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The Influence of Transformational Leadership and Distributive Justice on *Organizational Citizenship Behavior* at PT Amarta Mikro Fintek

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Abstract

This study is driven by a decline in employee performance, as indicated by fluctuations in Key Performance Indicator (KPI) achievement during the July–August 2025 period at PT Amarta Mikro Fintek, Java 2 region. The issue is attributed to an increased workload resulting from a shortage of 61 Business Partners (BPs), along with ongoing adjustments to the company's incentive policies. This study aims to examine the effects of transformational leadership and distributive justice on Organizational Citizenship Behavior (OCB) among Branch Managers in East Java. An explanatory quantitative approach was employed, involving 184 respondents selected through a census sampling technique. Data were analyzed using Partial Least Squares–Structural Equation Modeling (PLS-SEM) with SmartPLS version 4.1.0.9. The findings reveal that transformational leadership and distributive justice have positive and statistically significant effects on OCB. These results suggest that inspirational leadership practices and fairness in compensation distribution play a crucial role in fostering organizational citizenship behavior within PT Amarta Mikro Fintek.

Keywords: transformational leadership, Distributive Justice, Organizational Citizenship Behavior

INTRODUCTION

In the highly dynamic digital economy, the success of microfinance institutions increasingly depends on human resources who not only perform their formal job duties but also demonstrate voluntary initiatives that support organizational effectiveness. Such behavior is referred to as Organizational Citizenship Behavior (OCB),

defined as discretionary individual behavior that is not directly recognized by formal reward systems yet collectively enhances organizational functioning (Organ, 2018). For PT Amarta Mikro Fintek, OCB constitutes a critical element, as its field-based

operations require a high degree of flexibility and teamwork to effectively support rural community empowerment.

However, preliminary observations at PT Amarthia Mikro Fintek in the Java 2 region reveal significant challenges. During the July–August 2025 period, a decline in Key Performance Indicator (KPI) achievement was observed, accompanied by an increased workload resulting from a shortage of operational personnel. In addition, changes in incentive-related policies have posed further challenges that may influence the emergence of Organizational Citizenship Behavior (OCB). Prior research suggests that when workload intensifies without adequate psychological support, employees’ propensity to exhibit OCB tends to diminish (Podsakoff et al., 2000).

Although extensive research has examined Organizational Citizenship Behavior (OCB), studies that integrate transformational leadership and distributive justice within the context of operational managers in the fintech industry remain limited. This study focuses on Branch Managers in East Java, who play a strategic role as a critical link between centralized policies and field-level execution. Addressing this gap, the present study aims to examine and analyze the effects of transformational leadership and distributive justice on OCB at PT Amarthia Mikro Fintek.

LITERATURE REVIEW

Transformational leadership

Transformational leadership is defined as a dynamic interactive process between leaders and followers that seeks to establish strong working relationships grounded in trust and a shared, integrated vision (Bass & Riggio, 2006). The core emphasis of this leadership style lies in leaders’ capacity to inspire and motivate employees to realize their full potential (Sanjaya, 2024). Accordingly, transformational leaders are not merely oriented toward short-term performance outcomes but place greater emphasis on long-term developmental investments that foster individual growth and overall organizational advancement.

The effectiveness of transformational leadership is commonly explained through four core dimensions, namely idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (Nugroho et al., 2022). Robust implementation of these dimensions has been empirically shown to enhance organizational performance. However, empirical findings regarding the relationship between transformational leadership and Organizational Citizenship Behavior (OCB) remain inconclusive. While Naimah et al. (2022) report a positive and significant effect of transformational leadership on OCB, Soilihin and Fathihani (2024) find no significant relationship between these constructs.

In practice, transformational leaders do not merely issue technical instructions; rather, they guide fundamental shifts in followers’ values, attitudes, and underlying paradigms in alignment with the organization’s vision. Within the microfinance industry, such as PT Amarthia Mikro Fintek, this leadership style is particularly critical for cultivating employee trust and commitment amid increasingly dynamic and competitive market conditions. Drawing from the preceding explanation, the proposed research hypothesis is as follows:

H1: Transformational leadership significantly influences Organizational Citizenship Behavior.

