

Running head: Leadership and organizational values

Transformational leadership and organizational values: How perceived leadership behavior relates to organizational identification by forming followers' perceptions of organizational values

Athena Xenikou

Department of Aeronautical Sciences

Hellenic Air Force Academy

Paper Classification: Research Article

Words: 9,040

Conflict of interest statement: This is to certify that the author has no affiliation or involvement in an organization or entity with a financial or non-financial interest in the subject matter or materials discussed in this manuscript.

Correspondence should be addressed to Dr Athena Xenikou, Department of Aeronautical Sciences, Hellenic Air Force Academy, 1010 Dekeleia, Greece. E-mail: axenikou@phs.uoa.gr,

Tel. number: ++30 6946673766

Running head: Leadership and organizational values

Transformational leadership and organizational values: How perceived leadership behavior relates to organizational identification by forming followers' perceptions of organizational values

Abstract

The purpose of this study was to examine the role of leadership within organizational settings in forming employees' perceptions of core organizational values, which, in turn, are related to individual members' cognitive and affective identification with the employing organization. The hypothesized mediating effects were tested using Structural Equation Modeling based on survey data from a sample of 230 employees in different industry sectors. The SEM results showed that perceived innovation values mediated the link between follower-perceived transformational leadership and cognitive identification, as well as the link between transformational leadership and goal values. Additionally, perceived goal values mediated the effect innovation and rules values had on affective identification. Follower-perceived transactional contingent reward was directly related to perceived support and rules organizational values, whereas an indirect effect of transactional contingent reward on goal value orientation via rules values was also reported. These findings demonstrate the role of follower-perceived leadership in regulating apparently competing organizational values in the minds of employees that contribute to organizational identification. The practical applications involve the different routes through which organizational members develop emotional and cognitive bonds with their organization.

Keywords

Perceived organizational values, transformational leadership, organizational identification, self-concept

Introduction

Organizational values are key elements of cultural manifestation within organizations, and therefore, have been extensively investigated in the organizational culture literature (Cameron & Quinn, 2011; Hartnell, Ou, & Kinicki, 2011; Hartnell, Kinicki, Lambert, Fugate, & Corner, 2016; McKinnon, Harrison, Chow, & Wu, 2003; Miron, Erez, & Naveh, 2004; Quinn, 1988; Sashkin, 1984; Van Muijen et al., 1999; Wiener, 1988; Xenikou & Furnham, 2013).

Organizational value systems contain clusters of value beliefs that constitute relatively enduring features of the organization and form, at least partly, an organization's identity. Drawing on the competing values framework (Quinn & Rohrbaugh, 1983; Cameron & Quinn, 2011), this research examines how perceived core dimensions of organizational culture as value systems work together, and have a mediating effect in the relationship between perceptions of leadership and identification with the employing organization. In particular, the importance of examining how leadership perceptions and multiple attributes of culture in the minds of individual employees work together to bring about organizational identification is a central element of this research.

Transformational leadership in organizational settings exerts idealized influence and inspirational motivation, and is, therefore, perceived by subordinates as value-driven (Avolio, Bass, & Jung, 1999; Hoffman, Bynum, Piccolo, & Sutton, 2011). Empirical findings have suggested that innovation culture orientation accompanied with a focus on supportiveness and

goal achievement is consistently associated with transformational leadership, and mediate the relation between transformational leadership and important work outcomes such as organizational identification and commitment, innovation, and performance (Block, 2003; Jung, Chow, & Wu, 2003; Sarros, Cooper, & Santora, 2008; Sarros, Grey, & Desten, 2002; Xenikou, 2017). Moreover, transformational leadership and transactional contingent reward are complementary forms of leadership that synergistically enhance organizational effectiveness by building on and balancing each other's positive effects on work attitudes, organizational identification, effort expenditure, and performance (Judge & Piccolo, 2004; Wang, Oh, Courtright, & Colbert, 2011; Xenikou, 2017; Zhou, Sosik, Riggio, & Yang, 2012). The main aim of this research is to examine how individual employees' perceptions of transformational leadership and transactional contingent reward form employees' cognitive and affective identification with their work organization via the perception of different clusters of organizational values.

Theoretical framework and research hypotheses

The relation of perceived organizational values to cognitive and affective identification

Regarding the content of organizational cultures as value systems, the relevant literature has identified four fundamental culture dimensions, namely, innovation, support, goal, and rules orientations, which can be utilized to describe organizations across different sectors and national cultures (Cameron & Quinn, 2011; Hartnell, Ou, Kinicki, Choi, & Karam 2019; van Muijen et al., 1999; Xenikou & Furnham, 1996). Innovation orientation concerns organizational values that promote openness to change, adaptation to external environment, flexibility, creativity, and experimentation. Support orientation involves cooperation, teamwork, participation in decision

making, and employees' self-actualization and personal development. Goal orientation promotes achievement, performance indicators, accountability, monitoring, and contingent reward. Finally, rules orientation comprises organizational values referring to the importance of procedures and regulations, information management, stability, and control.

Organizational values constitute basic features of the organization that operate at a relatively high level of awareness and accessibility. At least partly, an organization's identity reflects the pattern of value dimensions that characterize a particular organization.

Organizational identification is the process through which an individual member internalizes the organization by subjectively viewing organizational attributes as self-defining (Ashforth, 2016). As a self-construction, organizational identification reflects the extent to which group membership is incorporated in the self-concept, such that individual members define themselves in terms of their cognitive and affective ties with the work organization (Johnson, Morgeson, & Hekman, 2012). The cognitive component of identification reflects awareness of one's membership in the group (i.e., self-categorization), and the affective component refers to individual members' emotional reactions attached to their group membership (Ellemers, Kortekaas, & Ouwerkerk, 1999; Johnson et al., 2012; Kreiner & Ashforth, 2004; Tajfel & Turner, 1979). It is arguably the individual member's perception of the work context that has the strongest impact on organizational identification rather than the core and enduring qualities of the organization as measured at the group-level of analysis. Therefore, this research focuses on perceptions of organizational values rather than organizational values conceptualized and measured at the group level of analysis (Xenikou, 2017).

Schneider, Gonzalez-Roma, Ostroff, & West, 2017; have argued that culture and climate dimensions work in concert to provide sense-making to organizational members about desirable

behaviors, which, in turn, contributes to focal organizational outcomes. According to the competing values model, the four core value orientations are concurrently present in organizations, their interrelationship is characterized by a tension that reflects the potentially competing nature of their coexistence, and all four value orientations work together to bring about organizational effectiveness. The competing values model describes two dimensions with contrasting poles that are combined in different ways to produce the four core value orientations. The first dimension refers to whether an organization is characterized by an internal or external focus, while the second dimension is represented by the contrasting poles of flexibility and stability/control. The competing values model is circumplex, which means that values contained in each orientation share some common attributes with values of the adjoining orientations whereas values of detached orientations do not have common elements to share. There is a tension between the orientations that are not adjoining, that is, for example cooperation and team spirit (support orientation) are competing with accountability and contingent reward (goal orientation). Moreover, innovation values tend to compete with a rules orientation since innovation involves creativity and often breaks the rules to produce new ideas.

In a meta-analytic study Hartnell et al. (2011) found partial support for the framework's nomological validity, and proposed that culture dimensions work synergistically and strengthen each other's association with effectiveness criteria. Additionally, empirical research has consistently indicated that there are positive correlations between the four value orientations, and, more importantly, that they equally contribute to organizational effectiveness (Hartnell et al., 2016; Hartnell et al., 2019; McKinnon et al., 2003; Miron, et al., 2004). Therefore, there seems to be a synergistic effect of core values that define an organization's culture on favorable work outcomes, such as organizational identification and commitment.

There is extensive empirical evidence showing that organizational support values and the related construct of perceived organizational support are positively associated with organizational identification and commitment (Abbott, White, & Charles, 2005; Baranick, Roling, & Eby, 2010; Edwards, 2009; Finegan, 2000; Glisson & James, 2002; Kurtessis, Eisenberger, Ford, Buffardi, Stewart, & Adis, 2015; Meyer, Stanley, Herscovitch, & Topolnytsky, 2002; Simosi & Xenikou, 2010; Xenikou, 2014). In specific, the perception of support values by an individual member is an important factor that determines whether organizational attributes similar to or dissimilar from the member's self-concept become salient and therefore, is positively related to the cognitive aspect of organizational identification (Xenikou, 2014). It is argued here that support cultures' emphasis on collaboration, communication, participation, and personal development may provide the internal integration needed to foster innovation cultures' tendency to sparkle creativity and the implementation of innovative ideas (Sarros et al., 2008; Jung et al., 2003), which, in turn, facilitates cognitive identification. Previous research has shown that an innovation value orientation is associated with higher levels of organizational commitment and identification (McKinnon et al., 2003; Lok, Westwood, & Crawford, 2005; Taylor, Levy, Boyacigiller, & Beechler, 2008; Xenikou, 2017). For example, Xenikou (2017) suggested that the perception of innovation values that promote experimentation, acceptance of failure as part of a learning process, and creative behavior enhances cognitive flexibility in social categorization, such as the usage of more inclusive social categories, and facilitates perceived similarity among organizational members (cognitive identification). Previous empirical studies have demonstrated that work teams produce more innovations when disagreements over tasks are associated with collaborative problem-solving and participation in decision-making (De Dreu, 2006; De Dreu & West, 2001). Therefore, the

following hypothesis is articulated, which involves theorizing and measuring constructs at the individual-level of analysis:

Hypothesis 1. The relationship between perceived support orientation and cognitive identification will be mediated by perceived innovation orientation.

