Effect of organisational integrity and leadership behaviour on organisational excellence: Mediator role of work engagement

3 authors:

Hadi AL-Abrrow
University of Basrah

23 PUBLICATIONS   204 CITATIONS

Hasan Oudah Abdullah
Basra University College of Science and Technology

13 PUBLICATIONS   97 CITATIONS

Nadia Atshan
Southern Technical University -Iraq

3 PUBLICATIONS   22 CITATIONS

Some of the authors of this publication are also working on these related projects:

Show Your Achievements 😄 View project

🌐 Global Platform To Showcase Your Research View project

emerald**insight**

International Journal of Organizational Analysis

Effect of organisational integrity and leadership behaviour on organisational excellence: Mediator role of work engagement
Hadi AL-Abrrow, Hasan Abdullah, Nadia Atshan,

Article information:

For Authors

If you would like to write for this, or any other Emerald publication, then please use our Emerald for Authors service information about how to choose which publication to write for and submission guidelines are available for all. Please visit www.emeraldinsight.com/authors for more information.

About Emerald www.emeraldinsight.com

Emerald is a global publisher linking research and practice to the benefit of society. The company manages a portfolio of more than 290 journals and over 2,350 books and book series volumes, as well as providing an extensive range of online products and additional customer resources and services.

Emerald is both COUNTER 4 and TRANSFER compliant. The organization is a partner of the Committee on Publication Ethics (COPE) and also works with Portico and the LOCKSS initiative for digital archive preservation.

*Related content and download information correct at time of download.

Effect of organisational integrity and leadership behaviour on organisational excellence

Mediator role of work engagement

Hadi AL-Abrrow

*Department of Business Administration, College of Administration and Economic,
University of Basrah, Basrah, Iraq, and*

Hasan Abdullah *and* Nadia Atshan

*Business Administration Department,
Basrah University College for Science and Technology, Basrah, Iraq*

Abstract

Purpose – The purpose of this paper is to study the effect of organisational integrity and leadership behaviour on organisational excellence by considering the mediating role of work engagement in the banking sector.

Design/methodology/approach – The quantitative (questionnaire survey) design was used to gather data from 285 employees of the banking sector in Southern and Central Iraq.

Findings – The findings revealed a partial mediation role of work engagement in the relation between organisational integrity and organisational excellence and a full mediation role between leadership behaviour and organisational excellence.

Research limitations/implications – Managers need to understand that the impact of their leadership behaviour on organisational outcomes; they also have to understand how people think and what motivates them positively. Therefore, managers must deal with employees as internal customers and realise that their satisfaction and performance is the satisfaction of external customers.

Originality/value – Few studies have dealt with this topic in the in developing countries such as Iraq. The increases the strength of competition in the Iraqi banking sector pays more attention to the search for excellence. Therefore, more research efforts are needed for achieving organisational excellence in this sector.

Keywords Work engagement, Leadership behaviour, Organizational excellence

Paper type Research paper

Introduction

Public banks in Iraq are facing stiff competition in terms of services delivery quality owing to the development and expansion of private banks. In this scenario, public banks have to strive for organisational excellence, and this heavily depends on employees' skills (Moon and Hamilton, 2013; Anand, 2017; Ramirez *et al.*, 2018). Therefore, in recent years, there has been a need to study the organisational leadership integrity and behaviours in the context of developing countries, particularly those countries having religious and cultural diversity. It is believed that leadership behaviour and integrity have different meanings and understanding in this context (Njoku, 2013). The Iraqi context, which is one of these contexts, it was and still is to suffer from these challenging and problems related to the ethical behaviours of leaders. Leaders/managers are perceived to be the organisational representatives and their behaviour will consequently affect employees' attitude towards the organisation (Parry and Proctor-Thomson, 2002; Kayes *et al.*,

2007). Perception of employees about managers' integrity will inevitably effect work processes and will have an impact on the extent to which employees relate to their work "work engagement" (Avolio and Gardner, 2005; Vogelgesang *et al.*, 2013; Abdullah and Marican, 2017).

A wide range of studies have used work engagement as a mediator that links organisational inputs and outputs (Hakanen *et al.*, 2006; Babcock-Roberson and Strickland, 2010; Salanova *et al.*, 2011; Babelan *et al.*, 2017). But what the study will try to test is to test it with inputs and outputs at the organisational level as shown in current study model (Figure 1), which adds a different dimension of knowledge than previous studies.

In particular, the current study suggests that measuring organisational integrity alongside leadership behaviour will provide an accurate and clear explanation of the importance that managers should focus on disseminating their culture of integrity All this is aimed at successfully developing the organisations planning to achieve organisational excellence (Perkmann *et al.*, 2011; Goetsch and Davis, 2014; Hassanpour, 2014; Golmohammadi *et al.*, 2016).

This will explain to us how employees in service organisations in general and banking are responding to their perceptions of the intentions and behaviour of leaders.

Moreover, the ethical climate that will be determined by the degree of organisational integrity will determine not only the reaction of the employees towards organisational environment but also the level of the prevailing organisational ethics (Parry and Proctor-Thomson, 2002). This suggests s that a match between words and actions of managers will not only affect employees' motivation towards work but also affect their behaviour and push them to follow their managers.

This ethical aspect is important not only in gaining the trust of the employees but also in gaining the trust of the public benefiting from the service and thus achieving excellence (Boardman and Klum, 2001; Grojean *et al.*, 2004). A successful leadership must balance the focus on three things: employees, customers and services. This focus, if achieved, will also contribute to organisational excellence (Darling, 1999).

