

Transformational Leadership A Study On The Impact Of Job Performance Focus On Small Business Owners

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ABSTRACT

In modern society, companies are in a very dynamic and unpredictable environment, especially small and medium-sized companies are facing an environment of instability, changeability, unpredictability, and complexity in poor conditions compared to large companies. Companies need effective leadership to secure organizational competitiveness and to grow and satisfy individual members. Recently, the importance of transformational leadership has been emphasized for organizational members' job commitment and performance creation. Transformational leadership is highly related to enhancing the adaptability of members in change and unpredictable environments, and it has been identified as a major leadership that causes innovation-oriented and change-seeking behaviors such as contextual performance, creativity and organizational citizenship behavior, along with supervisor satisfaction, job satisfaction, commitment, and job performance. However, there is a lack of empirical research on the relationship between transformational leadership and adaptive performance. In addition, most of the studies on transformational leadership have focused on core leaders at the group level or team leaders of large organizations, and only a few have studied leadership for small and medium organizations. In a rapidly changing environment, it is necessary to study the theoretical and practical contributions of the transformational leadership that have been proven so far to be effectively introduced and applied in the management field of SMEs.

The purpose of this study is to investigate the characteristics of transformational leadership that can improve adaptive performance, which is a newly emerging performance concept. In particular, in the case of an organization with high dependence on interpersonal services, the middle manager demonstrates leadership to manage human resources directly, induces many loyal customers, and has a direct impact on profit generation. This study focuses on the transformational leadership of SMEs, which are more dependent on leadership than large corporations. The specific purpose of this study is as follows. First, it is to see how the importance of the manager role with transformational leadership and the improvement of job performance accordingly affect. Second, it is to study whether the leader trust and innovative work behavior of SMEs have a positive effect on the members of the organization.

For the empirical analysis of the research model presented in this study, data were collected from employees of SMEs located in Seoul and Gyeonggi-do, and the collected data were checked using SmartPLS 3.0 and SPSS 23.0, and the hypothesis was verified by statistical

empirical analysis.

CHAPTER I, Introduction

1.1 Background of the study

The importance of transformational leadership is emphasized for organizational commitment and performance creation in these rapidly changing times (Hoch et al., 2018). In modern society, companies are in a very dynamic and unpredictable environment (Griffin et al., 2007), and are constantly striving to survive in an environment of dynamic, uncertainty, and change (Ilgen&Pulakos, 1999). In addition, we are living day by day in unpredictability, changeability, instability, and complexity, because the success and survival of the company depends on how we predict and prepare for the future and forthcoming changes.

Companies facing this environment are emphasizing effective leadership to secure organizational competitiveness and to grow and satisfy individual members (Dinh et al., 2014; Sung, Sang Hyun et al., 2014). Based on this emphasis, various theories about leadership were developed and empirical research was attempted through many studies and discussions. In addition, research and efforts are being made in various fields, such as developing various leadership programs based on this and applying them to the field (Kim Ji-min, Yoon Dong-yeol, 2014; Ko Eun-hye, Yoon Dong-yeol, 2017; Kim Ju-ha, etc., 2019; Park Ji-young, etc., 2019).

CHAPTER 2 Theoretical Background

2.1 Transformational Leadership

2.1.1 Concepts of Transformational Leadership

Transformational leadership refers to a leader who moves his or her subordinates beyond immediate personal interests through individual consideration, inspirational motivation, idealized influence, and intellectual stimulation. Downton (1973) first raised transformational leadership, but Burns (1978) introduced the concept of transformational leadership and transactional leadership in a study of political leaders and emerged as an important approach to leadership.

This transformational leadership not only evokes the firm beliefs and beliefs of subordinates about the personal values of leaders and leaders, but also sets clear goals for subordinates, sets their own examples, and leads to organizational performance and satisfaction through appropriate stimuli . As such, it has been expanded to the fields of organizational psychology and organizational management through revision by subsequent researchers. In addition, many empirical studies have been conducted on transformational leadership, and as a result, it is reported that it not only considers self-realization, achievement, social happiness, others, organization, etc., but also improves the maturity of subordinates.

