

# A Study on the Leadership of Team Leaders and the Organizational Commitment of the Followers in an Employment Service Agencies

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## 고용서비스 기관에서의 팀장의 리더십과 구성원의 조직몰입에 관한 연구

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**Abstract** The roles of public and private employment service agencies have been considered crucially important due to the increasing interest of employment services and policies since the Korean Currency Crisis. Eventually, the roles of a manager and a follower of employment service agencies have been of greater importance.

In this study, several means concerning the improvement in organizational performances are suggested by studying the leadership's influence of a team leader in employment service agency over the organizational commitment of the followers. In addition to this, influential factors exerted to the organizational performances in an employment service agency have been analysed by the justice awareness between the two groups - team leaders and followers.

The analytic results have shown that the transactional leadership has nothing to do with the organizational commitment whereas the transformational leadership has the positive influence over the organizational commitment. However, the leadership of a leader surely influences both distributional and procedural justice. With these facts, it has been proven that these justice have also influenced on the organizational commitment. Throughout the process, it has been identified that the distributional justice has more impact on the organizational commitment rather than on the procedural justice.

**요 약** 환란이후 우리나라에서 고용정책과 고용서비스에 대한 관심이 높아지면서 공공고용서비스기관과 민간고용서비스기관의 역할이 중요해지고 있다. 이에 따라 고용서비스기관에 종사하는 종사자들과 이들을 관리하는 관리자로서의 역할이 매우 중요하게 되었다. 본 연구에서는 고용서비스기관 팀장의 리더십이 종사자들의 조직몰입에 미치는 영향을 연구하여 고용서비스기관의 조직성과를 높이는 방안을 제시하고자 한다. 이와 더불어 고용서비스기관에서 팀장과 부하간에 공정성지각이 이러한 조직성과에 어떠한 영향을 미치는 지를 분석해 보고자 한다. 분석결과 변혁적 리더십이 조직몰입에 긍정적인 영향을 미치는 반면 거래적 리더십과 조직몰입의 관계는 증명되지 못하였다. 그러나 팀장의 리더십은 분배공정성과 절차공정성에 영향을 미치며 이를 통해 분배공정성과 절차공정성은 각각 조직몰입에 영향을 미침을 확인할 수 있었다. 이러한 과정속에서 분배공정성이 절차공정성보다 조직몰입에 더 영향을 미치는 것을 확인하였다.

**Key Word** : Transformational leadership, Transactional leadership, Organizational commitment, Distributional justice, Procedural justice

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## 1. Raising Issue and the Purpose of Study

### 1.1 Purpose and Background

Recently, with the rise of interest in leadership, the study of this field is in very active progress. Leadership is developed when a leader has interests on the followers, willing to guide them in career planning and/or tasks. In many previous studies, it is stated that the leadership has connections with growing organizational performances. However, it can be seen that the credibility or the justice awareness of the follower is recognized in the process of receiving and it plays much more important role rather than the leadership influencing on organizational performance or organizational effectiveness directly. Therefore, this study attempts to analyse the relationship of leadership and organizational performance, and the influential relation of the justice awareness in this matter.

In this research, the leadership which is recognized by the followers is divided into two parts - the transformational leadership and the transactional leadership. Then both leadership are used to analyse the influential relation to the effectiveness of an organization by the organizational commitment. By dividing the justice awareness into the distributional justice and the procedural justice as influential variables, the influential relations are examined.

This work will expand on the studies of leadership which the previous studies have dealt in the areas of the justice awareness variables such as distributional and procedural justice. Also, on the basis of this analysis, drawing up a plan for encouraging the leadership of team leaders in the employment service agency, is the main purpose of this study.

### 1.2 Compositions and Methods

To achieve the purpose of this study, the bibliographic studies were carried out into leadership and organizational performance, and justice awareness. Then the empirical analysis of workers in the public and private sectors of employment service agencies were done.

