying goals for employees as well as explaining the paths to achieving those goals. Fiedler's (1967) contingency theory, Least Preferred Coworker (LPC) model offered another way to distinguish between leadership behaviors that were relations-oriented versus task-oriented. The Least Preferred Coworker of contingency theory has some serious conceptual weaknesses which don't explain how leaders affect group performance. However, the theory exists

because leaders (and non-leaders) should be placed in situations that complement their preferences toward relations-oriented versus task-oriented behaviors. The other concept on leaders' styles belongs to Vroom & Yetton (1973) that created the Vroom-Yetton Model of Leadership. This model identified a decision making of a leader that is composed of seven rules where three rules focus on the decision quality and other four rules emphasized on decision acceptance. This is a method where leaders based their conclusion whether the subordinates acceptance of the decision is taken into account or that subordinates should not be allowed to participate in the decision making process. The above literatures has the main focus on the early theory of leadership is the relationship between the leaders and the followers. Thus Dyadic theory was developed in order to distinguish the leadership method as well as the leaders' behavior towards difference among subordinates.

Graen (1991) studied leadership theories by focused more on the subordinate's relationship. This study is The Leader Member Exchange (LMX) which is known as the leader-member exchange theory (Howell, 1999). This theory explains the nature of the relationship between leaders and their subordinates. This relationship impacts to subordinates' participation. This theory was categorized employees into two groups; the 'in' and the 'out' - group members which shows the relationship between the leader and each different relationship level from each group. The LMX theory examined the level of relationship with different work group members that effects on organizational outcome (Change, 2004).

Emerging of Transformational and Transactional Leadership Theory

Bass (1999) developed a new paradigm of leadership, the model of the transformational and transactional leadership style. These two types of leadership were defined in terms of the leader's behavior as it influenced the follower as to trust, admiration, loyalty, and respect for their leader. In addition, transformational leadership focuses on transforming ability and follower relationship of leader's rather than personal characteristics of leaders. It is therefore aims each individual as well as the leader to compel unity in their vision for the future sharing values and beliefs. Since the early 1980's, the concept of leadership theory appears to be focused more on transformational and transactional leadership styles. Therefore, transformational leaders encourage subordinates to achieve beyond ordinary outcomes thus also inspire them to become leaders by laying out objectives empowering them to unite in one vision. However, transactional leadership promotes achievement by focusing on the exchange of benefits and rewards to heighten the sense of duty. (Bass & Riggio, 2005). Moreover, Bryman (1992) referred to this new paradigm as the new leadership approach. He investigated the transformational leadership theory that attempted to explain how leaders were able to achieve extraordinary levels of follower motivation, job satisfaction, commitment, trust, loyalty and performance. This is congruent with Juan (2008) that conducted a research on transformational leadership and concluded that leaders relate to their subordinates' motivation and satisfaction. He studied the top executive of the upper echelon in Spain and accordingly, transformational leadership indicates follower satisfaction and performance. Among the respondents are presidents and CEOs of Spain's largest firm. It was concluded that subordinates' performance depends on the leader's

behavior in ways of how they associate and orient subordinate through motivation. In addition, McGregor the owner of theory Y believes that transformational leadership is more effective than transactional leaders. This illustrates that the capacity of the subordinates to achieve better performance and increased creativity as well as responsibility adheres to the fact that transformational leadership method involves subordinates in problem solving and decision making. Furthermore, this approach concur to the dimension and intellectual stimulation that individualization is given consideration therefore allowing each members of the organization reframe problems in new creative ways of job performance (Horner1997; Canty, 2005; Barbuto,2008)

Researcher suggested that understanding the beliefs system of transformational leaders display behaviors toward subordinate's extraordinary impact. Intellectual stimulation followers believe that followers are motivated to ideological goals and can be develop their competencies. In addition, James (2006) concluded that transformational leadership predicts satisfaction and performance through the study he conducted on the organizational change in public sector reform that relates to leadership style. Consequently, he proved that transformational and a transactional theory of leadership aims to explain the extraordinary effects on subordinates. Furthermore, transformational leaders seem to show extraordinary efforts in motivating subordinates. However, transactional leaders obtain expected results from followers with less effort in encouraging and motivating subordinates. Moreover, Ahmad (2001) stated that motivation elevates willingness and cooperation to achieve the common vision and goal of the organization. Through satisfying human needs such as creating a sense of belongingness, recognition and raising self

esteem, motivate and inspire people to attain and complete extraordinary task. Motivation includes coaching, providing feedback and role modeling. Thus helping them grow professionally and enhancing their self-esteem. In summary, the main components of the transformational leadership according to the research mentioned are combinations of four important elements: inspirational motivation, idealized influence, individualized consideration and intellectual situation (Avolio 1999; Bass 1985)

In considering Inspirational motivation, it provides an attractive vision for the future, therefore it should be developed. Also, idealized influence includes behavior such as making sacrifices for the good of the organization. Providing support, consideration and coaching employees is defined as individualized consideration.

Moreover, intellectual consideration also includes behavior that heightened responsiveness to crisis and challenge employees to create different perspective. Many studies summarized that transformational leadership enhances employees' satisfaction, commitment, motivation, performance and empowerment, it affects individuals and the whole organization as well (Bryant, 2001; Hater, 1995). Therefore, transformational leadership has supported by many researches that affect to subordinates' job performance, motivation and job satisfaction. (Joyce ,2003; Juan, 2008; Karina, 2009; Barnett, 2001; Leithwood, 2000)

Research on Transformational Leadership Styles in Universities

The study of transformational leadership in universities and higher education, research methodologies and several concepts have been used to investigate studies on

transformational leadership in universities and higher education. Gritten (2009) considered the relevance of transformational leadership behavior in the role of leaders in academic department of the universities in Virginia. The study intends to evaluate the perception of the faculty and chairpersons on transformational behavior conceptualized by Roueche et al (1998) model. The concept of the research focuses on vision, influence orientation, motivation orientation, people orientation and values orientation. He used a cross-sectional survey design to collect quantitative data from 302 faculty members from the three institutions restructured as Virginia Institute of Technology, The University of Virginia, and the Collage of William and Mary. Transformational leadership behavior was used to assess the role of the leaders by the MCLQ-III in the university setting. Moreover, The MCLQ-III was also acquired to measure the perception on leadership and its role in university community college in terms of vision, people orientation, influence orientation, value and motivation orientation. The outcome was that the vision theme is comparable to the inspirational motivation dimension of transformational leadership. This study concluded that the Roueche, et al (1998) model of transformational leadership on the leadership role of chairpersons provides evidence on the use of the five oriented leadership behavior which is similar to the transformational leadership method developed by Bass (1999). Furthermore, it presented similarity on the research conducted by the United States higher education on leadership styles and outcome behaviors of higher education consortium directors (Shelton, 2007). The higher education consortium directors prefer transformational leadership styles more than any other leadership style. The result concluded that individuals who show transformational leadership style are ideally employed than individuals who show

transactional method in their leadership approach. In addition, directors frequently used transformational leadership behaviors with its heavy reliance on relationship building in order to make the consortia vital, active, and productive. Moreover, relationship building between leaders and members were focused on getting to know people and institutions and identifying the needs of both. This Consortium director was opened to ideas and encouraged people to think creatively in order to solve problems. There is conclusion that leaders achieved collaborative work and expanded the efforts to ensure the success of work related tasks.

Moreover, Mayall (2008) designed the three major research questions and the four sub-questions to explore the intellectual stimulation of transformational leadership components of university presidents. He conducted his study by using the qualitative methodology and the content analysis on five national defense military universities in the United States. The result shows that leaders stimulate their followers to be innovative and use creativity through questioning assumptions, reframe and use modern methods to solve problems. Furthermore, Sloan (2009) studied strategic change within the New York State University system using a quantitative study on the relationship between a transactional leadership style and transformational leadership style. He examined the connection between strategic changes that occurs in higher educational organization on transformational or transactional leadership style. The study was made possible through the survey conducted on college president, vice present and other members of the organization. The study concluded that the method displayed by the presidents and vice president was transformational style.

In considering the leadership style in the situation of organizational change, the study of Dolan et al (2003) found that leaders displayed both transactional and transformational leadership style during organizational change. Consequently, transformational leadership style is frequently associated with organizational transformation. It is therefore defined that transformational leadership is a process to which leaders interacts with the subordinates to achieve and accomplish stated goals. In addition, a research conducted by Ekeland (2005) at the University of Texas in the United States of America focuses on the relationship of effective organizational commitment, transformational leadership styles, and unit of organization effectiveness within the corps of cadets at Texas A&M University. The results found that organizational commitment and transformational leadership have correlated positively with each other as well as the organizational effectiveness. This study convinces the existing commitment, leadership and organizational effectiveness, and provides a better understanding that commitment strongly relates to organizational effectiveness.

Therefore, many empirical research (Sriyanaluksana, 2008; Hallinger et al, 2000;), studies as mentioned above establish the relationship of transformational leadership styles that are associated to many independent variables such as organizational goal achievement, motivation, organizational commitment have been found in many universities.

Transformational Leadership and Organizational Change

In current circumstances, organizations need to be able to change rapidly to fit the changing environment. Organizations require leadership skills that link their internal and external realities to improve organizational and individual performances. In today's context, leadership is no longer seen in terms of the great-man theory; it requires many of the organization's members to be responsible for organizational achievement. Leaders must have the ability to create and re-create long-term strategic plans and develop changing environmental systems to support the organization's survival and development to provide the balance between performance and the growth of the organization. Therefore, transformational leaderships contribute to the organizational transformation process by the creation of vision, finding new opportunities for the organization, inspiring, empowering and encouraging its followers, while building teamwork and commitment to organizational goals in the organization's sense of urgency for change (Fred et al, 2008).

The importance of leadership in organizations in the change management process requires creating a new system of approach. Consequently, transformational leadership is the leader with regard to its capabilities to enact change successfully. Hence, this new leadership model focuses more on enacting change and creating vision (Eisenbach, 1999). This study is similar to the work of Sarros (2001) on the topic of building a climate for innovation through transformational leadership and organizational culture. He found that organizations are more flexible, adaptive, entrepreneurial, and innovative in meeting the changing demands of today's competitive environment. His study focused on the theoretical relationships among

the key components of changing strategy related to transformational leadership, organizational culture, and organizational innovation. The study examined these links in terms of their relationships with the climate of organizational innovation in the private sector of Australian organizations. Structural equation modeling methodology was used for data analysis. The results indicated that there are strong relationships between transformational leaderships which increase the climate of organizational innovation in competitive circumstances.

In summary, transformational and transactional leadership styles have been found in many topics of research in various perspectives. The study of transformational and transactional leadership framework theories found in several different categories, identified the essence of leadership in the twentieth century. Therefore, transformational leadership could be considered the most popular concept of leadership theory today.

An Important Element of Transformational and Transactional Leadership Styles

James (2005) explained the importance of leadership style in his book "Leadership". Previous leadership theories based their analysis on personal characteristics of the leaders and their behaviors in different situations. However, transformational leadership theory was proved to be the groundwork of transactional leadership. According to Bass, traditional leaders acknowledge what measures are necessary in order to realize their personal and organizational aims to pursue and achieve their goals. Transactional leadership is a process in which the relationship between leader and follower is based on rewarding achievement – an exchange-based

relationship, while transformational leadership is a more complex process which requires an increased visionary and heightened inspirational aspect to induce followers to exceed expectations. On the contrary, transformational leaders motivate their subordinates through which subordinates increase the sense of value on the task given therefore able to exceed expected performance.

As a consequence, transformational leaders are realized as they create a vision of the future. Followers are in need of this new vision because of their uncertainty of organization circumstances. Transformational leaders who have successfully managing change in their organizations led to shared ideas among their employees. In addition, transformational leadership was proved to have increase levels of subordinate satisfaction (Medley & Faye, 1995). They found a significant positive relationship between transformational leadership and job satisfaction among their staff nurses. In addition, the study on job satisfaction is significantly influence by the success of media organizations in Taiwan. Researchers examined the relationships of three variables on transformational leadership, locus of control and job satisfaction. Job satisfaction on wage and position variables has significant affect on subordinate satisfaction (Hsiang, 2002).

Transformational and Transactional Leadership Characteristics

The following literatures summarized the characteristics of transformational and transactional leadership styles, including the outcomes of subordinates as perceived by subordinates have been found from many studies.

Table 1: Transformational and Transactional Leadership: Components and Characteristics, Wegner (2004)

Transformational leadership styles	Characteristics of Transformational Leadership Styles
Idealized Influence	Respected by others Has referent power Sets challenging goals Accepts consequences of decisions Supports collective mission
Inspirational Motivation	Provides a mental map of goals Inspires employee spirit Displays enthusiasm and optimism Clearly communicates expectations
Intellectual Stimulation	Encourages questions of common practices Encourages creativity Allows no public criticism Brings others into problem solving scenarios
Individualized Consideration	Acts as a coach or mentor Recognizes individual needs and accomplishments Encourages two-way communication Listens effectively Practices of 'walking around' by management
Outcomes of Transformational Leadership on Subordinates	
Extra Effort	Reflects the extent to which associates exert extra effort beyond the ordinary as a result of leadership
Effectiveness	Reflects ratings of a leader's effectiveness and perceptions in four areas: Meet job-related needs of associates Represents the needs of associates to the higher levels of the organization Contributes to organizational outcomes Monitors performance of the leader's work group
Satisfaction	Reflects how satisfied both the leader and the associate are with leader's style and methods and, in general, with the leader

Source: Bass, B. M. & Avolio, B. J. (2004), Thousand Oaks, CA : Sage Publications. Copyright by Sage Publication.

Table 2 Transformational and Transactional Leadership: Components & Characteristics, Ekeland, T. E. (2005), Mayall (2008).

Component	Characteristics
Idealized Influence – Behaviors	Discussing values and beliefs Showing respect for others Emphasizes mission
Idealized Influence – Attributes (Attributed Charisma)	Instills pride in others Goes beyond self-interest Admired, respected, trusted
Intellectual Stimulation	Fosters creativity Encourages new ideas Questions assumptions
Individualized Consideration	Listens attentively Recognizes contributions Develops subordinates
Contingent Reward (CR)	Obtains agreement on expectations and what must be accomplished; exchanges
Management by Exception MBE-A (active)	Actively monitors for deviations from standards; takes appropriate corrective action; enforces rules.
Management by Exception MBE-P (passive)	Waits passively for serious deviances, mistakes, and errors to occur; takes corrective action after notified.
Laissez-faire	Avoidance/absence of leadership; nothing transacted; leader avoids accepting responsibilities.

Note. Avolio, B. J. and Bass, B. M. (2002). *Developing Potential Across a Full Range of Leadership* (pp. 2-4), by, Mahwah, NJ: Lawrence Erlbaum Associates, Inc. Copyright 2002 by Lawrence Erlbaum Associates, Inc.

Previous research recognized that transformational leadership is the most accepted behavior among leaders that combines many of these characteristics that effect organizational performance. Burns (1978) divided the “ordinary” from the “extraordinary” in leadership. The study also compares the difference in transactional from transformational leadership style. The result stated the transactional leadership is an exchange relationship where leaders based rewards on the performance of the subordinates. In addition, transactional leadership style gain results of action through providing subordinates with actual motivation. In consideration, transformational leadership raises the consciousness level through empowering importance and value of designated outcomes and the modes achieving them. They also motivate followers to transcend their self-interests for the mission and vision of the organization. The confidence levels of subordinates are then raised and performance development gains a potential beyond expectations (Bass, 1985; Burns, 1978).