Additionally, the promotion within organizational contexts of goal values puts emphasis on individual goal setting and achievement, accountability, monitoring, and contingent reward (Quinn, 1988; Hartnell et al., 2011, 2016; Xenikou & Furnham, 2013). Employees are motivated to work hard to attain rewards and recognition primarily on the basis of effort expenditure and performance, which, in turn, are associated with positive emotional states at work. Individual goal setting and achievement, productivity, feedback, and contingent reward (goal orientation) were shown to be associated with the experience of positive emotional states at work, affective identification, commitment, and job satisfaction (Glisson & James, 2002; Simosi & Xenikou, 2010; Xenikou, 2017). Glisson & James (2002) found that managers in teams with more constructive cultures (measured at the group-level of analysis) that put emphasis on achievement, affiliation, and self-actualization reported higher levels of organizational commitment and job satisfaction (measured at the individual-level of analysis). Since organizational values are directly related to the nature of goals set by organizations and the different ways to achieve these goals, it is possible that values of innovation and rules reflect on the nature of goals set and the paths to attain them, and therefore, have a direct effect on goal orientation. For example, a focus on rules and regulations contributes to safety performance (Clarke, 2013) and positive emotional states for employees. In contrast, values of support have an indirect effect on goal orientation because of the apparently competing nature of the relation between cooperation and achievement. In the present study goal orientation was expected to be a proximal predictor of

affective identification, while innovation and rules orientations were anticipated to have an indirect positive effect on affective identification via goal orientation. Therefore, the following hypothesis is articulated, which involves theorizing and measuring constructs at the individual-level of analysis:

Hypothesis 2. Perceived goal orientation will mediate the relationship between (a) perceived innovation orientation and affective identification, and (b) perceived rules orientation and affective identification.

Transformational leadership theory, perceived organizational value orientations, and identification with the organization

Transformational leadership theory put forward by Bass and his colleagues (Avolio et al., 1999; Bass, 1985, 1999; Bass & Riggio, 2006; Bass, Avolio, Jung, & Berson, 2003; Howell & Avolio, 1993; Waldman, Bass, & Yammarino, 1990; Zhu, Sosik, Riggio, & Yang, 2012) has proposed that leaders typically exhibit various patterns of transformational and transactional leadership behaviors, and that most effective leaders do both but in different amounts, therefore, arguing for the complementary nature of the relation between the two leadership styles. Transformational leadership comprises three dimensions, namely, charisma/inspirational, intellectual stimulation, and individualized consideration (Avolio et al., 1999). Charisma/inspirational refers to the idealized influence transformational leaders exert in the sense that their subordinates perceive them as value-driven, and their ability to inspire subordinates by articulating a compelling vision for the future. Intellectual stimulation reflects the leader's tendency to challenge assumptions and encourage subordinates to think about problems, or to do things, in new ways. Finally, transformational leaders offer individual consideration for their subordinates via being interested

in followers' needs, ambitions, and individual growth. With regard to transactional leadership style, transactional contingent reward is the component that theoretically and empirically relates to positive work attitudes and high performance, as compared to management-by-exception, which has a punitive character (Clark 2013; Deichmann & Stam, 2015; Howell & Avolio, 1993; Judge & Piccolo, 2004). Transactional contingent reward specifies in a clear manner employees' roles and responsibilities, sets goals, and distributes appropriate rewards for goal accomplishment.

The results of a number of meta-analytic studies on the validity of transformational leadership and transactional contingent reward to predict employees' positive work attitudes, organizational identification, and higher performance have demonstrated that the two leadership styles have comparable levels of validity (Judge & Piccolo, 2004; Lowe, Kroeck, & Sivasubramaniam, 1996; Wang et al., 2011). Therefore, transformational leadership cannot be considered as a substitute for transactional contingent reward because both leadership styles are necessary conditions for positive work outcomes to occur. Moreover, transformational leadership has been empirically shown to be more effective if the leader also displays a good basis of transactional leadership behaviors (the augmentation hypothesis, Hater & Bass, 1988; Bycio, Hackett, & Allen, 1995; Waldman, et al., 1990; Zhu et al., 2012).

An important research perspective on organizational identification concerns the self-engaging processes that transformational and charismatic leaders activate in their followers (Lord & Brown, 2004; Lord, Brown, & Freibberg, 1999; Shamir, House, & Arthur, 1993). There is ample empirical research showing that transformational leaders create a group identity among their followers and, thus, generate great outcomes for their organizations (Dvir, Eden, Avolio, & Shamir, 2002; Epitropaki, Kark, Mainemelis, & Lord, 2017; Huang, 2013; Walumbwa, Avolio,

& Zhu, 2008; Wang et al., 2011; Hoffman et al., 2011; Paul, Costley, Howell, Dorfman, & Trafimow, 2001; Kark, Shamir, & Chen, 2003; Zhu et al., 2012). The self-concept based motivational explanations of transformational and charismatic leadership suggest that followers' self-concepts are receptive to leaders' influence. Specifically, transformational leaders are particularly adept at fostering employees' identification with the collective by making their followers' social identity become salient.

This research builds on the insights of the competing values model by putting forward the idea that perceived transformational leadership and transactional contingent reward may form organizational members' perceptions of the four core value orientations, which, in turn, are related to individual members' identification with their employing organization in both cognitive and affective terms. The tension between the apparently competing value orientations, as suggested by the competing values framework, may be balanced via the role of leadership in promoting a positive interrelationship among the four orientations; that is, transformational leadership and transactional contingent reward regulate orientations to feed into each other and contribute to effectiveness outcomes. In a study of the high technology industry Hartnell et al. (2016) investigated the fit between leadership and culture on the grounds of their respective levels of similarity or dissimilarity with regard to the themes of task and relationships in leadership and culture research. Their findings showed that organizational effectiveness was enhanced by the dissimilarity of values between CEOs and organizational cultures. So, leadership that promotes and reinforces weaker elements of an organization's culture may generate valuable resources and necessary guidance that succeeds in enhancing organizational performance. These findings are in line with the competing values model assumption that apparently competing organizational values, such as focusing on task accomplishment or

relationship development, need to be equally promoted within organizational contexts for positive work outcomes to occur.

In the past two decades empirical findings have suggested that transformational leadership and transactional contingent reward are associated with specific organizational values, and work together with value orientations to bring about positive organizational outcomes such as, high performance, innovation, commitment, and identification with organizations (Elenkov & Manev, 2005; Jung, Chow, & Wu, 2003; Sarros et al., 2008; Xenikou & Simosi, 2006; Xenikou, 2014, 2017). As leadership may be critical to the success of creative efforts and innovation in organizations (Mumford, Gibson, Giorgini, & Mecca, 2014), recent research showed the importance of transformational leadership in generating organizational innovation (Garcia-Morales, Jimenez-Barrionuevo, Gutierrez-Gutierrez, 2012; Transformational leadership focuses on change and transformations, and has been shown empirically to predict cultures with an emphasis on adaptability, innovation, change, and supportiveness (Block, 2003; Hartnell et al., 2019; Jung, Chow, & Wu, 2003; Sarros et al., 2002). Moreover, followers of transformational leaders are proactively helped to attain goals of high standards and perform beyond expectations (Antonakis, Avolio, & Sivasubramaniam, 2003; Dvir et al., 2002). With regard to the self-engaging processes that transformational leadership activates in organizational contexts, Xenikou (2017) showed that perceived innovation value orientation was found to serve as a mediator in the link between follower-perceptions of transformational leadership and cognitive identification. Specifically, transformational leadership qualities facilitate creativity (Henker, Sonnentag, & Unger, 2015; Kark, Van Dijk, & Vashdi, 2018), cognitive flexibility in information processing and perceptions of similarity among followers. Therefore, on the basis of findings showing that transformational leadership is primarily associated with innovation organizational values both at

the individual and group-level of analysis (Hartnell et al., 2019; Xenikou & Simosi, 2006; Xenikou, 2017), and that goal and support value orientations are also related with transformational leadership the following hypothesis is formulated, which theorizes and measures constructs at the individual-level of analysis:

Hypothesis 3. Perceived innovation orientation will mediate the relationship between (a) perceptions of transformational leadership and cognitive identification, and (b) perceptions of transformational leadership and perceived goal orientation, whereas (c) the relationship between perceived transformational leadership and perceived innovation orientation will be mediated by perceived support values.

Finally, transactional contingent reward encourages employees to set goals, offers support towards goal accomplishment, and allocates rewards primarily on the basis of individual performance (Bass & Avolio, 1993; Bass et al., 2003; Wang et al., 2011; Zhu et al., 2012). Transactional contingent reward cultivates organizational values of individual goal setting and achievement, which, in turn, are associated with positive activation, that is, the experience of positive emotional states at work and affective identification (Xenikou, 2017). Furthermore, as transactional leadership puts effort primarily into the maintenance and effective management of an organization's value system (Bass & Avolio, 1993), transactional contingent reward was hypothesized to be related with perceived rules value orientation. Additionally, the perceptions of organizational support values are to some extent related with the enactment of transactional contingent reward on the basis of the leader exhibiting supportive behavior towards the follower who strives for goal accomplishment. However, the tension between the apparently competing value dimensions of support and goal (Cameron & Quinn, 2011) would suggest that perceived support values feed into innovation rather than goal values, and thus, serve as a mediator

between transactional contingent reward and perceived innovation orientation in accordance with the complementary nature of the relation between the two leadership styles. Indeed, Vessey, Barrett, Mumford, Johnson, & Litwiller (2014) argued that a leader's skill in identifying inappropriate competitiveness and taking action to enhance team cohesion is likely critical to the success of creative efforts. On these grounds the following hypothesis is formulated, which involves theorizing and measuring constructs at the individual-level of analysis:

Hypothesis 4. (a) The relationship between perceived transactional contingent reward and affective identification will be mediated by perceptions of goal orientation, and (b) the relationship between perceived transactional contingent reward and perceived goal orientation will be mediated by perceived rules orientation, whereas (c) the relationship between perceived transactional contingent reward and perceived innovation orientation will be mediated by perceived support values.