Theoretically, the theories were arranged according to the relation of leadership and organizational performance and the influential variables in this relation first. Then, for

the part of empirical analysis, the study was proceeded according to the relational analysis considering both distributional and procedural justice, including leadership and organizational performance. Lastly, on the basis of this analysis, implemental suggestions were made and several suggestions were presented to improve the organizational performance through leadership. The analyses were conducted by the method of the data collection of e-mailing or mailing questionnaires to 10 employment service agencies prepared on a foundation by preceding studies. Analyses were composed of fundamental things such as reliability analysis, factor analysis, and structural equation modeling analysis for each variable to examine the hypothesis with the help of AMOS 16.0.

## 2. Theoretical Background

### 2.1 Transactional Leadership and Transformational Leadership

The first study of transactional leadership and transformational leadership has been conducted by Burns(1978). Since then, Bass(1985) has developed details to the concept and built up an empirical foundation. Burns(1978) explains that the transactional leadership has the relation of accomplishment and compensation between the leaders and the followers. Accordingly, the transactional leadership is based on the exchangeable relation between leaders and followers and takes forms of compensation in exchange for one's job performance. And the leaders make it as a rule to interfere only in exceptional circumstances in their management of workers of organization, and the leaders have characteristics of not admitting followers' desires for individualizing and paying attention to the individual development.

Consequently, Bass(1985) divides the transactional leadership into contingent rewards and management by exception. Here, contingent rewards is leaders' compensation to the members of an organization such as salary, promotion, incentive, and rewards that are valued by the followers. Management by exception means to supervise an employee who wanders off in disharmony with the object of organization into intervention, correction and target management.

On the other hand, transformational leadership has begun from the criticism of transactional leadership, based on reciprocal exchangeable relation under the premise of continuous change of company. The transformational leadership requires followers to have higher vision and level of consciousness to cope with changes, and to give motivations for a fundamental change. Hence, Bass(1985) thinks that the transformational leadership is applicable to a society with many changes, especially in a crisis situation. In general, the transformational leadership consists of charisma, inspirational motivation, individual consideration, and intellectual stimulation. Charisma is for leaders to offer vision to impress the followers in order to trust leader's strong confidence and decision. Inspirational motivation indicates leader's high expectation to followers, and motivates to do one's best to realize shared vision. Individual consideration has a deep relation with the compliment and recognition for better subordinates, giving individual instruction and advices.

The leader act as a mentor to those who need to grow and develop. Intellectual stimulation is to encourage and assist for subordinates to solve the problems with active and creative thinking. In this study, the discussion about the transformational leadership will spread out by classifying charisma, individual consideration, intellectual stimulations according to the study of Bass(1996), excluding the inspirational motivation.

## 2.2 Organizational Commitment

Through leadership, the organizational performances can be listed as follow - job satisfaction, career satisfaction, turnover intention, organizational commitment, organizational citizenship behavior, career success, career outcome, career commitment, career assistance, organizational socialization. The discussion will focus on the organizational commitment among the variables of the organizational performances in this study. Generally, the process of leadership practice is to help the workers to focus and settle in the organization.

The organizational commitment defines the level of identification and dedication of a member to the organization. In general, commitment of an employee is very relevant to the leadership of a team leader. Moreover, people with high level of organizational commitment are eager to perform their jobs and have low

rate of turnover. So the organizational commitment can be summarized not only into the indication of loyalty to the organization but also to the active and positive relations for the growth of it. Cook and Wall(1980) have looked at the organizational commitment as the identification with organization, dedicational efforts, and long term-service willpower to an organization. Meyer and Allen(1990) have categorized the commitment into affective, continuous, and normative commitment. An affective commitment is formed if one's identity, logic and value are matched with the organization. Continuous commitment is developed when one is satisfied with the given compensation. Lastly, normative commitment is created if normative obligation is formulated within the organization.

Mowday, Porter and Steers(1982) have thought the organizational commitment as acceptance and belief to the objective, and value and struggling will to the organization, and the desire to belong as a worker of an organization. For the research, OCQ (organizational commitment questionnaire), which is used commonly nowadays, has been used. Tsui, Egan and Reilly III(1992) have accepted the concept of Mowday, Steers and Porter(1982), and formed the questionnaire and proceeded the empirical analysis.