2.1.2 A Study on Transformational Leadership

As mentioned earlier, research on transformational leadership has been conducted by many subsequent researchers, but it has been argued that there are seven major weaknesses in transformational leadership (Bass & Avolio, 2004). The problems of transformational leadership are presented as follows.

First, it is the influence of transformational leadership and the ambiguity inherent in the process. Transformational leadership theory will be more powerful in how key influence

processes are clarified and how different types of behavior are used to explain the relationship between each type of parameter and its consequences.

Second, transformational leadership is too focused on the dualistic leadership process, which explains the direct impact of leaders on individual subordinates and does not examine the impact of leaders on the process of a group or organization. In addition, the process of transformational leadership should be organized to utilize human and material resources, how the interrelated group activities are coordinated, the level of trust and cooperation of the members, the trust of the members in the organization, the procurement and efficient utilization of resources, Organization, and so on.

Third, the rationale for differentiating the behavior of transformational leaders is unclear, and there is a question about the effectiveness of the composition of variables because there is a partial overlap in the behavior of transformational leaders. For example, intellectual stimulation means asking subordinates about traditional beliefs, looking at problems from a new perspective, and finding innovative solutions to problems. However, these statements do not clearly state whether what the leader actually says and does affects the cognitive process or behavior of subordinates.

2.2 Work engagement

2.2.1 Concepts of Work Commitment

In a rapidly changing organizational environment, people's working attitude is an important factor for the development and survival of the organization as well as individuals. Therefore, an organization inevitably needs a member who can immerse himself in his job, achieve a high level of performance, be full of energy, and devote himself to the organization. In this sense, work engagement has become a trend in positive psychology, which has recently received much attention in the psychology community, and its importance is increasing (Schaufeli & Taris, 2005). The initial concept of work commitment is based on employee burnout and well-being (Maslach & Leiter, 1997). In addition, work immersion refers to a positive and enthusiastic psychological state that arises from work, and can be interpreted positively in social welfare and psychology.

2.2.2 Previous studies on work engagement

Maslach and Leiter (1997) suggested psychological importance, stability, and usefulness as potential and psychological antecedents that can predict work engagement. It provides more meaning and psychological stability to subordinates and shows higher work commitment in situations where they think they are useful. Maslach and Leiter (1997) said that new beliefs related to three psychological conditions are created according to individual characteristics of individuals and organizations.

In addition, the perception of work environment related to role affects psychological importance, the perception of social system related to support or relationship affects psychological stability, and personal resources and self-confidence affect the possibility of psychological usefulness for work commitment (Maslach & Leiter, 1997).

Macey and Schneider (2008) argued that individual and organizational factors affect psychological job experience and suggest job characteristics, leadership, and personality characteristics as antecedents to job commitment. Psychological importance, stability, and usefulness were found to be related to job involvement, and suitability between job characteristics and roles not only caused psychological importance, but also positively

affected psychological stability and available resources.

In addition, core self-evaluation was used as a factor to stimulate the psychological significance of the load, and it was confirmed that goal value consistency, psychological stability, and usefulness affect commitment. People feel psychologically meaningful when they feel valued, useful, and valued (Rich et al., 2010).

2.3 Organizational Commitment

2.3.1 Concepts of Organizational Commitment

Organizational commitment in relation to work commitment is a concept that shares many parts, so it is necessary to examine organizational commitment as well as work commitment. Organizational commitment represents identification, commitment, unity, and attachment to the organization to which it belongs, a strong desire to remain a member of the organization, and commitment, loyalty, and willingness to make significant efforts in the organization (Mowday, 1979). Organizational commitment generally refers to the degree to which members of an organization are identified and involved (Mowday, 1982).

These organizational committees have long been extensively studied by organizational behavior researchers as a concept that represents and understands the interaction of individuals and organizations, that is, organizational tendencies of organizational members (Ryu Byeong-gon, 2016). Organizational commitment is the result of members' actions to enhance organizational effectiveness or organizational performance, and its importance is increasing as potential determinants such as absenteeism, turnover, and job performance.

In the study of Sheldon (1971), a previous study on this, organizational commitment was defined as "a state in which members of the organization positively evaluate the goals of the organization and the organization," and Buchanan (1974) defined organizational commitment as a state of feeling the solidarity between the organization (user) and the organization members (employee). Mowday (1982) defined organizational commitment as the internalization of organizational values and goals by organizational members and active involvement in the overall activities of the organization.