Distributive Justice

Distributive justice is defined as individuals’ perceptions of fairness in the allocation of rewards based on their contributions, merits, or

entitlements (Laming, 2021). From a contemporary perspective, this concept extends beyond the absolute level of financial compensation to encompass employees’ evaluations of the fairness of resource and reward allocations relative to their effort and performance. Afuan (2021) emphasizes that distributive justice is strongly associated with work morale, as perceptions of fair reward distribution reinforce employees’ commitment to the organization. Distributive justice is commonly operationalized through three primary indicators: equity, equality, and need (Cropanzano et al., 2007).

The relationship between distributive justice and organizational behavior has been well documented in the empirical literature. Hariani and Muafi (2020) demonstrate that employees’ evaluations of the fairness of outcome distributions—such as salaries, bonuses, and promotions—significantly influence their work-related attitudes and behaviors. More specifically, distributive justice has been identified as a key antecedent of Organizational Citizenship Behavior (OCB).

Nevertheless, the contemporary literature reports inconsistent findings. Devana and Mulyana (2025) find that distributive justice promotes prosocial behaviors beyond employees’ formal job requirements. In contrast, Iqbal and Yulianti (2024) report a non-significant relationship between distributive justice and Organizational Citizenship Behavior directed toward the organization. These divergent findings highlight a clear research gap, underscoring the need for further examination of the relationship between these variables, particularly within more context-specific organizational settings such as the microfinance industry. Drawing from the preceding explanation, the proposed research hypothesis is as follows:

H2: Distributive Justice significantly influences Organizational Citizenship Behavior.

Table 1. Summary of past research

Variable	Author	Result
Transformational Leadership on OCB	Naimah et al., 2022	Transformational leadership has a positive and significant effect on organizational citizenship behavior (OCB).
	Soilihin dan Fathihani, 2024	Transformational leadership does not have a significant effect on organizational citizenship behavior (OCB).
Distributive Justice on OCB	Devana dan Mulyana, 2025	Distributive justice has a positive and significant effect on organizational citizenship behavior (OCB).
	Iqbal dan Yulianti, 2024	Distributive justice does not have a significant effect on organizational citizenship behavior (OCB).

Source: Processed Primary Data (2025)

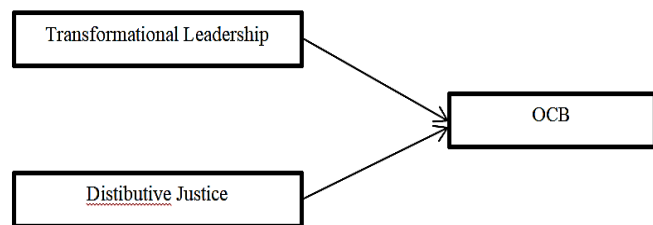


Figure 1. Conceptual Framework

METHODOLOGY

This study adopts a quantitative approach with an explanatory research design, aimed at examining causal relationships between independent and dependent variables through hypothesis testing. The primary focus of the study is to investigate the effects of transformational leadership (X1) and distributive justice (X2) on Organizational Citizenship Behavior (OCB) (Y). Transformational leadership (X1) is operationalized through four core dimensions: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Distributive justice (X2) is assessed based on three fundamental principles, namely equity, equality, and need. Organizational Citizenship Behavior (Y) is measured using five dimensions: altruism, conscientiousness, sportsmanship, courtesy, and civic virtue. Prior to data collection, all research instruments were subjected to expert validation (expert judgment) to ensure content validity.

The study population was homogeneous and comprised all Branch Managers (BMs) of PT Amarta Mikro Fintek operating in the East Java region, totaling 184 individuals. A census sampling technique was employed, in which the entire population was included as research respondents (Iba & Wardana, 2023). The collected data were subsequently analyzed using the Partial Least Squares–Structural Equation Modeling (PLS-SEM) approach. This method was selected for its capability to identify and assess the significance of relationships among variables, including both direct effects and indirect (mediated) effects within the proposed research model.