Although the great challenges and difficulties in the Iraqi context in this times. The banking sector in Iraq is growing with a great desire to provide quality services. Especially, when the Government is also encouraging the private sector to grow and expand. This increases the strength of competition among them and pays more attention to the search for excellence. Therefore, more research efforts are needed for achieving organisational excellence in the Iraqi banking sector.

Theory and hypotheses

This section seeks to justify the variables and to develop hypotheses. The discussion starts with the main variable (i.e. work engagement) and then move forward with its determinants

Figure 1.
Study model
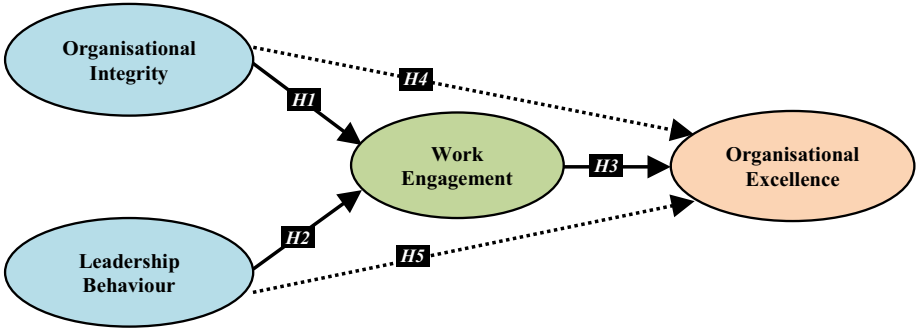
(i.e. organisational integrity and leadership behaviour), before discussing its outcome (i.e. organisational excellence).

Work engagement

Organisations are more interested in investing in human capital development to achieve the best possible performance (Seligman and Csikszentmihalyi, 2000; Luthans, 2002). In this regard employees' work engagement remains the main focus. It is defined as a state of mind positively linked to work and characterised by vigour, dedication and absorption (Schaufeli *et al.*, 2002). This connects employees mentally and emotionally with their work to deal well with the demands of the work. It also encourages employees towards innovates solutions to organisational problems (Schaufeli *et al.*, 2006).

Work engagement is conceptualised differently. First, it is a situation that can be measured in three dimensions, i.e. energy, involvement and efficacy (Maslach *et al.*, 1996). The second opinion is that work engagement consists of three dimensions including physical, emotional and cognitive (May *et al.*, 2004). Still, it is seen as a distinct concept that is negatively related to burnout and measured in terms of vigour, dedication and absorption) (Schaufeli *et al.*, 2002). The current study adopts the last view of work engagement.

Organisational integrity and work engagement

Moral degradation of staff is detrimental to the organisations. This requires the building of an integrated ethical awareness within the organisation to develop integrity through changing organisational control practices, clearly defined organisational principles and purpose, core values, culture, procedures and daily practices (Kayes *et al.*, 2007; Prottas and Nummelin, 2018).

Integrity is a perception derived from moral principles that vary from individual to individual (Parry and Proctor-Thomson, 2002). In the context of an organisation, integrity is defined as the appropriate behaviours of organisational members as honest, faithful and caring. Organisational integrity is not only desirable but also essential for the long-term survival of the organisation because it will have long-term positive consequences such as positive organisational culture, reduced levels of staff turnover and improved performance (Parry and Proctor-Thomson, 2002). Integrity is a leadership trait characterised by morality and ethics (Parry and Proctor-Thomson, 2002; Vogelgesang *et al.*, 2013). Integrity characterised ethical language of decision-making, structural support and procedures to facilitate the decision-making process, creating an open culture, responsibility and commitment to multiple business goals and attention to employees' development (Kayes *et al.*, 2007; Engelbrecht *et al.*, 2017). Organisational integrity is defined as an alignment between words and actions (Simons, 2002; Dineen *et al.*, 2006; Vogelgesang *et al.*, 2013).

Some studies have focused on perceived integrity only "authenticity", while others have focused on perceived behavioural integrity "fit between words and deeds" (Parry and Proctor-Thomson, 2002), As the recent period has seen a shift to integrity as the actual behaviour of leaders and managers (Vogelgesang *et al.*, 2013). particularly about exploring performance and business outcomes (Dineen *et al.*, 2006; Simons *et al.*, 2007; Coffey *et al.*, 2018).

The results of Vogelgesang *et al.* (2013) study show that employees who see leaders' behaviour as integrity and transparent are more engaged in their work. An honest leader will instill confidence in employees that the best thing to do is to connect deeply with the work and the required roles. Therefore, the leader who fulfills his promises and implements his/her words will convey a message to employees and hence to engage them with their work (Avolio and Walumbwa, 2006; Engelbrecht *et al.*, 2017; Coffey *et al.*, 2018). Based on

IJOA

the idea that a positive relationship between the leaders and the subordinate are positively linked to their work engagement (Xu and Cooper Thomas, 2011; Prottas and Nummelin, 2018). Many studies have concluded that there is a positive relationship between organisational integrity and work engagement (Vogelgesang *et al.*, 2013; Engelbrecht *et al.*, 2017; Prottas and Nummelin, 2018). Hence, we can state the following hypothesis:

H1. Organisational integrity is positively related to work engagement.

Leadership behaviour and work engagement

Leadership is the process of social influence on the perception and attitudes of subordinates at the individual or collective level to obtain the best positive behaviour of the organisation (Duursema, 2013; Njoku, 2013). Some may argue that the era of technology and growing sophistication has diminished the importance of human resources, but in fact, the human resource has become more important to the organisation, in same time dealing with them has become more difficult and complicated (Von Dran, 2005; Njoku, 2013). It is also noted that the perception of human beings has shifted from being the tools of achieving the goals to be the main nucleus of the organisation (Von Dran, 2005; Abdullah and Marican, 2017).