2.3.2 Previous studies on organizational commitment

Organizational commitment is attracting attention as a way to improve organizational performance and survive environmental changes (Lim Jae-young, Moon Kook Kyung 2019). In a situation where various changes and competitions in the internal and external environment are intensifying, organizational commitment, which is a sense of unity and immersion in the organization, can not only reduce the turnover intention of the members of the organization but also contribute to organizational performance. Because of the importance of organizational commitment, organizational commitment is considered one of the important requirements of a successful organization (Buchanan, 1974). In addition, many studies have shown that organizational commitment is one of the most important measures of organizational effectiveness (Becker, 1992; Wallace, 1995), and organizational commitment is the most widely used variable in domestic studies (Dowon, 2006).

In recent studies, organizational commitment has attracted more attention in that it has a high predictive power of organizational future situations such as organizational performance and turnover of organizational members (Cooke & Rousseau, 1988). In particular, organizational commitment was highly correlated with organizational effectiveness variables such as organizational citizenship behavior (Shore & Wayne, 1993), job performance (Cohen, 1991),

and turnover intention (Mowday, 1982). In fact, organizational members with high job involvement tend to maintain not only intrinsic job satisfaction but also smooth relationships with other members, and tend to act in consideration of organizational goals and performance when performing their duties, contributing to the improvement of organizational performance (Song Young Sun, 2008).

In addition, three factors such as individual characteristics, role-related factors, and organizational structural factors affect organizational commitment (Stevens et al., 1978). In conclusion, the factors affecting organizational commitment can be summarized as individual characteristics and organizational characteristics of organizational members. Personal characteristics include demographic variables such as gender, age, education level, years of service, and position (Buchanan, 1974), and the relationship between these variables and organizational commitment varies depending on the study, resulting in inconsistent results (Meyer & Allen, 1991).

2.4 Job performance

2.4.1 Concepts of Job Performance

Job performance is an important factor that determines the performance of a company as a necessary factor for predicting and managing results within a company, and has been discussed by many researchers because it takes a large part in the survival of the company. Currently, many companies emphasize the importance of job performance, and the degree of job goal that each member can perform is the degree of job goal, position, and job performance that members in the organization can achieve (Tett & Meyer, 1993).

Because the definitions and concepts of job performance are diverse and complex, it is difficult to uniformly integrate and unify the meaning of job performance, but job performance is more important than the concept of productivity improvement and performance.

2.4.2 Previous studies on job performance

For domestic research, this study analyzed the effects of individual characteristics, corporate characteristics, and operating conditions on corporate performance in order to find ways to improve the economic performance of small start-up companies. As a result, monthly sales, which is a measure of the overall management performance of small start-up companies receiving start-up support, were considerably smaller than those of general small business owners, but there was no significant difference in monthly net profit. Based on this, it suggested the necessity of various financial performance measurements rather than fragmentary measurements in measuring the business performance of small business owners.

Lee et al. (2009) analyzed the characteristics of the market environment and the impact of support services by utilizing financial performance, customer performance, internal performance, and learning growth without measuring the business performance of small business owners with simple financial performance. In this respect, non-financial performance indicators are qualitative, process-oriented, and future-oriented long-term indicators.

Taken together, management performance is not only likely to be composed of various sub-concepts according to the purpose of the study, but also an uncertain concept formed by various measurement factors (Collins & Smith, 2006). In particular, all work related to the organization is done specifically by the members of the organization.

2.5 Job satisfaction

2.5.1 Concepts of Job Satisfaction

In this study, job satisfaction is closely related to job satisfaction as a sub-scale of job performance. Job satisfaction is an emotional response to job and a subjective concept, which means an emotional state such as attitude, desire, and value that an organization member positively accepts his or her job or job environment (Lawler, 1973). This job satisfaction has been studied for the longest time among the attitudes toward the job because the productivity of the members of the organization depends not only on the skill or function but also on the attitude and emotion of the work (Yang Chang Sam, 1994).