Bass (1999) found leaders are usually more highly correlated with outcomes, effectiveness and subordinates’ satisfaction; and transformational leadership styles are those that stimulate and inspire underlings to achieve extraordinary outcomes and develop their own leadership capacities. It helps them grow and develops them into leaders through empowering and inspiring commitment to shared visions and goals. The other study support that leaders can move follower exceed expected performance with high level of satisfaction and commitment to the group and team in organization (Bass & Riggio, 2005). On the contrary, transactional leaders who practice contingent reinforcement could not provide job satisfaction. It refers to the exchange relationship between leader and follower to meet their self-interests.

Whereas, transformational leaders support morale, provide motivation and morals to their followers (Bass, 1995). The two leadership styles and organizational outcomes as mentioned above provide the individual and organizational effects of transformational leadership style, as follows:

Table 3: Transformational Leadership Styles Effect on the Individual and Organization.

Transformational Leadership Styles	Individual Effects	Organizational Effects
Idealized Influence	Increased organizational commitment	Increased productivity
Inspirational motivation	Increase follower self-confidence in their work effort through problems	Increase in productivity
Intellectual Stimulation	Increase ability to complete tasks	Lower costs
Individual Consideration	Increase satisfaction	Innovative products Increased/higher corporate goals Team effectiveness

Source: Bass, B. M. and Avolio, B. J., Thousand Oaks, CA : Sage Publications. Copyright 1994 by Sage Publication.

Barnett (2001) investigated the relationship between transformational and transactional leadership behaviour by using factor analysis and multiple regression analysis. He found transformational leadership related to subordinates outcomes, satisfaction, extra efforts and perception of leader effectiveness. In addition, some researchers studied how transformational leaders influence organizations (Butler 1999; Ross & Offerman 1997). They found transformational leaders provide change

and movement to their organizations, and seek to alter the existing structure and influence people into a new vision and new possibilities. Excellent transformational leaders use less authority and power to inspire and motivate people to trust and follow their performance.

Table 4: Qualities of Transformational and Transactional Leadership Styles

Transformational leadership styles	Characteristics of Transformational Leadership Styles
Idealized Influence	Respected by others Has referent power Sets challenging goals Accepts consequences of decisions Supports collective mission
Inspirational Motivation	Provides a mental map of goals Inspires employee spirit Displays enthusiasm and optimism Clearly communicates expectations
Intellectual Stimulation	Encourages questions of common practices Encourages creativity Allows no public criticism Brings others into problem solving scenarios
Individualized Consideration	Acts as a coach or mentor Recognizes individual needs and accomplishments Encourages two-way communication Listens effectively Practices of 'walking around' by management
Transactional Leadership Styles	Characteristics of Transactional Leadership Styles
Contingent Reward	Follower interaction on rewards and punishments Defines objectives Reinforces agreed-upon objectives
Management by exception (Passive)	Monitors to ensure mistakes do not occur Permits the status quo
Management by Exception (Active)	Intervenes only if a problem occurs Uses methods of reinforcement
Laissez-Faire	Avoids transaction Shows lack of leadership Will not intervene Gives no feedback either positive or negative Does not attempt to motivate by other means

Outcomes of Transformational Leadership on Subordinates

Extra Effort	Reflects the extent to which associates exert extra effort beyond the ordinary as a result of leadership
Effectiveness	Reflects ratings of a leader's effectiveness and perceptions in four areas: Meet job-related needs of associates Represents the needs of associates to the higher levels of the organization Contributes to organizational outcomes Monitors performance of the leader's work group
Satisfaction	Reflects how satisfied both the leader and the associate are with leader's style and methods and, in general, with the leader

Sources: Bass, B. M. and Avolio, B. J., Thousand Oaks, CA : Sage Publications. Copyright (1994) by Sage Publication (Wegner, L. 2004).

As a consequence, the review of transformational leadership indicates that transformational leadership is superior to other types of leadership characteristics as mentioned above. It occurs when leaders broaden and elevate the interests of their employees, recognize and accept the purpose and mission of the organization. There are few studies on leadership in Thailand which examined transformational leadership behavior. Therefore, the purpose of this study is to investigate transformational leadership relationships with other factors that affect organizations.

The characteristics of transformational leaders are motivating the subordinates to work beyond expectation by using organizational visions. Transactional leaders, on the other hand, transactional relationships have been described as exchange processes of subordinates' needs. Other research has shown that goal setting has positive effects on creative behavior, while providing rewards encourage subordinates' motivation and creativity (Wofford et al, 2001).

The relationship Between Transformational Leadership and Subordinate Job Satisfaction

The relationship between transformational leadership and subordinates job satisfaction had been found in the study of Thompson (2006). His study concentrates on personal characteristics and the impacts of transformational leadership behaviors on followers. The results confirm that transformational leadership related to follower job satisfaction, satisfaction with the leader, perceptions of job core characteristics, and organizational citizenship behaviors. In addition, follower core self-evaluation was found to moderate the relationship between transformational leadership behaviors and follower job satisfaction and the satisfaction with the leader. Affect-based trust in the leader was found to mediate the relationship between transformational leadership behaviors and follower job satisfaction as well as satisfaction with the leader and to partially mediate relationships with organizational employee behaviors and perceptions of core job characteristics. The following study by meta-analyses belongs to Dumdum et al (2002) supported that transformational leadership showed very high correlations between leaders and follower satisfaction. In conclusion, Robin (1999) defined job satisfaction as employees' attitude toward their job. Job satisfaction can also be considered a feeling or attitude about various aspects or facets of the job (Spector, 1997).

Table 5: The nine facets of job satisfaction (Spector, 1997)

Pay	Satisfaction with pay and pay raises
Promotion	Satisfaction with promotion opportunities
Supervision	Satisfaction among employees toward their supervisor
Fringe benefits	Satisfaction with fringe benefits
Decision making	Satisfaction with participative decision making
Policy	Satisfaction with rules and procedures
Coworkers	Satisfaction with their peers
Nature of work	Satisfaction with the type of work done
Communication	Satisfaction with communication within the organization

Some researchers found that people who are highly motivated have positive attitudes towards the job. Kovach (1977) acknowledged job satisfaction dimensions which affect job performance. It includes intrinsic interests, variety of work, opportunity for learning and chances of success, 'pay' included amount fairness and equity, promotions included opportunities, recognition including raises for accomplishment and credit for work done, benefits which included pension, medical, annual leave and vacation leave, working conditions such as equipment, location, supervision includes supervisory style and influence and human relation, coworkers include competence, helpfulness and friendliness, company and management which includes concerns for employee. According to Mullins (1999), job satisfaction is defined as mentally challenging work which involves a fair amount of variety of work, freedom, skills and abilities. This job satisfaction received feedback on work done, equitable rewards and working conditions. In addition, research concluded that there is a link between job satisfaction and performance. They also found that there is a significant connection between the leadership approach and job

satisfaction. Furthermore, democratic leadership styles also influence job satisfaction among supervisors and workers. In addition, the other study conducted by Bartulo (2008) has the result support the above literature that that is a positive relationship between leadership styles and job satisfaction. On the contrary, transactional leadership styles were based on reward or punishment based upon performance. Transactional leaders creates a clear structure therefore making it clear what is required for the subordinates it is also base on the idea that leadership is based on reciprocal exchanges between subordinates and leaders. Varieties of research found contingent rewards related to job satisfaction. Employees were given incentives for their accomplishments such as pay raise or status promotion (Florence, 2011).

The other studies that analyzed the relationship between transformational and transactional leadership whether subordinates' job satisfaction has a connection on the leadership approach. The result as perceived by the subordinates' however is that leader who exhibit transformational approach to leadership tends to achieve job satisfaction among the subordinates rather than those who show transactional leadership approach (Ingram, 1997; Ross & Offerman, 1997).

Job satisfaction can be conceptualized as an evaluation of employees' attitudes towards their work in terms of important job values. There were two major approaches in the subordinate job satisfaction. The first approach is the subordinate's attitude and feelings towards their job; it expresses the cause of what make people come to work and what make them happy about their job. Therefore, it is very important to acknowledge job satisfaction issues and recognized individual

and organizational performance. The second approach, emphasized on how subordinates feel about the aspect of the job (e.g., salary, job security, social aspects of the job, and opportunity for advancement on the job). The overall job satisfaction becomes an expression of the level of satisfaction to various facets. However, it has been generally accepted that the way to assess job satisfaction provides a complete picture of an individual job satisfaction (Jayaratne, 1993; Locke, 1976).

Measurements taken among job satisfaction 'facets', allows for individuals to have different feelings about the various areas of the job (Yusof & Shamsuri, 2006).

Furthermore, job satisfaction is influenced by the trust between the supervisor and the subordinate (Boon et al.; Liou 2008). Bass (1999) added that transformational leadership behavior involves engagement in individualized consideration by the leader. According to Jayaratne (1993) transformational leadership activity leads to enhanced job satisfaction.

Some studies are differentiated from the literatures above by concentrate on productivities. Jayaratne (1993) stated that job satisfaction does not precisely amount to job productivity. The understanding of job satisfaction would help to make employees more productive and more valuable of work. Supported by the study of Canty (2005), that examined transformational and transactional leadership styles, and found significantly and positively related to job performances. Many studies mentioned above, transformational leadership is inclined to affect subordinates job satisfaction and organizational outcome. Moreover, Hakan (2008) studied the impact of transformational leadership showing the significant relations in high organizational commitment and high job satisfaction and productivity.

The other study that differentiates by focuses on the changing work environment, Regina et.al (1999) considered transformational leadership in the context of organizational change. They identified the importance of leadership to the changing of management process, and concluded that there is a relationship between management change successes between transformational leadership. Therefore, the success of management change depends on the appropriate and effective method of leadership which would enable to create vision and commitment (Regina et al. 1999).

The Relationships of Transformational Leadership and Subordinates' Job-Satisfaction Related to Organizational Commitment

Transformational leadership, linked to job satisfaction and organizational commitment, has been found to have a positive relationship on job performance. The contribution of transformational leadership is the subordinate's attitude toward involvement, loyalty and satisfaction in their work. Empirical studies have shown that job satisfaction is an important prerequisite of organizational commitment (Boon et al., 2006; Jayaratne, 1993; Liou, 1995). Some studies have illustrated the relationship and trust between supervision and subordinate influence job satisfaction (Boon et al, Liou, 1995). In addition, the analysis by Judge & Piccolo (2004) found that transformational leadership and its contingent rewards have a relationship on subordinates job satisfaction, motivation, leaders job performance, group and organizational performance on leadership effectiveness. Various studies found that transformational leadership style has a positive effect on job satisfaction, organizational commitment and performance (Chen, 2005; Howell & Avolio, 1993).

The other crucial study belong to Liou (1995), the researcher investigate the relationship between the construct of organizational commitment and the outcome measures of supervisory trust, job involvement, and job satisfaction. Facets of job satisfaction consist of pay, promotion opportunities, co-worker, supervisors, actual work, job security, training opportunities and working conditions. Moreover, he reported a positive relationship with organizational commitment. More specifically, perceived trust in the supervisor, an ability to be involved with the job, and feelings of job satisfaction were major determinants of organizational commitment.

In considering the public organizations, Birgit (2002) rated supervisors from public organization by using MLQ5X as an instrument for measuring leaders. The study found transformational leadership correlations related to organizational outcomes that included commitment, overall satisfaction, employee organizational behavior, stress and absenteeism. The relationship between self-rated transformational leadership and perceived transformational leadership of the direct superior on specific outcomes, such as extra effort, efficiency and satisfaction with the leaders as well as organizational outcomes such as commitment, overall satisfaction, employee organizational behavior, achievement orientation, stress and irritability. In addition to the study concerning the influence of transformational leadership on organizational and leadership effectiveness, some study found significant relations between leadership behaviors, organizational commitment and job satisfaction. Researchers also suggested that this study provides convincing evidence for the importance of continuing the effort to understand the nature of the connection between leadership behaviors and management effectiveness (Hakan,

2008). In public organization researcher (Hancott, 2005) also found that transformational leadership related to organizational performance.

Job satisfaction is a vital antecedent of organization commitment according to studies and therefore there has been a positive relationship between the two (Boon et al., 2006; Jayaratne, 1993; Liou, 1995). Moreover, Kovach (1977) added that job satisfaction has been recognized as a component of organizational commitment. Therefore, job satisfaction is a condition which subordinates experience through pleasure gained from applying one's values to a job. This is supported by many studies that indicate transformational leaders were found to generate higher commitments from followers (Avolio, 1999; Bass, 1998). The other important study that supports the relationship between transformational leadership and organizational commitment belong to Andrew (2007) that studied the relationship between job satisfaction and organizational commitment by using the Minnesota Satisfaction Questionnaire (MSQ). He explored the three faceted variables of job satisfaction of employees. The three facets of job satisfaction were: intrinsic job satisfaction, extrinsic job satisfaction and general job satisfaction.

In addition, some researchers used the Organizational Commitment Questionnaire by Meyer & Allen (1991), Andrew (2007), Barbara (2003) which identified 15 factors in the measurement of the three subordinate's organizational commitment: (1) an acceptance of an organization's goals and values, (2) a willingness to put forth effort on behalf of an organization and (3) a desire to maintain membership in the organization. The purpose of this study was to gain a better understanding of the relationships between job satisfaction and organizational commitment of employees at two locations at a national restaurant chain in Southern

Nevada. The results indicated that job satisfaction with company policies in regard to compensation, work conditions, and advancement were found to have a positive significant relationship on organizational commitment. Therefore, job satisfaction, can be conceptualized as an assessment of employee's job in terms of whether it allows the fulfillment of their important job values, which are congruent with one's needs.

Consistent with the conceptualization on the link between leadership styles and organizational commitment, organizational commitment has commonly been conceptualized as the relative strength of an individual's identification with job satisfaction and involvement in a particular organization (Bashaw & Grant, 1994; Jayaratne, 1993; Yusof & Shamsuri, 2006). Thus, the three dimensions involved in this concept are (a) identification, referring to people's feelings of 'belonging' in the organization; (b) involvement, relating to the extent to which employees are willing to participate in the affairs of their organization; and (c) loyalty, measuring the degree to which people would accept the authority and demands of the organization. All these are critical factors to understanding and explaining the work-related behaviors of employees in organizations (Avolio et al., 2004; Yusof & Shamsuri, 2006). In addition, the contribution of transformational leadership to commitment is involvement, loyalty, and subordinates' satisfaction which clearly affects the performance of working groups and organizations. Commitment also relates to organizational citizenship behavior and job satisfaction and it was found to have a positive effect to which leaders inspired their employee a share vision and encouraged innovativeness (Bass & Riggio, 2006). The researchers also found that the impact of transformational leadership on commitment is its idealized influence

which leads to identify goals, interests, and the values of work. Inspirational motivation used to build emotional commitment to a mission or goal to move followers consider the moral values in their tasks. Individualized consideration enhances commitment to increase competence by coaching and mentoring followers.