Employees assess leaders based on many perceived traits and practices, such as ethics, motivation, inspiration, care, honesty and integrity, justice, trust, appreciation, etc. (Njoku, 2013). Evolution of the concept of leadership through charisma, characteristics and traits, actual behaviour, behaviour according to contingency theories, transformational, empowerment, ethical and other concepts that appear from time to time (Von Dran, 2005). It is important to explore leadership behaviour in organisations working in developing countries, especially when society consists of different ethnicities, sects and religions (Njoku7, 2013). In organisations of different types and sizes, leaders are responsible for strengthening and empowering human resources (Bennis and Nanus, 1985; Duursema, 2013). The good leader is the one who has the flexibility to use different behaviour for each situation. For example, in the event of a crisis, he should highlight charisma in the calm and push efforts to discover the problem, while, he should be able to manage the impression and deal with others when the crisis is resolved (Njoku, 2013). It is common knowledge that leaders determine the nature of the work environment, which in turn determines the positive or negative employees' attitudes towards work.

Every employee or group of employees is different with respect to his/her level of proximity and attachment to work (Kahn, 1990; Abdullah and Marican, 2017). There are many signs that leadership in all its concepts (e.g. charismatic, transformational and authentic leadership) affects the extent of the employees' psychological and physical connection in work (Zhu *et al.*, 2009; Babcock-Roberson and Strickland, 2010; Giallonardo *et al.*, 2010) because effective leaders will focus on encouraging and supporting followers to derive their internal motivation for work. This increases their engagement in the work (Avolio and Gardner, 2005; Meyer and Gagne, 2008; Abdullah and Marican, 2017). Based on the above, we can put the following hypothesis:

H2. Leadership behaviour is positively related to work engagement.

Work engagement and organisational excellence

There are several key concepts of organisational excellence, i.e. focus on results and customer satisfaction, leadership and consistent goals, management by processes and facts, employee development and participation, learning, innovation and creativity, social

responsibility, etc. (Goetsch and Davis, 2014; Houshi and Taleghani, 2016). Organisational excellence is the development of plans to achieve organisational prosperity, which is consistent with the organisation and its environment, It ensures the process of implementation of these plans and its evaluation based on the tools of total quality management (TQM), continuous improvement and organisational learning (Perkmann *et al.*, 2011; Goetsch and Davis, 2014; Houshi and Taleghani, 2016). Organisational excellence has also been defined as the growth and strengthening of the organisation in various fields, which in turn satisfy all stakeholders and achieve organisational prosperity on a long-term basis (Shirvani and Iranban, 2014). Organisational excellence is an organisational commitment to sustainable development through the improvement of organisational culture, the working environment and human resources (Hassanpour, 2014; Golmohammadi *et al.*, 2016).

In the past, strategic planning has been sufficient in the evolution of organisations and changing them in a planned manner. Today, in an unstable business environment, maintaining the sustainability and excellence of organisational processes has become very difficult (Fiorelli and Feller, 1994; Houshi and Taleghani, 2016). In recent times, research has found that work engagement is positively related to organisational as well as individual performance (Hakanen *et al.*, 2006; Ramirez *et al.*, 2018). Also, the extent to which employees are committed to what they are responsible for may directly affect the level of customer satisfaction and thus organisational excellence (Tutuncu and Kucukusta, 2007). Therefore, we expect the work engagement will contribute to inculcate the culture of organisational excellence (Houshi and Taleghani, 2016; Anand, 2017). Where organisational excellence is created based on the quality and effectiveness of employees (Perkmann *et al.*, 2011; Ramirez *et al.*, 2018). Because, one of the requirements of organisational excellence is excellence in human resources, and the first seed of excellence in human resources is their increased involvement in work (Houshi and Taleghani, 2016; Stoyanova and Iliev, 2017). Shirvani and Iranban (2014) argued that attention to human power and focus on the discovery and developments of their positive aspects are the most important tools of organisational excellence (Stoyanova and Iliev, 2017). Work attitudes, including work engagement, are important factors in achieving organisational excellence (Golmohammadi *et al.*, 2016; Anand, 2017; Ramirez *et al.*, 2018). Therefore, we can put the following hypothesis:

H3. Work engagement is positively related to organisational excellence.

Mediator role of work engagement

Organisational culture determines the extent to which the organisation is distinguished in the different areas it seeks to achieve (Qawasmeh *et al.*, 2013; Kassem *et al.*, 2017). Effective leadership contributes to organisational excellence (Hashemi and Ghajari, 2014). Eskildsen and Dahlgaard's model suggested that leadership contributes to overall organisational performance through its impact on employees' outcomes (Eskildsen and Dahlgaard, 1999). Excellent organisations characterised a positive relationship between employees and managers (Momghani, 2010; Babelan *et al.*, 2017). Parry and Proctor-Thomson (2002) found a positive relationship between perceived integrity and organisational effectiveness. Work engagement is one of the potential factors that can contribute to the improvement of the organisational process (Thor, 2012). Active leadership is what attracts and maintains good and talented employees and hence contribute to increased productivity and better performance for external customers (achieving excellence) (Serrano and Reichard, 2011).

In this study, employee attitudes are the focus in determining the impact of leadership and its behaviour and integrity in organisational excellence. This is in line with many

studies those have been based on work engagement (attitudes) as a mediator variable in the relationship between inputs to organisational work and its individual or organisational outputs (Hakanen *et al.*, 2006; Babcock-Roberson and Strickland, 2010; Salanova *et al.*, 2011; Babelan *et al.*, 2017). As a replication of these findings, we hypothesised the following:

H4. The relationship between organisational integrity and organisational excellence is mediated by work engagement.