Job satisfaction can be understood as a positive and favorable feeling that an individual has about his or her job, so it was treated as an important research topic of behavioral scholars as a major factor to predict whether the organization works properly (Kim Young Ho et al., 2010). However, Weiss (2002) emphasizes that job satisfaction, like job attitude, is considered to reflect evaluative judgment, and that 'satisfaction as emotion' and 'satisfaction as attitude' are different concepts.

2.5.2 Previous studies on job satisfaction

Since there is a difference in the components of job satisfaction among scholars, the sub-factors of job satisfaction are different for each researcher, and can be broadly divided into an approach to measure overall satisfaction and individual factors of job satisfaction. Measuring tools to measure overall satisfaction include the Job Satisfaction Index developed by Brayfield and Roche (1951), the Overall Job Satisfaction Questionnaire developed by Quinn and Stains (1979), and the Minnesota Satisfaction Questionnaire (1967) by Weiss et al.

The MSQ (Minnesota Satisfaction Questionnaire) is most widely used in various fields including industrial psychology because it is useful for analyzing the job attitude of the members according to the characteristics and forms of the organization based on the job satisfaction components (Han Bong-ju, 2010). The MSQ (Minnesota Satellite Questionnaire) divides job satisfaction into intrinsic and extrinsic factors and measures a total of 20 areas. Intrinsic factors of job satisfaction include employment stability, autonomy, independence, job performance and diversity. Extrinsic factors of job satisfaction include management style, promotion, salary, job ability, company policy and practice, wage level, working conditions, praise and encouragement. Therefore, not only is it closely related to the subjective perception of the members, but also the job satisfaction should be considered in terms of organizational effectiveness.

On the other hand, the job satisfaction of the organization members is a response to the job, but it is a subjective factor, so even those who perform the same job and receive compensation may appear differently. In this regard, the dispositional approach is a theory that job satisfaction can also vary depending on individual characteristics (Staw, 1986), which means that job satisfaction can continue to appear while experiencing various jobs for a long time. In addition, the Core Self-Evaluation Model is a model that specifically presents job satisfaction. This model presents four factors of job satisfaction: self-esteem, general personal efficacy, control position, and neurotic tendency (Bono & Judge, 2003).

2.6 Innovative Work Behavior

2.6.1 Concepts of Innovative Work Behavior

Innovative behavior is defined as an activity that recognizes a problem, adopts an idea, or derives a solution, finds a sponsor to support it, and collects it to create an idea as a product, service, or procedure (Scott & Bruce, 1994). It refers to the overall process in which new ideas are expressed through activities that can contribute to improving the performance of one's job, group, and organization, and the expressed ideas are adopted through mutual discussion among members, and implemented and internalized within the organization.

These innovative actions are a set of actions that can contribute to improving the performance of one's work or organization, and occur by recognizing and creating new ideas and methods that challenge practices or standard operating procedures (Van Dyne, & LePine, 1998). In addition, innovative behaviors can be divided into innovative behaviors of members and willingness to change the organization, although they define the innovation performance of the company differently according to various opinions of scholars. In other words, it is divided into the perspective of how each member accepts the results of innovation and the willingness to change the organization to apply the results of innovation to the organization (Hurt et al., 1977). Therefore, innovative behavior is a source of innovative and creative ideas and practices of organizational members, and is a necessary requirement for all types of organizations and tasks (Scott & Bruce, 1994).

2.6.2 Previous studies on innovative work behavior

Innovation implementation refers to practicing ideas developed or introduced within an organization and applying them to other areas if the results are positive. Therefore, it is important to check whether innovative ideas are feasible and to ensure that ideas can be systematically applied to work (Kim Tae-ho, Jong-ho Roh, 2010). Van de Ven (1986) described the concept of innovative behavior as the act of developing and practicing new ideas based on social relations within a given situation. Kanter (1968) saw conceptual awareness of the problem and the adoption of new and useful ideas. Farr and Ford (1990) defined the concept of innovative behavior as the creation of new and useful ideas, processes, and procedures for each member of an organization. In addition, Janssen (2000) defined the concept of innovative behavior as the extent to which individual members develop, introduce, and utilize new ideas to substantially help the development of the organization, such as the creation of roles and organizations.

