Mediating role of inclusive organization culture in relationship between transformational leadership and affective commitment

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Abstract---This study took the object of Zainuddin elementary school in the Sidoarjo Regency, Indonesia by raising the issue of affective commitment influenced by transformational leadership and mediated by inclusive organizational culture. The analytical method used in this study is SEM-PLS where the main function is to examine the influence of independent variables on the dependent variable and intervening variables on the dependent variable, namely the effect of transformational leadership on affective commitment mediated by inclusive organizational culture. Population and sample taken as many as 45 teachers, total teachers of the organization. The technique used is census, which is used to determine the number of respondents. The results of this study indicate that there is a direct influence of transformational leadership on affective commitment. The test results also showed the significance of inclusive organizational culture as a mediation between the effect of transformational leadership on affective commitment.

Keywords---transformational leadership, affective commitment, inclusive organizational culture.

I. Introduction

The success or failure of an organization or company in achieving good goals and performance is largely determined by a leader [1]. A company in carrying out its activities is required to have leaders who are reliable and able to anticipate the future of the organization and take the opportunities of existing changes so that it can direct the organization to arrive at its objectives. The overall leader pattern is interpreted as a leadership style. Leadership style is a way that leaders use in interacting with their followers.

Transformational leadership is one of the leadership styles that fosters awareness of the organization's vision and mission with processing work activities through the utilization of the abilities and expertise of employees so that each employee feels involved and responsible for completing work [2]. A leader with a transactional leadership style will give direct gifts to high-achieving employees, monitor employee work, and provide warnings and penalties to employees who deviate from established standards [3].

Human resource diversity is one of the causes of lack of commitment for each individual [1]. Although in Zainuddin Elementary School it does not always describe high diversity, but considering that basically everyone has different desires and different backgrounds, then in an organization it will create sustainable behavior that eventually forms a culture which

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is often referred to as inclusive organizational culture. The inclusive organizational culture is the openness and appreciation of employees towards the organizational environment [1].

[4] explain organizational commitment explaining the extent to which organizational members are loyal and willing to contribute to the organization. Employees who have organizational commitment will strive to realize the mission and goals of the organization by exerting every effort in the work. Increased commitment can be seen by assessing the extent to which personnel increase their commitment to the actions chosen previously [5].

Today many companies incorporate the element of commitment as a condition of holding a position or a certain job position on the job vacancies offered. Understanding organizational commitment according to [6] is defined as dedication and in a broad sense is interpreted as a strong trust from employees to accept the goals and values of the organization, the desire to advance for the organization and have a strong desire to stay in the organization. Affective commitment makes employees not only pay attention to material compensation that can be given by the organization, because more than that employees who have affective commitment will stay in the organization because they have an emotional attachment to the organization.

According to [7] affective commitment, namely emotional attachment, identification and involvement in an organization, in this case individuals settle in an organization because of their own desires. Affective commitment can happen to employees when they want to be part of the company based on the emotional ties that the employees have. According to [8] affective commitment can be said to be an important determinant of an employee's dedication and loyalty. The tendency of an employee who has a high affective commitment can show a sense of belonging to the company, increase involvement in organizational activities, the desire to achieve organizational goals, and the desire to remain in the organization.

Based on the statments above, the formulation of the problem is made as follows:

Does inclusive organization culture mediate the relationship between transformational leadership and affective commitment?

II. Literature review and hypotheses

Leadership

Leadership is the ability to influence a group in order to achieve a vision or set of goals [9]. According to [10], leadership is the ability of individuals to influence, motivate, and make others able to contribute to the effectiveness and success of the organization. [10] concluded that Leadership is a process to influence others to understand and agree with what needs to be done and how the task is carried out effectively and the process to facilitate individual and collective efforts to achieve common goals.

Based on some of the above meanings, it can be concluded that leadership plays a very important role in an organization. Leadership cannot be separated from the organization.

Transformational Leadership

Transformational leadership is a leadership person who uses his charisma to shape and revive an organization [11]. [2] stated that transformational leadership can attract highly motivated employees, while improving the quality of life for members of the organization. Leadership with transformational leadership can motivate followers to strive to achieve organizational goals through passion and deep thinking. This shows that transformational leadership is a leadership that creates very significant changes to both followers and organizations. This leadership has the ability to direct change in mission, strategy, structure and culture.

Transformational leadership is leadership that has the power to influence and direct employees and create Affective commitment to employees [1]. [12] explain that leadership with transformational leadership inspires admiration, respect, loyalty, and emphasizes the importance of feeling collectively the company's mission. Involve individual consideration, leadership build relationships with subordinates, and assume each subordinate has different needs and skills.

Organizational Culture

Organizational culture is an organizational belief and values that are understood, imbued and practiced by members of the organization, so that the pattern gives its own meaning and becomes the basis of the rules of behavior in the organization. A more specific understanding of organizational culture according to [13] is a collection of habits, values, wisdom, beliefs, attitudes that are easily absorbed for everything that is done and thought in an organization. Furthermore, according to [14] explaining organizational culture is an intangible asset that can be a competitive strategy of the company that distinguishes it from other companies to improve company performance. Meanwhile, according to [15] explain organizational culture as a driver that contributes in providing a thorough understanding of what and how to be achieved, how the goals are interrelated, and how each employee can achieve goals.