H5. The relationship between leadership behaviour and organisational excellence is mediated by work engagement.

Method

Respondents and procedure

This research has been carried out in the banking sector of Southern and Central Iraq. Initially, a total of 1,490 employees were identified as potential participants to this research. Finally, 305 employees were selected for the purpose of data collection (Thompson, 2002). Out of 305 distributed questionnaires, a total of 285 filled questionnaires were received with a response rate of 93 per cent:

$$n = \frac{N \times p(1-p)}{[[N-1 \times (d^2 \div z^2)] + p(1-p)]}$$

The questionnaire was translated into Arabic in a literal manner to ensure that it is understandable for all participants. It was also done to intact the content validity of the measuring instrument. The questionnaire consisted of (50) items covering the four major variables, with answers on a five-point scale.

Measures

Following is the description of various scales used to determine the variables of this study.

- *Work Engagement:* A nine-item scale (UWES-9, Shortcut original scale 17 item) developed by (Schaufeli *et al.*, 2002, 2006) was used, which was divided into three dimensions: Vigor: 3 items (e.g. *"At my work, I feel bursting with energy."*), Dedication: 3 items (e.g., *"I am enthusiastic about my job."*), and Absorption: 3 items (e.g., *"I feel happy when I am working intensely"*). The reliability and validity of the scale have been verified (Schaufeli *et al.*, 2006).

- *Organisational integrity:* A one-dimensional scale developed by Simons *et al.* (2007) was used. It consists of 8 items (e.g. *"There is a match between my manager's words and actions."*), It has a reliability estimated at ($\alpha = 0.91$).

- *Leadership behaviour:* A scale developed by Duursema, (2013), consisting of 13 items (e.g. *"My manager focus on long-term objectives."*), was used. It is also a one-dimensional construction.

- *Organisational excellence:* Qawasmeh *et al.* (2013) scale was used to measure organisational excellence, which consists of four dimensions and 20 items, divided equally into each dimension: Management Excellence (e.g. *"Bank management is excellently capable of achieving organisational effectiveness."*); Employees Excellence (e.g. *"Bank employees own excellent mental capabilities."*); Organisational Structure

Excellence (e.g. *"Bank structure clearly defines lines of authority and responsibility."*);
and Strategy Excellence (e.g. *"Efforts are always dedicated to achieve bank strategic
objectives."*). This measurement has been tested in a similar service sector has
obtained the coefficient of Cronbach's alpha ($\alpha = 0.96$).

Data analysis
Confirmatory factor analysis
This study used structural equation modelling (SEM) to assess model fit and to test how
well the data fit the measurement and structural models, by comparing the models based on
multiple fit and then choose the best model, as shown in the Table I. This was done using
AMOS V.23 and is dependent on the following indicators:

- root mean square error of approximation (RMSEA), and standardised root mean
  square residual (SRMR), both have to be less than 0.08 (Arbuckle, 2006);
- comparative fit index (CFI);
- incremental fit index (IFI);
- normed fit index (NFI), the CFI, IFI and NFI value has to be equal or more than 0.90
  (Bentler and Bonett, 1980; Hair *et al.*, 2009);
- the ratio between χ^2 (Chi-square) and *df* (degree of freedom) χ^2/df, that has to be
  less than 2.5 (Arbuckle, 2006).

In begin, we tested the single factor (M1), so that all variables as one latent factor, and the
following result was reached: $\chi^2/df = 3.43$; CFI = 0.61; IFI = 0.62; NFI = 0.63; RMSEA =
0.20; SRMR = 0.22 > After that, we tested the two-factor (M2), organisational excellence was
considered the first latent factor and other factors were designated to the second latent
factor, this results as under: $\chi^2/df = 2.92$; CFI = 0.78; IFI = 0.79; NFI = 0.79; RMSEA = 0.14;
SRMR = 0.15.

Finally, the three-factor (M3) was tested, where, organisational excellence was again
considered to be the first latent factor, and organisational integrity and leadership behaviour
as a second latent factor; whereas the third latent factor included work engagement because
the work engagement is the most distinguished from other variables and the most used as a
mediator variable in previous literature. This resulted following: $\chi^2/df = 1.64$; CFI = 0.92;
IFI = 0.93; NFI = 0.92; RMSEA = 0.06; SRMR = 0.07.

Based on the above, and because of the (M3) characterised by the constructs and
discriminant validity, as well as it contains the best data for this study's sample (Hair *et al.*,
2009). In addition, it is shown that the indicators of that model (three-factor) are the best.
Also, findings showed that most relationships between the indicator variables and the latent
variables were statistically significant.

Models	RMSEA	SRMR	CFI	IFI	NFI	χ^2/df
M1	0.20	0.22	0.61	0.62	0.63	3.43
M2	0.14	0.15	0.78	0.79	0.79	2.92
M3	0.06	0.07	0.92	0.93	0.92	1.64

Source: AMOS. V. 23 program outputs

Table I.
Assessing the models
fit

Descriptive statistics
Table II demonstrates descriptive statistics (means, standard deviations) and correlations among the study variables. It does not suggest multicollinearity problems, as all correlation coefficients are comfortably lower than 0.55. We also used Cronbach's alpha to verify the reliability of study measures and their internal consistency. Also, as shown as in Table II, the value of Cronbach's alpha (in parentheses) of variables is greater than 0.70 and is statistically acceptable in administrative and behavioral research (Pallant, 2011).