Scott and Bruce (1994) emphasized that it is most important to recognize creativity itself before implementing innovative behavior, and defined the definition of innovative behavior as a process of creating new and original ideas, introducing other external ideas, and solving problems efficiently.

Domestic researcher Kim Young-ho(2009) defined the concept of innovative behavior as any action that can create or introduce new and original ideas that can improve the performance of individuals and the entire organization. In addition, Lee Min Ho (2012) led innovative changes to solve problems perceived by members of the organization, defined ideas as a whole process for developing, promoting, and spreading ideas, and conceptualized them as an overall action to actively utilize external ideas.

Therefore, innovative behavior is a process of behavior that includes all activities that voluntarily introduce new ideas and continuously practice them for the purpose of enhancing the goals and performance of individual members in a given situation (Kanter, 1968). Previous studies have determined that it is important for task managers to apply new and useful original ideas to tasks because ideas introduced from outside the organization have nothing to do with creating new and useful ideas in defining innovative behaviors. Innovation

behavior can be conceptualized as a series of actions that create original and new ideas, plan and introduce them, and actively spread the voluntary participation of members.

2.7 Leader Trust

2.7.1 Concepts of Leader Trust

Leader trust refers to a psychological state that is willing to accept risks that may be imposed on oneself based on positive expectations of the leader's actions or intentions. Most of the organizational life is done in the business relationship with the leader, and it consists of trust in the leadership, especially the job satisfaction of the subordinates, organizational commitment, work motivation, sense of belonging to the organization (Gabarro, 1978; Fulk et al., 1985) and trust in leadership.

2.7.2 Previous studies on leader trust

Existing studies on leader trust have focused on what characteristics or behaviors of leaders make subordinates trust leaders. In this regard, Lewis and Weigert (1985) categorized interpersonal trust in organizations into cognitive, emotional, and behavioral dimensions. Cognitive trust refers to the belief in the professionalism and ability of the other person perceived through experience, and emotional trust refers to the degree of affection and concern, such as emotional exchange between each other. Finally, behavioral trust refers to the intention to act in a specific way even if you take risks based on the positive expectations of the other party. Taken together, trust can be expressed as concrete actions only if there is a willingness to act as well as a cognitive judgment or positive expectation of the other party.

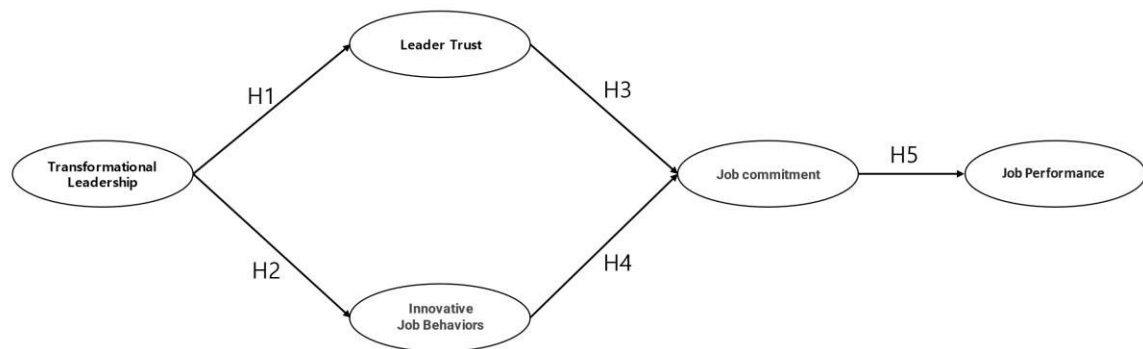
In addition, Mayer et al. (1995) presented leader competence and goodwill as determinants of leader trust, competence means leader competence, skill, and know-how, and goodwill means moral responsibility and positive intention to others. On the other hand, Whitener et al. (1998) suggested that in order for a leader to gain trust from organizational members, it is necessary to express five reliable management behaviors: accuracy, explanation, interest and consideration of disclosure. The behavioral antecedents of trust, such as behaviors that make people believe they will fulfill their promises, open and transparent communication behaviors, and behaviors that show their abilities, were presented.

CHAPTER 3 Research Design

3.1 Research Model

In order to set up the research model, the structural causal relationship between major variables such as transformational leadership, leader trust, innovative work behavior, work commitment, and job performance was assumed and preliminary research was conducted.