Data for this study were collected through a survey method by distributing structured questionnaires to all Branch Managers of PT Amarta Mikro Fintek in the East Java region. The data were analyzed using Partial Least Squares–Structural Equation Modeling (PLS-SEM) with SmartPLS software version 4.1.0.9. Model evaluation in PLS-SEM was conducted in two primary stages: assessment of the outer model (measurement model) and evaluation of the inner model (structural model). The outer model assessment focused on examining the validity and reliability of the measurement instruments, including convergent validity, discriminant validity, average variance extracted (AVE), composite reliability, and Cronbach's alpha for each construct. Subsequently, the inner model evaluation was performed to assess the model's predictive power by analyzing R-squared (R^2), Q-squared (Q^2), and effect size (f^2). Hypothesis testing was carried out using the bootstrapping procedure within the PLS-SEM framework to determine the statistical significance of the relationships among variables.

RESULTS AND DISCUSSION

The study involved a total of 184 respondents. Based on the collected data, the dominant demographic characteristics were as follows. First, in terms of gender distribution, female respondents slightly outnumbered male respondents, accounting for 53.26% and 46.74%, respectively. Second, the largest age group was between 20 and 30 years, comprising 137 respondents (74.46%), followed by those aged 31–35 years, with 39 respondents (39.13%). Third,

regarding educational background, the majority of respondents held a Diploma IV or Bachelor's degree (or equivalent), totaling 165 individuals (89.67%).

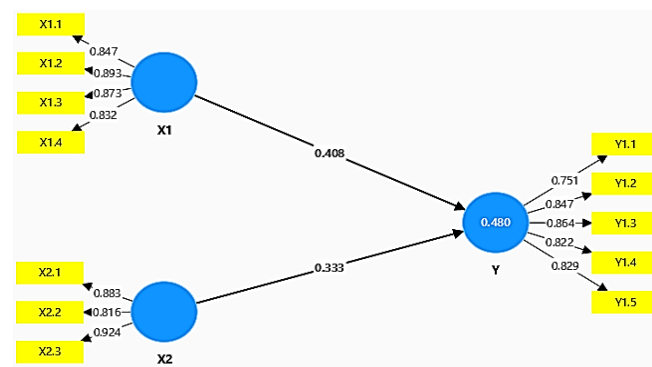


Figure 2. Path diagram construction

Table 2. Respondent Data

Information	Deskripsi	Description	
		Frekuensi	Persentase
Gender	Male	86	46,74%
	Female	98	53,26%
Age	20-25 Years	65	35,33%
	26-30 Years	72	39,13%
	31-35 Years	39	21,20%
	36-40 Years	8	4,35%
Education	SMA/ equal	4	2,17%
	D1/ equal	3	1,63%
	D2/ equal	3	1,63%
	D3/ equal	7	3,80%
	D4/S1/ equal	165	89,67%
	S2/ equal	2	1,09%

Source: Processed Primary Data (2025)

A Likert scale was utilized to measure respondents' answers, ranging from 1 to 5, with 1 representing "strongly disagree" and 5 representing "strongly agree."

Outer Model Evaluation or Measurement Model

a. Convergent Validity

Convergent validity is considered satisfactory when factor loading values exceed the threshold of 0.70. As presented in Table 3, all indicators associated with their respective latent constructs—transformational leadership, distributive justice, and organizational citizenship behavior (OCB)—exhibited loading values above 0.70, thereby confirming adequate convergent validity. In addition, Table 3 also reports the results of the discriminant validity assessment based on the Average Variance Extracted (AVE) criterion, which requires AVE values to exceed 0.50 (Suryanto, 2022).

Table 3. Loading factor results

Variabel	Indikator	Outer Loading	Deskripsi
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TL	TL1	0.847	Valid
	TL2	0.893	Valid
	TL3	0.873	Valid
	TL4	0.832	Valid
DJ	DJ1	0.883	Valid
	DJ2	0.816	Valid
	DJ3	0.924	Valid
OCB	OCB1	0.751	Valid
	OCB2	0.847	Valid
	OCB3	0.864	Valid
	OCB4	0.822	Valid
	OCB5	0.829	Valid

Source: Processed Primary Data (2025)

Table 4. AVE results

Variables	AVE	Description
TL	0,742	Valid
DJ	0,766	Valid
OCB	0,678	Valid

Source: Processed Primary Data (2025)

Based on the results presented in Tables 3 and 4, it can be concluded that each indicator accurately represents its corresponding construct. Therefore, the data in this study meet the required standards of validity and reliability, allowing for further analysis of the structural model.

b. Discriminant Validity

Discriminant validity in this study was assessed using the cross-loading analysis approach (Sitio, 2021). According to the criteria proposed by Hair et al. (2021), an indicator is considered valid when its correlation with the assigned construct is higher than its correlations with other constructs. The results presented in Table 5 indicate that all indicators satisfy this criterion, leading to the conclusion that the measurement instruments demonstrate adequate discriminant validity.