Figure 1 about here

Method

Sample and Procedure

Two hundred and thirty fulltime employees working for public and private organizations at different industry sectors such as financial, educational, and public security, participated in this study on a voluntary basis. There were 173 (80%) men and 43 (20%) women. Concerning their age, 60 (26%) were between 20 and 29 years old, 95 (42%) were between 30 and 39, 58 (25%) were between 40 and 49, and 15 (7%) were above 50. As regards their education, 10 (5%) were six-year high school graduates, 168 (74%) were university graduates, and finally 48 (21%) had a

postgraduate degree. In terms of hierarchical position, 115 (51%) did not hold a management position and 110 (49%) were middle or upper level managers. Finally, regarding organizational tenure, 13 (6%) were employed for 6 months up to 1 year, 7 (3%) between 1 and 2 years, 18 (8%) between 2 and 4 years, and 186 (83%) were employed for more than 4 years. Participants were invited to take part in the study by an e-mail invitation, and were informed of the general purpose of the study, that is, the examination of important aspects of their work environment. Participants were approached on the basis of being personal contacts of the researcher or part of the social network of the researcher's friends, and did not receive any reimbursement for participating in the study. They were asked to fill in an online version of the questionnaire measures, which was posted on Survey Monkey, by following the corresponding web-link sent to their e-mail address. A small number of employees who were invited to take part in the study did not respond to the online survey (approximately 5%). Respondents provided written consent for their participation and the anonymity of their responses was ensured. The questionnaire took approximately 30 minutes to complete.

Measures

Organizational Culture

The FOCUS Questionnaire (Van Muijen et al., 1999; part II) was employed to measure employees' perceptions of organizational culture. More specifically, the second part of the questionnaire was used in this study to assess perceived organizational values. The instruction given to participants reads as follows: Please indicate the degree to which each of the following short statements describes your organization. Your opinion should reflect what you believe to be true about the organization as a whole. The FOCUS models organizational culture on the grounds of the competing values theory and was developed concurrently in a number of different languages by

an international group of researchers. The questionnaire consists of four subscales, namely, support, innovation, goal, and rules. The support subscale measures the extent to which organizations focus on their members' cooperation, participation, and individual development (9 items). Sample items are: 'mutual support in solving work problems' and 'mutual support for non-work problems'. The innovation subscale includes flexibility, experimentation, as well as an external focus (8 items; sample items: 'risk taking' and 'openness to criticism'). The goal subscale concerns goal setting, achievement, performance indicators, and contingent reward (7 items; sample items: 'clear objectives' and 'task-oriented'). Finally, the rules subscale assesses adherence to standards, formalization, established procedures, and attention to authority (11 items; sample items: 'established procedures' and 'formally imposed rules'). All items were measured on a 6-point Likert scale (1= not at all, 6= to a very great extent). The Cronbach's alphas in this study were .88 for support, .79 for innovation, .83 for goal, and .91 for rules. A CFA was conducted using Mplus (version 7.4) to test the structure of the four dimensions of organizational culture as depicted in the competing values model and measured by FOCUS¹. In the CFA organizational culture was treated as a higher order construct comprising four first order factors. The CFA results showed a good fit to the data as shown by the following goodness-of-fit indices: $\chi^2(543) = 924.96$, $p < 0.001$; CFI = 0.90; SRMR = 0.06; RMSEA = 0.06. In addition, the inspection of the factor loadings showed that all items loaded to their corresponding subscale and standardized loadings ranged from 0.37 to 0.84 except the item 'informal communication/contact' (support subscale) that had a loading of .19 and, therefore, was excluded from any further analysis.

¹ A parceling approach was used in all the statistical analyses conducted for the purposes of this study since there were a relatively high number of items compared to the sample size (Little, Cunningham, Shahar, & Widaman, 2002). Each parcel was built by combining three or four items selected in a random way.

Transformational Leadership and Transactional Contingent Reward

To measure perceptions of transformational leadership and transactional contingent reward the Multifactor Leadership Questionnaire (MLQ, Form 5X; Avolio et al., 1999) was employed. Participants were requested to describe their immediate supervisor on 24 items using a 5-point Likert scale (5= frequently, if not always; 1= not at all). According to Avolio et al., transformational leadership consists of three subscales, i.e., charisma/inspirational (12 items), intellectual stimulation (4 items), and individualized consideration (4 items), while transactional contingent reward comprises four items. The Cronbach's alphas in this study were 0.92 for charisma, 0.88 for intellectual stimulation, 0.85 for individualized consideration, and 0.88 for contingent reward. A CFA was carried out to test the structure of the two leadership styles treating transformational leadership as a higher order construct comprising the three subscales, whereas transactional contingent reward was measured by the four items of MLQ. The CFA results demonstrated a good fit to the data, $\chi^2(245) = 519.30$, $p < 0.001$; CFI = 0.93; RMSEA = 0.07; SRMR = 0.05. Moreover inspection of the factor loadings showed that all items loaded to their original subscales and standardized loadings ranged from 0.56 to 0.88.

Cognitive and Affective Identification

The cognitive and affective components of organizational identification were measured using six items on a 7-point scale (1= not at all, 7= to a very great extent) developed by Ellemers et al. (1999). The cognitive component of organizational identification refers to a person's awareness of a particular social categorization and sample items are: 'I identify with other members of the organization' and 'I am like other members of the organization'. The emotional component refers to a person's affective commitment to the group and sample items are: 'I dislike being a

member of the organization' (reversed) and 'I would rather belong to another organization' (reversed). The Cronbach's alphas in this study for cognitive and affective identification were 0.78 and 0.84, respectively.

Analytical strategy

Structural Equation Modelling with ML estimation was employed to test for the research hypotheses. The data were analyzed using Mplus (version 7.4). Regarding the mediation model, the bias-corrected (BC) bootstrapped confidence interval (CI) method was applied to test for the significance of the hypothesized indirect effects in order to address power problems of indirect effects' non-normal sampling distributions (Hayes, 2013). The bootstrapped CIs that do not include zero are the empirical basis for rejecting the null hypothesis and showing the existence of a significant indirect effect.

Results

Table 1 reports means, standard deviations, internal consistency reliabilities, and zero-order correlations among study variables. Cronbach's alphas of scales reached the acceptable criterion of 0.70 set by Nunnally (1978).

Table 1 about here

Preliminary analysis

In order to check for multicollinearity, tolerance values and variance inflation factors (VIFs) were calculated for all study variables. The tolerance values indicate the proportion of total standardized variance that is unique (not explained by all the other study variables), and were well above the 0.10 cut-off point, ranging from 0.31 to 0.70. The VFI statistic is the ratio of the total standardized

variance over unique variance (tolerance), and it indicates that a variable is redundant when VFI exceeds the value of 10.0 (Kline, 2011). The generated VIFs for all the study variables ranged from 1.42 to 3.23 indicating that multicollinearity was not present.

Confirmatory factor analysis and assessment of common method variance

Moreover, as a first step in the direction of addressing the issue of common method variance (Podsakoff, Mackenzie, Lee & Podsakoff, 2003) a Harman Single Factor test was conducted. According to this technique, if substantial amount of common method variance is present, a single factor with all items loading on it will account for the majority of the covariance among the study variables, and show a better fit to the data than the hypothesized multi-factor model. The Harman Single Factor test was carried out by comparing the goodness-of-fit of the 8-factor model (transformational leadership, transactional contingent reward, innovation orientation, goal orientation, support orientation, rules orientation, cognitive identification, and affective identification) with the fit of the one-factor model using ML estimation. The CFA results showed that the 8-factor model ($\chi^2 [296] = 523.96$, $p < 0.001$; CFI = 0.93; RMSEA = 0.06; SMSR = 0.06) fit the data well, whereas the one-factor model yielded a bad fit to the data ($\chi^2 [324] = 1627.52$, $p < 0.001$; CFI = 0.62; RMSEA = 0.14; SMSR = 0.11).

The hypothesized 8-factor model was shown to have a good fit to the data providing evidence that the study variables represented separate constructs. To further examine the issue of common method variance the distinctiveness of the constructs was tested by comparing the 8-factor model to a number of nested models that were more parsimonious. The 8-factor model was compared to a 7-factor model combining the two components of organizational identification, i.e., cognitive and affective. CFA results showed that although the 7-factor model fitted the data adequately ($\chi^2 [303] = 634.55$, $p < 0.001$; CFI = 0.90; RMSEA = 0.08; SMSR =

0.06), the 8-factor fitted the data significantly better ($\Delta\chi^2 [7] = 110.59, p < 0.001$). Additionally, the 8-factor model was compared to a 7-factor model combining the two leadership styles, that is, transformational leadership and transactional contingent reward. The CFA results showed that although the 7-factor model fitted the data well ($\chi^2 [303] = 595.38, p < 0.001$; CFI = 0.92; RMSEA = 0.07; SMSR = 0.06), the 8-factor fitted the data significantly better ($\Delta\chi^2 [7] = 71.42, p < 0.001$).