Based on the above previous research, 56 questionnaires were collected for one week in February 2022, and a pilot test was conducted after collecting 56 questionnaires. Based on the results of the preliminary test, the research model was set up as shown in [Figure 3-1] to effectively verify the purpose of this study.



[Figure 3-1] Research model

To summarize the research model, this study intends to comprehensively empirically analyze the structural relationship in which the input of transformational leadership affects leader trust and innovative work behavior perceived by organizational members, which increases work engagement and affects job performance. For this purpose, the concepts and components of transformational leadership, leader trust, innovative work behavior, work commitment, and job performance are reviewed through previous research literature, and the effects of transformational leadership on leader trust and innovative work behavior, the effects of leader trust and innovative work behavior on work commitment, and the effects of work commitment on job performance are examined.

CHAPTER 4: Demonstrative Analysis

4.1 Data collection and analysis methods

In this study, the questionnaire for data collection was conducted on the employees of the organization with more than 10 employees except the CEO of the small and medium enterprises in Seoul and Gyeonggi area. The reason why it is limited to small and medium-sized enterprises with more than 10 employees except CEOs is that it is necessary to prevent the sum of small-scale organizations of small business owners. The subjects of the survey were selected from SMEs such as manufacturing, service, construction, and education service industries that need leadership development among many SMEs. Since there have been very few studies on transformational leadership targeting small and medium-sized enterprises, this study targeted representative industries where many small and medium-sized enterprises have entered the market to examine the impact of transformational leadership on employees of small and medium-sized enterprises.

Prior to this survey, a pilot test was conducted to check for inappropriate questions. The pre-test was conducted for one week in February 2022, focusing on manufacturing workers, and 56 copies were collected. After verifying the reliability and validity of the measurement items, the questionnaire was finalized.

This questionnaire was collected for four weeks from February 2022 to March 2022, and a total of 400 questionnaires were collected, excluding 29 questionnaires containing missing values. A total of 371 questionnaires were used for the final analysis.

In this study, SmartPLS 3.0 and SPSS 23.0 were used for statistical processing and analysis. The measurement model was evaluated using SmartPLS 3.0, frequency analysis was conducted using SPSS 23.0 program, and exploratory factor analysis was conducted to verify the reliability and validity of the variables.

2 Characteristics of Samples and Basic Statistics Analysis

4.2.1 Characteristics of Samples

In order to study the effect of transformational leadership on the job performance of organizational members, this study distributed, collected, and analyzed self-administered questionnaires to members of SMEs with more than 10 employees except CEOs.

Frequency analysis was conducted to analyze the sample characteristics of this study, and the analysis results are as shown in [Table 4-1].

[Table 4-1] Demographic characteristics

Division		Frequency(명)	Percent(%)	Total
Gender	Men	180	48.5	371
	Women	191	51.5	
Age	20s	55	14.8	371
	30s	95	25.6	
	40s	126	34.0	
	Over 50s	95	25.6	
Education	High school	43	11.6	371
	College	43	11.6	
	University	245	66.0	
	Post graduate	40	10.8	
Position	less than chief	70	18.8	371
	employee	65	17.6	
	section chief	81	21.7	
	senior director	80	21.6	
	Manager	61	16.5	
	Executive	14	3.8	
Work Period	Under 5years	70	18.9	371
	5~10 years	79	21.3	
	10~15 years	108	29.1	
	Over 15years	114	30.7	
Industry	manufacturing	112	30.2	371
	educational services	44	11.9	

	construction	36	9.7	
	public administration	31	8.4	
	financial and insurance services	20	5.4	
	other services	128	34.4	
Work	a planning/general secretary	77	20.8	371
	marketing/public relations	35	9.5	
	research/development	59	15.9	
	Sales	45	12.1	
	personnel/education	32	8.6	
	financial/accounting	57	15.4	
	an administrative/extra-office affair	66	17.7	

4.3 Assessment of the Measurement Model

In this study, reliability analysis and validity analysis were conducted using SPSS 23.0 and SmartPLS 3.0 to verify the suitability of the research model. The fit and validity of the measurement model were analyzed by confirmatory factor analysis of structural equation (PLS-SEM).