Our findings indicate a positive correlation between the four variables ($p < 0.01$), where the correlations were good and not too large, and this keeps us away from multicollinearity problems (Pallant, 2011). This indicates that there is no overlap between the independent variables leading to problems and difficulty in measuring the effects of change caused by each independent variable in the dependent variable. Finally, these results provide initial support for the study's hypotheses.

Testing hypotheses
Because the study model is a mediation model consisting of two independent variables and one mediator variable, we used the Amos program (V. 23) to test hypotheses. We also used bootstrapping tool to test the significance level for indirect effects, for the strength of this tool and its popularity in research that tested models similar to the current study model. As shown in the Table III:

According to Table III, the two hypotheses that represent the path "*a*" in the model were accepted (*H1, H2*: $p < 0.01$), indicating find a direct effect of organisational integrity and leadership behaviour on work engagement. Also, the hypothesis that represents the path "*b*" was accepted (*H3*: $p < 0.05$), indicating the existence a direct effect of work engagement on organisational excellence.

Based on Baron and Kenny (1986), the two indirect effects (through the mediator variable "*H4* and *H5*) of the study model were tested. Three conditions for accepting the indirect effect hypotheses:

(1) Find a direct significant effect of the independent variable in the mediator variable (path *a*)

(2) Find a direct significant effect of the mediator variable in the dependent variable (path *b*).

(3) The total effect is significant. All above conditions have been achieved and for finding an indirect significant effect of those hypotheses, based on what it produced Bootstrapping test, as shown in the Table III. We conclude to accept the two indirect effect hypotheses in the model (*H4* and *H5*: $p < 0.05$).

Variables	Mean	SD	1	2	3	4
1. Organisational integrity	2.90	0.752	*(0.905)*			
2. Leadership behaviour	2.94	0.998	0.532**	*(0.890)*		
3. Work engagement	3.03	1.100	0.491**	0.486**	*(0.880)*	
4. Organisational excellence	2.51	0.933	0.346**	0.291**	0.294**	*(0.898)*

Table II.
Descriptive statistics, correlations and reliabilities

Notes: $N = 285$; Alpha reliabilities appear in parentheses; **$p < 0.01$
Source: SPSS. V. 23 program outputs

Path			Estimate	S.E.	C.R.	P	Label	
Direct effect								Mediator role of work engagement
OI	$\rightarrow$	WE	0.324	0.085	5.568	***	Supported	
LB	$\rightarrow$	WE	0.314	0.064	5.403	***	Supported	
WE	$\rightarrow$	OE	0.132	0.056	1.995	0.038	Supported	
OI	$\rightarrow$	OE	0.224	0.085	3.281	0.001	Supported	
LB	$\rightarrow$	OE	0.108	0.064	1.583	0.113	Unsupported	
Indirect effect by work engagement								
OI	$\rightarrow$	OE	0.043	0.023	2.102	0.023	Supported	
LB	$\rightarrow$	OE	0.041	0.023	1.999	0.032	Supported	
Total effect								
OI	$\rightarrow$	OE	0.267	0.064	4.173	***	Supported	
LB	$\rightarrow$	OE	0.149	0.071	2.098	0.030	Supported	

Notes: *OI* (Organisational Integrity); *LB* (Leadership Behaviour); *WE* (Work Engagement); *OE* (Organisational Excellence); ***$p < 0.001$
Source: AMOS. V. 23 program outputs

Table III.
Testing hypotheses

As for mediation hypotheses, we note the existence of partial mediation role of work engagement between organisational integrity and organisational excellence because the direct effect ($OI \rightarrow OE: \hat{C}, p < 0.01$) supported. But we find full mediation role for the work engagement between leadership behaviour and organisational excellence because the direct effect ($LS \rightarrow OE: \hat{C}$) not supported. This indicates that leadership behaviour effect on organisational excellence only through work engagement.

Discussion

In this paper, we focused on studying an important aspect of research within the field of positive psychology in the organisational context. This has been done by examining and illustrating the antecedents and outcomes of work engagement. The study also attempted to identify the effect of organisational integrity and leadership behaviour on organisational excellence through the mediation role of work engagement. With the aim of trying to explain how do employees in the banks respond to changes in activities and work procedures, as well as to the integrity and honesty of the leaders and managers. Iraqi banking sector is entering into an era of unprecedented competition. This is mainly because of strategic plans set by the government to shift to E-Governance. The employees' response has been studied in terms of their enthusiasm and mental and physical connection to their organisational work, and how this affects the achievement of organisational excellence that banks seek to achieve. This study is in line with many previous studies (Eskildsen and Dahlgaard, 1999; Hakanen *et al.*, 2006; Momghani, 2010).

Organisations often must change themselves in response to the changes in the external environment and the intensity of market competition. The changes in the external environment, in general, affect all components of the organisation, especially the human component. This seems to have happened in the Iraqi banking sector as well, due to the development and growth of non-governmental competitors, especially in the presence of more opportunities for investment and growth, which requires banks a shift towards innovative technological solutions. The success of this adoption to change depends heavily on the nature of human interaction within the organisation and with the new components brought about by the change. The new components may include new technology and new

work procedures. Therefore, the relationship of leaders with employees and their integrity, honesty and commitment during the change process will affect employees' perception of the work accordingly. This is what the current study has achieved through the impact of positive organisational integrity on work engagement, suggesting that the extent to which leaders' action match with their words will in some way affect the mental and physical connection of employees with work with the same magnitude. In other words, the positive perception of work environment among the employees will result in their positive work attitude (Vogelgesang *et al.*, 2013; Engelbrecht *et al.*, 2017; Prottas and Nummelin, 2018).