Hypothesis testing

For testing the research hypotheses latent variables SEM with ML estimation was used as implemented in Mplus (version 7.4). The mediation model fitted the data well as shown by the following goodness-of-fit indices: $\chi^2 (309) = 576.02, p < 0.001$, CFI = 0.92, RMSEA = 0.06, and SMSR = 0.08. Most of the parameter estimates testing for the research hypotheses were statistically significant.²

Hypotheses 1-4 tested for the mediating effect of perceived organizational orientations in the relation between leadership styles and both facets of organizational identification using a bootstrapping procedure with 5,000 resamples (Hayes, 2013). Hypothesis 1 stated that perceived innovation orientation would positively mediate the relationship between perceived support orientation and cognitive identification. Results showed that perceived innovation values served as a mediator in the link between perceptions of support values and cognitive identification, $\beta = 0.53, p < 0.001, CI 95\% (0.26, 0.81)$. Hypothesis 2a and 2b predicted that perceived goal value orientation would mediate the relation between (a) perceived innovation and affective

² The mediation model using SEM with latent factors and ML estimation was also tested controlling for demographics that have been shown to be related to organizational identification, namely, age, gender, and organizational tenure. Even though the model fit the data well $\chi^2 (372) = 718.01, p < 0.001, CFI = 0.90, RMSEA = 0.07$, and SMSR = 0.08, the results remained stable and most of the demographic variables were not significantly related to outcome variables.

identification, and (b) perceived rules and affective identification. The results supported both hypotheses as there was a statistically significant indirect effect of perceived innovation on affective identification through goal values, $\beta = 0.95$, $p < 0.001$, CI 95% (0.62, 1.28), and a significant indirect effect of perceived rules values on affective identification via perceived goal orientation, $\beta = 0.47$, $p < 0.001$, CI 95% (0.29, 0.65).

Moreover, the SEM results showed that the relationship between perceptions of transformational leadership and cognitive identification were positively mediated by perceived innovation orientation, $\beta = 0.18$, $p < 0.05$, CI 95% (0.01, 0.36), supporting hypothesis 3a.

Moreover, perceived innovation orientation was found to significantly mediate the effect of perceptions of transformational leadership on perceived goal values, $\beta = 0.16$, $p < 0.05$, CI 95% (0.01, 0.31), supporting hypothesis 3b. On the contrary, perceived support orientation did not mediate the link between perceptions of transformational leadership and perceived innovation values, $\beta = -0.22$, $p > 0.05$, CI 95% (-0.57, 0.13), leading to the rejection of hypothesis 3c.

With regard to transactional contingent reward, the relation between perceptions of transactional contingent reward and affective identification were not found to be mediated by perceived goal orientation, $\beta = 0.02$, $p > 0.05$, CI 95% (0.16, 0.20), leading to the rejection of hypothesis 4a. The SEM results showed that perceived rules values served as a mediator in the link between perceptions of transactional contingent reward and perceived goal value orientation, $\beta = 0.18$, $p < 0.001$, CI 95% (0.10, 0.26), offering support to hypothesis 4b. Finally, perceived support values were found to positively mediate the link between perceptions of transactional contingent reward and perceived innovation orientation, $\beta = 0.57$, $p < 0.001$, CI 95% (0.23, 0.91), supporting hypothesis 4c.

Tables 2 and 3 about here

Additionally, several alternative models were investigated that were less likely to fit the data but were plausible from a theoretical perspective. The first alternative model was a more complex model in which the indirect effect of support orientation on affective identification via goal values was added. This model provided a good fit to the data ($\chi^2 [308] = 574.91, p < 0.001, CFI = 0.92, RMSEA = 0.06, and SMSR = 0.08$) but was not significantly better than the hypothesized model ($\Delta\chi^2 [1] = 1.11, p > 0.05$), which was more parsimonious. Moreover, the indirect effect of support values on affective identification via goal orientation was not significant ($\beta = -0.19, p > 0.05, CI 95\% [-1.33, 0.93]$). Another alternative model was tested in which the indirect effect of support values on cognitive identification via innovation orientation (hypothesis 3) was replaced by the indirect effect of support values on affective identification via goal orientation to examine the apparently competing nature of the relation between support and goal values. The model did not fit the data as well as the hypothesized model as shown by the following goodness-of-fit indices: $\chi^2 (309) = 646.60, p < 0.001, CFI = 0.90, RMSEA = 0.07,$ and $SMSR = 0.11$. Finally, another model was tested in which support values had a direct effect on cognitive and affective identification. This model provided a good fit to the data ($\chi^2 [307] = 573.96, p < 0.001, CFI = 0.92, RMSEA = 0.06, and SMSR = 0.08$) but it was not statistically better than the hypothesized model ($\Delta\chi^2 [2] = 2.06, p > 0.05$). In this alternative model both direct effects of support values on cognitive ($\beta = 0.28, p > 0.05$) and affective identification ($\beta = 0.04, p > 0.05$) were not significant.

Figure 2 about here

Discussion

This study set out to investigate how perceptions of leadership behavior and core organizational value orientations work in concert to bring about members' identification with their organization in terms of cognitive and affective ties employees develop with regard to their group membership. The research predictions were based upon insights from the competing values framework (Cameron & Quinn, 2011) grounded in concepts of organizational culture and effectiveness. Additionally, by drawing upon transformational leadership theory (Bass, 1985), this study analyzed the role of leadership as a social influence process forming individual employees' subjective perceptions of the value priorities that characterize their work environment, which, in turn, are associated with the psychological bonding between individual members and organizations.

The findings of the SEM analysis showed that perceived innovation values served as a mediator in the relation between support values and cognitive identification supporting hypothesis 1. Moreover, perceived goal orientation was shown to mediate the effect of innovation and rules orientations on affective identification supporting hypothesis 2a and 2b, respectively. Therefore, perceived organizational values putting emphasis on achievement, goal setting, and accomplishment seem to channel how perceived innovation and rules values reflect on organizational identification. On the other hand, the apparently competing nature of the relation between perceived goal and support values was empirically supported as the indirect effect of perceived support values on affective identification via perceived goal orientation was not statistically significant.

These findings show that the coexistence of apparently competing organizational values in the minds of employees often reported by the relevant literature (Quinn, 1988; Glisson &

James, 2002; Miron et al., 2004; Hartnell et al., 2011, 2016; Van Muijen et al., 1999; Xenikou & Furnham, 2013) is associated with organizational effectiveness, that is, members' identification with their employing organization. Organizational identification as a multidimensional construct that expresses self-definition via cognitive and affective ties with the work organization (Ellemers, de Gilder, & Haslam, 2004; Kreiner & Ashforth, 2004; Van Dick, Wagner, Stellmacher, & Christ, 2004) was demonstrated to be differentially related to the subjective perception of core organizational value orientations. Innovation values fostering experimentation, creativity, intellectual stimulation, and acceptance of failure, when perceived by individual members to characterize and provide meaning to their work environment, tend to mediate the relationship between perceived support orientation and cognitive identification, that is, attenuation of perceived differences among organizational members. On the other hand, perceived goal orientation was shown to be a proximal predictor of affective identification with the organization since it channeled how perceived innovation and rules orientations were associated with individual employees' feelings with regards to their group membership. The perception of goal-setting values might play a significant role in regulating apparently competing values that synergistically contribute to positive organizational outcomes and effectiveness. Cameron (1986) has suggested to approach organizational effectiveness as a paradox in which organizations need to possess elements that are simultaneously contradictory to be effective. A value placed on innovation and creativity within an organizational context can potentially contrast with following rules, regulations, and demands for efficiency set as important priorities by this same organizational context (Miron et al, 2004; Marinova, Cao, & Park, in press). But the competing values model further suggests that for organizational effectiveness these apparently competing organizational values have to be equally promoted and asserted within organizational

contexts (Quinn & Rohrbaugh, 1983; Hartnell et al., 2011). Therefore, perceived goal orientation was found to balance the coexistence of the apparently competing elements of innovation and rules to bring about an emotional bond between individual members and organizations.

According to Ashforth (2016), organizational identification and identity are root constructs in organizational phenomena. In specific, organizational identity refers to the central, distinctive, and more or less enduring qualities of the social entity 'organization', while identification refers to viewing those qualities as self-defining. There is ample of research on leader and follower identity processes that has greatly contributed to the understanding of leadership dynamics (for a review see Epitropaki et al., 2017). Indeed, an important theoretical account of organizational identification involves the self-engaging processes of transformational and charismatic leadership (Shamir et al., 1993; Lord & Brown, 2004). The main aim of the current study was to test for the proposition that perceived organizational values work jointly and constitute an important social-psychological mechanism that transmits a significant portion of the social influence leadership exerts on individual member's identification with the organization.

The findings of this study with regard to the mediating effect of perceived value orientations in the link between perceptions of leadership styles and organizational identification to a great extent supported the research hypotheses. More specifically, follower-perceived transformational leadership was associated with the perception of innovation values, which served as a mediator in the link between transformational leadership and cognitive identification supporting hypothesis 3a. Furthermore, perceived innovation values mediated the effect of perceptions of transformational leadership on perceived goal orientation offering support to hypothesis 3b. On the contrary, perceived support values did not mediate the relation between

follower-perceived transformational leadership and perceived innovation values rejecting hypothesis 3c. With regard to perceptions of transactional contingent reward and affective identification, the findings showed that perceived goal values did not mediate the link between follower-perceived transactional contingent reward and affective identification rejecting hypothesis 4a. On the other hand, both perceived support and rules orientations served as mediators in the relation between a) follower-perceived transactional contingent reward and perceived innovation values, and b) follower-perceived transactional contingent reward and perceived goal values supporting hypothesis 4b and 4c, respectively.