4.3.1 Exploratory factor analysis

Validity is a concept that shows how accurately measured attributes or concepts are measured. The evaluation method is divided into three categories: Content Validity, Criterion Related Validity, and Construct Validity (Chae Seo Il, 2006).

Reliability refers to the fact that a phenomenon or object to be measured has been measured in a coherent pattern. The methods of evaluating reliability include internal consistency (internal consistency), reliability (Test-Rest Reliability), alternative reliability (Alternative-Form Reliability), and reliability (Alternative-Form Reliability). In this study, Cronbach's Alpha coefficient was used to verify the internal consistency of variables. Reliability was assessed based on the presence of reliability on the scale when the Cronbach's Alpha coefficient was 0.7 or higher (Shin, 2018).

[Table 4-3] Exploratory Factor Analysis Results

Construct		Construct Factor					Cronbach's Alpha
		1	2	3	4	5	
transformational leadership	transformational leadership3	.799	.322	.185	.120	.139	.951
	transformational	.785	.420	.215	.200	.052	

	leadership4						
	transformational leadership5	.768	.417	.230	.176	.146	
	transformational leadership6	.753	.400	.277	.114	.167	
	transformational leadership7	.653	.545	.262	.163	.047	
	transformational leadership1	.653	.178	.539	.193	-.006	
	transformational leadership2	.642	.160	.570	.212	-.018	
Leadertrust	Leader Trust3	.209	.855	.112	.112	.093	.958
	Leader Trust2	.303	.794	.137	.137	.091	
	Leader Trust4	.158	.789	.166	.166	.156	
	Leader Trust5	.270	.764	.120	.120	.095	
	Leader Trust6	.322	.747	.177	.177	.142	
	Leader Trust1	.212	.734	.198	.198	.154	
innovative work behavior	innovative work behavior2	.226	.167	.820	.195	.211	.943
	innovative work behavior3	.145	.229	.800	.159	.064	
	innovative work behavior4	.199	.180	.788	.141	.233	
	innovative work behavior1	.263	.169	.767	.106	.222	
	innovative work behavior5	.279	.225	.761	.199	.146	
	innovative work behavior7	.200	.200	.724	.201	.061	
	innovative work behavior6	.270	.231	.689	.137	.213	
commitment to work	commitment to work1	.107	.313	.371	.774	.153	.930
	commitment to work2	.118	.192	.425	.746	.100	
	commitment to work6	.113	.317	.449	.709	.090	
	commitment to work4	.202	.347	.355	.670	.078	
	commitment to work3	.275	.093	.262	.653	.323	
	commitment to work5	.169	.121	.145	.632	.525	

	work5						
job performance	job performance3	.102	.201	.156	.119	.786	.902
	job performance1	.118	.181	.129	.133	.780	
	job performance4	.130	.226	.076	.168	.750	
	job performance6	.103	.100	-.004	.212	.725	
	job performance2	.182	.359	.108	.087	.702	
	job performance5	.061	.398	.236	.148	.579	

4.4.2 Verification of Hypothesis

In order to understand the structural relationship between transformational leadership, leader trust, work commitment, innovative work behavior and job performance, SmartPLS 3.0 was implemented and the results of the path analysis were schematized.

As a result of this study, it is necessary to investigate the relationship between the leadership and the leadership of the leadership. 320), and job performance (path coefficient .711, CR 23.798) in job commitment, and significance was found to have a significant effect on overall P value of 0.05 or less.

The summary of the results of hypothesis testing in this study is as shown in [Table 4-13].

[Table 4-13] Results of verification by path analysis

Hypothesis	Path	Path Coefficient	CR(t)	P	verification result
H1	Transformational Leadership - "Leader Trust"	.816	33.773	.000***	adoption
H2	Transformational Leadership -> Innovative Work Behavior	.585	12.779	.000***	adoption
H3	Leader Trust -> Work Commitment	.195	3.400	.001***	adoption
H4	Innovative Work Behavior -> Work Commitment	.501	8.320	.000***	adoption

H5	Work performance	->	Work	.711	23.798	.000***	adoption
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*p<0.05, **p<0.01, ***p<0.001

CHAPTER 5 Conclusion

5.1 Summary of the results of the study

This study conducted an empirical study to analyze the structural relationship between leader trust, innovative work behavior, and work engagement of SME members in the relationship between transformational leadership and job performance.