It is not only the relationship between employees and the integrity of the leaders that affect the work, but even the strategies or behaviours set by leaders and their fit to the employees also affect the efficiency and effectiveness of the employees. Therefore, the strategies and methods used by leaders will affect the organisational processes accordingly. This is supported by the results of the present study as a positive correlation was found between leadership behaviour and employees' work engagement. A change requires leadership behaviour that manages the process of change and convinces everyone within the organisation of the need to change and maintain the same level of their enthusiasm and ingenuity (Avolio and Gardner, 2005; Meyer and Gagne, 2008).

Also, there is a positive effect of work engagement on organisational excellence. This leads to the conclusion that achieving organisational excellence requires a focus on employees and customers and the success of later depends on the achievement of the former, i.e. employees' work engagement. This finding supports the results of several studies (Shirvani and Iranban, 2014; Houshi and Taleghani, 2016). There is always a need to satisfy customers better than the competitors. Certainly, the main axis of doing so are employees, who must be persuaded to work in the best possible way according to the plans and tools developed in achieving organisational excellence.

In the end, we must note that work engagement fully mediates relationship for leadership behaviour and partially for organisational integrity on organisational excellence. The direct relationship between the organisational integrity and organisational excellence was not equal to zero, but the direct relationship between the leadership behaviour and organisational excellence was equal to zero. This indicates that the effect of leadership behaviour on organisational excellence is only through work engagement. This provides support to the findings of several previous studies (Hakanen *et al.*, 2006; Babcock-Roberson and Strickland, 2010; Salanova *et al.*, 2011). This is an indication of the importance of leadership role to influence the employees' work engagement to achieve desired objectives

Implications for practice

This study has got some practical implications for human resource development, which is as under:

Managers need to understand that the impact of their leadership behaviour on organisational outcomes will only be through their impact on the human resources of the organisation, which requires them to understand how people think and what motivates them positively. Therefore, managers must deal with employees as internal customers and realise that their satisfaction and performance is the satisfaction of external customers. It is found that the congruence between the words and actions of managers will greatly affect the *rapprochement* between employees and their work. Therefore, there is a great need not only to match words and actions but also to communicate those words and actions to the employees in a positive manner. This has been observed that public organisations in Iraq do not focus on developing leadership skills in managers. This is what banks need to focus on if they want to compete with private banks. Organisations must take care of dissemination of

a culture of integrity across the organisation because it is one of the most important factors that contribute to the creation of a positive organisational culture that is receptive to change and make employees work with more efforts to achieve what is required of them. Also, the channels of communication must be open horizontally and vertically within the organisation to diagnose problems and identify the ethical violations that others may hesitate to disclose. Finally, bank managers must understand there are several factors (beyond which are described here) those can contribute to the achievement of organisational excellence.

Limitations and future research directions
Like many research studies, this one has also some limitations. Although the current study attempts to explain how organisational excellence is achieved through the interaction of managers and employees, there are some limitations that can be looked into in the future. The research has been carried out in the banking sector, which is service-oriented. Therefore, caution should be exercised in generalising the results to the other service sectors. This study is cross-sectional in nature, so there is a need to conduct some longitudinal study to obtain more reliable results to support the results obtained. Although the reason for conducting the study in the government banking sector was due to the large changes that occur to keep abreast with the development of banking services, a comparative study between the government and private banking sector will also give us more results to explain the problem.

Conclusion
The results of the present study indicate that organisational excellence will only be achieved by focusing on building positive employees' attitudes toward work. This, in turn, will only be through that managers should focus on the interaction with employees through the implantation of leadership skills of managers and the fit between their words and actions. Most important among all is how to connect with the employees and affect their perception and imagination towards the organisation.

References
Abdullah, A. and Marican, S. (2017), "Relationship between leadership perception and engagement in workplace deviant behaviour", *The Malaysian Journal of Social Administration*, Vol. 11 No. 1, pp. 131-150.

Anand, G. (2017), "Corporate excellence through governance and employee engagement: a brief analysis", *Journal of Commerce and Management Thought*, Vol. 8 No. 3, pp. 554

Arbuckle, J.L. (2006), *Amos (Version 7.0) [Computer Program]*, SPSS, Chicago, IL.

Avolio, B.J. and Gardner, W.L. (2005), "Authentic leadership development: getting to the root of positive forms of leadership", *The Leadership Quarterly*, Vol. 16 No. 3, pp. 315-338.

Avolio, B.J. and Walumbwa, F.O. (2006), "Authentic leadership: moving HR leaders to a higher level", *Research in Personnel and Human Resources Management*, Vol. 25, pp. 273-304.

Babcock-Roberson, M.E. and Strickland, O.J. (2010), "The relationship between charismatic leadership, work engagement, and organisational citizenship behaviours", *The Journal of Psychology*, Vol. 144 No. 3, pp. 313-326.

Babelan, A.Z., Gharibzadeh, R., Mortezazadeh, A.A. and Dadjou, A. (2017), "The role of managers' professional ethics in organisational excellence, with the mediation of job engagement", *Bioethics Journal*, Vol. 6 No. 22, pp. 59-70.

Baron, R.M. and Kenny, D.A. (1986), "The moderator–mediator variable distinction in social psychological research: conceptual, strategic, and statistical considerations", *Journal of Personality and Social Psychology*, Vol. 51 No. 6, p. 1173.

Bennis, W. and Nanus, B. (1985), *The Strategies for Taking Charge*, Harper Row, Leaders, New York, NY.