Inclusive Organizational Culture

Iclusive organizational culture is the openness and appreciation of employees towards the work environment [1]. [1] said that inclusive organizational culture is a climate that respects equality, and positive recognition of cultured differences, and defective social and institutional responses do not create a barrier to positive work experience. Based on this, it can be said that organizational culture can strengthen the bond between employees in an organization by behaving in mutual respect and high tolerance. [1] also said that the role of a dominant group in organizations, they have a large role to influence other small groups in establishing or maintaining inclusive culture. An inclusive culture shows that employees will be committed to the organization. The more employees have a higher social life, the less likely it is to leave the organization.

Another reason why an organization must add an inclusive organizational culture so that organizations can have the best employees and stand out in the organization. [1] said that whoever maintains an inclusive organizational culture will get the best and most reliable employees. Furthermore, to make inclusive organizational culture truly influence employees, managers must look deeper and understand what is felt and lightened by employees [1].

Organizational Commitment

Commitment is the core of all types of relationships. some researchers have conducted research on commitment in many different perspectives and contexts, including social exchange [16], romantic relationships [17], business relationships [18], teamwork [19] and occupation [20].

Organizational commitment is defined as a situation where an employee sided with a particular organization and its goals and desires to maintain membership in the organization [9]. [21] explains that organizational commitment as an attachment with an organization is characterized by the will to persevere; identification with organizational values and objectives; and willingness to try more in his behavior. Organizational commitment can be interpreted as a bond of individual psychology to the organization, including work involvement, loyalty, and confidence in the value of the organization.

Another understanding of organizational commitment is a strong belief that is owned by members of the organization, and acceptance of, goals, organizational values, and the willingness of members of the organization to give great effort to

the interests of the organization, and a strong desire to stay in the organization [22]. According to [7] that organizational commitment is a psychological attachment based on three forms (Three-Component Model of Organizational Commitment); affective, continuance and normative.

[9] explain the three dimensions of organizational commitment as follows:

     1. Affective commitment is an emotional feeling for the organization and belief in its values.

     2. Continuance commitment is an economic value that is felt from surviving in an organization when compared to leaving the organization.

     3. Normative commitment (normative commitment) is the obligation to survive in an organization for moral or ethical reasons.
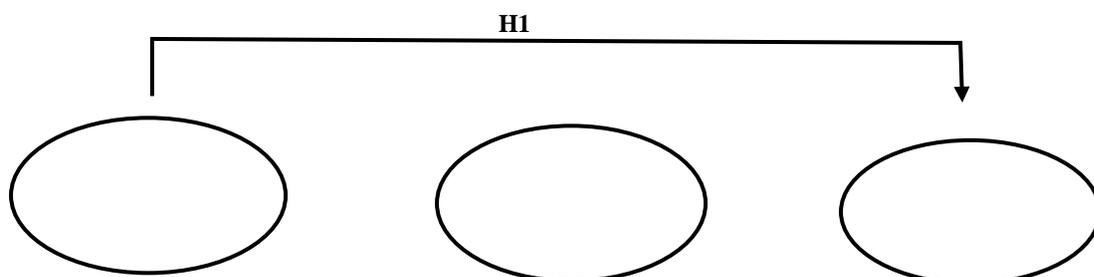
Affective Commitment

According to [7] Affective commitment is emotional attachment, identification and involvement in an organization. In this case the individual stays in an organization because of his own desire or emotional attachment to the organization. Affective commitment can occur to employees when they want to be part of the company based on the emotional ties that the employee has.

Affective commitment indicators are stated by [7] namely as follows:

a.   A statement that the respondent likes to spend the rest of his career with the organization he works for.

b.   A statement that the respondent likes to discuss the company with people outside the company.

c.   A statement that the respondent feels that organizational problems are his own problem.

d.   The statement that the respondent will not be easily tied to other organizations as in the current organization.

e.   A statement that the respondent feels like "part of the family" in the organization.

f.   A statement that the respondent feels emotionally attached to the organization.

g.   The statement that the respondent works in the organization is very meaningful for personal value.

h.   Statement that the respondent has a strong sense of belonging to the organization.

Research Model

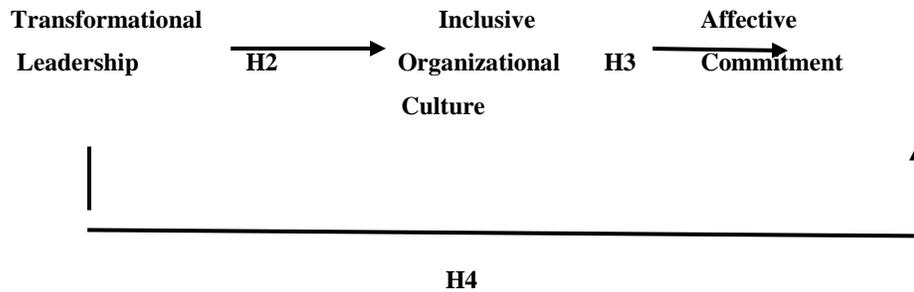The following research model in this study:

Figure 1. Research model.