In addition, this study tried to suggest practical implications and academic implications by examining the factors for improving job performance of SME employees through transformational leadership. For this purpose, the preliminary study was conducted assuming the structural relationship between major variables such as transformational leadership, leader trust, innovative work behavior, work commitment, and job performance based on domestic and international precedent studies and theoretical basis. Based on this, 56 questionnaires were collected for a week, and a pilot test was conducted, and a research model and hypothesis were set up reflecting the results of the preliminary test.

As a result of this study, implications for individual and group leadership were confirmed. First, in the individual leadership study, it was found that the transformational leadership of the corporate organization manager had a significant positive effect on the trust of the leader, the work commitment, and the innovative work behavior. In addition, leader trust and innovative work behavior were found to have a significant positive effect on work engagement.

5.2 Implications of the study

This study can be said to have provided practical help as well as academic contribution in that it prepared a plan to improve organizational effectiveness through research results on transformational leadership.

The implications from the academic point of view are as follows.

First, at a time when the importance of transformational leadership is being emphasized, this study on small and medium-sized enterprises, which have been lacking, confirmed that transformational leadership acts as an important mechanism to strengthen the job performance and job commitment of small and medium-sized enterprises. In addition, this study is meaningful in that it confirmed the effectiveness of internal change pursuit of organizational members through a model through transformational leadership that motivates organizational members to maximize their potential through empowerment and authentic speech and behavior of leaders.

Second, this study examined the influence of innovative work behavior as a mediating effect that further strengthens transformational leadership. In the study of corporate organizational members, it was found that leader trust had a significant mediating effect in the process of transformative leadership affecting job performance and job commitment.

Third, in this study, we confirmed the path that was rarely examined in previous studies in the

relationship between innovative work behavior and work commitment. According to the existing previous studies, if only the direction of enhancing the innovative work behavior of the organization members by promoting the work commitment is considered and utilized in the organization management, the result of this study suggests a new perspective of promoting the work commitment through the innovative work behavior. Through the results of this study, it was confirmed that innovative work behavior can work differently depending on the nature or specificity of the organization. Transformational leadership is a leader's influence that induces members to pursue organizational interests beyond individual interests and stimulates high-level desires to change members to produce more results. It worked more effectively when relational leader trust mediated. These findings are considered to be important data to confirm the effectiveness of transformational leadership in the current situation where research on transformational leadership is somewhat lacking.

5.3 Limitations of Research and Future Research Tasks

This study presented academic and practical implications through the above empirical analysis, but it has the following limitations.

First, there are some limitations in generalizing the results of this study, and the questionnaire survey was conducted on the members who are working in the organization in the field of SMEs. Therefore, from the viewpoint of the research subject, there may be problems such as the possibility that a large number of samples may have been obtained from employees engaged in similar tasks, and similar samples may have been obtained according to similar organizational culture. The results of the empirical analysis calculated through this study can be said to be meaningful in theoretical and practical terms, but in the future, it is necessary to consider the characteristics of SMEs' industries and industrial complexes.

Second, although this study is meaningful in that it is a study on transformational leadership targeting small and medium-sized enterprises, which has been lacking, it has limitations in that it has been conducted targeting a rather wide range of industries and job groups, such as small and medium-sized enterprises in Seoul and Gyeonggi-do. This study does not reflect the fact that SMEs are forced to perform various industries and jobs in order to survive in a rapidly changing environment, and that there is no choice but to make deviations according to specific industries or jobs.

Future studies should be conducted to consider the industrial complex and regional characteristics of SMEs, as well as detailed characteristics such as industry and job. In addition, this study focused on verifying the overall influence of transformational leadership on employees of SMEs, which has been lacking in the past, and all of the research hypotheses were adopted. Therefore, future research should confirm the influence of various sub-factors of transformational leadership. In the future, it is necessary to continue scalable research on the use of transformational leadership in SMEs, and it is necessary to expand the research model and key variables presented in this study. In the future, the research model for SMEs should be continuously studied according to various perspectives such as industry, industrial complex and region.

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