Bentler, P.M. and Bonett, D.G. (1980), "Significance tests and goodness of fit in the analysis of covariance structures", *Psychological Bulletin*, Vol. 88 No. 3, p. 588.

Boardman, C. and Klum, V. (2001), "Building organisational integrity", *Corruption and anti-Corruption*, Vol. 82, pp. 82-96.

Coffey, S., Anyinam, C. and Zitzelsberger, H. (2018), "Meaningful engagement with academic integrity through a focus on context and relationship", *New Directions for Community Colleges*, Vol. 2018 No. 183, pp. 15-23.

Darling, J.R. (1999), "Organisational excellence and leadership strategies: principles followed by top multinational executives", *Leadership and Organization Development Journal*, Vol. 20 No. 6, pp. 309-321.

Dineen, B.R., Lewicki, R.J. and Tomlinson, E.C. (2006), "Supervisory guidance and behavioural integrity: relationships with employee citizenship and deviant behaviour", *Journal of Applied Psychology*, Vol. 91 No. 3, p. 622.

Duursema, H. (2013), Strategic leadership: moving beyond the leader-follower dyad (No. EPS-2013-279-ORG).

Engelbrecht, A.S., Heine, G. and Mahembe, B. (2017), "Integrity, ethical leadership, trust and work engagement", *Leadership and Organization Development Journal*, Vol. 38 No. 3, pp. 368-379.

Eskildsen, J.K. and Dahlgaard, J.J. (1999), "Focused self-assessment using flexible weights", *QMED'99*, Portoroz.

Fiorelli, J. and Feller, R. (1994), "Re-engineering TQM and work redesign: an integrative approach to continuous organisational excellence", *Public Administration Quarterly*, pp. 54-63.

Giallonardo, L.M., Wong, C.A. and Iwasiw, C.L. (2010), "Authentic leadership of preceptors: predictor of new graduate nurses' work engagement and job satisfaction", *Journal of Nursing Management*, Vol. 18 No. 8, pp. 993-1003.

Goetsch, D.L. and Davis, S.B. (2014), *Quality Management for Organisational Excellence*, Pearson, Upper Saddle River, NJ.

Golmohammadi, M., Ghorbani, A. and Feyzi, M. (2016), "The effect of job attitudes and organisational identity in organisational excellence of employees (case study: staff of department of natural resources and watershed of ardabil province)", *International Journal of Humanities and Cultural Studies (IJHCS) ISSN 2356-5926*, Vol. 1 No. 1, pp. 1281-1288.

Grojean, M.W., Resick, C.J., Dickson, M.W. and Smith, D.B. (2004), "Leaders, values, and organisational climate: examining leadership strategies for establishing an organisational climate regarding ethics", *Journal of Business Ethics*, Vol. 55 No. 3, pp. 223-241.

Hair, J.F., Black, W.C., Babin, B.J. and Anderson, R.E. (2009), *Multivariate Data Analysis*, 7th ed., Pearson Prentice Hall, Upper Saddle River, NJ.

Hakanen, J.J., Bakker, A.B. and Schaufeli, W.B. (2006), "Burnout and work engagement among teachers", *Journal of School Psychology*, Vol. 43 No. 6, pp. 495-513.

Hashemi, F.Q. and Ghajari, N.B. (2014), "Correlation between effective leadership and organisational excellence", *International Research Journal of Management Sciences*, Vol. 2 No. 2, pp. 36-42.

Hassanpour, M. (2014), "Evaluation of sustainable development using business excellence model in used motor oil industries", *Iranian Journal of Health, Safety and Environment*, Vol. 1 No. 4, pp. 177-185.

Houshi, F.J. and Taleghani, M. (2016), "Codification of business/Industrial strategies by EFQM model of organisational excellence", *Mediterranean Journal of Social Sciences*, Vol. 7 No. 2S1, pp. 511-517.

Kahn, W.A. (1990), "Psychological conditions of personal engagement and disengagement at work", *Academy of Management Journal*, Vol. 33 No. 4, pp. 692-724.

Kassem, R., Ajmal, M.M. and Khan, M. (2017), "The relationship between organizational culture and business excellence: case study from United Arab Emirates", *International Journal of Information Systems in the Service Sector*, Vol. 8 No. 3, pp. 16-35.

Kayes, D.C., Stirling, D. and Nielsen, T.M. (2007), "Building organisational integrity", *Business Horizons*, Vol. 50 No. 1, pp. 61-70.

Luthans, F. (2002), "The need for and meaning of positive organisational behaviour", *Journal of Organizational Behavior*, Vol. 23 No. 6, pp. 695-706.

Maslach, C., Jackson, S.E. and Leiter, M. (1996), *Maslach Burnout Inventory Manual*, 3rd ed., Consulting Psychologists Press, Palo Alto, CA.

May, D.R., Gilson, R.L. and Harter, L.M. (2004), "The psychological conditions of meaningfulness, safety and availability and the engagement of the human spirit at work", *Journal of Occupational and Organizational Psychology*, Vol. 77 No. 1, pp. 11-37.

Meyer, J.P. and Gagne, M. (2008), "Employee engagement from a self-determination theory perspective", *Industrial and Organizational Psychology*, Vol. 1 No. 1, pp. 60-62.

Momghani, B. (2010), "Organizational excellence", Publication of Training Centre and Industrial Research of Iran.

Moon, G. and Hamilton, W.I. (2013), "Developing an organisational integrity framework for nuclear safety", *Cognition, Technology and Work*, Vol. 15 No. 1, pp. 39-45.

Njoku, M.G.C. (2013), "Leadership strategies for Nigeria", *Management Strategies Journal*, Vol. 22 No. 4, pp. 57-62.