In considering organizational commitment, there are three types of organizational commitment facets (Meyer & Allen 1997). The following types of organizational commitment are defined as: Affective commitment refers to the employee's emotional involvement with the organization. Continuance commitment refers to an awareness of the costs associated with leaving the organization. Normative commitment reflects a feeling of obligation to continue employment. Employees with a high level of normative commitment tend to continue working with the organization (Bashaw, 1998). This is congruent with the study of Simon (1994) that examined the effect of transformational leadership behaviors on organizational commitment. Participants of 228 employees were included from three different organizations. The research revealed that the transformational leadership behaviors were positively correlated with normative commitment. However, his study showed negative correlations existed with continuance commitment.

In addition, Meyer & Allen (1991) aim to capture the multidimensional nature of organizational commitment through the use of effective, continuance and normative commitment since it is considered a more effective to measure organizational commitment. Meyer & Allen (1997) explained the importance of effective commitment. Accordingly, subordinates with strong effective commitment displays high competence in the work place and are able to make more meaningful

contributions than those who expresses continuance or normative commitment. Moreover, Dunham (1994) studied how participatory management and supervisory feedback affect employee levels of affective, continuance and normative commitment among 2,734 people. The result indicates that employees who stayed in the organization show a high level of effective commitment than both continuance and normative commitment. This study also concluded that supervisors who provided feedback about performance and allowed employees to participate in decision making shows a strong level of effective commitment. Even the study conducted in a hospital found similar. Cohen (1996) investigated the relationship between effective, continuance and normative commitment of the 238 nurses. The result explored the types of commitment such as: job involvement, work involvement and career commitment. Findings revealed that effective commitment was highly correlated with all the other types of commitment. Moreover, Irving, Coleman & Cooper (1997) revealed from a study of 232 employees. They investigated the relationship between affective, continuance and normative commitment and the outcome measures for job satisfaction and turnover intentions. The result concluded that job satisfaction was positively related to both affective and normative commitment. The interesting is that this study found that job satisfaction was negatively related to continuance commitment. Also, all the three types of commitment were negatively related to turnover intentions, with continuance commitment having the strongest negative relationship. This crucial point encourages other researchers to study the leadership styles, employees' satisfaction, and commitment to confirm the wondering of those factors in different places.

Cohen & Bailey (1997) investigated the relationship between effective, continuance and normative commitment among participants of 227 nurses from two hospitals. They found a positive relationship between resource enrichment and effective and normative commitment. Similarly to the above reviews, the result presents a negative relationship between continuance commitment and resource enrichment. Furthermore, Chen (2005) found the different educational levels which interfere with job satisfaction and commitment. He explored the relationship among transformation and transaction leadership behavior related to both direct and indirect outcome and effect on subordinates job satisfaction and organizational commitment resulting from trust shown by the leader. Transactional leadership had direct effect on job satisfaction but did not influence organizational commitment among subordinates.

In addition, Lok (1999) found that supportive and innovative hospitals showed a positive relationship in commitment and leadership styles through investigating the relationship commitment and job satisfaction in organizational change and development. Furthermore, Hinkin (2008) defined the effect of transformational leadership on individuals and organizational outcomes through which influence the perception of leadership effectiveness and subordinate satisfaction which helps clarify the direction and mission of the organization. Similarly to Podsakoff (1996) that found the effects of transformational leader behaviors on followers' attitude in employee satisfaction, commitment, trust and organizational citizenship behavior.

The above literatures concerning to transformational leadership styles and subordinates satisfactions, and commitment have instructed the rationale behind the

procedure to figure out the conclusion of those points. This ensured an investigation of the relation between leadership styles and others organizational component is crucial to figure out particularly in the Thai autonomous universities that face the need of managing changes.

Transformational Leadership, Job Satisfaction and Commitment Related to Team Performance and Team Effectiveness

According to Bass (1997) transformational leadership is the role to motivate followers in order to achieve extraordinary performance through transforming their attitudes, beliefs and values. Dionne et al. (2004) defined team performance as a framework which include input, outcomes and processes where individuals work as one unit to achieve a common goal. Furthermore, Henderson and Walkinshaw (2002) identified team performance and effectiveness as consist of the execution action, work accomplished, and intra-team relationships. As a matter of fact, Guzzo and Dickson (1996) identified performance as an indication for group produced outputs. Consequently, group members enhance team processes which predict performance. Some work has been done to recognize the relation between leadership and team performances. Kahai et al. (2003) carried out a research which has established a link between transformational leadership and team performance under anonymous conditions in an electronic meeting system (EMS). The researchers tested group of thirty-nine student on the effects of leadership styles, anonymity and rewards in two, decision-making, and tasks. They studied the group processes purpose to find out which leadership style is appropriate for an EMS. The results found that transactional leadership increases solution originality and group efficacy

more so than did transformational leadership, because the leader sets clear expectations to motivate the team. While transformational leadership is more appropriate within face-to-face groups because the leader motivates the team with his visions, charisma and inspirations work creatively on different tasks (Jung 2001). However, the in depth study by Hater & Bass (1995) found that transformational leadership is effective to well educated employees who like challenging work.

In the current novelty of management, the strategic management is the prominent consideration. Leader is the important persons who convey the strategic of a firm. Therefore, some study addressed the link between leader and strategy. Keller (1992) studied transformational leadership and performance of research groups. The conclusion is that effective leaders inspire their subordinates by conveying a sense of purpose and mission. Leaders also encourage and stimulate new ways of thinking and problem solving approach and inspire team members to a higher performance level. Also, transformational leadership helps build up cooperation within the team and help achieve organizational goal. Therefore, leadership is viewed primarily as an input to team processes and performance.

Transformational leadership has been viewed to be effective in improving group performances as well as the relationship with job satisfaction and commitment. Similarly, group performances have also been found to have a positive relationship with transformational leadership style. Some study addressed the transformational and performance by examining various domains in management indicators. Hoyt & Blascovich (2003) studied the impact of transformational leadership on objective performance which has been measured and observed in many domains: financial performance, technological innovation, unit performance, military performance, as

well as simulated organizational performance and production tasks. They concluded that transformational leadership is associated with quality of group performance, group cohesiveness and subordinate satisfaction. The results show that when leaders interact with the subordinates face to face, group members are most likely to achieve job satisfaction. Group performance and cohesiveness were similar across group settings. A group is a collection of people such as in an organization, corporation and human societies. According to the study of Maurer (1995), he identified that there are two types of group: formal and informal. Formal groups are those who are legitimate such as an organization and informal groups tend to be more social in nature. In general, Guzzo & Dickson (1996) supported that a group is a word which means all forms of teams and work group.

Cohen and Bailey (1997) classified team effectiveness into three major aspects. These are composed of quality of performance, the members' attitude such as employee satisfaction, and commitment as well as trust, and behavior outcomes such as absenteeism, turnover and safety. Group performance also means two or more people with complementary skills, and committed to achieve a common goal and pursue a set of performance goal. Its focus is on every individual with different abilities, sharing information, making decisions together as well as sharing responsibilities. This study is supported by the study of Yammarino et al (1993), the result indicates that team members' commitment and motivation supports team achievement. Furthermore, interpersonal trust among team members is perceived to be an important factor. He also stated that team effectiveness is consisting of four performance outcomes: innovation, efficiency, quality and satisfaction. In addition with creative solutions, innovative teams are capable of responding to environmental

needs and changes. Moreover, efficiency teams are able to achieve goals with fewer resources. As defined, quality is the teams' ability which when utilized, reaches superior result. Therefore, job satisfaction is to maintain commitment and personal needs of subordinates. According to Chang (2005), performance effectiveness is includes efficiency, productivity, response times, quality, customer satisfaction, and innovation. Member attitudes include employee satisfaction, commitment and trust. Behavior outcomes include absenteeism, turnover and safety. Then, to increase team performance, effective leaders must stimulate subordinates' satisfaction and commitment.

In determining the component of transformational, Dionne et al. (2004) identified transformational leadership which provides a framework for leaders which impact team performance as well as idealized influences, inspirational motivation, intellectual stimulation and individualized consideration which can produce intermediate results, such as shared vision, communication, cohesion, empowerment and commitment. In addition, the researcher states that intellectual stimulation based on Bass (1985) that transformational leadership theory has a direct effect on group performance which has also the same outcome as the study of Keller (1992). This study found that intellectual stimulation has an effect on group performance. Then, leaders who encourage their team to think through issues and problems independently were able to develop confidence in their abilities to acquire solutions. Furthermore, Dionne (2004) also found a direct linkage between communication and the dimension of 'individual consideration' which can be defined as the individual development of subordinates through coaching and teaching. The primary

conclusion of this study is the individualize consideration imply empowerment and better communication among the group members and between them and their leader.

Butler et al (1999) measured the relationship and trust among team members, transformational leadership behavior, and trust and job satisfaction. The result is that all leadership behaviors moderated positive relationships between team members and their trust in their leader and the satisfaction they felt with regard to their work. Furthermore, trust among the team members indicated high scored on relationship mediator variable between transformational leadership and job satisfaction. The above study is similarly to the study conducted by Stashevsky & Koslowsky (2006), the researcher examined leadership styles and found team cohesiveness as antecedents of team performance. They found that transformational leadership associated with higher levels of team cohesiveness as compared with transactional leadership. Team cohesiveness consisted of the three items namely: equal contribution by team members, positive team atmosphere and each participated in the decision making process. This is congruent with the study by Bilha et al (2008) that found transformational leadership is related to team outcome. A hypothesis was designed to examine the relationship of transformational style to group outcomes and the result shows that the outcomes consist of cohesion, learning culture and self-efficacy of members.

In considering transformational leader with empowerment, and effectiveness, a study by Nurdan (2003) focused on transformational leadership in relation to empowerment and team effectiveness. He found transformational leadership style of superiors has a strong relationship to the strength of empowerment and team effectiveness. He also evaluated the team's effectiveness in term of innovation,

communication and team performance. As a result, transformational leaders motivate others to do more than what was expected and tended to have more committed and satisfied followers. They empower followers, paying attention to individual needs, aid in personal development while helping followers to develop their own leadership potential. Therefore, leaders who shows transformational leadership challenge their subordinates to be an innovative problem solver, and to their capacity via coaching and mentoring. Another study contribution of empowerment and leadership is conducted by Nurdan (2003) that found transformational leaders do more things to empower followers, delegate authority, develop skills and self confidence and create self manage teams.

Bass (1999) used the MLQ 5X questionnaire to collected data from leaders and those under them. The findings support the universality of relationships according to the theory that transformational leadership styles are related to the group outcome and group cohesiveness. The study indicates the importance of the moderation of context in the relationships of leadership styles and group outcomes and cohesiveness.

Furthermore, Schippers, et al. (2007) studied the role of transformational leadership. They focused on the function of team member. They found that transformational leaders' role influences team performance.

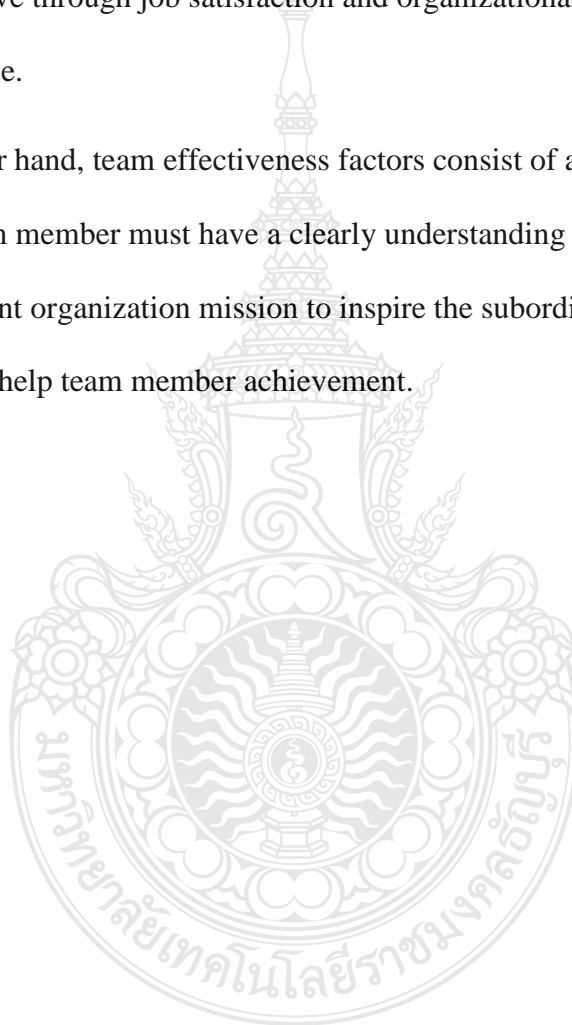
In summary, the discussion of literature on transformational leadership above highlights that team performance largely depends on the model of leader behavior. It also relates to each of the dimensions on transformational leadership components. Most researchers agree that transformational leadership and team performance needs to be studied further to clarify its exact relationship to these topics covered. In

addition, the reviews of the various studies imply the relationships between transformational leadership styles and organizational along with subordinates perspective that focus on different theoretical framework, difference hypothesizes and multiple methodologies. The leader's behavior was found to be a complex and controversial process that can be defined as influencing people to direct their efforts toward the achievement of some particular goal. The premise of the review convince that there is a positive relationship between transformational leadership styles relate to organizational outcome and effectiveness, subordinates satisfaction, trust and team building.

Currently, recent research have called for organizations in administration to be more flexible, adaptive, and innovative in meeting the changing demands of today's environment and the effect of changing the environmental circumstances of administration of public universities. Those studied investigated the paradigm in the various perspectives in transformational and transactional leadership, associated with the perception of job satisfaction and commitment that effect to team performance. As a result, the literary reviews of transformational leadership indicated these leaders are superior to the traditional styles of leadership. However, the Thai universities that are government supported are transforming to autonomous with self-support. The questions is that those university may need leadership style difference from they have been to fulfill the need of changing. The present study addressed this gap in the literatures by examining the understanding of transformational leadership style in its many perspectives, and recognizes the relationship of subordinates and their leaders in it affects to the organizational performance for the autonomous universities in Thailand. The review also examined the essence of the leadership theory style link

to that of the organization. The result found the impact of leadership styles to organizational outcome, and the leadership style has an impact on effectiveness. Furthermore, the perception of subordinates with regard to the leaders impact on organizational outcomes and indicated transformational leadership styles relate to effectiveness. Therefore, this study was determined to analyze organizational outcomes as perceive through job satisfaction and organizational commitment related to team performance.

On the other hand, team effectiveness factors consist of a clear mission of organization. Team member must have a clearly understanding of its purpose. The leader should present organization mission to inspire the subordinates willing to work. The mission help team member achievement.