Perceptions of transformational leadership were found to be directly related to innovation values demonstrating the close linkage between creativity, intellectual stimulation, innovative behaviours and transformational leadership qualities (Eisenbeiss, van Knippenberg, & Boerner, 2008; Jung, Chow, & Wu, 2003; Kark, van Dijk, & Vashdi, 2018). Moreover, innovation values were shown to mediate the relation between follower-perceived transformational leadership and cognitive identification. Therefore, the cognitive flexibility in social information processing associated with transformational leadership qualities and the possible use of inclusive social categories in self-categorization might further explain the relation between follower-perceived transformational leadership, perceived innovation, and cognitive identification (Xenikou, 2017). Perceptions of transformational leadership were also found to be associated with goal orientation via its focus on searching for novel ways to solve problems and challenging outdated assumptions reflecting on the centrality of innovation for transformational leadership. On similar lines, Sarros et al. (2008) found that transformational leadership and climate for organizational innovation were strongly related to perceptions of performance-oriented culture.

Desirable leadership behaviors and organizational qualities such as transactional

contingent reward and perceived organizational support enhance identification with the organization even though these qualities follow a social exchange logic on the basis of reciprocity between two separate psychological entities (i.e., the individual member and the workgroup or organization; Lee, Park, & Koo, 2015). Along the same lines, Blader and Tyler (2009) found that the resources made available to employees and their evaluations of procedural justice shaped organizational identification, which, in turn, was related to the performance of extra-role behaviors. Therefore, the quality of the exchange relationship with the organization acts as identity-relevant information that influences the levels of identification reflected on the bonding between the two entities, that is, the individual member and the organization.

Transactional leadership has been suggested to be closely associated with the adherence to organizational rules and regulations that reinforce stability and existing cultures within organizational settings (Hartnell & Walumbwa, 2011). The findings, however, showed that both perceived support and rules orientations served as mediators in the linkage between transactional contingent reward and perceived innovation and goal values indicating that the promotion of innovation and creativity on the one hand, and stability and continuity on the other hand, are important components of effective organizational functioning that need to be balanced.

Organizational value orientations are interdependent attributes of the organizational environment and their meaning possibly depends on how they are being perceived by individual employees to combine with each other, which, to some extent, is a result of the social influence exerted by enactments of leadership. There is empirical evidence showing that organizational culture values of innovation, support, goal, and rules tend to be correlated despite the apparently competing nature of their relationship (Marinova, Cao, & Park, in press; Miron et al, 2004; Quinn & Rohrbaugh, 1983; Hatnell et al., 2016) and that their coexistence is imperative to

organizational effectiveness. The findings of this study demonstrate the role of follower-perceived leadership in regulating the perceptions organizational members hold of apparently competing values that contribute to positive organizational outcomes and effectiveness, such as organizational identification.

Transformational leadership and transactional contingent reward seem to be tapping complementary mechanisms in the leadership process explaining how individual organizational members develop the psychological bonding with their employing organization (Bass, 1985; Waldman, et al., 1990; Zhu et al., 2012). This study investigated how the perceptions of organizational values by individual employees serve as social-psychological processes that link follower-perceived transformational leadership and transactional contingent reward to identification with the organization. This study also offers evidence for the proposition that transformational leadership in the minds of employees does not substitute transactional contingent reward as the findings show that follower-perceived transformational leadership had a direct effect on innovation values, whereas transactional contingent reward was directly related to rules and support value orientations given that the statistical effects of both leadership styles and four core value orientations were concurrently examined (Judge & Picolo, 2004; Schriesheim, Castro, Zhou, & DeChurch, 2006; Vecchio, Justin, & Pearce, 2008; Wang et al., 2011).

On the grounds of the social identity approach in organizational settings (Ashforth & Mael, 1989; Johnson et al., 2012; Hogg & Terry, 2001) the cognitive and affective facets of organizational identification were examined because it was anticipated that there is a differential relationship of TFL and TCR with cognitive and affective identification through the cultivation of different clusters of organizational values. Leaders have an impact on their followers by

making their social identity salient on the grounds of followers' two fundamental motives, namely, the uncertainty reduction and the self-enhancement motives. The uncertainty reduction motive reflects on self-categorization and cognitive identification in such a way that people are thought to be making social comparisons between ingroup and outgroup in order to construct a sense of who they are, while self-enhancement reflects a motivation to emotionally connect with one's social group and therefore, is related to affective identification (Hogg & Terry, 2001; Johnson et al., 2012). The finding that the relationship between follower-perceived transformational leadership and cognitive identification was mediated by perceived innovation values possibly suggests that transformational leadership qualities are associated with the uncertainty reduction motive. Organizational members' need for uncertainty reduction may partially be fulfilled by innovation and creativity inducing cognitive flexibility in social categorization, and the usage of inclusive social categories, which result from the unfreezing of group prototypical beliefs.

The self-enhancement motive, on the other hand, is related to affective identification, that is, the emotional bonding between individual members and groups, and was found in this study to be related with perceived goal organizational values. Therefore, perceived achievement and performance-oriented values are primarily contributing to the development of an emotional tie with the work organization, which is reinforced by adherence to the rules and procedures as well as the perception of a priority placed of innovation, flexibility, and novelty. These findings are on the same lines as those reported by Sosik, Jung, and Dinger (2009) that, contrary to their research hypotheses, self-enhancement values, such as achievement, dominance, and the right to lead or commend, had a positive and significant relationship with the collective rather than the independent self.

Limitations and future research

A first limitation of the current study was the self-report nature of the collected data and the concerns this survey design raises with common method variance and endogeneity. In order to address the issue of common method bias a number of SEM analyses were carried out providing evidence that the study variables represent separate constructs. Moreover, in treating measurement error as a source of endogeneity, the research hypotheses were tested in a mediation SEM analysis where latent, rather than observed, variables were used. Therefore, measurement error was taken into account when estimating the model's parameters.

Additionally, to address issues of endogeneity it should be noted that the role of other potentially important constructs has not been examined in this study. It is thus possible that, for instance, need for identification and cynicism are individual differences variables that are associated with the strength of the bonding between employees and their organizations. Therefore, future research can examine their contribution in the cognitive and affective ties that develop between individual employees and organizations.

As a final note on the self-report nature of the collected data one has to put emphasis on the fact that organizational identification is a construct grounded on the subjective perceptions of group members and the extent to which individual members define themselves in terms of group membership. So, individuals subjective perceptions of their work environment is a more robust predictor of identification with the organization compared to organizational attributes measured at the group level of analysis.

Besides the use of self-report data, another shortcoming of this study is the single source data collection, which also posits limitations on the robustness of the findings. In future research the collection of multiple source data may be employed by measuring organizational

identification, for instance, through self-report measures as well as data provided by ‘significant others’ regarding their perceptions of a person’s identification with the organization. The role of ‘significant other’ might be assigned to a close colleague, a direct supervisor, or even a coworker.

In future research the hypothesized relationships between the constructs may be examined as they unfold over time in order to unravel the dynamic nature of the suggested model. Longitudinal research designs with measurement of the model’s variable in different points in time and with substantial time intervals between measurements can be of great value in our efforts to understand the development of both cognitive and affective facets of organizational identification and address the possibility of reverse causation. Future research may employ a longitudinal design to reach solid causal inferences.

Practical implications

On a practical level, these findings display the various different ways by which individual employees develop a bonding relationship with the organization they work for, and how their subjective perceptions of the organization’s value priorities and supervisor’s leadership styles form both cognitive and affective forms of this bonding. Organizational values that reflect self-enhancement and cultivate achievement, goal setting, and contingent reward contribute to the development of a primarily emotional bonding with the employing organization, that is, affective identification. On the other hand, for organizations to promote perceptions of oneness among organizational members and between individual members and organizations a culture of innovation, development, and change needs to be perceived by employees in conjunction with a focus on cooperation, participation, and personal development.

Training leaders to be aware and understand their followers’ subjective perceptions of

apparently competing organizational values such as cooperation, achievement, innovation, and adherence to rules may be utilized as a strategy to strengthen the tie between the individual employee and the organization, in both cognitive and affective terms. To this end, organizations may implement regular assessments of employees' organizational value perceptions, and promote, at various levels of the hierarchy, leaders' involvement with fostering organizational identification through the cultivation of organizational value systems.

Conclusion

This study showed the importance of organizational value perceptions, as complex systems of values in the minds of employees, for employees' identification with their work organization, and the key role that leadership plays for understanding this relationship. Organizations may implement interventions based on the Competing values model propositions of the apparently competing demands that an individual employee feels he/she has to fulfill at work.

ETHICS STATEMENT

The participants of this study provided their written informed consent and were reminded of their right to withdraw their participation at any point during the research process.