Table 5. Cross loading calculations results

	KT	KD	OCB
TL1	0.847	0.658	0.582
TL2	0.893	0.624	0.591
TL3	0.873	0.599	0.549
TL4	0.832	0.675	0.533
DJ1	0.772	0.883	0.552
DJ2	0.520	0.816	0.507
DJ3	0.649	0.924	0.606
OCB1	0.491	0.471	0.751
OCB2	0.521	0.507	0.847

OCB3	0.536	0.561	0.864
OCB4	0.579	0.553	0.822
OCB5	0.565	0.521	0.829

Source: Processed Primary Data (2025)

The data presented in Table 5 indicate that each indicator exhibits strong specificity in representing its respective latent variable. This finding confirms that all indicators are appropriately aligned and accurately measure their intended constructs, thereby satisfying the requirements for discriminant validity.

c. Reliability Test

Construct reliability was assessed using Cronbach's alpha and composite reliability, with a minimum threshold value of 0.70 as recommended by Hair et al. (2021). Referring to the results presented in Table 6, all research constructs exceeded this criterion. These findings indicate that the measurement instruments demonstrate high internal consistency and strong reliability.

Table 6. Reliability test results

Variables	Cronbach's alpha	CR (rho_a)	CR (rho_c)
TL	0.884	0.886	0.920
DJ	0.846	0.856	0.908
OCB	0.881	0.883	0.913
OCB	0.881	0.883	0.913

Source: Processed Primary Data (2025)

The reliability test results indicate that the instrument produces consistent measurements, thereby confirming its suitability for use in this study.

Evaluation Inner Model

a. R-Square Test

The coefficient of determination (R^2) for each endogenous construct represents the predictive capability of the structural model in explaining variance in the respective variable (Rosdaniati & Muafi, 2021). According to Rahadi (2023), R^2 values of 0.67, 0.33, and 0.19 are classified as substantial, moderate, and weak, respectively. As shown in Table 7, the latent construct of organizational citizenship behavior (OCB) exhibits an R^2 value of 0.480, indicating that the independent variables in the model collectively explain 48% of the variance in the dependent variable. Based on the established classification criteria, this value falls within the moderate predictive category.

Table 7. R-square test results

Variables	R Square	R Square Adjusted
OCB	0,480	0,474

Source: Processed Primary Data (2025)

b. f-Square Test

The f^2 test is conducted to assess the magnitude of each exogenous variable's contribution to the endogenous and intervening variables within the structural model. The f^2 value is used to estimate the relative effect size of a predictor in the model. According to the criteria proposed by Rahadi (2023), f^2 values of 0.02, 0.15, and approximately 0.35 indicate small, medium, and large effects, respectively. Table 8 presents the calculated f^2 values, which are

used to evaluate the relative magnitude of the effect sizes of the exogenous variables on the endogenous constructs in the structural model.

Table 8. f-Square test results

Variables	f-square	Description
TL -> OCB	0,144	medium
DJ -> OCB	0,096	small

Source: Processed Primary Data (2025)

c. Q-Square Test

The predictive relevance test results presented in Table 9 indicate that the endogenous construct exhibits a Q^2 value of 0.317. Referring to the classification proposed by Hair et al. (2021), this value suggests that the research model demonstrates adequate and meaningful predictive relevance. This finding confirms that the independent variables included in the model are capable of predicting the endogenous construct with satisfactory accuracy.