CHAPTER 3

RESEARCH METHODOLOGY

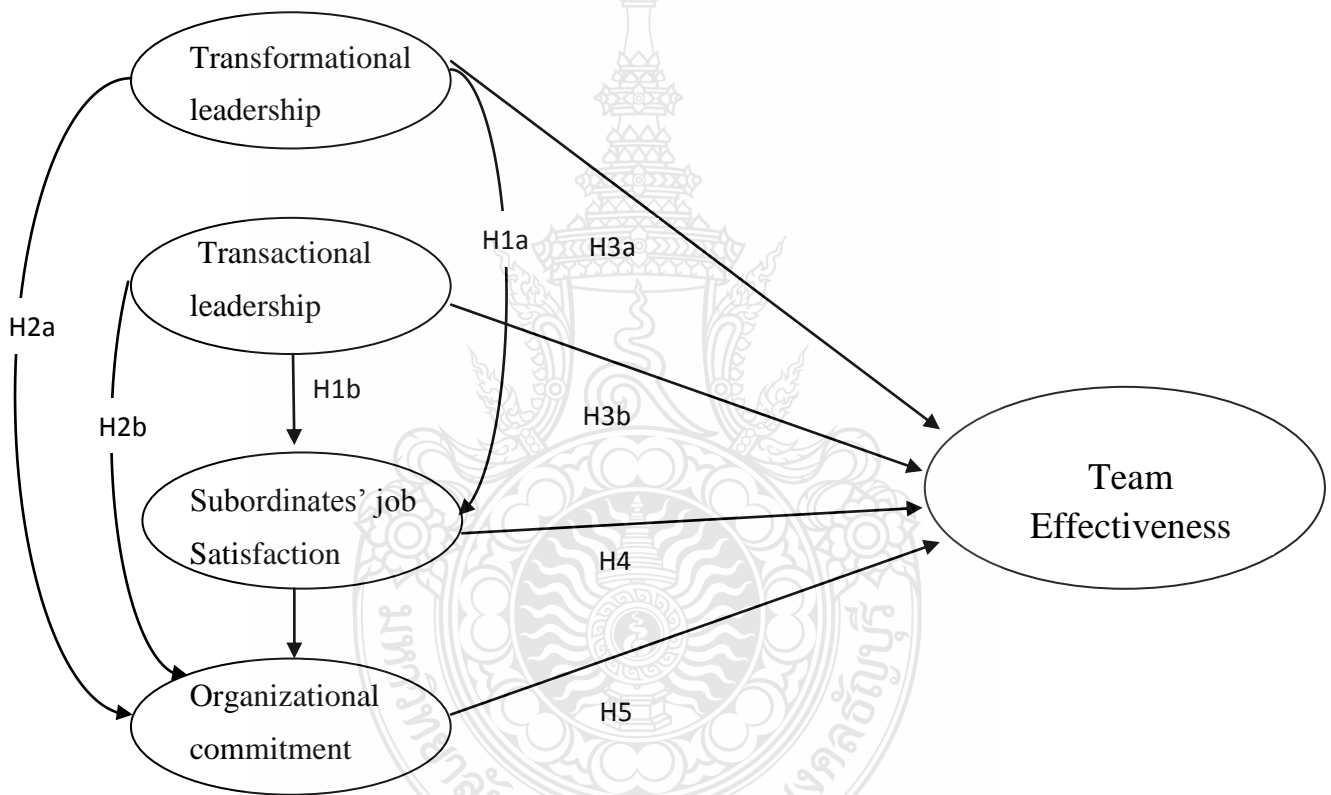
Theoretical Framework

The theoretical framework of this study come from the theory of full-range leadership has been studied and developed over a twenty-year period of leadership theories (Bass, 1985; Burns, 1978). Bass (1978) suggested that transformational and transactional leadership influences organizational and subordinates' outcomes, and that transformational leadership styles respond to competitive organizational settings. Bass and Avolio (1993) indicated that the full-range of leadership including transformational and transactional leadership styles enhance the leaders and follower relationship in positive outcomes. The theoretical framework of this study represents the impact of the full range leadership style include transformational and transactional leaders and subordinate's job satisfaction, organizational commitment and team effectiveness.

The purpose of this chapter is to explain the relationship between leadership style of autonomous university administrators and team performance. There are five hypotheses tested in order to gain a better insight about the relationship of variables among transformational and transactional leadership style with subordinates job satisfaction. The first hypothesis examines the extent to which transformational and transactional leadership relate to subordinate's job satisfaction. The second hypothesis examines transformational and transactional leadership that relate to organizational commitment. The independent variables are the four components of transformational leadership style and four independent variables of transactional

leadership style. The third hypotheses analyzes the impact of transformational and transactional leadership style on team effectiveness. The fourth hypothesis is to explore the relationship between subordinates' job satisfaction and team effectiveness. The last hypothesis is to examine organizational commitment and team effectiveness relationship.

Theoretical Framework of study



Research Design

The explanation of how the methodology was used in this study is illustrated into four topics including selection of the subjects, instrumentation, assumptions and limitation, and procedure of the data collection.

The populations of this study are leaders and subordinates of the thirteen autonomous universities of the higher educational institutional directory. There are thirteen universities consisting of Burapha University (BUU), Chiang Mai University (CMU), Chulalongkorn University (CU) King Mongkut's Institute of Technology Ladkrabang (KMITL), King Mongkut's University of Technology North Bangkok (KMUTNB), King Mongkut's University of Technology Thonburi (KMUTT), Mae Fah Luang University (MFLU), Mahidol University (MU), Suranaree University of Technology (SUT), Thaksin University (TSU), Walailak University (WU), Mahamakut Rajavidyalai and Maha Chulalongkorn Rajavidhayalai university.

The population of this study is subordinates and staffs who work in thirteen universities. The MLQ5X 360 degree feedback questionnaire was completed by subordinates and staff their leader by subordinates rate their leaders on 45 items measurement. The MLQ5X questionnaire used for subordinates' rate their leaders. The MLQ5X questionnaire is the first instruments combine with Job satisfaction survey (JSS) with twelve items, organizational commitment questionnaire (OCQ) with eighteen items and team effectiveness questionnaire (TES) with eleven items.

Sampling Technique

The methodology applied for sampling was the stratified sampling technique from the total number of population of thirteen universities and select ten percent from the total number of each university. Researcher selected sampling from all 13 autonomous universities population by using simple random sampling from the name list of each faculty of each university. The subjects will be asked to complete the questionnaires. The sample size was calculated from the rule of Structure

Equation Model (SEM) of the total quantity of sampling proportion with dependent and independent variables. In this study, there are 27 variables that are observed variable and latent variable by using Analysis Moment Software (AMOS) procedure identified the number of sampling.



Table 6 Table of population and sampling frame selected from thirteen autonomous universities.

List of 13 Autonomous University	Total number of subordinate from 13 autonomous universities	Stratified sampling technique from the faculty name list
1. Chulalongkorn University	2,848	284
2. Burapa University	688	68
3. Naresuan University	1,131	113
4. King Mongkut University of Technology Thonburi	569	56
5. King Mongkut University of Technology, Ladkrabang	897	89
6. King Mongkut University of Technology, North Bangkok	747	74
7. Taksin University	336	33
8. Mae Fah Luang University	167	16
9. Suranaree University	258	25
10. Walailuk University	211	21
11. Mahidol University	3,015	301
12. Maha Makut Rajavidhayalai	182	18
13. Maha Chulalongkorn Rajavidhayalai	144	14
Total	11,193	1,112

Instrumentation

The instrument of this study is divided into four type of questionnaires combination in to a single questionnaire. The first instrument measures transformational and transactional leadership style. The Multifactor Leadership Questionnaire (MLQ 5X) is the first questionnaire which measure leaders' behavior as perceived by their subordinates. The second instrument is organizational commitment questionnaire. The organizational commitment questionnaire (OCQ) measures commitment behavior of employees. The third instrument is Job Satisfaction Survey (JSS). The Job Satisfaction Survey questionnaire measures subordinates' job satisfaction. The fourth instrument is Team Effectiveness Survey (TES). This section aims at measuring effectiveness of tasks in terms of team working. These four instruments were used to collect data from all groups of respondents. These instruments have been used by several previous researchers and found high score of validity and reliability. Researcher transform into only one questionnaire combine the four kinds of questions. The original of all questionnaires are constructed by researcher and translate into Thai version and translate back into English version to confirm the actual meaning of each questions. The Thai version questionnaire approved by Professional in management science committee and ethics committee certified.

For the detail of the instrumentation, the first instrument belong to Bernard M. Bass, he developed the Multifactor Leadership Questionnaire (MLQ) in the year1989 to determine the degree to which leaders exhibited transformational leadership style. The Multifactor Leadership Questionnaire was designed with the 360-degree feedback method. Participants are asked to respond to 45 items in the

MLQ 5x by using a 5-point scale (“Not at all” to “Frequently if not always”). Approximately 15 minutes is required for completion. There are four components of measurement. First, idealized Influence assesses the degree to which the leader instills pride in others, displays power and confidence, makes personal sacrifice or champions new possibilities, considers the ethical or moral consequences of decisions, and talks about the importance of having a collective sense of mission. Second, inspirational motivation assesses the leader’s ability to articulate a compelling vision of the future as well as the degree to which he or she sets challenging standards and takes a stand on controversial issues. Third, intellectual Stimulation assesses the leader’s vision and those behaviors that increase followers understanding of the problems they face. Transformational leaders use intellectual stimulation to point out the problems in the current situations and contrast them with their vision of the future. Fourth, Individualized Consideration assesses which leaders treat followers as individuals and how much of a mentoring or coaching orientation leaders have for followers.

The reliability and validity of The Multifactor Leadership Questionnaire is a well established instrument rising to the key measure of Transformational Leadership as well as being extensively researched and validated. Avolio and Bass (1989) test manual shows strong evidence for validity; the MLQ has been used by over 300 research programs, doctoral dissertations, and master’s theses, along with several constructive outcomes for transformational leadership. The MLQ-5X purchase from the original owner’s <http://www.mindgarden.com/products/mlq.htm>

The second instrument of subordinates’ job satisfaction is Job Satisfaction Survey (JSS) questionnaire. The Job Satisfaction Survey (JSS) consist of 12 items,

nine facet scales to assess employee attitudes about the job and aspects of the job. The facet scale of Job Satisfaction Survey is simplistic measure that asks respondents to determine which of a series of faces reflects how they feel in general about their job that focus on nine facets of satisfaction. Therefore, the nine dimension of job satisfaction survey was develop by researcher that cover the key dimensions of subordinates' attitude of satisfaction; consist of pay, promotion, supervision, fringe benefit, operating procedure, coworker, nature of work and communication. The JSS is suitable to answer 10 items that cover the nine dimensions of questions relate to job satisfaction that asks respondents to determine how much they agree with various statements about their job. Likert scale format is used, with five choices per item ranging from “strongly disagree” to “strongly agree”. Items are written in both directions and reverse question. The nine facets are Pay, Promotion, Supervision, Fringe Benefits, Contingent Rewards, Operating Procedures, Coworkers, Nature of Work, and Communication. Although the JSS was originally developed for use in human behavior attitude and behavior, it is applicable to all organizations.

The third instrument of organizational commitment is Organizational Commitment Questionnaire (OCQ). The Organizational Commitment Questionnaire (OCQ) is the most popular and widely used measurement. A more recent measurement instrument has been developed by Mayer & Allen (1990) measures all three types of commitment namely, normative commitment, affective commitment and continuance commitment. The OCQ is nowadays become the most widely used for organizational commitment measurement instrument.

Allen and Meyer (1990) introduced a third component of commitment scale on the normative commitment scale, affective commitment scale and continuance

commitment scale. The Organizational Commitment Questionnaire (OCQ) is a self-scoring questionnaire responses to each of the 6 items are rated using a 5-point Likert scale with anchors labeled: 0 = strongly disagree, 1 = disagree, 2 = neither agree nor disagree, 3 = agree, 4 = strongly agree. The fourth instrument is team effectiveness survey

For the validity of the instruments, even all instruments are confirms validity, the researcher conducted the panel discussion by specialize professional in management science. This will convince that the instrument that are adopt from western culture is fitted the Thai leadership environment.

In considering the reliability, the researcher conducted the reliability with 30 subjects to meet the cronbach alpha coefficient of higher than .85. Cronbach alpha will be conducted to measure reliability of questionnaires. Cronbach is one of the most popular reliability statistics in use today (Cronbach, 1951). Cronbach's alpha determines the internal consistency or average correlation of items in a survey instrument to determine its reliability. Cronbach alpha use to test reliability of The MLQ-5x questionnaire, The Job Satisfaction Survey, The Organizational Commitment Questionnaire and The Team Effectiveness Survey questionnaire for this study.

Table 7 Reliability Test

Variables	Number of variables	Cronbach's Alpha
Transformational leadership (TransFr)	4	.953
Transactional leadership (TransAc)	4	.826
Organizational commitment (OQC)	3	.807
Subordinates ' job Satisfaction (JSS)	9	.875
Team Effectiveness (TES)	7	.954

Procedure of the Data Collection

The MLQ5X questionnaires will be sent to the leaders to rate themselves. Also, the MLQ5X combine with the Job Satisfaction survey, Organizational Commitment Questionnaire and Team Effectiveness Survey will be sent to their subordinates include lecturer and all staff to rate their leaders. Subordinates rater and leaders rate themselves is 360 degree feedback method.

Independent Variable consists of transformational leadership style, transactional leadership style, subordinate job satisfaction, organizational commitment. Dependent Variable consists of Team Effectiveness.

Table 8 The questions of questionnaire identified all variables and item measurement

Variables	Abbreviation	Item Number
Idealized Influence (Attribute)	IIA	10,18,21,25
Idealized Influence (Behavior)	IIB	6 ,14, 2 3,34
Intellectual Stimulation	IS	32, 2, 8, 30
Inspirational Motivation	IM	36, 9, 13, 26

Individualize Consideration	IC	31, 15 19, 29
Contingent Rewards	CR	35, 1, 11, 16
Management by Exception (Active)	MBEA	4, 22, 24
Management by Exception (Passive)	MBEP	3, 12, 17
Laissez-faire	LF	5, 7, 28, 33
Affective Commitment	AC	6, 7, 8, 10, 12
Continuance Commitment	CC	1
Normative Commitment	NC	2, 3, 4, 5, 9, 11
Pay	PAY	1
Promotion	PROMOTE	2
Supervision	SUPER	3
Fringe Benefit	FRINGE	4
Decision Making	DECIS	7
Nature of work	NATURE	9, 10
communication	COMM	6
Co-worker	COWORKER	5
Policy and procedure	POLICY	8
Clear goal	GOAL	1
Group member committed	COMMIT	3
Open honest, trust	HONEST	4
Communication with team member	TEAM COMM	2
Team participation decision-making	PARTI	7
Sense of belonging	BELONG	5
Good listening	LISTEN	6

Data Processing and analysis

The research methodology technique applies mixed method approach to summarize the quantitative and qualitative data. The statistical technique provides in-depth understanding the affect of each variable. The Structural Equation Model is a hybrid technique that encompasses aspects of confirmatory factor analysis, path analysis and multiple regression. It identified the model constructs as latent variables and observed variables. An analysis of Moment statistical (AMOS) used to analyze data.