References

Abbott, G. N., White, F. A., & Charles, M. A. (2005). Linking values and organizational commitment: A correlational and experimental investigation in two organizations. *Journal of Occupational and Organizational Psychology*, 78, 531-551. doi: 10.1348/096317905X26174

Antonakis, J., Avolio, B. J., & Sivasubramaniam, N. (2003). Context and leadership: An examination of the nine-factor full-range leadership theory using the multifactor leadership questionnaire. *The Leadership Quarterly*, 14, 261-295. doi: 10.1016/S1048-9843(03)00030-4

Ashforth, B. E. (2016). Exploring identity and identification in organizations: Time for some course corrections. *Journal of Leadership and Organizational Studies*, 23, 361-373. doi: 10.1177/1548051816667897

Ashforth, B. E., & Mael, F. A. (1989). Social identity theory and the organization. *Academy of Management Review*, 14, 20-39. doi: 10.2307/258189

Avolio, B. J., Bass, B. M., & Jung, D. I. (1999). Re-examining the components of transformational and transactional leadership using the Multifactor Leadership Questionnaire. *Journal of Occupational and Organizational Psychology*, 72, 441-462. doi: 10.1348/096317999166789

Baranik, L.E., Roling, E. A., & Eby, L. T. (2010). Why does mentoring work? The role of perceived organizational support. *Journal of Vocational Behavior*, 76, 366-373. doi: 10.1016/j.vb.2009.07.004

Bass, B. M. (1985). *Leadership and performance beyond expectations*. New York: Free Press.

Bass, B. M. (1999). Two decades of research and development in transformational leadership. *European Journal of Work and Organizational Psychology*, 8, 9-32. doi: 10.1080/135943299398410

Bass, B. M., & Avolio, B. J. (1993). Transformational leadership and organizational culture. *Public Administration Quarterly*, 17, 112-121.

Bass, B. M., Avolio, B. J., Jung, D. I., Berson, Y. (2003). Predicting unit performance by assessing transformational and transactional leadership. *Journal of Applied Psychology, 88*, 207-218. doi: 10.1037/0021-9010.88.2.207

Bass, B. M., & Riggio, R. E. (2006). *Transformational leadership*. Mahwen, NJ: Lawrence Erlbaum.

Blader, S. L., & Tyler, T. R. (2009). Testing and extending the group engagement model: Linkages between social identity, procedural justice, economic outcomes, and extra-role behavior. *Journal of Applied Psychology, 94*, 445-464. doi: 10.1037/a0013935

Block, L. (2003). The leadership-culture connection: An exploratory investigation. *Leadership and Organization Development Journal, 24*, 318-334. doi: 10.1108/01437730310494293

Bycio, P., Hackett, R. D., & Allen, J. S. (1995). Further assessment of Bass's (1985) conceptualization of transactional and transformational leadership. *Journal of Applied Psychology, 80*, 468-478. doi: 10.1037/0021-9010.80.4.468

Cameron, K. S. (1986). Effectiveness as a paradox: Consensus and conflict in conceptions of organizational effectiveness. *Management Science, 32*, 539-553. doi: 10.1287/mnsc.32.5.539

Cameron, K. S., & Quinn, R. E. (2011). *Diagnosing and changing organizational culture: Based on the competing values framework* (3rd edition). San Franscisco, CA: Jossey-Bass.

Clark, S. (2013). Safety leadership: A meta-analytic review of transformational and transactional leadership styles as antecedents of safety behaviors. *Journal of Occupational and Organizational Psychology, 86*, 22-49. doi: 10.1111/j.2044.8325.2012.02064

De Dreu, C. K. W. (2006). When too little or too much hurts: Evidence for a curvilinear relationship between task conflict and innovation in teams. *Journal of Management*, *32*, 83-107.

doi: 10.1177/0021-0149206305277795

De Dreu, C. K. W., & West, M. A. (2001). Minority dissent and team innovation: The importance of participation in decision making. *Journal of Applied Psychology*, *86*, 1191-1201.

doi: 10.1037/0021-9010.86.6.1191

Deichmann, D., & Stam, D. (2015). Leveraging transformational and transactional leadership to cultivate the generation of organization-based ideas. *The Leadership Quarterly*, *26*, 204-219.

doi: 10.1016/j.leaqua.2014.10.004

Dvir, T., Eden, D., Avolio, B. J., & Shamir, B. (2002). Impact of transformational leadership on follower development and performance: A field experiment. *Academy of Management Journal*, *45*, 735-744.

doi: 10.2307/3069307

Edwards, M. R. (2009). HR, perceived organizational support and organizational identification: An analysis after organizational formation. *Human Resource Management Journal*, *19*, 91-115.

doi: 10.1111/j.1748-8583.2008.00083.X

Effelsberg, D., Solga, M., Gurt, J. (2014). Getting followers to transcend their self-interest for the benefit of their company: Testing a core assumption of transformational leadership theory. *Journal of Business and Psychology*, *29*, 131-143.

doi: 10.1007/s 10869-013-9305-x

Eisenbeiss, S. A., van Knippenberg, D., & Boerner, S. (2008). Transformational leadership and team innovation: Integrating team climate principles. *Journal of Applied Psychology*, *93*, 1438-1446.

doi: 10.1037/a0012716

Elenkov, D. S., & Manev, I. M. (2005). Top management leadership and influence on innovation: The role of sociocultural context. *Journal of Management*, **31**, 381-402. doi: 10.1177/0149206304272151

Ellemer, N., de Gilder, D., & Haslam, S. A. (2004). Motivating individuals and groups at work: A social identity perspective on leadership and group performance. *Academy of Management Review*, **29**, 459-478. doi: 10.5465/AMR.2004.13670967

Ellemer, N., Kortekaas, P., & Ouwerkerk, J. W. (1999). Self-categorization, commitment to the group and group self-esteem as related but distinct aspects of social identity. *European Journal of Social Psychology*, **29**, 371-389.

Epitropaki, O., Kark, R., Mainemelis, C., & Lord, R. G. (2017). Leadership and followership identity processes: A multilevel review. *The Leadership Quarterly*, **28**, 104-129. doi: 10.1016/j.leaqua.2016.10.003

Finegan, J. E. (2000). The impact of person and organizational values on organizational commitment. *Journal of Occupational and Organizational Psychology*, **73**, 149-169. doi: 10.1348/096317900166958

Garcia-Morales, V. J., Jimenez-Barrionuevo, M. M., Gutierrez-Gutierrez, L. (2012). Transformational leadership influence on organizational performance through organizational learning and innovation. *Journal of Business Research*, **65**, 1040-1050. doi: 10.1016/j.busres.2011.03.005

Glisson, C., & James, L. R. (2002). The cross-level effects of culture and climate in human service teams. *Journal of Organizational Behavior*, **23**, 767-794. doi: 10.1002/job.162

Hartnell, C. A., & Walumbwa, F. O. (2011). Transformational leadership and organizational culture: Toward integrating a multilevel framework. In N. M. Askanashy, C. P.

Wilderom, & M. F. Peterson (eds.), *Handbook of Organizational Culture and Climate* (vol. 2, pp. 225-248). London, UK: Sage.

Hartnell, C. A., Ou, A. Y., & Kinicki, A. (2011). Organizational culture and organizational effectiveness: A meta-analytic investigation of the competing values framework's theoretical suppositions. *Journal of Applied Psychology, 96*, 677-694. doi: 10.1037/A0021987

Hartnell, C. A., Kinicki, A. J., Schurer Lambert, L., Fugate, M., & Doyle Corner, P. (2016). Do similarities or differences between CEO leadership and organizational culture have a more positive effect on firm performance? A test of competing predictions. *Journal of Applied Psychology, 101*, 846-861. doi: 10.1037/apl0000083

Harter, J. J., & Bass, B. M. (1988). Superiors' evaluation and subordinates' perception of transformational and transactional leadership. *Journal of Applied Psychology, 73*, 695-702.

Hartnell, C. A., Ou, A. Y., Kinicki, A. J., Choi, P., & Karam, E. P. (2019). A meta-analytic test of organizational culture's association with elements of an organization's system and its relative predictive validity on organizational outcomes. *Journal of Applied Psychology, 104*, 832-850. doi: 10.1037/apl0000380

Hayes, A. F. (2013). *Introduction to mediation, moderation, and conditional process analysis: A regression-based approach*. New York: Guilford Press.

Henker, N., Sonnentag, S., Unger, D. (2015). Transformational leadership and employee creativity: The mediating role of promotion focus and creative process engagement. *Journal of Business and Psychology, 30*, 235-247. doi: 10.1007/s10869-014-9348-7

Herrbach, O. (2006). A matter of feeling? The affective tone of organizational commitment and identification. *Journal of Organizational Behavior, 27*, 629-643. doi: 10.1002/job.362

Hoffman, B. J., Bynum, B. H., Piccolo, R. F., & Sutton, A. W. (2011). Person-organization value congruence: How transformational leaders influence work group effectiveness. *Academy of Management Journal*, *54*, 779-796. doi: 10.5465/AMJ.2011.64870139

Hogg, M. A., & Terry, D. J. (2001). Social identity theory and organizational processes. In M. A. Hogg and D. J. Terry (eds.), *Social identity processes in organizational contexts* (pp. 1-12). Philadelphia, PA: Psychology Press.

Howell, J. M., & Avolio, B. J. (1993). Transformational leadership, transactional leadership, locus of control, and support for innovation: Key predictors of consolidated-business-unit performance. *Journal of Applied Psychology*, *78*, 891-902. doi: 10.1037/0021-9010.78.6.891

Johnson, M. D., Morgeson, F. P., & Hekman, D. R. (2012). Cognitive and affective identification: Exploring the links between different forms of social identification and personality with work attitudes and behaviour. *Journal of Organizational Behavior*, *33*, 1142-1167. doi: 10.1002/job.1787

Judge, T. A., & Piccolo, R. F. (2004). Transformational and transactional leadership: A meta-analytic test of their relative validity. *Journal of Applied Psychology*, *89*, 755-768. doi: 10.1037/0021-9010.89.5.755

Jung, D. L., Chow, C., & Wu, A. (2003). The role of transformational leadership in enhancing organizational innovation: Hypotheses and some preliminary findings. *Leadership Quarterly*, *14*, 525-544. doi: 10.1016/S1048-9843(03)00050-X

Kark, R., Shamir, B., & Chen, G. (2003). The two faces of transformational leadership: Empowerment and dependency. *Journal of Applied Psychology*, *88*, 246-255. doi: 10.1037/0021-9010.88.2.246

Kark, R., Van Dijk, D., & Vashdi, D. R. (2018). Motivated or demotivated to be creative: The role of self-regulatory focus in transformational and transactional leadership processes.

