

# The Relationship Between Leadership Style and Employee Job Satisfaction Study of Federal and Addis Ababa Sport Organizational Management Setting in Ethiopia.

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## Abstract

The main objective of this study is to find out the relationship between transformational and transactional leadership style with subordinates job satisfaction in federal and Addis Ababa administrative sport organization in Ethiopia. For the process of research study the number of population who participated in the study is 242 and 185 employees are filled the survey questionnaires and returned back to the researcher for further statistical process. Two different independent questionnaires are used for the collection of data namely Multifactor leadership questionnaires (MLQ) and job satisfaction (JS). These questionnaires have a potential to collect provide all information concerning on leadership style and job satisfaction. Statistical package for social science (SPSS) were used for this study to analyze the raw data. Demographic information another part of questionnaires in order to get relevant information about the worker job position, age, gender, work experience etc.

**Keywords:** Leadership style, transformational, transactional, job satisfaction

## INTRODUCTION

### BACKGROUND OF THE STUDY

Leadership is an effective instrument by which a manager can establish a feeling of mutual objective and unity in a group, thereby ensuring maximum efficiency of the group. To achieve this, a manager has to have special skill in understanding individual and group behavior. Developing social interaction, understanding of environment outside and inside and cooperation. Any organization whether profitable or non profitable to be competent and sustainable depending on the quality of leadership style that will be practiced. Leaders are a behavioral process to influence individual and groups towards set goal<sup>1</sup>. A leadership style of a manager is the most important instruments that can determine the effectiveness of the organization.

In the real world as we now that an organization whether profitable or non profitable to be competent and sustainable depending on the quality of leadership style that will be practiced. Leaders are a behavioral process to influence individual and groups towards set goal<sup>1</sup>.

The power of authority, reward and punishment are the primary power, which add strength to leadership quality and influence. These are powers which are delegated to a manager by the organization. Expert knowledge and charisma power are personal, intrinsic to the leader and add to his or her strength.

A leader to be effective in his work should have to know what motivating factors are important to motivate employees and what is not.

The theory of leadership are tremendously developed from time to time and now there is a new type of leadership theories has been developed recently i.e. transformational and transactional. The theory of transformational leadership style are concerned on the development skill for employees while transactional leadership are more of focus on the accomplishment of the designed tasks.

Leadership should be both effective and successful. While successful leadership draws a response from individuals or group members on the bases of creating good working environment and positive relationship among employees and between leaders and employees.

### NEW APPROACH LEADERSHIP THEORY

The study of leadership has been evolving through several phases. It began with the great man approach, followed by behavioural approach in the 1950s, and continued with the situational/contingency approach in the past year<sup>2</sup>.

The new approach of leadership theories has drawn attention most recently. The transformational and transactional leadership theory is regarded as “new leadership” perspective which is described as affecting “followers in ways that are quantitatively greater and qualitatively different than the effects specified in past theories”<sup>3</sup>. There are some differences between the two theories.

Transactional leadership is based on a leader-subordinate exchange relationship where the subordinate is rewarded in return for compliance with the leader’s expectations<sup>3</sup>. In this leadership style the connection that have among leaders and followers are depending on whether the achieving of pre determined goal or not. It is exchange type of relationship that will be created among the two parties. The results are developing extrinsic type of motivation on employees mind and decreasing intrinsic motivation. This can lead to decreasing the

work efficiency of the followers increasing turnover of employees. Transformational leadership is defined as “the process of influencing major changes in attitudes and assumptions of organizational members and building commitment for the organizations’ mission and objectives”<sup>4</sup>.

Different from transactional leaders, transformational leaders appeal to higher ideals, which make followers feel included and supported. Leaders and followers have strong connection under this type of leadership style because subordinates are develop intrinsic motivation and this leads to higher job satisfaction in their work and results increasing the performance of the organization<sup>5</sup>.

## **JOB SATISFACTION**

Job satisfaction is determined by factors such as goal setting, job design, demographic profile, rewards, leadership and individual different<sup>6</sup>.

