



# Investigation the effective of Transformative Leadership on Service Quality with Emphasis on the Role of Team Work (Case Study: Agriculture Bank of Tehran Province)

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**Abstract:** service quality is to be among the most important operating objectives for banks; it is valuable in terms of making the customers satisfied, so as to maintain them. The main purpose of this research is to investigate the effect of transformational leadership on service quality with an emphasis on the role of team work across the staff of Agricultural Bank branches within Tehran. Encompassing a total of 95 individuals, the statistical population for the present research consists of the managers and branch heads of the branches of the Agricultural Bank of Iran located within Tehran province, Iran. used to determine the sample size, so that every individual within the population was subjected to the statistical tests. extracted using LISREL and SPSS software packages. MQL is a research model All seven hypotheses were approved.

**Keywords:** transformational leadership, team performance, quality of service

## Introduction

Banks have to pay special attention to the quality of their services to compete in today's changing situation. This will be followed the lasting of more customers, attracting new customers and improve financial and earnings performance. In recent decades, the intensification competition between economic entities has driven to gain the greater market share due to their deeper and more accurate understanding of the needs and demands of our customers (Cutler, 1997). ) Many research studies of management have led to the team to increase the effectiveness and efficiency of the activities in working groups. To forming an efficient work teams and defines the tasks and activities for teams are according to their ability and expertise, the main inevitable in the management, control processes and work activities. The studies show that there are problem despite increased the use of information technology with regard to the rapid changes continue to function and meet organizational efficiency and service quality of agricultural bank, and teamwork is not so importance in exception of special cases Considering the increased education among staff and become more competitive work of the bank, the quality of service is not in acceptable range, this is not possible unless with transformational leadership to create efficient and expert teams to enhance the quality of banking services to reach desirable level. And "does transformational leadership has effective on the quality of service with emphasis on the role of mediator team performance? This issue is still controversial case for management science researchers. Another question that arises is how this relationship is formed? In particular, we have a more nuanced understanding of how to influence the perceived charisma of individual followers; so we needed to guide them to achieve higher levels of collective team performance. In other words, the origin of individual and team performance (ie bottom-up relations) is not well understood (see Koslufoki and Klein, 2000).

## History of Research:

The history of transformational leadership goes back to bronze activities to (1978) year. the leader of the year (1977) was expressed as an idea. (1985) Bernard M. Bass stated the formal theory of transformational

leadership. The 1980s is known as special courses of innovation to change management. Following the investigation of bronze in 1985, Bass provided a model of leadership that respectively prescribed the transformation and transactional leadership for the stability position and organizational change and (Bass and Avolio) in 1996, was expanded this model to specify the dimensions of transformational leadership which are idealized influence, intellectual stimulation, inspirational motivation and individualized consideration (Hibbs 2003), which was used in the study of this leadership model.

#### **Inspirational Motivation:**

Referring to the energy that the leaders suggested to his followers with optimism to the future; and emphasis on ambitious goals, planning of idealized vision and communicating for induction of landscape which is achievable. Transformational leadership to obtain the highest performance from own subordinates; because they are able to inspire their subordinates to enhance their capabilities towards success and develop the problem-solving skills, innovation of own subordinates, Zhang et al (2003).

#### **Intellectual stimulation:**

Referring to the energy of the leaders to challenging the assumptions and forcing followers to new ideas, in intellectual stimulation, leaders offer up reasons for his followers to change their actions and attitudes and values and perception (Humphreys, 2005).

#### **Individual consideration:**

Including the attention of leadership to the needs and demands of each follower with supervision, support and coaching will encourage them to use their skills. Attention and individual consideration, including individual differences and communicate with each and every one of members, and stimulate them by transferring responsibility for learning experiences (Mooghali, 1383). Considering to individuals has an impact on team performance of staff in agricultural Bank of Tehran Province according to Bass and Avolio 1 (2002).

#### **Idealized influence of character and behavior:**

##### **Referring to the social attractions of leader**

Whether is leader perceived as a confident and powerful of the organization, and whether does leader focus on the goals of ethical or not? Referring to dignity idealized influence, charisma, undisputed respected and loyalty of follower to their leaders who transmits an ideal sense, (Mooghali 1383.s).

##### **Reviewing thematic literature: team**

In Europe, Henri Fayol was the first person who tried to define the word of management. Work teams again attracted attention to the experts In the 1980s,. Nowadays; the experience of teamwork has made it possible for organizations to implement the idea of a horizontal structure.