## 2.3 A Study on the Leadership and Organizational Commitment

Relation of leadership and the performance study has been mainstreamed by the comparative study of the transformational and transactional leadership, expanding to the organizational performance later on. Job satisfaction, organizational citizenship behavior, organizational commitment and the effect of changing jobs are proposed as the organizational performances. Most studies have shown that leadership of team leader has positive effect on the organizational commitment. There are many scholars such as Bass(1985), Meyer & Allen(1991), Bycio, Hackett & Allen(1995). Bass(1985)'s study has identified that both leadership have meaningful effects on the organizational performance. Whereas Bycio(1995)'s study verified that the transformational leadership has no relationship with the organizational commitment.

In Korea, Kim, M. S. & Park, Y. B.(2001), Chang, S. T.(2004) have showed that the transformational leadership

has positive effect on the organizational commitment and Kang, S. K.(2002), Lee, S. K.(2006) have verified that the transactional leadership has an affirmative effect on the organizational commitment.

Meanwhile, the research of managers in an organization, Kang, J. C. & Choi, W. S.(2005), Kwak, Y. S.(2006), Chang, S. K.(2009) have identified that the transactional leadership has much more effect on the organizational commitment rather than on the transformational leadership in the influence degree according to the type of leadership.

On the contrary, there are many studies about the transformational leadership's prevailing impact on the organizational commitment rather than the transactional leadership. For example, Hater, J.J and B.M. Bass(1988) have learned that the transformational leadership has dominant impact on the subordinates' organizational commitment than the transactional leadership. Pyo, Y. T.(1998) also has asserted that the transformational leadership enhances the commitment of the members of an organization and lowers the turnover intention compared to the transactional leadership.

The analytic result for the administrative and corporate organization, Kim, H. J.(2001) has also found out that the transformational leadership has dominant influence on the organizational commitment only in corporate organization rather than the transactional leadership. Yang, H. R.(2002) has asserted that the transformational leadership is influential to the job satisfaction and the organizational commitment for secretaries than the transactional leadership in her study. Paik, J. C. & Jung, Y. K.(2003) have identified that the transformational leadership has more effect on the organizational commitment than the transactional leadership in the study for the managers of hotel management business.

## 2.4 A Study on the Justice Awareness

Adams(1963), the first to propound the theory of justice, has assumed that injustice is perceived in case where there are differences with others when comparing input and compensation ratio. So the followers in an organization perceive the justice and take an attitude depending on the action of the leader. In general, justice is divided into the distributional and the procedural justice. Firstly, the distributional justice means the level

of the justice from the distributive result of resources or compensation in an organization. The procedural justice means the degree of the justice awareness for the procedure or method of resources or compensation. Leventhal(1980) has presented the standards for the procedural justice into six factors which are consistency, exclusion of partiality to individual, accuracy to information, modifiability to decision, representation to concerns and maintenance to ethics. In addition, Sheppard and Lewicki(1987) have added rationalities, informations, timeliness, responsibility, communications and structural combination to the standards of Leventhal(1980). Folger and Bies(1989) have suggested feedback, justification of decision and reciprocal effects as well(Lee, B. W., 1998). Regarding the distributional and the procedural justice in personnel matters system as the main factors influencing on the organizational performance, this study look upon justice as the distributional justice and the procedural justice.