Hypothesis

The following hypothesis is proposed:

H1 : transformational leadership has a significant effect on affective commitment.

H2 : transformational leadership has a significant effect on the inclusive organizational culture.

H3 : inclusive organizational culture has a significant effect on affective commitment

H4 : transformational leadership has a significant effect on affective commitment through inclusive organizational culture.

III. Methods

This study uses a quantitative approach that is a research approach that uses data in the form of numbers from the results of survey responses that are distributed to research samples and analyzed using statistical analysis techniques [23]. While this type of research leads to explanatory research that analyzes the relationships between variables studied based on theoretical and empirical studies and the results of test data using statistical procedures [24].

Population and Sample

Population is a generalization area consisting of objects/subjects that have certain qualities and characteristics set by the researcher to be studied and then draw conclusions [23]. The population in this study were Zainuddin elementary school teachers, amounting to 45 people.

Sample is the part that will be studied and can be considered to represent the entire population. According to [23] "sample is part of the number of characteristics possessed by the population". Sampling technique carried out by researchers is to use probability sampling using the census method. Census sampling is a sampling technique if all members of the population are used as samples [23].

Data Analysis Techniques

Data analysis is done to answer research questions or test the research hypotheses that have been stated previously [23]. In this study the data analysis techniques used structural equation modeling (SEM-PLS).

IV. Result

Hypothesis testing

For testing Hypothesis is done by looking at the probability values and t-statistics. For probability values, the p-value with alpha 5% is less than 0.05. The t-table value for alpha 5% is 1.96. So the hypothesis acceptance criteria are when t-statistics

> t-table. The research hypothesis can be declared acceptable if the p-value is < 0.05 and the value of t count is > 1.96 [25].

The following are the results obtained in testing the hypothesis in this study through the inner model:

Table 1. Path coefficient.

Variable	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistics (O/STDEV)	P Values	Remark
Inclusive Organizational Culture -> Affective Commitment	0.486	0.475	0.141	3.446	0.001	Accepted
Transformational Leadership -> Affective Commitment	0.335	0.351	0.150	2.232	0.026	Accepted
Transformational Leadership -> Inclusive Organizational Culture	0.685	0.701	0.072	9.466	0.000	Accepted

Testing of Mediation Effects

Sobel test is a statistical test used to test the significance of mediation effects in a study. In this study the sobel test was used to test whether inclusive organization culture significantly mediates the influence of transformational leadership on affective commitment. Sobel tests involve the results of Path Analysis from the PLS test.

Table 2. Sobel test.

	Input		Test statistic:	Std. Error	*p*-value:
a	0.685	Sobel test:	3.24068461	0.10272829	0.00119243
b	0.486	Aroian test:	3.22497509	0.1032287	0.00125984
Sa	0.072	Goodman test:	3.25662597	0.10222543	0.00112745
Sb	0.141				

V. Discussion

1. Transformational leadership has a significant positive influence on affective commitment to teachers at Zainuddin Elementary School, Sidoarjo because the value of t-statistics is 2.232 which is greater than the t-table value of 1.96 at the significance level of 0.05 (5%) and the p-value of 0.026 < 0.05.

2. Transformational leaders have a significant positive effect on inclusive organizational culture at Zainuddin Elementary School, Sidoarjo because the value of t-statistics is 9,446 which is greater than the t-table value of 1,96 at the significance level of 0.05 (5%) and the p-value of 0.000 < 0.05.

3. Inclusive organizational culture has a significant positive effect on affective commitment to teachers at Zainuddin Elementary School, Sidoarjo because the value of t-statistics is 3.446 which is greater than the t-table value of 1.96 at the significance level of 0.05 (5%) and the p-value of 0.001 < 0.05.

4. Inclusive organizational culture mediates significantly the relationship of transformational leadership to affective commitment to teachers at Zainuddin Elementary School, Sidoarjo because the results of the single test calculation show a t-statistical value of 3.24068461 > 1.96 and a p-value of 0.00119243 < 0.05. These results indicate the effect of variable mediation on affective commitment.

VI. Conclusion

The following conclusions in this study:

1. Transformational leadership has a significant effect on affective commitment.

2. Transformational leadership has a significant effect on the inclusive organizational culture

3. Inclusive organizational culture has a significant effect on affective commitment

4. Transformational leadership has a significant effect on affective commitment through inclusive organizational culture.

VII. Contribution

1. The results of this study are expected to be a consideration in determining leadership and implementing an inclusive organizational culture to improve the affective commitment of employee.

2. The results obtained from this study are expected to be used as a reference for future researchers who want to examine the same topic, especially related to transformational leadership, inclusive organizational culture and affective commitment by using different objects such as manufacturing companies or government agencies.

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