#### **Team Cohesion:**

Team Cohesion is as an integral part of team effectiveness. In a team cohesive spirit, being together and support each other as can be seen clearly. This integration can help team members to solve fast. In any way increase the level of team cohesion, group takes the same approach (2002, Huber)

#### **2 Team Competence**

Psychologists have defined the stimulating competence as skill or outstanding features, which leads to better job performance. Mrabyl and Richard (1997). . Lent et al (2006) are known the team's self-efficacy as twin concept of the individual's self-efficacy in team environment and defined as a cognitive element in the determination of collective efficacy teams

#### **Job Satisfaction:**

Smith and colleagues express as emotional state with regard to job satisfaction that this issue is a prerequisite for being conscientious as a dimension of citizenship, and in this case, the satisfaction surrounded the various aspects such as the satisfaction of colleagues, supervisors, rewards and ... (253: 1996, Konoskie et al.).

#### **Literature review: service quality**

Since the role of service became apparent in daily life, the category of " service quality ", as well as was considered the main feature of competition between the organizations; so that pay attention to service quality separated the organization from its competitors and get the competitive advantage (Qobadian et al., 1994).

##### **Responsive :**

Do staff have acted quickly and are able to provide fast service, this emphasizes to show sensitivity and awareness of the customer's requests and questions after the service quality (Oliver 2009). The criteria

defined of responsibility is length of time that a customer has to wait for help or answers to their questions (Georgia, 1384, p. 10).

**Reliability:**

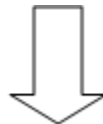
In fact, reliability is fulfilling obligations; this means that if organizations promises to provide services in the field of time, manner and cost of services, organizations have to doing that. This is especially important in services which have higher risk after quality service) Ghalavandi, Beheshti Rad and Goleye, 1391).

**The empirical history:**

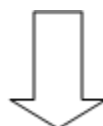
Sanjagh, Farhi ,Bourzanjani, Zohoorian Nad Ali (1390) evaluate the effectiveness of strengthening team in relationship between transformational leadership and organizational performance. The research method was descriptive and correlation type in terms of quantitative data and was used questionnaire to collect data, Cronbach Alpha is used by Spss.17 software.

Christopher et al.Nuhi (2013 (charisma and organizational change: a multilevel study is compatible on perceived charisma, commitment to change and team performance. (Piter Cee. Lee, Advain chenge Yeung Lai 2011), examined the experimental study of transformational leadership on team performance and service quality of retail banks. To collecting the descriptive and quantitative information was used of Multifactor Leadership Questionnaire. The conceptual framework proposed by the researchers for this study (Piter Cee. Lee, Advain chenge Yeung Lai 2011).

	transformational leadership		
Inspirational Motivation	Intellectual stimulation	Attention to individuals	Idealized influence in terms of behavior and personality



	Team performance	
Team competence	Job Satisfaction team leader	Solidarity Team



service quality	
Responsive	Reliability

Figure 1) conceptual model

gender	Percentage	Work experience	Percentage	education	Percentage	Age	Percentage
Man	1.81	Less than 3 years	0.0	Diploma	4.2	Less than 30 years	4.2
Female	9.18	3 to 5 years	1.2	Associate Degree	18.9	31 to 40 years	49.5
.	.	6 to 10 years	17.9	BA	55.8	41 to 50 years	34.7
.	.	11 to 20 years	65.3	MA	20.0	More than 50 years	11.6
.	.	More than 21 years	14.7	No reply	1.1	0	0
Total	0.001	Total	100.0	Total	100.0	Total	100.0

The purpose of this research is applied and correlation research. Data collection method is Correlation-descriptive and the type of data is quantitative. Data tools of research are Multifactor Leadership Questionnaire that used to measure the dimensions of leadership. This questionnaire has 20 questions that test responses sets on a scale of 5 degrees in rows of Likert (strongly agree, agree, somewhat disagree to strongly disagree). in order to measure this study, a total of 40 questions was used to measure the variables. The questions is standard and previously have been used in research of (Yeung Ki colleagues Piter Cee, Lee et al. (2011 (Research of Louis and ki Bi, Crook) 1996).