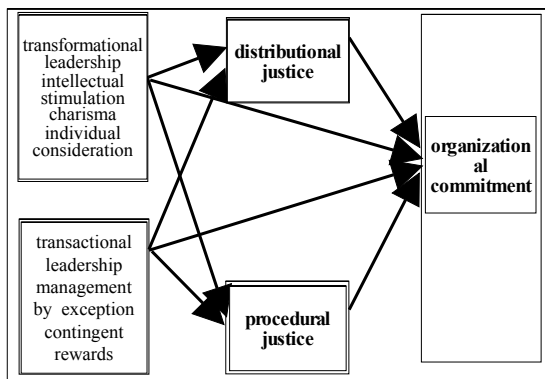
Korsgaard, Schweiger and Sapienza(1995) have argued that leadership of a team leader has direct relation with the justice awareness and the trust in one's boss. Folger & Konovsky(1989) have also argued that the justice related with procedure or distribution made between the leader and subordinates can affect the organizational commitment, the job satisfaction, and so on. Only the procedural justice appears to have more impact on the commitment of the members of an organization rather than on the distributional justice. Greenberg, J.(1990) has verified that the justice awareness influences the organizational commitment, and McFarlin & Sweeney(1992) have found the procedural justice concerns the organizational commitment and job satisfaction Kim, M. J. & Lee, H. J.(1992) have confirmed that 5 determinants of procedural justice including exclusion of partiality have impacts on the organizational commitment, job satisfaction, job commitment, payment satisfaction in their study. Jung, B. G. & Lee, S. S.(1999), Cho, K. H.(2000) have also made certain that the awareness of the procedural justice influences the organizational commitment. Lee, S. K.(2006) has viewed that the justice awareness mediate between the transactional leadership and the organizational commitment and has found that the justice awareness influences the organizational commitment.

### 3. Model and Hypothesis

#### 3.1 Model

This study is based on the theory already examined in the previous study and has tried to find transactional and transformational leadership influencing on the organizational commitment through the distributional justice and the procedural justice.

To achieve this, the model of the study has assigned transactional leadership as an independent variable, and has divided into the management by exception and contingent rewards. Transformational leadership is categorized into intellectual stimulation, charisma and individual consideration(Bass, 1995). A dependent variable is the organizational commitment. The justice awareness, as a mediating variable, is divided into the distributional and the procedural justice.



[Fig. 1] Model of the Study

#### 3.2 Hypothesis

On the basis of the theory already examined in the previous study, the hypothesis are made to achieve the objectives of this study. Firstly, on the basis of the previous study by Korsgaard, Schweiger and Sapienza(1995), four hypothesis are made, considering the leadership's effect on the justice awareness .

Hypothesis 1. The transformational leadership will make a positive impact on the distributional justice.

Hypothesis 2. The transformational leadership will make a positive impact on the procedural justice.

Hypothesis 3. The transactional leadership will make a positive impact on the distributional justice.

Hypothesis 4. The transactional leadership will make a positive impact on the procedural justice.

According to Bass(1985), Bycio et Al.(1995), Kim, M. S. & Park, Y. B.(2001), Kang, S. K.(2002), Lee, S. K.(2006), the leadership is positively influential on the organizational commitment. Especially, Pyo, Y. T.(1998), Kim, H. J.(2001), Yang, H. R.(2002), Paik, J. C. & Jung, Y. K.(2003) have claimed that the transformational leadership has more effect on the organizational commitment rather than the transactional leadership. Therefore, believing the transformational leadership's affirmative effect on the organizational commitment rather than the transactional leadership, Hypothesis 5 to 7 are set.

Hypothesis 5. The transformational leadership will make a positive impact on the organizational commitment.

Hypothesis 6. The transactional leadership will make a positive impact on the organizational commitment.

Hypothesis 7. The transformational leadership will make a positive impact on the organizational commitment rather than the transactional leadership.

Greenberg, J.(1990), Lee, S. K.(2006) have stated that the justice awareness has positive effect on the organizational commitment. Folger & Konovsky(1989) have confirmed that the procedural justice has more impact on the commitment of the members of an organization rather than on the distributional justice. For this reason, this study has also included Hypothesis 8 to 10.

Hypothesis 8. The distributional justice will make a positive impact on the organizational commitment.

Hypothesis 9. The procedural justice will make a positive impact on the organizational commitment.

Hypothesis 10. The procedural justice will make more positive impact on the organizational commitment rather than the distributional justice.