Table 9: Dependent and Independent Variables measurement

<i>Independent Variables</i>	<i>Measurement Instrument</i>	<i>Components of Variables</i>
Transformational leadership	MLQ 5X	Idealized Influence (Attribute) Idealized Influence (Behavior) Inspirational Motivation Intellectual Stimulation Individualized Consideration
Transactional leadership	MLQ5X	Contingent Reward Management by Exception (Active) Management by Exception (Passive) Laissez-faire

<i>Organizational commitment</i>	OCQ Organizational	Affective Commitment Continuance Commitment Normative Commitment
Subordinates' job Satisfaction	Job Satisfaction Survey (JSS)	Pay, Promotion, Supervision, Fringe Benefits, operating procedures, coworkers, nature of work, communication
Dependent Variable		
team Effectiveness	Team Effectiveness Questionnaire (TES)	-clear goals -group members committed -open honest communication, atmosphere of trust - participative - sense of belonging -good listening -team communication

Statistical analysis

The study investigates overall relationship between variables hypothesized to affect team effectiveness. It is complicated to find out the best solution by using simple statistical analysis. Therefore, the statistical analysis technique of study uses Structural Equation Model (SEM). The structure equation model can result in high effective results and more practical applications. The statistical software used for SEM analysis is AMOS (Analysis Moment Of Statistical) that is an effective

statistical software to analyze the relationship among variables that can be separated into total effect, direct effect and indirect effect. As a preliminary step to my data analyses, the step of analysis consists of descriptive statistic the meaning of demographic data. Descriptive statistics were used to examine the mean scores, standard deviation, and other information about the MLQ Form 5X subscales, the Organization Commitment Questionnaire (OCQ) subscales, the Job Satisfaction Survey (JSS) subscales and Team Effectiveness Survey (TES) subscales. Statistical analyses were used to determine whether there were any statistically significant differences in the mean scores for affective, continuance, and normative commitment based on demographics data. The reliability of instrument measurement (Alphas) of both the MLQ Form 5X , OCQ, JSS and TES will be conducted. The correlations coefficient and using multiple regression analysis determine the relationship among transformational leadership and subordinates' job satisfaction, organizational commitment affect to team effectiveness subscale scores.

In this study, researcher analyzed the relationships among variables of leaders and their subordinates. However, leadership styles of leaders were rated by subordinates and scores on perceived leaderships were used to reflect the degree of leadership style of the leaders. In addition, this study analyzed such relationships at the subordinate level but the leader level was not investigated because the population of autonomous university in Thailand is not large enough to be investigated through an advanced statistical analysis such as a multilevel model (e.g., HLM analysis).

This study used Structure Equation Modeling to test the relationships between all variables of the model. The advantage of the structural equation model is that it combines the analysis of confirmatory factor analysis (CFA) with

regression analysis, that provides high power of the result of study. The Structure Equation modeling (SEM) creates more realistic than multivariate statistics or multiple regression models alone. The structure equation modeling covers the limitation of regression analysis investigation the relationship and association of all variables. The use of SEM enable to reflex complexity of relationship of overall variables.

Structural Equation Models are divided into two parts namely, the measurement model and the structural model. The measurement model deals with the relationships between measured observed variables and latent variables relationship. The construct model identified the relationship between the variable relationship construct of the model.

Path analysis is a subset of Structural Equation Modeling (SEM). The multivariate analysis examination of a set of relationships between one or more independent variables that either continuous or discrete, and one or more dependent variables, either continuous or discrete. SEM deals with measured latent variables of the model. A variable measurement can be observed directly. Measured variables are also known as observed variables. A latent variable is a variable that cannot be observed directly and must be inferred from measured variables. Latent variables are implied by the covariance among two or more variables measurement. They are also known as factors analysis, constructs or unobserved variables. SEM is a combination of multiple regression and factor analysis and path analysis.

CHAPTER 4

RESEARCH RESULT

This chapter presents research findings from the main study outlined in the previous chapter. The narrative start from presenting the sample characteristics, descriptive variables of the study, the findings of confirmatory factor analysis (CFA) as well as the assessment of scale reliability and validity based on the data from the main survey, the preliminary analysis, and the results of the structural equation modeling with latent variables. Finally, the outcomes of hypotheses testing (direct effects and mediating effects) and the evaluation of relevant assumptions will be presented.

Symbols used in data analysis.

M	means Mean
Sd.	means Standard Deviation
χ^2	means Chi-Square
Df	means Degrees of Freedom
TE	means Total Effect
IE	means Indirect Effect
DE	means Direct Effect
RMSEA	means Root Mean Square Error of Approximation
GFI	means Goodness of Fit Index
CFI	means Comparative Fit Index

Endogenous variable

Latent variable

TES means Team Effectiveness

Observed variable

GOAL	means	Clear goals
COMMIT	means	Committed for achievement
HONEST	means	Open and honesty
TEAMCOM	means	Good Communication
BELONG	means	A sense of belonging
LISTEN	means	Good listening
PARTI	means	Participation

Exogenous variables

Latent variable

TransFr	means	Transformational leadership
TransAc	means	Transactional leadership
TransAc	means	Transactional leadership
OQC	means	Organizational commitment
JSS	means	Subordinates 'job Satisfaction

Observed variable

IDE	means	Idealized influence
IM	means	Inspirational motivation
IS	means	Intellectual stimulation
IC	means	Individualized consideration
CR	means	Contingent rewards
MBAE	means	Management-by-exception (active)
AC	means	Affective Commitment
NC	means	Normative Commitment
CC	means	Continuance Commitment
FRINGE	means	Fringe Benefits
DECIS	means	Participation in Decision Making
POLICY	means	Operating Procedure (rules and procedures)

Demographic data

Demographic data in this study are summarized in Table 10. The research questionnaires consist of 181 female and 244 male respondents. The female respondents demonstrated is lower than male. The majority of the respondent's age range between 41 - 50 years old. The total respondents graduate master degree followed by Bachelor degree. The majority of the respondent's income range between 30,001 – 50,000 baht follow by 10,000 – 30,000 bath. The majority of respondents are Officer, followed by Manager which is 28.9 % (123 respondents). The maximum year of experience is 40. While the mean score of respondents is 12 years of experience.

Table 10 Summarize demographic data of respondents

		Frequency	Percent
Gender	Male	244	57.4
	Female	181	42.6
	Total	425	100.0
Age	20 - 30 years old	65	15.3
	31 - 40 years old	118	27.8
	41 – 50 years old	148	34.8
	51- 60 years old	94	22.1
	Total	425	100.0
Education	Bachelor degree	147	34.6
	Master degree	175	41.2
	Ph.D	95	22.4

	Other	8	1.8	
	Total	425	100.0	
Income	10,000 – 30,000 baht	155	36.4	
	30,001 – 50,000 baht	160	37.6	
	50,001 – 70,000 baht	54	12.7	
	70,001 – 80,000 baht and over	56	13.3	
	Total	425	100.0	
Position	Officer	189	44.5	
	Header	81	19.0	
	Manager	123	28.9	
	Other	32	7.6	
	Total	425	100.0	
	Mean	Std. Deviation	Minimum	Maximum
Year of experience	12.44	9.480	1	40

Descriptive Statistics of the Study Variables

The study variables are Transformational leadership (TransFr), Transactional leadership (TransAc), Organizational commitment (OQC), Subordinates' job Satisfaction (JSS) and Team Effectiveness (TES).

Transformational leadership (TransFr) had highest mean score is 3.75 on inspirational motivation. The lowest mean score is 3.48 on intellectual stimulation. In summary, transformational leadership mean score is 3.59.

Table 11 Transformational Leadership characteristic statistical analysis

Characteristics	Mean	SD	Min	Max	Skewness	Kurtosis
Idealized Influence	3.62	.769	1.00	5.00	-.777	.557
Intellectual Stimulation	3.48	.820	1.00	5.00	-.436	.165
Inspirational Motivation	3.75	.838	1.00	5.00	-.653	.320
Individualization Consideration	3.52	.903	1.00	5.00	-.355	-.027
Transformational leadership	3.59	.785	1.06	5.00	-.460	-.077

Transactional leadership (TransAc) had highest mean score on management by exception (MBEA). The total means score average is 3.55. This is lower than mean score on transformational leadership.

Table 12 Transactional leadership characteristics statistical analysis

Attitude	Mean	SD	Min	Max	Skewness	Kurtosis
Contingent Rewards	3.54	.774	1.00	5.00	-.168	-.030
Management by exception (active)	3.56	.669	1.00	5.00	-.413	.512
Transactional leadership	3.55	.447	1.92	4.46	.436	.492

Organizational commitment (OQC) had highest on Continuance Commitment (CC) had M= 4.01 SD = 1.062 (Min-Max = 1.00 - 5.00) Skewness, Kurtosis is -.013, .509.

Table 13 Organizational Commitment components statistical analysis

Attitude	Mean	SD	Min	Max	Skewness	Kurtosis
Affirmative Commitment	3.51	.657	1.00	5.00	.506	-.279
Normative Commitment	3.84	.715	2.00	5.00	.009	-.722
Continuance Commitment	4.01	1.062	1.00	5.00	-.013	.509
Organization commitment	3.78	.707	1.80	5.00	-.210	-.617

Subordinates' job Satisfaction (JSS) had highest means on policy 2.67 SD = 1.162 (Min-Max = 1.00 - 5.00) Skewness, Kurtosis is .204, -.749 that express subordinates' job satisfaction on the policy of organization.

Table 14 Subordinates job satisfaction statistical analysis

Attitude	Mean	SD	Min	Max	Skewness	Kurtosis
FRINGE	2.62	1.075	1.00	5.00	.329	-.373
DECIS	2.24	1.133	1.00	5.00	.554	-.608
POLICY	2.67	1.162	1.00	5.00	.204	-.749
JSS	2.51	.350	2.11	4.00	.215	-.111

Team Effectiveness (TES) had highest score on participation (PARTI) 3.84. Therefore, the most important factor of team effective is team participation between members. The ranking of team effectiveness variables are participation, team commitment, team member honest, team listening, sense of belonging and team goal. These are all essential factors of team effectiveness.

Table 15 Team effectiveness statistical analysis

Attitude	Mean	SD	Min	Max	Skewness	Kurtosis
GOAL	3.69	.898	1.00	5.00	-.348	.029
COMMIT	3.77	.882	1.00	5.00	-.664	.661
HONEST	3.73	.906	1.00	5.00	-.627	.463
TEAMCOMM	3.62	.939	1.00	5.00	-.460	.055
PARTI	3.84	.902	1.00	5.00	-.660	.540
BELONG	3.71	.909	1.00	5.00	-.524	.192
LISTEN	3.73	.878	1.00	5.00	-.691	.826
Team effectiveness	3.72	.801	1.00	5.00	-.468	.416

Preliminary Analysis

General statistical assumptions of the Structural Equation Modeling (SEM) are normality testing, and linear relationships testing and multicollinearity testing.

Normality Testing

The normality distribution of the study variables was estimated by computing skewness and kurtosis. In normal distribution, skewness values are between +1 to -1, and kurtosis values are not beyond +1.96 and -1.96 (Tabachnick & Fidell, 1996; Munro, 1993). The skewness values of all variables in this study ranged from -.777 to .554, and the kurtosis values ranged from -.749 to .826. The skewness and kurtosis values indicated that the data distribution was within range of normality.

Linearity Testing

The linearity and homocedasticity, two aspects of multivariate normality, were evaluated through the inspection of bivariate scatter plots. The results did not show curvilinear relationships or interactive relationships between pairs of variables.

Multicollinearity Testing

Multicollinearity occurs when intercorrelations among some variables are too high. In this study, the correlation coefficients for all independent variables ranged from .01 to .942.

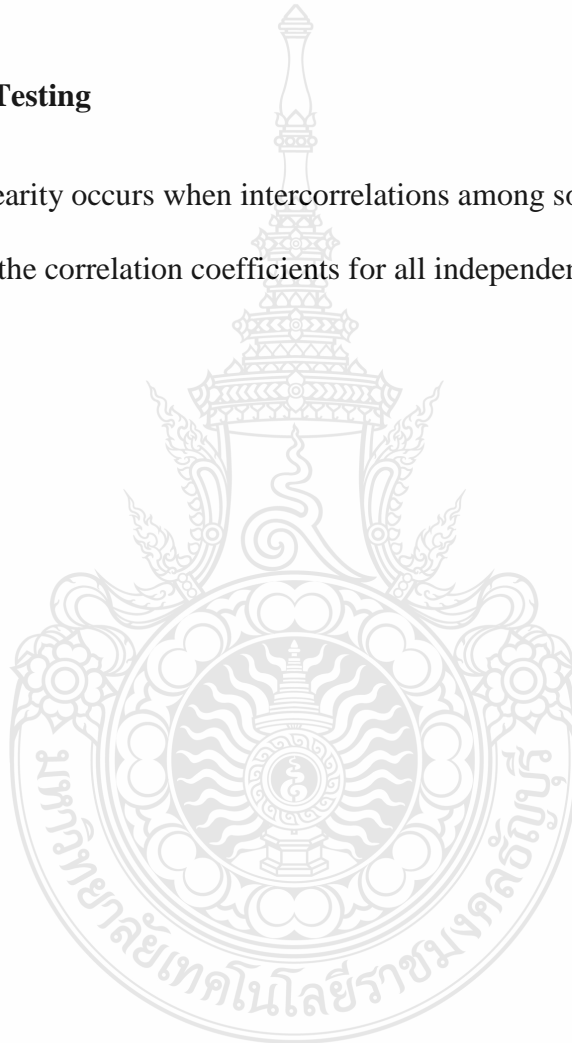


Table 16 Correlation coefficient between observed variables intercorrelation.

	IDE	IS	IM	IC	CR	MBEA	FRINGE	DECIS	POLICY	AC	CC1	NC
IDE	1											
IS	.832**	1										
IM	.857**	.826**	1									
IC	.855**	.859**	.810**	1								
CR	.779**	.816**	.770**	.789**	1							
MBEA	.685**	.638**	.681**	.633**	.634**	1						
FRINGE	.086*	0.045	.121**	.120**	.122**	.102*	1					
DECIS	.444**	.379**	.404**	.425**	.370**	.244**	.329**	1				
POLICY	.316**	.332**	.347**	.333**	.287**	.255**	.340**	.481**	1			
AC	.405**	.343**	.410**	.370**	.365**	.312**	0.051	.231**	.232**	1		
CC1	.379**	.326**	.415**	.335**	.307**	.325**	.139**	.331**	.332**	.494**	1	
NC	.489**	.425**	.491**	.443**	.451**	.364**	.196**	.401**	.380**	.723**	.689**	1

	GOAL	COMMIT	HONEST	TEAM	PARTI	BELONG	LISTEN	TRANSFR	TRANS	JOBSAT	ORG	TEAMEFF
GOAL	1											
COMMIT	.742**	1										
HONEST	.749**	.835**	1									
TEAMCO	.782**	.781**	.830**	1								
PARTI	.696**	.632**	.701**	.695**	1							
BELONG	.748**	.730**	.774**	.731**	.745**	1						
LISTEN	.696**	.734**	.774**	.766**	.781**	.812**	1					
TRANSFR	.547**	.487**	.482**	.500**	.552**	.536**	.491**	1				
TRANSAC	.478**	.413**	.407**	.409**	.456**	.401**	.389**	.777**	1			
JOBSAT	.571**	.518**	.503**	.531**	.491**	.504**	.536**	.605**	.595**	1		
ORG	.531**	.451**	.422**	.468**	.521**	.482**	.536**	.485**	.447**	.585**	1	
TEAMEFF	.871**	.877**	.912**	.900**	.845**	.892**	.895**	.585**	.484**	.596**	.551**	1

Structural Equation Modeling Analysis

SEM combines a two-step approach which are the measurement model and structural model into a simultaneous statistical test (Anderson & Gerbing, 1988; Hair et al.,1998). For the measurement model, the researcher validates the measurement model through confirmatory factor analysis. In this step, the researcher also tests for construct validity by testing construct unidimensionality, reliability, convergent validity, discriminate validity and predictive validity. Once the measurement model was validated, the researcher conducts the second step, estimating the structural relationship between latent (unobserved) variables. Given that, the estimation of model fit can be tested in the second step.