Applied Psychology: An International Review, 67, 186-224. doi: 10.1111/apps.12122

Kline, R. B. (2011). *Principles and practice of structural equation modelling*. New York: The Guilford Press.

Kreiner, G. E., & Ashforth, B. E. (2004). Evidence toward an expanded model of organizational identification. *Journal of Organizational Behavior*, 25, 1-27. doi: 10-1002/job.234

Kurtessis, J. N., Eisenberger, R., Ford, M. T., Buffardi, L. C., Stewart, K. A., & Adis, C. S. (2015). Perceived organizational support: A meta-analytic evaluation of organizational support theory. *Journal of Management*, 43, 1854-1884. doi: 10.1177/0149206315575554

Lee, E.-S., Park, T.-Y., & Koo, B. (2015). Identifying organizational identification as a basis for attitudes and behaviors: A meta-analytic review. *Psychological Bulletin*, 141, 1049-1080. doi: 10.1037/bul0000012

Little, T. D., Cunningham, W. A., Shahar, G., & Widaman, K. F. (2002). To parcel or not to parcel: Exploring the question, weighing the metrics. *Structural Equation Modeling*, 9, 151-173. doi: 10.1207/S15328007SEMO902_1

Lok, P., Westwood, R., & Crawford, J. (2005). Perceptions of organizational subculture and their significance for organizational commitment. *Applied Psychology: An International Review*, 54, 490-514. doi: 10.1111/j.1464-0597.2005.00222.x

Lord, R. G., & Brown, D. J. (2004). *Leadership processes and follower self-identity*. Mahwen, NJ: Lawrence Erlbaum.

Lord, R. G., Brown, D. J., & Freiberg, S. J. (1999). Understanding the dynamics of leadership: The role of follower self-concepts in the leader/follower relationship. *Organizational Behavior and Human Decision Processes*, 78, 167-203. doi: 10.1006/obhd.1999.2832

Lowe, K. B., Kroeck, K. G., & Sivasubramaniam, N. (1996). Effectiveness correlates of transformational and transactional leadership: A meta-analytic review of the MLQ literature. *The Leadership Quarterly*, 7, 385-425. doi: 10.1016/S1048-9843(96)90027-2

Marinova, S. V., Cao, X., & Park, H. (in press). Constructive organizational values climate and organizational citizenship behaviors: A configurational view. *Journal of Management*. doi: 10.1177/0149206318755301

McKinnon, J., Harrison, G., Chow, C., & Wu, A. (2003). Organizational culture: Association with commitment, job satisfaction, propensity to remain and information sharing in Taiwan. *International Journal of Business Studies*, 11, 25-44.

Meyer, J. P., Stanley, J. D., Herscovitch, L., & Topolnytsky, L. (2002). Affective, continuance and normative commitment to the organization: A meta-analysis of antecedents, correlates and consequences. *Journal of Vocational Behavior*, 61, 20-52. doi: 10.1006/jvbe.2001.1842

Miron, E., Erez, M., & Naveh, E. (2004). Do personal characteristics and cultural values that promote innovation, quality, and efficiency compete or complement each other? *Journal of Organizational Behavior*, 25, 175-199. doi: 10.1002/job.237

Mumford, M. D., Gibson, G., Giorgini, V., & Mecca, J. (2014). Leading for creativity: People, products, and systems. In D. V. Day (Ed.), *The Oxford handbook of leadership and organizations* (p. 757-782). Oxford University Press.

Nunnally, J. C. (1978). *Psychometric theory*. New York: McGraw-Hill.

Podsakoff, P. M., MacKenzie, S. B., Lee, J., & Podsakoff, N. (2003). Common method biases in behavioral research: A critical review of the literature and recommended remedies.

Journal of Applied Psychology, 88, 879-903. doi: 10.1037/0021-9010.88.5.875

Quinn, R. E. (1988). *Beyond rational management: Mastering the paradoxes and competing demands of high performance*. San Francisco: Jossey-Bass.

Quinn, R. E., & Rohrbaugh, J. (1983). A spatial model of effectiveness criteria: Towards a competing values approach to organizational analysis. *Management Science*, 29, 363-377. doi: 10.1287/mnsc.29.3.363

Sarros, J. C., Cooper, B. K., Santora, J. C. (2008). Building a climate for innovation through transformational leadership and organizational culture. *Journal of Leadership and Organizational Studies*, 15, 145-158. doi: 10.1177/1548051808324100

Sarros, J. C., Gray, J., & Desten, I. L. (2002). Leadership and its impact on organizational culture. *International Journal of Business Studies*, 10, 1-26.

Sashkin, M. (1984). *Pillars of excellence: Organizational Beliefs Questionnaire*. Bryn Mawr, PA: Organizational Design and Development.

Schneider, B., Gonzalez-Roma, V., Ostroff, C., West, M. A. (2017). Organizational climate and culture: Reflections on the history of the constructs in the Journal of Applied Psychology, *Journal of Applied Psychology*, 102, 468-482. doi: 10.1037/apl0000090

Schriesheim, C. A., Castro, S. L., Zhou, X. H., & DeChurch, L. A. (2006). An investigation of path-goal and transformational leadership theory predictions at the individual level of analysis. *The Leadership Quarterly*, 17, 21-38. doi: 10.1016/j.leaqua.2005.10.008

Shamir, B., House, R. J., & Arthur, M. B. (1993). The motivational effects of charismatic leadership: A self-concept based theory. *Organization Science*, 4, 577-594.

Simosi, M., & Xenikou, A. (2010). The role of organizational culture in the relationship between leadership and organizational commitment. *International Journal of Human Resource Management, 21*, 1598-1616. doi: 10.1080/09585192.2010.500485

Sosik, J. J., Jung, D., & Dinger, S. L. (2009). Values in authentic action: Examining the roots and rewards of altruistic leadership. *Group and Organization Management, 34*, 395-431. doi: 10.1177/1059601108329212

Tajfel, H., & Turner, J. C. (1979). An integrative theory of intergroup conflict. In W. G. Austin, & S. Worchel (eds.), *The social psychology of intergroup relations* (33-47). Monterey, CA: Brooks-Cole.

Taylor, S., Levy, O., Boyacigiller, N., & Beechler, S. (2008). Employee commitment in MNCs: Impacts of organizational culture, HRM and top management orientations. *International Journal of Human Resource Management, 19*, 501-527. doi: 10.1080/09585190801953491

Van Dick, R., Wagner, U., Stellmacher, J., & Christ, O. (2004). The utility of a broader conceptualization of organizational identification: Which aspect really matters? *Journal of Occupational and Organizational Psychology, 77*, 171-191. doi: 10.1348/096317904774202135

Van Muijen and associates (1999). Organizational culture: The Focus Questionnaire. *European Journal of Work and Organizational Psychology, 8*, 551-568. doi: 10.1080/13594399398168

Vessey, W. B., Barrett, J. D., Mumford, M. D., Johnson, G., & Litwiller, B. (2014). Leadership of highly creative people in highly creative fields: A historiometric study of scientific leaders. *Leadership Quarterly, 25*, 672-691.

doi: 10.1016/j.leaqua.2014.03.001

Waldman, D. A., Bass, B. M., & Yammarino, F. J. (1990). Adding to contingent-reward behaviour: The augmenting effect of charismatic leadership. *Group and Organizational Studies*, *15*, 381-394.

Walumbwa, F. O., Avolio, B. J., & Zhu, W. (2008). How transformational leadership weaves its influence on individual job performance: The role of identification and efficacy beliefs. *Personnel Psychology*, *61*, 793-825. doi: 10.1111/j.1744.6570.2008.00131.x

Wang, G., Oh, I. S., Courtright, S. H., & Colbert, A. E. (2011). Transformational leadership and performance across criteria and levels: A meta-analytic review of 25 years of research. *Group and Organization Management*, *36*, 223-270. doi: 10.1177/1059601111401017

Wiener, Y. (1988). Forms of value systems: A focus on organizational effectiveness and cultural change and maintenance. *Academy of Management Review*, *13*, 534-545.

Xenikou, A. (2017). Transformational leadership, transactional contingent reward, and organizational identification: The mediating effect of perceived innovation and goal culture orientations. *Frontiers in Psychology: Organizational Psychology*, *8*, 1754. doi: 10.3389/fpsyg.2017.01754

Xenikou, A. (2014). The cognitive and affective components of organizational identification: The role of perceived support values and charismatic leadership. *Applied Psychology: An International Review*, *63*, 567-588. doi: 10.1111/apps.12001

Xenikou, A., & Furnham, A. (2013). Group dynamics and organizational culture: Effective work groups and organizations. Hampshire, UK: Palgrave-Macmillan.

Xenikou, A., & Simosi, M. (2006). Organizational culture and transformational leadership as predictors of business unit performance. *Journal of Managerial Psychology, 21*, 566-579. doi: 10.1108/02683940610684409

Xenikou, A., & Furnham, A. (1996). A correlational and factor analytic study of four questionnaire measures of organizational culture. *Human Relations, 49*, 349-371.