## 4. Empirical Analysis

### 4.1 Demographical Characteristics

Job counselors and mediators of 7 public and 4 private employment service agencies all over the country participated in the survey for this research. The survey was carried out for five weeks from Oct 25th, 2011 to Nov 30th, 2011 and total of 246 copies were used. 246 people were sampled and demographic characteristics are as follows.

Firstly, due to the characteristics of a job counsel or a mediator, the number of female outnumbered the male. Male was occupied by 33.3%(82 people) and female occupancy was 66.7%(164 people). Most of them were in the age range of 26 to 45. The highest was the 36-40 age range, accounted for 38.2%. Most of them had less than 15 years of working history and the majority of them had 6 to 10 years(83 people) of working experience. Lastly, there were 119 ordinary employees and 87 chief and deputy section chief.

[Table 1] Demographic characteristics of sample (n=246)

Classification		No. of people	Ratio(%)
Gender	male	82	33.3
	female	164	66.7
Age	20-25	6	2.4
	26-30	45	18.3
	31-35	56	22.8
	36-40	94	38.2
	41-45	36	14.6
	46-50	6	2.4
	51-	3	1.2
Length of Service	1-2	59	24.0
	3-5	47	19.1
	6-10	83	33.7
	11-15	49	19.9
	16-20	6	2.4
	21-25	1	0.4
	26-	1	0.4
Position	ordinary follower(9 degree)	119	48.4
	chief and deputy section chief(7-8 degree)	87	35.4

section chief and deputy department head(6 degree)	15	6.1
department head (5 degree)	3	1.2
above director (4 degree)	1	0.4
others	21	8.5

### 4.2 Questionnaire and Method of Analysis

The questionnaire used in this study was formed into four parts such as leadership, justice awareness, organizational performances, having and 31 questions in total. Transactional leadership and transformational leadership questionnaire of Podsakoff, Mackenzie, Moorman & Fetter(1990) and Bass(1985) were used for the leadership questions. They were composed into 7 questions dealing with the transformational leadership such as charisma(inspirational motivation), intellectual stimulation and individual consideration and 4 questions dealing with the transactional leadership such as contingent rewards and management by exception. For the organizational commitment, which was regarded as a resultant variable of the leadership, 10 questions made by Tsui, Egan & O'Reilly III(1992) were used. Justice awareness had 10 questions, including 4 distributional justice and 6 procedural justice invented by Niehoff & Moorman(1993). All of the above variables were composed of 7 points scale by Likert.

Data analyses gathered by this method was processed by SPSS program. Frequency analysis was measured first for the measurement of statistical characteristics of the participants. And the reliability and validity are analysed for the verification of the hypothesis. For the validity of variables, exploratory factor analysis was carried out. For the reliability, Cronbach's Alpha Coefficient was checked. Lastly, for the verification of hypothesis, framed conducted analysis of Structural Equation Model and AMOS 16.0 program were used for the statistical disposal.

### 4.3 Verification of Validity and Reliability of the Questionnaire

First of all, exploratory factor analysis was conducted for the verification of validity of this study. In each case, if the loaded scale of factors in constructional concept was above 0.5, it was regarded as valid. Then, five factors were abstracted from the principal component analysis and varimax rotation.