Reliability

As widely used in previous studies, Cronbach coefficient alpha is an index for evaluating the reliability of a scale. As presented, the Cronbach coefficient alpha for all measures surpassed the suggested level of 0.7 (Nunnally, 1978). Therefore, all of the measures examined are reliable. The values of Cronbach coefficient alpha ranged between 0.807 to 0.954

Table 17 Reliability test of transformational leadership variables

Transformational leadership variables	Cronbach's Alpha	Corrected Item-Total Correlation
Idealized Influence	.936	.900
Intellectual Stimulation	.938	.888
Inspirational Motivation	.942	.875
Individualize Consideration	.939	.890

Table 18 Reliability test of transactional leadership variables

Transactional leadership variables	Cronbach's Alpha	Corrected Item-Total Correlation
Contingent Rewards	.824	.810
Management By Exception (Active)	.855	.937

Table 19 Reliability test of job satisfaction

Job satisfaction variables	Cronbach's Alpha	Corrected Item-Total Correlation
FRINGE	.831	.905
DECIS	.811	.993
POLICY	.702	.845

Table 20 Reliability test of organization commitment

Organization commitment variables	Cronbach's Alpha	Corrected Item-Total Correlation
Affective Commitment	.779	.636
Normative Commitment	.613	.805
Continuance Commitment	.838	.641

Table 21 Reliability test of team effectiveness

Team effectiveness variables	Cronbach's Alpha	Corrected Item-Total Correlation
GOAL	.949	.825
COMMIT	.948	.834
HONEST	.944	.879
TEAMCOMM	.946	.862
PARTI	.951	.789
BELONG	.946	.851
LISTEN	.946	.857

Convergent Validity

As commonly suggested by statistical texts and practiced by previous researchers, the Normed Fit Index (NFI), which is also known as the Bentler-Bonett (1980) coefficient was used to test the convergent validity (e.g., Ahire et al., 1996). Convergent validity refers to the extent to which different methods of administering the scale yield the same result (Churchill, 1979). The NFI index with value of 0.90 or above indicates a strong convergent validity. As reported in Table 20, NFI of ten out of 5 measures examined surpassed the benchmark of 0.90. The rest were marginally lower than the suggested level of 0.90 but they still can be accepted.

Table 22 Convergent Validity of overall variable Test

Variables	NFI
Transformational leadership (TransFr)	0.949
Transactional leadership (TransAc)	0.876
Organizational commitment (OQC)	0.999
Subordinates ' job Satisfaction (JSS)	0.956
Team Effectiveness (TES)	0.860

Structural Equation Modeling Test

SEM using AMOS was employed for examining the structural model of this study. SEM is an appropriate statistical technique for testing a model that is hypothesized to have relationships among latent variables that are measured by multiple-scale items, where at least one construct is both a dependent and independent variable (Hair et al., 1998).

The result of the full structural model with standardized parameter is presented in Figure 4.1. In order to evaluate the full structural model fit, a series of indices provided by AMOS were examined. Model fit determines the degree to which structural equation model fits the sample data. Model fit that are commonly used are chi-square (χ^2), goodness of fit index (GFI), adjusted goodness of fit index (AGFI), and root mean square residual (RMS). These indices are based on differences between the covariance matrix of observed model and the implied model (Hair et al., 1998). Among these indices, the chi square is the most popular index (Bollen, 1989). In evaluating chi-square value, researchers are interested in obtaining insignificant Chi-square value. Generally, smaller Chi-square value indicates a better model fit to the data. However, the index of Chi-square has been criticized due to this index being very sensitive to the sample size (Bollen, 1989). Instead of relying on any single index of model fit, SEM literatures always suggest researchers to evaluate the model fit based

on a range or series of fit indices. Table 23 depicts the list of goodness of fit measures and the levels of acceptable fit adapted from Hair et al. (1998) and this study result.

Structural Equation Modeling Analysis

The statistical results indicated that the modified model did fit the data ($\chi^2 = 204.80$, $df = 113$, $p\text{-value} = 0.000$, $\chi^2/df = 1.81$, $GFI = .96$, $AGFI = .94$, $RMSEA = .03$).

Table 23 Levels of Acceptable Fit of Goodness of Fit Measures and result of this study.

Goodness of Fit Measures	Levels of acceptable fit	Goodness of fit test result of this study
Chi-square	$P \geq 0.05$	$P \geq 0.05$
Chi-square/degrees of freedom	≤ 3.00	1.81
Goodness-of-fit Index (GFI)	≥ 0.90	0.96
Adjusted Goodness-of-fit Index (AGFI)	≥ 0.90	0.94
Normed Fit Index (NFI)	≥ 0.90	0.98
Non Normed Fit Index (NNFI) or Tucker Lewis Index (TLI)	≥ 0.90	0.99
Comparative Fit Index (CFI)	≥ 0.90	0.99
Root Mean Square Residual (RMSR)	≤ 0.08	0.02
Root Mean Square (RMSEA)	≤ 0.05	0.03

Adapted from Hair et al. (1998)

Considering the influence of direct and indirect impact variable Organizational commitment (OQC), Subordinates' job Satisfaction (JSS) and Team Effectiveness (TES) follow by table 25 found that organizational commitment, subordinates's job satisfaction had direct effects from Transformational leadership (TransFr) Influence coefficients is .46, -.60, and .34. All variable is positive effects by statistic significantly at 0.01

Organizational commitment (OQC) had no effect from Transactional leadership (TransAc) .00, Transformational leadership (TransFr) had positive effect to organizational commitment .46. Subordinates' job Satisfaction (JSS) Influence coefficients is 1.00 and -.60. Transactional leadership and subordinates' job satisfaction variable is positive effects by statistic significantly at 0.01. While transformational leadership and subordinates' job satisfaction variables had not positive effect. And indirect impact from Transformational leadership (TransFr), Transactional leadership (TransAc) on Subordinates' job Satisfaction (JSS). Influence coefficients are .00 and .00. All variable is no effects by statistic significantly at 0.01

Team Effectiveness (TES) had direct effects from Transactional leadership (TransAc), Transformational leadership (TransFr) influence coefficients is .01 and .34. All variable is positive effects by statistic significantly at 0.01 and indirect impact from Transformational leadership (TransFr), Transactional leadership (TransAc) influence coefficients is .26 and no positive effect -.12 by statistic significantly at 0.01.

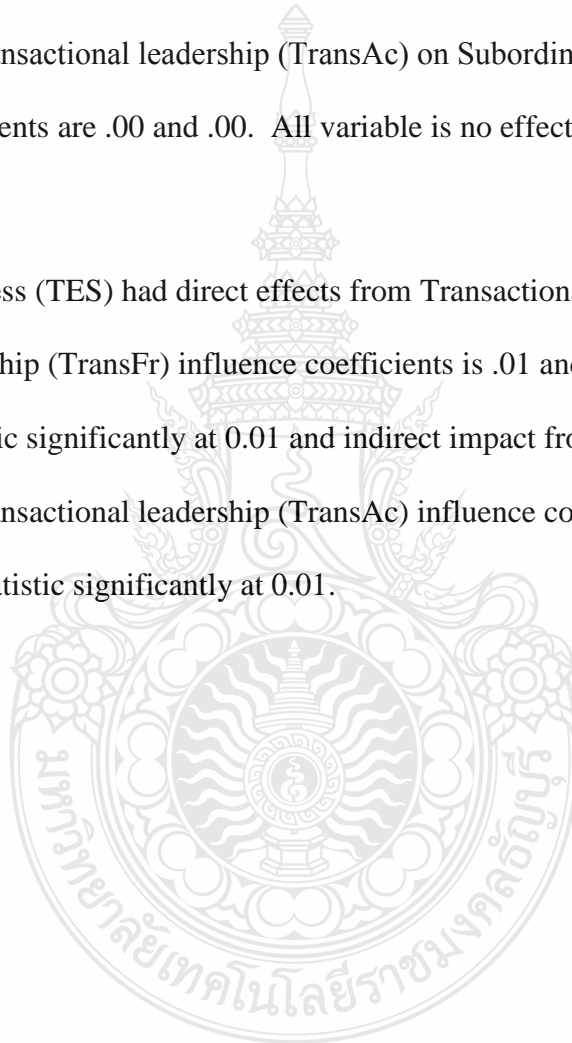
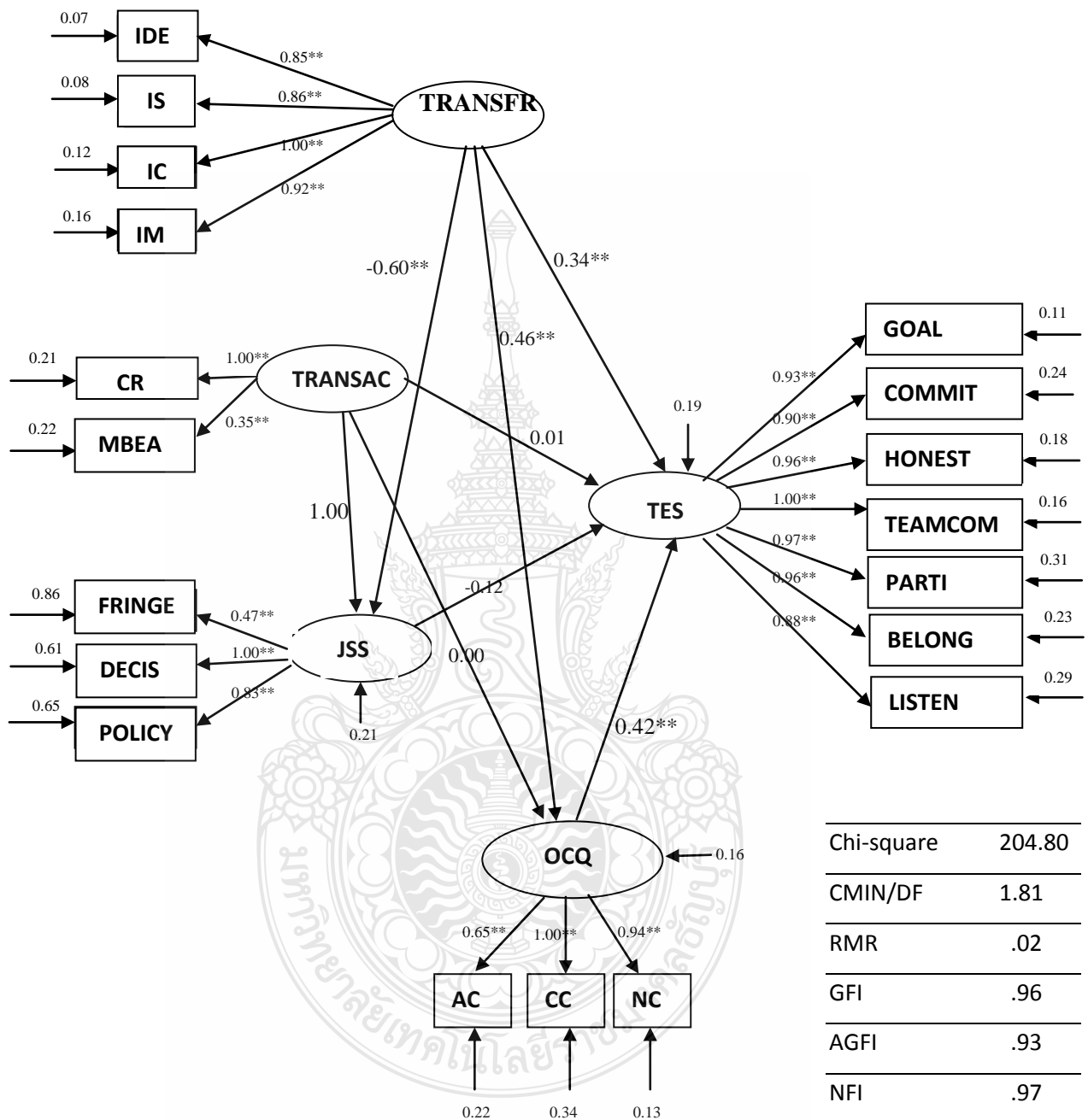


Figure 4.1 The Path Diagram result standardized factor loading of this study



Chi-square	204.80
CMIN/DF	1.81
RMR	.02
GFI	.96
AGFI	.93
NFI	.97
CFI	.99
RMSEA	.03

Table 24 Regression weight factor loading results

Variables	Transformational Leadership	Transactional leadership	Job Satisfaction	Organizational commitment	Team Effectiveness
OCQ	0.46**	0.00	0.00	0.00	0.42**
TES	0.34**	0.01	0.00	0.42**	0.00
JSS	-0.60**	1.05	0.00	0.00	-0.12
IC	1.00**	0.00	0.00	0.00	0.00
IM	0.92**	0.00	0.00	0.00	0.00
IS	0.86**	0.00	0.00	0.00	0.00
IDE	0.85**	0.00	0.00	0.00	0.00
CR	0.00	1.00**	0.00	0.00	0.00
NC	0.00	0.00	0.00	0.94**	0.00
CC	0.00	0.00	0.00	1.00**	0.00
AC	0.00	0.00	0.00	0.65**	0.00
POLICY	0.00	0.00	0.83**	0.00	0.00
DECISION	0.00	0.00	1.00**	0.00	0.00
FRINGE	0.00	0.00	0.47**	0.00	0.00
GOAL	0.00	0.00	0.00	0.00	0.93**
COMMIT	0.00	0.00	0.00	0.00	0.90**
HONEST	0.00	0.00	0.00	0.00	0.96**
TEAMCOM	0.00	0.00	0.00	0.00	1.00**
PARTI	0.00	0.00	0.00	0.00	0.97**
BELONG	0.00	0.00	0.00	0.00	0.95**
LISTEN	0.00	0.00	0.00	0.00	0.87**
MBEA	0.00	0.35**	0.00	0.00	0.00

Table 25 Standardized total effect, direct effect and indirect effect result

Variables	Influence	Transactional leadership	Transformational leadership
JSS	Total effect	1.05	-0.60
	Direct effect	1.05	-0.60
	Indirect effect	0.00	0.00
OCQ	total effect	0.00	0.46
	Direct effect	0.00	0.46
	Indirect effect	0.00	0.00
TES	total effect	-0.11	0.60
	Direct effect	0.00	0.34
	Indirect effect	-0.11	0.26
LISTEN	total effect	-0.09	0.50
	Direct effect	0.00	0.00
	Indirect effect	-0.09	0.50
BELONG	total effect	-0.10	0.57
	Direct effect	0.00	0.00
	Indirect effect	-0.10	0.57
PARTI	total effect	-0.17	0.59
	Direct effect	0.00	0.00
	Indirect effect	-0.17	0.59
TEAMCOMM	total effect	-0.17	0.54
	Direct effect	0.00	0.00
	Indirect effect	-0.17	0.54