The notion that satisfied employees make a difference was derived from what was termed the “third industrial revolution”, which began with the Hawthorne studies of the 1930s calling for the humanization of the work place. Designing “enriched” jobs that created employee satisfaction, as opposed to providing only a day’s pay for a day’s work, became part of the humanization of the workplace. This development was based on the premise that “the workforce ensures long term productivity if it well cared for” and presupposed the desirability of having satisfied employees<sup>7</sup>.

Organizations are grappling with a new organizational climate, with a need for improved productivity and performance. These changes have impacted on employee perceptions and morale. The need for employee satisfaction has become paramount to organizations in order to survive. It is now universally accepted that motivated and committed employees contribute significantly to and determine organizational success<sup>8</sup>.

The supervisor plays a key role in the satisfaction and well-being of subordinates. Organizations need to take the idea of a ‘supervisor’ or ‘manager’ more seriously, as someone who gives regular feedback and recognition supports and develops subordinates and builds team work<sup>9</sup>.

There are three approaches to satisfaction.

**I. Satisfaction as the result of behavior.** This reflects people’s evaluation of the outcomes produced in relation to needs, motives, values, or goals that are important to them.

**II. Satisfaction as a component of the controlling and regulating system.** This emphasizes the extent to which the evaluation of the results causes the introduction of changes. Peoples who are not satisfied with what they receive are motivated to go in search of possible improvements. On the other hand, if people are satisfied, they will strive to repeat the behavior unless other motives become more dominate.

**III. Satisfaction as a cause of behavior.** This emphasizes behavior that arises as a result of dissatisfaction. People who are dissatisfied with the outcomes produced and do not consider themselves capable of altering them, are more likely to strive for outcomes outside work or possibly in another organization. By contrast, if people are happy with how much they can learn from their work, their feeling of involvement increase<sup>10</sup>.

## **Methodology**

### **SAMPLES**

This research is mainly focus on federal and Addis Ababa administrative sport organization. under this study all employees and leaders found in the given organizations at all level of working position are actively participated. In spite of this from the total number of raters (N=242) both employees and leaders 76.4% of the participants are filled and return back the questionnaires while the rest are did not.

### **INSTRUMENT**

The major instrument that can be applied in this study for the process of data collection was Questionnaires .Beside to personal observation survey questionnaires were implemented. The questionnaire are two type. The first type is Multifactor leadership questionnaires(MLQ) and has 37 items having two section i.e demographic section and leadership closed ended items section .It is used to assess the most important behavioral characteristics of leadership style and its subscale<sup>11</sup>. The second type is job satisfaction questionnaires(IJS).This questionnaires has 46 which contained two sections i.e demographic sections used for getting the necessary information about the participant personal characteristics and the next section is job satisfaction closed ended items used for assessing all subscales found in job satisfaction items developed by<sup>12</sup>.In both cases all items are rating by using a likert scale having seven options starting from totally disagree up to totally agree from both extreme. The Cronbach’s alpha for the present study was .89 and .73 for job satisfaction and leadership items respectively.

### **DATA ANALYSIS**

This part is the first step of the researcher were he/she can be applied different statistical method on the

collected row data through the help of SPSS version 20 software in order to get meaning for the collected .

Descriptive statistical methods were used for this study for the purpose of obtaining information about respondent understanding to their leaders leadership style that was practiced in the given sport organization and the level of employee job satisfaction by using mean, standard deviations, minimum and maximum scores .

Two-tailed person's correlation interpretation method was used for this study for the purpose of checking the degree of connection and association between transformational and transactional leadership style with the different sub scale of respondent job satisfaction.

## RESULTS

### CROSSTABS OF JOB SATISFACTION BY DEMOGRAPHIC CHARACTERISTICS

The descriptive statistics was used as a way to examine the mean, standard deviation and other information which are not apparent in the raw data. This description type of statistical analysis was needed to compare the job satisfaction with regard to the demographic information. In the table below (Table 1) shows (mean, standard deviations, minimum and maximum) for the demographic information as indicated by the respondents. The results were summarized as follows and the data were analyzed by using statistical application software (SPSS).