[Table 2] Result of Exploratory Factor Analysis

Concept	Item	Component					Cronbach's $\alpha$
		F1	F2	F3	F4	F5	
Transformational leadership	f1	.290	.721	.290	.248	.148	.949
	f2	.299	.752	.312	.149	.193	
	f3	.252	.720	.148	.213	.203	
	f4	.278	.766	.357	.159	.164	
	f5	.318	.687	.327	.153	.204	
	f6	.311	.633	.469	.173	.122	
	f7	.318	.665	.406	.200	.230	
Transactional leadership	f10	.269	.458	.295	.314	.541	.886
	f11	.273	.454	.337	.254	.608	
	f12	.154	.294	.140	.188	.843	
Distributional justice	f13	.262	.136	.273	.694	.337	.898
	f14	.318	.265	.159	.737	.124	
	f15	.340	.225	.202	.790	.049	
	f16	.304	.210	.348	.711	.179	
Procedural justice	f17	.351	.382	.625	.362	.167	.958
	f18	.308	.362	.739	.225	.140	
	f19	.363	.407	.702	.225	.149	
	f20	.336	.381	.707	.250	.192	
	f21	.271	.283	.734	.271	.214	
	f22	.331	.360	.726	.168	.078	
Organizational commitment	f23	.665	.334	.196	.117	.212	.960
	f24	.806	.162	.161	.267	.147	
	f25	.795	.216	.180	.259	.163	
	f26	.795	.204	.272	.213	.213	
	f27	.745	.271	.379	.238	.094	
	f28	.786	.233	.308	.251	.071	
	f29	.783	.256	.308	.279	.032	
	f30	.747	.353	.156	.229	.033	
	f31	.658	.273	.172	.227	-.022	
	f32	.680	.159	.224	.036	.266	
Eigenvalue		7.405	5.631	4.908	3.498	2.158	
Explanatory ratio		24.683	18.771	16.361	11.669	7.193	
Accumulative explanatory ratio		24.683	43.453	59.814	71.473	78.666	

Through the process, two factors had been eliminated in the transactional leadership, which then was reduced to three. So three items of transactional and seven items of transformational leadership were conducted. In the area of the justice awareness, four items in the distributional justice, six items of procedural justice and ten items in the organizational commitment. Total of 30 items were analysed by factors and the result showed above 0.5 level in the loaded scale of factors. Moreover, the number of factors resulting in the value of Eigenvalue exceeding 1 appeared to be five items and accounted for 78% of variance. Therefore, the conceptual validity was explained.

These factors had KMO measurement of 0.965. Also,

compositional screening measurement by Bartlett was 7982.707 and signified at the degree of  $p < .001$ . Therefore, the selection of variable for factor analysis and the model of analysis proved to be appropriate. For the measurement of reliability, the value of Cronbach's Alpha which concerned the internal consistency reliability was measured. Cronbach's Alpha value showed above 0.8, so the validity and reliability were secured in general.

[Table 3] Result of Affirmative Factor Analysis

Concept	Item	Standard loading	SE	CCR	AVE
Transformational leadership	f1	0.846	-	0.911	0.594
	f2	0.877	0.056		
	f3	0.749	0.059		
	f4	0.902	0.054		
	f5	0.851	0.054		
	f6	0.855	0.058		
	f7	0.894	0.054		
Transactional leadership	f10	0.863	-	0.831	0.623
	f11	0.918	0.054		
	f12	0.760	0.058		
Distributional justice	f13	0.806	-	0.846	0.579
	f14	0.795	0.087		
	f15	0.858	0.079		
	f16	0.877	0.069		
Procedural justice	f17	0.885	-	0.923	0.668
	f18	0.903	0.051		
	f19	0.928	0.047		
	f20	0.920	0.047		
	f21	0.857	0.051		
	f22	0.853	0.053		
	f23	0.753	-		
Organizational commitment	f24	0.871	0.097	0.934	0.587
	f25	0.882	0.093		
	f26	0.900	0.094		
	f27	0.912	0.096		
	f28	0.916	0.098		
	f29	0.918	0.104		
	f30	0.828	0.101		
	f31	0.707	0.085		
	f32	0.683	0.097		

$X^2 = 831.780$  (df=395,  $P=0.000$ ), CFI=0.945, NFI=0.900, GFI=0.890, IFI=0.945, RMSEA=0.067

After exploratory factor analysis, for the appraisal of suitability in compositional relation, affirmative factor analyses were conducted. Table 3 shows that conceptual validity is secured by above 0.5 standard loaded scale in measurement items and convergence validity and internal consistency is secured by above 0.5 variance extract and

above 0.8 conceptual reliability. And the suitability( $X^2=831.780(df=395, P=0.000)$ ) of this study by affirmative factor analysis turned out to be adequate. Besides other figures such as CFI=0.945, NFI=0.900, GFI=0.890, IFI=0.945, RMSEA=0.067 secured standard and seemed to have no problems (Kim, G. S. 2008). In case of distinction validity used to tell one from the other in one model, AVE(validity extract) looked to have distinction validity because it was higher than the square of correlation coefficient among the variables.