HONEST	total effect	-0.10	0.58
	Direct effect	0.00	0.00
	Indirect effect	-0.10	0.58
COMMIT	total effect	-0.16	0.54
	Direct effect	0.00	0.00
	Indirect effect	-0.16	0.54
GOAL	total effect	-0.16	0.56
	Direct effect	0.00	0.00
	Indirect effect	-0.16	0.56
FRINGE	total effect	0.49	-0.28
	Direct effect	0.00	0.00
	Indirect effect	0.49	-0.28
DECIS	total effect	1.00	-0.60
	Direct effect	0.00	0.00
	Indirect effect	1.00	-0.60
POLICY	total effect	0.88	-0.50
	Direct effect	0.00	0.00
	Indirect effect	0.88	-0.50
AC	total effect	0.00	0.30
	Direct effect	0.00	0.00
	Indirect effect	0.00	0.30
CC	total effect	0.00	0.46
	Direct effect	0.00	0.00
	Indirect effect	0.00	0.46

NC	total effect	0.00	0.43
	Direct effect	0.00	0.00
	Indirect effect	0.00	0.43
CR	total effect	1.00	0.00
	Direct effect	1.00	0.00
	Indirect effect	0.00	0.00
MBEA	total effect	0.35	0.00
	Direct effect	0.35	0.00
	Indirect effect	0.00	0.00
IDE	total effect	0.00	0.92
	Direct effect	0.00	0.92
	Indirect effect	0.00	0.00
IS	total effect	0.00	0.89
	Direct effect	0.00	0.89
	Indirect effect	0.00	0.00
IM	total effect	0.00	0.92
	Direct effect	0.00	0.92
	Indirect effect	0.00	0.00
IC	total effect	0.00	0.92
	Direct effect	0.00	0.92
	Indirect effect	.00	0.00

The Relationship among the research Variables

Hypothesis 1a: There is no positive relationship between transformational leadership and subordinates' job satisfaction. The result found that transformational leadership had negative significant relationship subordinates' job satisfaction, since p-value is less than 0.05, and the regression weight between transformational leadership and subordinates' job satisfaction is -0.60.

Hypothesis 1b: There is no significant relationship between transactional leadership and subordinates' job satisfaction. From model found that transactional leadership had no significant relationship with subordinates' job satisfaction, since p-value is mor than 0.05 and the regression weight between transformational leadership and subordinates' job satisfaction is 1.00.

Hypothesis 2a: There is significant relationship between transformational leadership and organizational commitment. From model found that transactional leadership had positive significant relationship organizational commitment, since p-value is less than 0.05 and the regression weight between transformational leadership and organizational commitment is 0.46.

Hypothesis 2b: There is significant relationship between transactional leadership and organizational commitment. From model found that transactional leadership had significant relationship with organizational commitment, since p-value is less than 0.05 and the regression weight between transformational leadership and organizational commitment is 0 .00.

Hypothesis 3a: There is significant relationship between transformational leadership and team effectiveness. From model found that transactional leadership had positive

significant relationship team effectiveness, since p-value is less than 0.05 and the regression weight between transformational leadership and team effectiveness is 0 .34.

Hypothesis 3b: There is no significant relationship between transactional leadership and team effectiveness. From model found that transactional leadership no positive significant relationship team effectiveness, since p-value is more than 0.05 and the regression weight between transformational leadership and team effectiveness is 0 .01.

Hypothesis 4: There is no significant relationship between subordinate's job satisfaction affect to team effectiveness. From model found that subordinate's job satisfaction had no significant relationship with team effectiveness, since p-value is more than 0.05 and the regression weight between subordinate's job satisfaction and team effectiveness is -0.12.

Hypothesis 5: There is significant relationship between organizational commitments affect to team effectiveness. From the model found that organizational commitments had positive significant relationship to team effectiveness, since p-value is less than 0.05 and the regression weight between organizational commitments and team effectiveness is 0.42.

CHAPTER 5

Discussion and recommendation

The purpose of this study is to explore the effect of transformational and transactional leadership behaviors on subordinates' job satisfaction and organizational commitment on team effectiveness.

The first hypothesis attempted to examine the connection between transformational and transactional leadership behaviors and subordinates' job satisfaction. As predicted, transformational and transactional leadership behaviors were found correlated with subordinates' job satisfaction. But the finding in this study indicates that transformational leadership has no effect on subordinates' job satisfaction. From the study of Ingram (1997), Ross & Offerman (1997) found that transformational leadership tends to achieve subordinates' job satisfaction and organizational outcome. Job satisfaction is the concept of employee's attitudes on work values and the feeling towards their job. Therefore, the characteristics of transformational leadership didn't impose any significant affect to subordinates' job satisfaction in term of attitude and emotion. The result of this hypothesis showed a negative relationship between transformational leadership and the level of subordinates' job satisfaction. In organization, subordinates' job satisfaction is related to exchange of leader's behavior with the value of work such as the perception of core job characteristics, salaries, fringe benefits and several dimensions of incentives. Subordinates feel satisfied if the following aspects are taken care (like salary, job security, social aspects of the job, and opportunity for advancement on the job). The overall job satisfaction becomes an expression from the level of

satisfactions of various facets. Therefore, the result of transactional leadership study found a positive relationship with subordinates' job satisfaction. This is because transactional leadership characteristics provides contingent reward such as exchange rewards and incentive on subordinates' performance with actual motivation such as pay, advancement in their career, fringe benefits, operating condition, coworker and nature of work. These factors have direct affect to subordinates' job satisfaction and better relationship with their leaders. Transformational leadership behavior involves engagement in individualized consideration by the leader (Bass, 1985). This type of leaders leads to enhanced job satisfaction (Jayaratne, 1993; Bryan, 2002; Detamore, 2008; Wofford et al 2001; Ozmen, 2008; Kimberly, 2008; Soonhee, 2002; Witt et al, 2000).

The second hypothesis testing found a positive relationship between transformational leadership and their subordinates' organizational commitment. The study maintains conceptual organizational commitment in term of affective commitment, continuance commitment and normative commitment. The result found a strong relationship of transformational leadership and organizational commitment in particular the direct effect on affective commitment. As the theory of Mayer & Allen (1991) identified that affective commitment is the employee's involvement in their organization. These are the reasons for transformational leadership characteristics and organizational commitments have idealized influence that respects each other. Idealized influence involves setting high performance expectation and high standards of goals. Leaders encourage their subordinate's high confidence on their work ability to meet expected high performance. Therefore, these characteristics of transformational leadership affect their subordinate's

commitment to achieve those challenging goals in organization (Paulekeland, 2005; Shin-Yi, 2007; Podsakoff, 2008; Wei-kong, 2002; Johannes, 2008; Cheryl, 1998). In particular, intellectual stimulation also encourages subordinates' creativity and new ideas for work and inspirational motivation help themselves solving critical problems in their work achievement. Individualized consideration encourage two way communication and participation in decision making, coaching, teaching and recognized subordinates' need and accomplishment. Therefore, these characteristics of transformational leadership affect to individual commitment. The result also had shown strong positive direct and indirect affect of transformational leadership and organizational commitment. In term of effective commitment, continuance commitment and normative commitment it showed the high score of 0.65, 1.00, 0.94, while transactional leadership found no relationship with organizational commitment. The study of Chen (2008) on athletic department in Taiwan focused on job satisfaction and organizational commitment of employees. He found that organizational commitment reflect the general respond in organization as a whole while job satisfaction reflect to one individual to specific job. In contrast, many of previous researches found the relationship between subordinates' job satisfaction and organizational commitment. In this study transactional leadership found no relationship with organizational commitment. This is because autonomous universities are a new aspect of organization in terms of operation therefore the perception of employee attitude in term of job satisfaction does not reflect to organization commitment. This study found that transformational leadership strong affect to organizational commitment while transactional leadership found strong relationship with job satisfaction.

This study found the strong relationship between transformational leadership and organizational commitment. It is same as the study of Ekeland (2005) focused on the relationship among affective organizational commitment and transformational leadership style in the corps of cadets at Texas A&M University. He also found a significant positive correlation between affective commitment and transformational leadership. As same as, Ross & Offerman (1997) found the relationship result of affective commitment and transformational leadership. Therefore, researchers develop an understanding from this study that organizational commitment has a strong relationship with transformational leadership style.

The second hypothesis 2b did not found any relationship between transactional leadership and organization commitment. Therefore, the result does not explain the relationship between job satisfaction and organization commitment theory from the previous studies. This is a surprising finding of all from the previous research. Many previous researches found positive relationships between subordinates' job satisfaction relate to organizational commitment. In contrast, the result of this study explained that job satisfaction do not influence organizational commitment. This is because of a new era of changing universities to autonomous status had impact on individual attitude of job satisfaction and commitment. The effect from transactional leadership through contingent rewards or fringe benefit may not encourage organizational commitment anymore.

The third hypothesis testing result found that transformation leadership has strong effect to team effectiveness than transactional leadership as .34 and .02. As Bass & Avolio identified that transformational leaders can build trust in their relationship with subordinate. Ngodo (2008) identified the link between

transformational leadership and commitment and job satisfaction as well. As Burns (1978) and Bass (1985) found that transformational leadership is a paradigm in which the leader influences the followers to perform beyond expectations. He found that transformational leaders demonstrate symbolic and meaningful leadership behaviors such as emphasizing the importance of a task, advocating ideological values, and articulating a great vision. As a result of this study transformational leaders found the high relationship with team effectiveness in term of clearly team goal, building team member commitment, encourage team honesty in each other, promote team member participation and two-way team communication. The result of this study has strongly agreed with the theory of transformational leadership in term of idealized influence. Moreover, idealized influence of leader behavior involves setting high performance expectation and establish standard of excellence in organization. The result also found the relationship of inspirational motivation that refer to leaders high expectation on communication with their subordinates which inspire and motivate people to create a new idea and proactive the way of carefully solving problems that relate to team effectiveness component in term of team communication and participation. Individualized consideration also affects from transformational leadership in term of coaching, advice and assists members. As Bass & Avolio (1997) identified that transformational leader provides supportive climate in which the individual group member by carefully listening and pay attention to individual member's in particular needs. Therefore, this study result also supports members of team effectiveness in term of building a sense of belongingness. While transactional leadership concern with the fairness of outcomes based on incentive exchange for efforts outcomes. The role of transactional leadership also

provides contingency rewards to their subordinates and specify with expectation outcomes. The result also found contingency rewards that very high affect from transactional leadership to team effectiveness while transformational leadership has higher effect from individualize consideration, idealized influence, intellectual stimulation and inspirational motivation. Both theoretical and empirical evidence support that transformational and transactional leadership effect to team effectiveness. While the result of both leadership styles showed different impact on team effectiveness. Many researchers also found leadership style has strong affect to team effectiveness (Brown, 1999; Bower, 2010; Duygulu et al, 2008; Eric et al, 2004; David et al, 2004).

The result of study found that transactional leadership had no significant relationship with team effectiveness. This is because transformational leaders communicate a high level of confidence in the team's ability to achieve ambitious collective goals (Podsakoff et al., 1990). Therefore, transformational leadership style is important for individual and group achievement as a team effectiveness in the university context.

In reference to the literature review of the studies in a recent meta-analysis of the relationship between transformational leader behavior and effectiveness, Judge & Piccolo, (2004) examined the impact of transformational leadership on team performance, despite the view of many scholars that "leadership may have its most important consequences for teams and thus a focus on the team level is also important" (Lim & Ployhart, 2004). Other research suggestion, Lim & Ployhart (2004) found that team members' ratings of their commanding officers' transformational leadership were positively related to team performance. Similarly,

Bass et al. (2003) found that transformational leadership ratings of group leaders and sergeants in the U.S. army predicted unit performance in combat simulations. As in these studies, researchers found the same result of transformational leadership and team effectiveness in university context.

The fourth hypothesis testing found no significant relationship between subordinates job satisfaction and team effectiveness. The result of study showed that subordinates' job satisfaction do not impact on the effectiveness of team. From the output of this research result, researcher identified that subordinates' job satisfaction has not direct influence to team effectiveness while organizational commitment has indirect effect to team effectiveness. This is because the previous research (Ngodo, 2008) found that trust is the mediator between transformational leaders that impact to job satisfaction as an antecedent. Therefore, the result from transformational leadership has directly strong impact to team effectiveness through the important role of leaders that influence follower's perception of the beyond expectation outcome and involves building trust in the leader themselves (Bass, 1985; Bass & Avolio, 1994; Burns, 1978). In organizational behavior literature, there are two major approaches in the conceptual of job satisfaction. The first concept is concern the feeling about subordinates' job. The second conceptual concerned with the facets of job such as pay, salary, fringe benefit, promotion, advancement, coworker, supervisor, and organization policy. The results of overall job satisfaction express the degree of satisfaction with different facet. The measurement of job satisfaction needs to be measured by these job facet that reflex individual feeling about the various dimension of the job (Jayaratne (1993); Yusof (2006)). Therefore, the result of this study on subordinates' job satisfaction come from subordinate's feeling and

attitude of work perception that has not reflex to team effectiveness measurement. Job satisfaction offers an explanation of what makes people want to come to work. It also offers explanation of what makes people happy about their jobs or what makes them decide to quit their jobs. Job satisfaction, therefore, can be conceptualized as an assessment of one's job in terms of whether it allows the fulfillment of one's important job values, which are congruent with one's needs (Hackman & Oldham, 1975; Jayaratne, 1993). Empirical studies have shown that job satisfaction is an important antecedent of organizational commitment. There is also a positive relationship between the two (Boon et al., 2006; Jayaratne, 1993; Liou, 1995). Therefore, understanding of job satisfaction would help to make employees more productive and more valuable in their work.

The study of Ngodo (2008) found that transformational leadership impacts trust both directly and indirectly impact to job satisfaction. In his study he used trust as a mediator variable. His hypothesized links the model of transformational leadership through the possible mediating influences of procedural justice and trust to the individual attitudes and behaviors in organizations, specifically organizational citizenship behavior, organizational commitment, and job satisfaction. He found that trust is a very important factor in the transformational leadership process. This is because a leader who is not trusted by the followers will not be able to get the same followers to commit themselves to the leader's vision.

The fifth hypothesis testing found positive significant relationship between organizational commitments affect on team effectiveness. This is because subordinates' commitments occurred from their attitude of work on intention to achieve organization goals as well as transformational leadership affect from

idealized influence. As a consequent, the study of Shin Yi (2007) found strong positive relationship between transformational leadership and team members' commitment. Therefore, it is evident that the organizational commitments have relationship with team effectiveness in term of goal achievement and team member's relationship.