Results are presented in the following table

Variables	Number of Questions	Number of questions	number of samples	Cronbach's alpha values
Idealized influence	1 to 8	4	35	.8048
Intellectual stimulation	9 to 12	3	35	0.753
Motivation inspirational	13 to 16	3	35	0.873
Individual consideration	17 to 20	5	35	.801
Solidarity team	1 to 3 (Series II)	4	35	.789
Job Satisfaction	4 to 6 (Series II)	4	35	0.784
Team competence	7 to 13 (Series II)	3	35	0.916
Reliability	14 to 17 (Series II)	3	35	0.806
Responsive	18 to 20 (Series II)	3	35	0.737
The entire questionnaire transformational leadership	1 to 20	20	35	0.926
The whole team performance questionnaire	1 to 20	20	35	0.918

**Table 2): Cronbach's alpha test of questionnaire reliability**

The method of collecting data have been used the studies of library and Internet magazines.

Validity and reliability of the questionnaire is evaluated in this study by using Cronbach's alpha; so first the questions were translated into Farsi, then were reviewed by professors and advisors or in other words, were localizing. Cronbach's alpha is at acceptable level of 0.7 percent for practical purposes.

$\alpha = \frac{k}{k-1} (1 - \frac{\sum_{i=1}^k S_i^2}{S_{sum}^2})$  In which the k is number of questionnaires,  $S_i^2$  is the variance of I question and  $S_{sum}^2$  is the variance of whole questions. As you can see Cronbach's alpha value for all variables is strong which the acceptable level is 0.7 for practical purposes; therefore, it can be argued that the questionnaire has acceptable reliability.

### Research findings:

The evaluation indicators of model fitting: Evaluation of fitness shows that general model have a good model fitting according to the criteria of each person. The final model has been able to express the relationships between variables.

Goodness of Fit Index	The amount of index	Criterion	Result
$\chi^2$	1414.51	-	Fitness
$\chi^2 / df$	1.943	Less than 2	A good fit
GFI	0.91	Nearly one	A good fit
AGFI	0.92	Nearly one	A good fit
RMSE	0.011	Smaller than 0.05	A good fit
NFI	0.92	Greater than 0.90	A good fit
NNFI	0.93	Greater than 0.90	A good fit
CFI	0.94	Greater than 0.90	A good fit
IFI	0.93	Nearly one	A good fit

Inferential analysis of results finding: After examining the factor loadings values to investigate the significance of each relations equation described, by using t- Student of statistic graph. Statistic value more than 1.96 according to the statistics of t- test, for each of the indicators; therefore the null hypothesis is rejected. This means that above relations are significant.

### Discussion and conclusion:

Our results showed that the five dimensions of transformational leadership, are all positively associated with performance of the group and its followers in service quality, such findings may be related to how teams managed with the speed of change in the external environment and work with the tasks, varied and complex in its internal environment; thus, a bank employee should wish to challenge the current position and be interested of self multiplexing about the need to create a team to improve and achieve the objectives of bank. If the leader implements a leadership style that places more emphasis on team cohesion and increase service quality, these features will be more likely. The most important advantage of work teams is that they can react quickly in relation to the needs of your environment, make quickly decisions and keep satisfied the customers. Teams are working to improve the quality of working life and also have a considerable role to improve the competitive performance.

For testing the 7 hypothesis was used the path analysis. All hypotheses were accepted. The first hypothesis inspirational motivation of team performance has a positive impact on employees of Agricultural Bank in Tehran province. Structural model reflects the positive impact and the inspirational motivation factor is 0.80. In summary; considering that a significant number of first hypothesis was 1.96. The first research hypothesis is approved. This means that 0.80 units team performance are improved if one unit of inspirational motivation is improved. . Therefore, it is recommended that managers communicate with their staff through their optimistic for the future and led them to achieve the ambitious goals and these goals are achievable; so that people know their personal interests are aligned with the organization. This will be better achieved by designing and drawing of demands and designing of model with an emphasis on strength, opportunities and strategies to increase the staff's efforts toward the goals and objectives of the organization. Second hypothesis of intellectual stimulation has a positive impact on team performance of employees in Agricultural Bank of Tehran province. Structural model indicates that this strong and direct relationship is between the intellectual stimulation on the team performance. Intellectual stimulation index is 0.76. In summary, it is suggested that managers create the conditions think tank for expressing opinions and engage all people in trouble, which leads to new ideas and creatively. (Intellectual stimulation) was used as one of the characteristics of transformational leadership which persuade the employees to see your tasks and assignments in different ways and looking is beyond the limits of conventional duties in a manner. (Managers want employees to examine the problems from different angles and offer solutions, then examine the employee's basic proposal and offer a new attitude about doing things.