Table 4 shows correlation among the variables in this study. All the relations of the transformational leadership (the transactional leadership) and the transactional leadership (the transformational leadership), the distributional justice, the procedural justice and the organizational commitment show the positive relationship. And the distributional and the procedural justice have meaningful influence on the transformational and transactional leadership and the organizational commitment, so those indicate possible prediction as a major role to explain the relations.

[Table 4] Correlation of Compositional Concept

Concept	Average	SD	1	2	3	4	5
1. Transformational leadership	4.41	1.19	1				
2. Transactional leadership	4.72	1.13	.756**	1			
3. Distributional justice	4.29	1.12	.634**	.639**	1		
4. Procedural justice	4.39	1.26	.825**	.695**	.694**	1	
5. Organizational commitment	4.42	1.15	.710**	.604**	.685**	.733**	1

\*\* p<.01

#### 4.4 Verification of Hypothesis

For the decision of suitable explanation, the model suitability analysis was conducted to verify the hypothesis through the relations among the variables. The suitability of model was generally verified by using the absolute fit measures, the incremental fit measures and the simple fit measures and the results are as below. Consequently, with  $X^2=856.97$  and the degree of freedom 396 ( $P=0.000$ ), Q value resulted in 2.16, which was suitable due to the lowness than the standard 3. Moreover, other figures

(CFI=0.942, NFI=0.897, GFI=0.818, IFI=0.942, RMSEA=0.069) seemed to be appropriate to this study.

[Table 5] Results of Structural Analysis

Route	Coefficient ( $\beta$ )	S.E.	C.R.	Hypothesis
Transformational leadership → Distributional justice	.221	.085	2.604**	Hypothesis1
Transformational leadership → Procedural justice	.689	.083	8.262***	Hypothesis2
Transactional leadership → Distributional justice	.416	.094	4.424***	Hypothesis3
Transactional leadership → Procedural justice	.226	.083	2.738**	Hypothesis4
Transformational leadership → Organizational commitment	.169	.080	2.124*	Hypothesis5
Transactional leadership → Organizational commitment	-.049	.075	-.661	Hypothesis6
Distributional justice → Organizational commitment	.325	.066	4.947***	Hypothesis8
Procedural justice → Organizational commitment	.243	.068	3.556***	Hypothesis9

$X^2=856.97(df=396, P=0.000)$ , CFI=0.942, NFI=0.897,

GFI=0.818, IFI=0.942, RMSEA=0.069

\*) \*p<.05, \*\*p<.01, \*\*\*p<.001

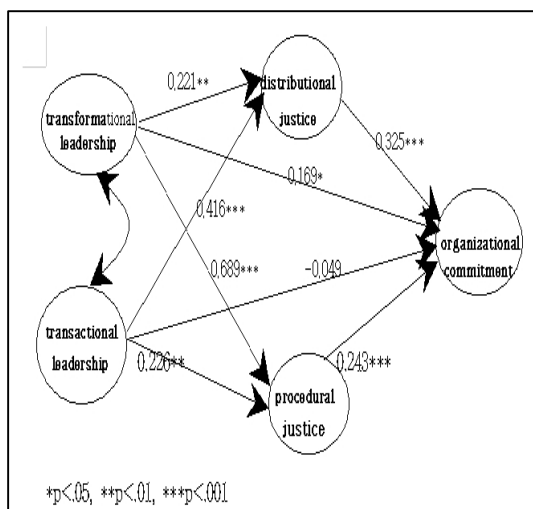
Analytical results of models showed that hypothesis 1 (the transformational leadership will have positive effect on the distributional justice) looked significant by C.R. value of 2.604 at the level of  $p<.01$ . Also, the transformational leadership had positive impact on the procedural justice, the transactional leadership had also positive impact on the distributional justice and the procedural justice as well. Next, the relation between the transformational leadership and the organizational commitment (hypothesis 5) seemed to be significant as the C.R. value of 2.124 but the relation between the transactional leadership and the organizational commitment was not established.