Zhu, W., Sosik, J. J., Riggio, R. E., & Yang, B. (2012). Relationships between transformational and transactional leadership and followers' organizational identification: The role of psychological empowerment. *Journal of Behavioral and Applied Management, 13*, 186-212.

Table 1. Means, Standard Deviations, Cronbach's alphas, and correlations among the variables

Variables	<i>M</i>	<i>SD</i>	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Transformational Leadership (1)	3.67	.73	(.90)									
Transactional Leadership (2)	3.44	.64	.69***	(.78)								
Support Orientation (3)	4.25	.78	.41***	.47***	(.87)							
Innovation Orientation (4)	3.90	.79	.47***	.49***	.66***	(.75)						
Goal Orientation (5)	4.46	.76	.49***	.56***	.70***	.76***	(.85)					
Rules Orientation (6)	4.73	.75	.40***	.44***	.52***	.54***	.71***	(.91)				
Cognitive Identification (7)	3.92	1.29	.35***	.36***	.52***	.37***	.39***	.41**	(.78)			
Affective Identification (8)	5.52	1.42	.32***	.33***	.48***	.46***	.51***	.44**	.45***	(.84)		
Age ^a (9)	3.12	.88	-.08	-.09	.01	-.05	-.10	-.14*	.07	.04		
Gender ^b (10)	1.20	.40	-.22***	-.23***	-.16*	-.14*	-.20**	-.25**	-.24***	-.24***	.23***	
Organizational Tenure ^c (11)	5.20	1.15	-.09	-.10	-.12	-.11	-.13*	.04	-.01	.04	.34***	-.11

Cronbach's alphas are on the diagonal, in parentheses. $N = 230$, * $p < .05$, ** $p < .01$, *** $p < .00$.

^a Under 20 = 1; 20-29 = 2; 30-39 = 3; 40-49 = 4; 50-59 = 5; 60 and over = 6.

^b Male = 1; Female = 2.

^c 6 months to 2 years = 1; 2-4 years = 2; 4-6 = 3; 6-10 = 4; 10-15 = 5; Over 15 years = 6.

Table 2. SEM results of the hypothesized model depicting the mediating effect of perceived organizational values in the link between follower-perceived leadership and organizational identification

Predictor Variables	Outcome Variables											
	Innovation Values		Goal Values		Support Values		Rules Values		Cognitive Identification		Affective Identification	
	<i>b</i>	<i>SE</i>	<i>b</i>	<i>SE</i>	<i>b</i>	<i>SE</i>	<i>b</i>	<i>SE</i>	<i>b</i>	<i>SE</i>	<i>b</i>	<i>SE</i>
Transformational leadership	.23**	(.07)			-.29	(.21)						
Transactional Contingent Reward			.02	(.07)	.85***	(.20)	.54***	(.06)				
Innovation Values			.77***	(.07)					.62***	(.07)		
Goal Values											.66***	(.05)
Support Values	.71***	(.06)										
Rules Values			.42***	(.06)								

N = 230. Standardized estimates are reported, with standard errors in parentheses. **p* < .05, ***p* < .05, ****p* < .05

Table 3. Bootstrap results for indirect effects on cognitive and affective identification.

Paths	Estimate	SE	LLCI	ULCI
Support values → Innovation values → Cognitive identification (H1)	.53***	.12	.26	.81
Innovation values → Goal values → Affective identification (H2a)	.95***	.14	.62	1.28
Rules values → Goal values → Affective identification (H2b)	.47***	.08	.29	.65
Transformational leadership → Innovation values → Cognitive identification (H3a)	.18*	.07	.01	.36
Transformational leadership → Innovation values → Goal values (H3b)	.16*	.06	.01	.31
Transformational leadership → Support values → Innovation values (H3c)	-.22	.17	-.57	.13
Transactional contingent reward → Goal values → Affective identification (H4a)	.02	.08	.16	.20
Transactional contingent reward → Rules values → Goal values (H4b)	.18***	.04	.10	.26
Transactional contingent reward → Support values → Innovation values (H4c)	.57***	.16	.23	.91

$N = 230$. Unstandardized estimates are reported, with standard errors in parentheses. 5,000 bootstrap samples, LLCI = lower level confidence interval, ULCI = upper level confidence interval, * $p < .05$, ** $p < .01$, *** $p < .001$

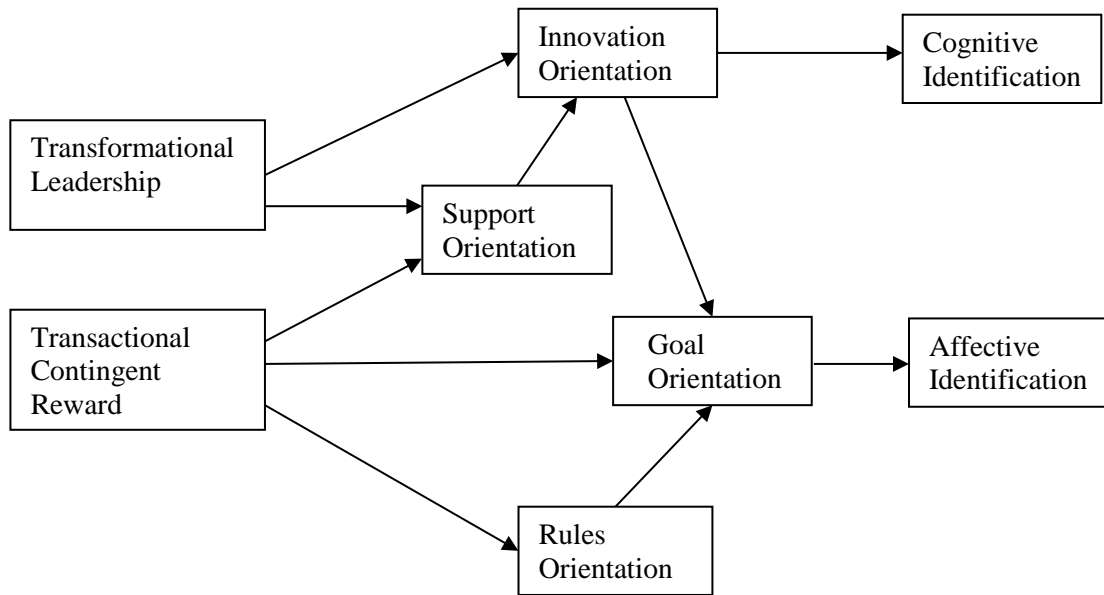
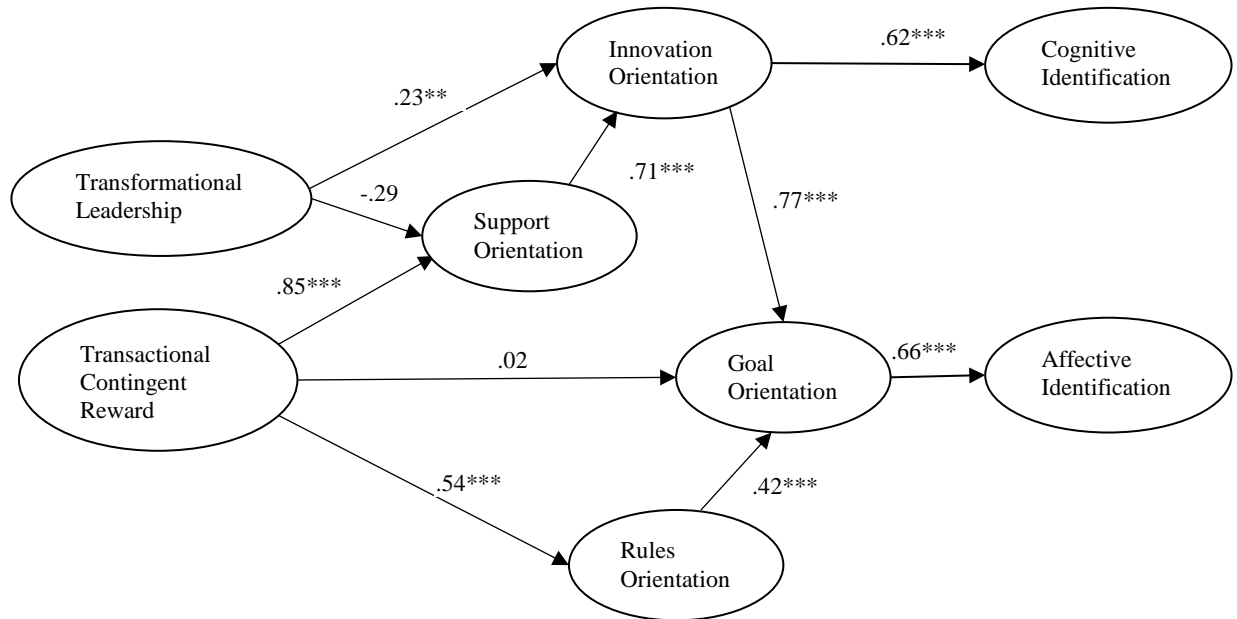


Figure 1. Theoretical model of the links between perceived transformational leadership, perceived transactional contingent reward, and organizational identification as mediated by perceptions of support, goal, innovation, and rules value orientations



Note: $N = 230$. Standardized estimates are reported.
 * $p < .05$, ** $p < .05$, *** $p < .001$

Figure 2. Results of latent variable SEM analysis showing the links between perceived transformational leadership, perceived transactional contingent reward, and organizational identification as mediated by perceptions of support, goal, innovation, and rules value orientations