The third hypothesis with regarding to individuals has a positive impact on employees of Agricultural Bank in Tehran province. Structural model represents a direct connection between paying attention to individuals in average level with team performance. is the index of considering individuals is 0.48. It is suggested that educational authorities care about the individual differences (interests, needs and talents of each individual as a person, not as a member of a group) and allocate time for education, understanding and guiding individuals. . In this regard according to the period spent by the thoughtful and personalized attention, and attention to the specific needs of staff and often assign tasks to individuals that have correspond with the needs and their abilities. the service training courses hold for bank officials that interact directly with customers and has communication face to face. The fourth hypothesis idealized influence in terms of behavior and personality has a positive impact on team performance of employees in Agricultural Bank of Tehran province. Structural model represents a significant and positive impact on the performance of the team idealized influence in terms of character and behavior. Path coefficient of idealized influence and the team performance is 0.54; thus, managers should be make optimism ideals of transformational leadership, charisma, intelligence and personal ability to apply a large number of ability to promote the ideals of organizations and individuals, and deliver the individuals and organizations to higher performance and have strength and confidence and have seriously enthusiasm, optimism and speak about what might be done in the future, and hopes the staff to the objectives which will be achieved and emphasized the necessity of having a strong understanding of the target. the views of the various sides consider when solving the problems, and such behave that employees respect for them (Sometimes about the interests of group, ignore the interests and desires) consider the ethical implications of their decisions. The fifth hypothesis team performance has positively impact in responding on employment of Agricultural Bank in Tehran province. Structural model represents a significant and positive impact of team performance on responsiveness. team performance on responsiveness is 0.50 in path coefficient; therefore, is suggested that recruitment unit will be selects individuals according to the organization's goals who have morale group collaboration with commitment to the organization, individuals working in specialist team is as group and have inspected and controlled individual at the same time to enhance the quality of service by arising the reliability of bank. Forming the programmed unit according to individual differences for homogeneous the groups and all work to achieve the creative organizational goals.

Sixth hypothesis team performance has a positive impact on the reliability of employer's Agricultural Bank in Tehran province. Structural model represents a significant and positive impact of team performance on reliability. Performance coefficient team is 0.60 on reliability; therefore, is suggested that to create a moral cooperation with the knowledge of all employees to provide accurate information, transparent and honest consultation and expertise as well as providing additional services and complementary, as well as create the friendly relation with customers which can help customers to make sense of trust. It is suggested that is applied an independent unit to investigate the employee's manner to responsiveness; so that the greatest task of finding the employees is about their activeness and creativeness and responsiveness in organization. Following the responsive is the main its goal; so be determined immediately the reducing of customer satisfaction. The seventh hypothesis of team performance plays as mediator role in the relationship between transformational leadership and service quality of employees in the Agricultural Bank of Tehran province. Structural model represents a significant and positive impact on team performance of transformational leadership and service quality. Based on the structural equation test, team performance review and reported of indirectly relationship of transformational leadership variables and Service quality through the mediating variable; therefore, suggested that banks take effective step to satisfy customers by granting the facilities with various in amount, term of repayment according to the customer's needs and providing different kinds of inaugurated accounts such as providing the future savings, the housing for youth and other accounts which based on customer's needs, As well as performing the wants and needs of the banking customers with simplicity and ease and not in the context of complex and meandering administrative of workflows, also the have flexibility to implementation the rules and regulations can be effective in achieving the customer expectations. Managers can perused their employees to create friendly atmosphere which caused synergies by using motivational factors like the promotion, work overtime and reward.... and provide a foundation to increasing service quality by getting the priority of responsive to customers; also managers can design and values to the selection and correct training of individuals and creating the specialized and harmonious teams to create friendly atmosphere and working parties enhance the Service quality which have good matched with solidarity. Serious attention to the basic issues: selection, training, motivation, training, and assessment and proper evaluation of bank employees in order to enhance the enjoyment of qualified employees. The internal culture of banks should be activated to supporting the innovation, to confirming the conducive innovation at the desired time and new ideas analysis and implement by creating the communication and collaboration with innovation instead of confronting with them.

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