For this reason, hypothesis 7 (the transformational leadership will have more impact on the organizational commitment rather than the transactional leadership) was proved to be true. These results were different from Chang, S. I.(2009) but corresponded with Pyo, Y. T.(1998), Kim, H. J.(2001), Yang, H. R.(2002), Paik, J. C. & Jung, Y. K.(2003).

Lastly, the distributional justice and the procedural justice turned out to have affirmative influence on the

organizational commitment. However, the distributional justice proved to have more effect on the commitment of the members of an organization rather than on the procedural justice, which was different from the study of Folger & Konovsky(1989). Therefore, hypothesis 10 was rejected.

The analytical result of structural equation model on the basis of model established in this study is proposed in Picture 2. The relations of variables indicate the standardized regression coefficient of the transformational leadership and the distributional justice is 0.221, and the transactional leadership and the distributional justice is 0.416. Also the regression coefficient of the transformational leadership and the procedural justice is 0.689, and the transactional leadership and the procedural justice is 0.226.



[Fig. 2] Analytical Result of Structural Equation Model

## 5. Conclusion

Recently, as the unemployment rate is on the rise and the employment matters have been a big social issue, the role of employment service agencies dealing with job placements has increased. When we see the different effect of job placement by the role of people of public or private employment service agencies, this study of the relation in the leadership of team leader and employees can provide lots of suggestions.

The original purpose of this study is to analyse the influences made on the organizational commitment of subordinates by the leadership of a team leader and to determine the roles of the justice awareness in this process. As a result of the analysis, the leadership of a team leader was found to have impact on the organizational commitment of a follower but direct impact was limited to the transformational leadership. In another words, the transformational leadership of leaders showed the affirmative influence on the organizational commitment of followers. This came in result because the employment service agency is an organization which deals with revolutionary new works and increasing workload. In this connection, to enhance the effect of a job placement, in the course of requiring changing and diversifying job in accordance with the new system, the transformational leadership of leaders were required.

The transformational and the transactional leadership had affirmative effects on both distributional and the procedural justice respectively in accordance with the original expectation. Both distributional and procedural justice had positive effect on the organizational commitment, but the distributional justice proved to be more influential to the commitment of the members of an organization rather than the procedural justice. It seemed to be more important for leaders to treat subordinates with fairness in workload, wage level rather than the procedural justice.

To sum up, the leadership of a team leader with fairness enables the members of organization to focus on the work, to work with loyalty. In this course, not only to treat fairly in gathering the opinions and business procedures but also to do justly in assigning jobs and receiving the suitable payment are considered as more important factors.

The implications by this study are as follows. Firstly, this analysis about the relation of the leadership of a team leader and the organizational commitment of subordinates in employment service agency as central force of prospering employment service has great significance to find a way to enhance the organizational performances. In other words, the transformational leadership in the leadership of team leader requiring change and coping with new system is more stressed in the employment service agency.

Secondly, in case of the transactional leadership, the organizational commitment of subordinates can be brought about by the justice awareness. When the justice is secured, the transactional leadership can affect the organizational concentration.

Thirdly, the distributional justice turned out to have more effect on the commitment of followers rather than on the procedural justice. Currently, many of employment service agency think that the distributional justice in the job assignment and payment are more important rather than the procedural justice, so particular justice is needed. Therefore, there are suggestions for the leaders at employment service agency to participate actively in appropriate job assigning and job rotations.

Lastly, there were some insufficient circumstanced factors which gave a limitation to this study. First was not having a through comparison of the public and private employment service agencies due to lack of sampling from the private agencies, which are very rare in this society. Another factor was that even though there was time difference between the leader's leadership and the organizational commitment of subordinates, the research was depended on cross sectional data at one time. Complementing these limitations, we look forward for more sophisticated study in the future.

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### <Research Interests>

Leadership, Organization