Pallant, J. (2011), *SPSS Survival Manual*, 4th ed., Open University Press, McGraw-Hill Education, UK.

Parry, K.W. and Proctor-Thomson, S.B. (2002), "Perceived integrity of transformational leaders in organisational settings", *Journal of Business Ethics*, Vol. 35 No. 2, pp. 75-96.

Perkmann, M., King, Z. and Pavelin, S. (2011), "Engaging excellence? Effects of faculty quality on university engagement with industry", *Research Policy*, Vol. 40 No. 4, pp. 539-552.

Prottas, D.J. and Nummelin, M.R. (2018), "Behavioural integrity, engagement, organisational citizenship behaviour, and service quality in a healthcare setting", *Journal of Healthcare Management*, Vol. 63 No. 6, pp. 410-424.

Qawasmeh, M.F., Darqal, N. and Qawasmeh, I.F. (2013), "The role of organisation culture in achieving organisational excellence: Jadara university as a case study", *International Journal of Economics and Management Sciences*, Vol. 2 No. 7, pp. 5-19.

Ramirez, M.R., Yang, R., Virdi, N., Patterson, G. and Niles, E. (2018), "Staff engagement as a means to clinical engineering service excellence", *CMBES Proceedings*, p. 37.

Salanova, M., Lorente, L., Chambel, M.J. and Martínez, I.M. (2011), "Linking transformational leadership to nurses' extra-role performance: the mediating role of self-efficacy and work engagement", *Journal of Advanced Nursing*, Vol. 67 No. 10, pp. 2256-2266.

Schaufeli, W.B., Bakker, A.B. and Salanova, M. (2006), "The measurement of work engagement with a short questionnaire: a cross-national study", *Educational and Psychological Measurement*, Vol. 66 No. 4, pp. 701-716.

Schaufeli, W., Salanova, M., Gonza, iez-Roma, V. and Bakker, A.B. (2002), "The measurement of engagement and burnout: a two sample confirmatory factor analytic approach", *Journal of Happiness Studies*, Vol. 3 No. 1, pp. 71-92.

Seligman, M.E.P. and Csikszentmihalyi, M. (2000), "Positive psychology: an introduction", *The American Psychologist*, Vol. 55 No. 1, pp. 5-14.

Serrano, S.A. and Reichard, R.J. (2011), "Leadership strategies for an engaged workforce", *Consulting Psychology Journal: Practice and Research*, Vol. 63 No. 3, pp. 176-189.

Shirvani, A. and Iranban, S.J. (2014), "Organisational excellence performance and human force productivity promotion: a case study in South zagros oil and gas production company, Iran", *European Online Journal of Natural and Social Sciences: Proceedings*, Vol. 2 No. 3, pp. 3010-3015.

Simons, T. (2002), "Behavioural integrity: the perceived alignment between managers' words and deeds as a research focus", *Organisation Science*, Vol. 13 No. 1, pp. 18-35.

Simons, T., Friedman, R., Liu, L.A. and McLean Parks, J. (2007), "Racial differences in sensitivity to behavioural integrity: attitudinal consequences, in-group effects, and 'trickle down' among black and non-black employees", *Journal of Applied Psychology*, Vol. 92 No. 3, pp. 650

Stoyanova, T. and Iliev, I. (2017), "Employee engagement factor for organisational excellence", *International Journal of Business and Economic Sciences Applied Research*, Vol. 10 No. 1.

Thompson, S.K. (2002), *Sampling*, 2nd ed., Wiley, New York.

Thor, S. (2012), "Organisational excellence: a study of the relationship between emotional intelligence and work engagement in process improvement experts", doctoral dissertation, George Fox University, Newberg, Oregon.

Tutuncu, O. and Kucukusta, D. (2007), "Relationship between organisational commitment and EFQM business excellence model: a study on Turkish quality award winners", *Total Quality Management*, Vol. 18 No. 10, pp. 1083-1096.

Vogelgesang, G.R., Leroy, H. and Avolio, B.J. (2013), "The mediating effects of leader integrity with transparency in communication and work engagement/performance", *The Leadership Quarterly*, Vol. 24 No. 3, pp. 405-413.

Von Dran, G. (2005), "Human resources and leadership strategies for libraries in transition", *Library Leadership and Management*, Vol. 19 No. 4, pp. 177-184.

Xu, J. and Cooper Thomas, H. (2011), "How can leaders achieve high employee engagement?", *Leadership and Organisation Development Journal*, Vol. 32 No. 4, pp. 399-416.

Zhu, W., Avolio, B.J. and Walumbwa, F.O. (2009), "Moderating role of follower characteristics with transformational leadership and follower work engagement", *Group and Organisation Management*, Vol. 34 No. 5, pp. 590-619.

Further reading

Maslach, C., Schaufeli, W.B. and Leiter, M.P. (2001), "Job burnout", *Annual Review of Psychology*, Vol. 52 No. 1, pp. 397-422.

About the authors

Dr Hadi AL-Abrrow is an Associate Professor of Organization Studies at the University of Basrah – Iraq. He received his PhD in Business Administration in 2012 from The University of Essex, UK. His research interests lie in organization studies, organizational behaviour, leadership and innovation. Hadi AL-Abrrow is the corresponding author and can be contacted at: hauni_2000@yahoo.com

Hasan Abdullah is an Assistant lecturer, Basrah University College For Science and Technology-Iraq. His research interests lie in organizational studies.

Nadia Atshan is an Assistant lecturer, Business Administration Department, College of Economic and Administration, University of Basrah-Iraq. Her research interests lie in organizational studies.