Implication for Practice and Future Research

From the statistical result of practical reports, researcher found that leaders are an important person that influences the behavior of other people to accomplish organization goals. Leaders are not only able to formulate a plan to work within the context of organization but also they are capable to implement that plan through the relationship with other people in social context, gather subordinate supports, communicate a vision, guide subordinates, and motivate them. Thus, leaders must be able to understand a situation better and work with others in order to build and manage teamwork. The study of leadership concerns the nature of superior and subordinate relationship. According to this study, the focus of transformational and transaction leadership factors present the result of relationship between the leaders and subordinates, the type and nature of work and characteristics of subordinates should be in harmony with the leadership behavior. Therefore, researcher accepted that the relationship between leadership roles and team effectiveness have to be interacted each other. Leaders have an influence on both members' attitude and work situation, and they are also affected by the team member's attitude and working conditions at the same time. Interaction between the leader and member of the team is important. Team members are mutually committed, supportive, and collectively responsible for the achievement of team goals or specific goal. Team members work

more closely and freely with each other can achieve their goals with high performance. Because of all activities in university context cannot be achieved by individuals alone. There are many kinds of team working in university activities such as academic team, self assessment report (SAR) team, research and development team, teaching team, student affairs, etc. These activities have been designed for team building for particular committee operation. Therefore, leaders in the changing environment should form their team building and identified the clear direction to a group of people and allow team participation in decision making, and communication between members. Consequently, effectiveness of teams starts with meeting the expectations from all team member and trust. The expectations from team members affect team's efficiency that related to the behavior of employees and quality of work life. On the other hand, task variety, task identity, task significance, task autonomy, and feedback can also contribute team effectiveness. Team cohesiveness promotes team effectiveness and satisfaction. Furthermore, team size affects to team functioning and create problems such as complicating communication and coordination. Team size should be limited to a minimum number in accordance with team's goals. If a team is too large, the quality of interaction between its member decreases and weaken team effectiveness which waste high costs and process losses. Both team members and the team leader's efforts are necessary to be an effective team. In this study, the leader and team members must identify a clear objective of team goals; define the members' roles and expectations with two way communications to all members to meet the team's desirable achievement with a sense of belongings and honesty to each other. The finding of this research is the relationship between leadership roles and subordinate behavior on team effectiveness

through effective communication that encourage team work honesty, establishing high standard of work, delegation, rewarding member for high performance, encourage members to develop new ideas for team effectiveness.

Support by, Royce (1998) that indicated, “Teamwork is much more important than the sum of the individual”. This sentence support that leaders should build effective team to work and seek for highest achievement from all members of the team. Brown & Dobbie (1999) also described the roles of leaders that coordinates activities in the team, motivate the team performance, support an effective communication among team members.

The same study of Murray et al (1998) that focused their study on team effectiveness and they found relationships among team composition (ability and personality), team process (social cohesion), and team outcomes (team viability and team performance). Another researchers also support the relationship of leader and team member relationship to team effectiveness (Chang, 2004; Bower et al 2010; Lori, 2004; Ruth, 2001; Shin Yi, 2006).

This study found that transactional leadership showed no significant effect to team effectiveness while transformational leadership shows positive stronger influence 0.34. The different result between different leadership behaviors comes from the characteristic of transactional leadership is more focus on exchange contingent reward and transformational leadership focus more on challenging goal and emphasis mission, inspiring individual, encourage critical problem solving and recognize individual needs that impact on team effectiveness.

The findings of this study indicated that not only contingent reward or management by exception but also focused more on the other factor of leadership characteristic such as idealized influence, inspiration motivation, intellectual stimulation and individualized consideration influence subordinates' behavior and attitude towards team effectiveness. Therefore, the contribution of transformational leadership characteristic is an organizational demand for the changes in the organization as well as for the leadership style development.

This study found the similarity to previous research that transformational leaders create a greater alignment around strategic visions and missions. Transformational leadership behavior Styles are associated with organizational sales increases, market share, earnings and ROI. Scores on transformational leadership has predicted individual and group performance. Transformational leaders created greater unit cohesion, commitment, and lower turnover and predicted higher levels of product innovation in R & D teams (Ching et al, 2008). As prior research stated the above facts that, leaders in autonomous university need to achieve the vision of the organization and higher efficiency from individual and group performance by creating and aligning vision and mission combine with team cohesion and organization commitment of individual integrated with transactional leadership characteristics. Leaders in autonomous university must recognize their role to achieve high performance over high competition (Roberta, 2009; Shelly et al 2004).

In my conclusion, the result found high score on idealized influence that means transformational leaders allow subordinate to make decisions. Therefore, in practice level, leader should express their characters of idealized influence by displaying a sense of power and confidence, proactive behavior associate

organizational goals. To emphasize a strong organizational sense of mission and purpose, focus enthusiastically of what needs to be accomplished. Leaders must apply inspirational motivation through talking and compelling the vision of the future to subordinates and talk optimistically about the future be accomplished. Stimulate intellectual characteristics by allowing subordinate examine critical questions and problem solving. Provide member participation in solving problem from many perspective of a situation. Encourage subordinates to revise the problems and make ready for change in terms of problem solving and thinking skills. Individualize consideration by treating individual rather than just an employee leader should spend time for discussing their problems, teaching and coaching, encouraging individual to develop strength for work.

In addition, the journal of organizational change management, Christopher (2009) identified that transformational leadership is related to changing and developing in organization. Many previous researchers also identified an important of leader behavior and organization change Connel et al (1998), Chin (2003), Sriyanalugsana (2008), Felfe (2002). It is the same operation of autonomous universities that leaders must change their managerial style to fit its environment.

Transformational leadership style has examined the influence of leadership behaviors on both organizational commitment and leaders' effectiveness. There are significant relationships found in between leadership behaviors and both on organizational commitment and the leaders' effectiveness Cohen (1995), Chiang et al (2008). While another leadership style focused on leader's decision-making, planning and controlling ability through their functions and roles. In contrast, transformational leadership focused on inspiring others and influencing them to the

same direction for organizational achievement through subordinates' performance. It is important to note that while Burns (1978) believed that transformational and transactional leadership are executed in administration style. Those researches have extended this argument by concluding that both the higher level transactional behaviors and transformational Leadership behaviors can contribute to an organizational culture that encourages innovations. They argued that truly effective leaders can combine these behaviors to maximize their effectiveness.

Harris and Lambert (1998) indicate that this combination may work optimally in group leadership. That is, when attempting to accomplish tasks within a group, both transactional and transformational interactions affect to high level of performance.

Bass (1998) suggested transformational Leaders appeal to a vision that includes the followers' goals and commitment. Intellectual stimulation needed to develop into self-actualizing individuals. Leaders must acknowledge and affirm followers (individualized consideration) as well as inspire, intellectually stimulate, and influence in ways congruent with both the follower's individual goals and the organization's goals.

Organizational effectiveness is defined as the extent to which the use of limited resources fulfills organization's objectives; maintain commitment of subordinates to the organization. Researcher also found the potential mediating factor of organizational commitment and the relationships of transformational leadership behavior with the outcomes of job satisfaction and job performance. Organization requires leaders who are able to create vision through recognizing of what changes are required and manage those changes to fit with the organization's

environment. Transformational leadership indicated that leadership behaviors are positively related to job satisfaction. Subordinate satisfaction by their leaders is positively related to transformational leadership behaviors. Bryman, (1992) and Bass & Avolio, (1994) found that all components of transformational leadership were related to subordinate work satisfaction. This research result also found the same relationship between leaders and their subordinates.

Transformational leadership influence their subordinates therefore, leaders should inspire the subordinates' work for organization purpose. Therefore, the result encourage leader in autonomous university should understand and practice transformational leadership as well as transactional leadership. In changing organization to become autonomous administration, leaders should have ability to cope with the new and challenging imperatives such as increasing global competition in demands for the use of new leadership skill.

The findings of affective organizational commitment suggest that leadership behaviors involve in building trust, inspiring a shared vision, encouraging creativity, emphasizing development, and recognizing accomplishments by explaining some of the variations in whether employees *want to* or *do not want to* stay with the organization.

This research finding also suggests that leadership behaviors are positively related to continuance commitment, affective commitment and normative commitment.

Affective Commitment show the highest score that refers to the employee's emotional attachment, identification, and involvement with the organization.

Affective Commitment means *wants to* stay with the organization and feels emotionally attached in sense of belongingness. Continuance Commitment refers to an awareness of the costs associated with leaving the organization. Employees whose primary link to the organization is based on continuance commitment remain because they need to do so. Continuance Commitment means *needs to* stay with the organization because the cost of leaving is too high.

Normative Commitment reflects a feeling of obligation to continue employment. Employees with a high level of normative commitment feel that they ought to remain with the organization. Normative Commitment: feels *obligated to* stay with the organization because it is the moral and right thing to do. The result found that all the three types of organization commitment reflex individual attitudes and commitment to their organization. The effects of these organizational commitments have indirect impact on transformational leadership style.

Meyer and Allen (1997) suggested that employees who have a strong continuance commitment stay with the organization because they do not want to lose the amount of time, money, or effort invested because they think they have no employment alternatives. In autonomous university, leader must change and improve all activities that provide the quality of performance. The contribution of this study is that transformational leadership is fundamentally a change agent. The theory of transformational leadership makes expression of a vision by the leader as an essential component of this leadership paradigm. The new vision articulated would inspire subordinates to greater efforts direction towards bringing about a change in their attitudes, self-concept, and motivation. The combined effects of

communicating the new vision by meaning of inspiring subordinates' emotional lead to performance beyond expectations.

Transactional leadership style refers to reasonable increments of subordinates' remunerations for higher performance and encourages subordinates' job satisfaction and commitment.

In summary, organizational commitment from transformational leadership influence employees' commitment. In particular, affective commitment results in better performance and more meaningful contributions. The result of this study shows the total effect and significant positive relationship between individual's affective commitment to team effectiveness and their perception of the transformational leadership behaviors.

In practical, contingent rewards from this study found high relationship with transactional leadership. Therefore, the contribution from this suggestion is that leaders should consider direct and indirect reward options to staff members, monetary and nonmonetary rewards policies within legal regulations and organization's ability to pay. The assessment of salary and fringe benefit and extraordinary reward system should help the organization retain good on employee maintenance, human resource policy and motivation system. In this study result summarize that contingent reward is necessary to increase subordinate capacity and achieve high performance in terms of organizational effectiveness. Therefore, the contribution of the study is leader recognize what is the organization's need to be accomplish and provide support in exchange of incentive rewards and encourage subordinates' job recognition and specify the objective that needed to be

accomplished. Leaders should understand different need of individual and provide satisfaction that responds to each demand of subordinate's motivation and needs.

In practical, avoiding Laissez-faire characteristic of transactional leadership found that non leaders are tend to withdraw from the leadership role and there is no decision making and lack of responsibility to all problems. Due to lack of leadership subordinates are confused and conflict in their work. The indicator of laissez-faire consists of refuse to take action, avoid making decision and lack of interest on what is going on. In addition, management by exception (active) found leader takes action when the problem occurs or deviation from the standard of work. Leaders should avoid unnecessary change, implement correction plan when problems occur. The contribution of this study is leaders recognized that laissez-fair leader is not actual effective leadership style which cannot motivate people to the goals of the organization. Another practical aspect, as management by exception (active), leaders pay very close attention to the problem and teaching subordinates how to correct the mistakes. Leader would recognize that follower need for management by exception (active) to be influenced by monitor deviances from standards and take corrective actions as necessary.

For this research result implementation indicated that transformational leaders are charismatic leader who provide their vision and a sense of mission to gain respect and trust from their subordinates. Inspiration communication is an important purposes of high expectations to motivate and inspire followers, intellectual stimulation to promote intelligence, rationality in solving problems and individualized consideration to encourage their subordinates' needs. While leader should also practice transactional leadership quality by offering rewards for good

performance and management by exception to watch the deviation from work standards.

In term of changing university context, leaders has a great influence to all subordinates to achieve organization purpose. Organizational change, in particular, university administrations needed more on both transformational and transactional leadership. Especially, in organization strategic changes require leaders who transmitted the vision of change and influence subordinates performance beyond expectations.

Limitation of Study

The limitation of this study was the unit of analysis involved with the organizational level and subordinates level. The method of data collection was difficult to identify the unit of study. This study researcher collected data from individual level or subordinate's perceived their upper leader level. The sampling technique was not representing overall level of organization analysis. The suggestion for this limitation of study is clearly identified the unit of study into organizational level and subordinates level by using hierarchical linear modeling.

Further Research

Team effectiveness has been studied in relation with the team performance. Therefore, the future research can be designed to measure the output and performance of a team. Future research should emphasis on investigating many aspects that influence the effectiveness of a team at work in organization. There are

several performance-relevant factors are considered, including group composition, cohesiveness, and team motivation. The finding suggests that transformational leaders' behavior has impact on team effectiveness. Especially in term of clear goals, a sense of belongingness, participative, honesty and team communication. Transactional leadership found the high effect of contingent rewards to team effectiveness while the management by exception (active) from transactional leadership also found the impact on team effectiveness. That means found the best expresses of leadership with the components of transformational and transactional leadership. In addition, leaders must understand the importance of team effectiveness and organizational commitment to accomplish organizational goals. In summary, the future research should be focused on team performance characteristic, team performance measurement, team efficiency, team cohesiveness and its relationship with leadership.

In addition to this, my suggestion for further research is also on organizational behavior literature as trust has been conceptualized as three elements namely trustworthiness, faith in leaders and loyalty of team member and organization.

As Ferres et al (2001) found that trust is a precursor to the potential mediating effect on transformational leadership. (Ferres et al, 2001). Transformational leaders build trust in their followers in order to motivate follower to explore a new area and a new solution to solve problem. Moreover, trust is an important mediator of transformational leadership that effect to staff turnover and organizational citizenship behavior (OCB). Therefore, leaders would need to focus more on trustworthiness to

influence the perception of follower's perspectives. Trust also predicts subordinate job satisfaction, commitment and turnover.

In conclusion, the main keys findings of this study consist of the effect of transformational leadership on team effectiveness. Transactional leadership has strong affect to subordinates' job satisfaction. Therefore, leader ought to recognize individual needs and create a new idea of fringe benefits and motivational programs. Moreover, leader should allow subordinates in participation of decision making that encourage them in dimension of work. Leader in university context should provide fair procedures, rules and policies on merit basis. This is because transactional leadership has direct effect on subordinates' job satisfaction. In contrast, transformational leadership has strong positive affect and individual influence on team effectiveness. Especially, in term of individualized consideration, inspirational motivation, intellectual stimulation and idealized influence are the main key of transformational leadership characteristics. The relationship between transformational leadership has strong direct effect on team effectiveness and indirect effect to organizational commitment. This study also found that contingent rewards and management by exception (active) have strong affect on job satisfaction and team effectiveness which is influenced by transactional leadership.

Curriculum Vitae

Name-Surname Associate Professor Natepanna Yavirach

Date of Birth May 2, 1962

Address 83/405 Sayna Grand Home, Tiwanond-rangsit road
Bangpoon Pratumthani

Education Bachelor Degree of Business Administration (management)
Faculty of Business Administration, Institute of Technology and
Vocational Education, Bangkok, Thailand

Master Degree of Business Administration
(Management and Organization administration), Honors
National Institute of Development Administration (NIDA)

Experience 1984 - Management Lecturer

2002 - Head, Department of Management

2009 - Present Assistant Dean, Head of International program
Faculty of Business Administration,

Rajamangala University of Technology Thanyaburi, Patumthani