Table 9. Q-Square test results

Variables	SSO	SSE	$Q^2 (=1- SSE/SSO)$
OCB	920.000	628.062	0,317

Source: Processed Primary Data (2025)

Based on the structural model evaluation results, including R^2 , f^2 , and Q^2 values, it can be concluded that the model is suitable and appropriate for hypothesis testing.

d. Hypothesis Test (Bootstrapping)

The criteria for hypothesis testing in this study were established based on a t-statistic value greater than 1.96 and a p-value below 0.05. These thresholds correspond to a 95% confidence level with a significance level of 0.05, whereby a hypothesis is accepted when the analysis results meet these parameters.

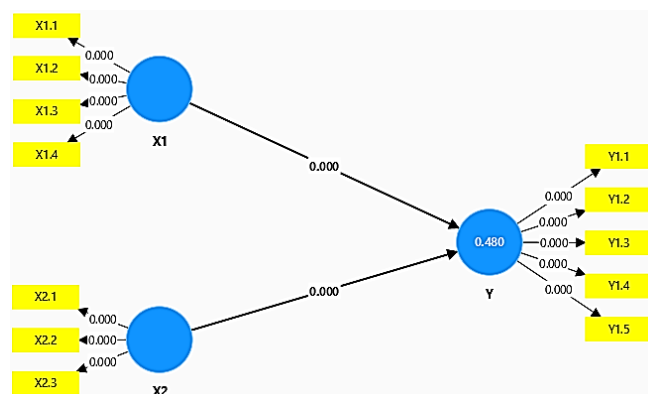


Figure 3. Hypothesis test result diagram

Table 10. Bootstrapping test results

Variables	Original Sample(O)	T Statistics	P Values	Descriptions
TL -> OCB	0.408	4.766	0.000	Significant
DJ -> OCB	0.333	3.853	0.000	Significant

Source: Processed Primary Data (2025)

As shown in Table 10, the effect of transformational leadership on organizational citizenship behavior (OCB) yields an original sample

value of 0.408, indicating a positive relationship. This result suggests that higher levels of transformational leadership are associated with increased OCB. The t-statistic value of 4.766 substantially exceeds the critical threshold of 1.96, while the p-value of 0.000 is well below 0.05, confirming a strong and statistically significant effect. These findings are consistent with the results reported by Naimah et al. (2022), who demonstrated a positive influence of transformational leadership on OCB. However, the present findings contrast with those of Soilihin and Fathihani (2024), who reported a non-significant relationship. This inconsistency highlights the complexity of the relationship between transformational leadership and OCB, which may be contingent upon contextual factors such as organizational culture, supervisory support, and individual motivation levels.

Based on the hypothesis testing results, the effect of distributive justice on organizational citizenship behavior (OCB) shows an original sample value of 0.333, indicating a positive relationship. This finding suggests that distributive justice contributes positively to the enhancement of OCB. The t-statistic value of 3.853 exceeds the critical threshold of 1.96, and the p-value of 0.000 is below 0.05, confirming that the relationship is statistically significant, although its magnitude is weaker than that of transformational leadership. These results are consistent with the findings of Devana and Mulyana (2025), who reported a positive and significant effect of distributive justice on OCB. In contrast, this result diverges from the findings of Iqbal and Yulianti (2024), who found no significant relationship between distributive justice and OCB. This inconsistency underscores the relevance of re-examining the distributive justice–OCB relationship within specific organizational contexts.

CONCLUSION

This study aims to analyze the effects of transformational leadership and distributive justice on organizational citizenship behavior (OCB) among Branch Managers at PT Amarta Mikro Fintek in the East Java region. Based on the results of the structural model testing using the PLS-SEM approach, the following conclusions are drawn:

Transformational leadership has a positive and statistically significant effect on organizational citizenship behavior (OCB). The hypothesis testing results indicate a path coefficient of 0.408 with a high level of statistical significance (t-statistic = 4.766 > 1.96; p-value = 0.000 < 0.05). This finding demonstrates that the more effectively transformational leadership is practiced, the higher the level of OCB exhibited by Branch Managers. The results confirm that inspirational leadership and the ability to motivate subordinates play a critical role in fostering organizational citizenship behavior.

Distributive justice has a positive and statistically significant effect on organizational citizenship behavior (OCB). The analysis reveals a path coefficient of 0.333, with a t-statistic of 3.853 (> 1.96) and a p-value of 0.000 (< 0.05). These results indicate that higher levels of perceived distributive justice are associated with increased OCB among Branch Managers.

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