**Table 1: SUMMARY OF JOB SATISFACTION BY DEMOGRAPHIC INFORMATION OF RESPONDENTS**

Variables	N	Mean	Std. Dev.	Minimum	Maximum
<b>Empl. Sex (Are you male or female)</b>					
Female	58	3.23	.81380	1.44	4.78
Male	127	3.16	.98793	1.22	5.33
<b>Emp. Job tit (What is your job title)</b>					
Expert	16	3.66	.47742	2.78	4.22
Coach	39	3.24	1.0361	1.22	5.33
Jornalist	24	3.01	.87947	1.44	5.33
Logistic	32	2.96	.89240	1.22	4.22
Others	74	3.20	.96538	1.22	5.00
<b>Total work experience (The entire work experience of employees in any organization)</b>					
1 to 5 yrs	118	3.24	.96781	1.22	5.33
6 to 8 yrs	42	2.94	.97893	1.22	5.33
9 to 10 yrs	17	3.20	.71312	1.67	4.11
above 11 yrs	8	3.50	.21414	3.22	3.78
<b>How long und lead (How long have you worked with your current leader)</b>					
1 to 3	115	3.25	.94293	1.22	5.33
4 to 6	46	2.99	.92708	1.22	5.33
6 to 8	17	3.41	.80406	1.67	5.00
More than 8	7	2.78	1.03439	1.22	4.22
<b>Age (What is your age group)</b>					
up to 30 years	70	3.23	.90945	1.22	5.33
31 to 40 years	91	3.17	1.02096	1.22	5.33
41 to 55 years	14	2.94	.59391	2.00	3.78
56 years and older	10	3.30	.69102	2.78	5.00
<b>Employee size (How many employees in your organization)</b>					
less than 20	57	3.15	.89392	1.22	4.78
20 to 39	39	2.91	1.03162	1.22	5.00
40 to 59	18	3.12	.87728	1.22	5.00
60 to 79	9	3.17	.74143	2.33	3.89
more than 80	62	3.40	.92580	1.44	5.33
<b>Employment education (What is your highest level of education)</b>					
Certificate	14	3.15	.69267	2.11	4.22
Diploma	25	3.61	1.0354	1.78	5.33
Degree	123	3.13	.95437	1.22	5.33
M.ED	12	3.00	.62675	2.00	3.89
Others	11	2.98	.87745	1.22	4.22
<b>Profession(Your profession)</b>					
Physical education coach	41	3.17	.95424	1.22	5.33
Physical education teacher	72	3.05	.91339	1.22	5.33
Both	33	2.93	.87177	1.44	4.67
Others	39	3.64	.87903	1.44	5.33
<b>Total</b>	<b>185</b>	<b>3.18</b>		<b>1.22</b>	<b>5.33</b>

In terms of employment sex towards job satisfaction (Table 1), the highest mean number of job satisfaction was female (mean=3.23) as compared to male (mean = 3.16). Regarding to employment job title, the

highest mean number of job satisfaction respondents were expert(mean=3.66), where as the smallest mean number of job satisfaction respondents were logistic (mean=2.96) with minimum and maximum mean number of values 1.22 and 4.22, respectively. Concerning work experience for the current organization, the last group 11 years and above had the highest mean number of satisfaction towards their job (mean = 3.50). Whereas, the lowest mean number of job satisfaction was occurred between 6 to 8 years work experience (mean=2.94).

As far as employees age concerned the highest mean number of job satisfaction(mean=3.30) were registered employees at the age of in between 56 and followed by age group belongs to up to 30 year(mean=3.23)and the smallest mean number of job satisfaction are obtained age group of 41 to 55 (mean 2.94).

The number of employee in organization 80 or more encountered the highest mean number of job satisfaction (mean=3.40), and the second highest mean number of job satisfaction lie between the number of employee 60 to 79 (mean=3.17), followed by 40 to 59 (mean=3.12) number of employee in organization.. The results also revealed that the highest mean number of job satisfaction employee who did have diploma education level had the highest mean number of job satisfaction (mean=3.61) than that who had completed certificate (mean=2.98)) groups.

**Table 2: CORRELATIONS OF TRANSFORMATIONAL ,TRANSACTIONAL LEADERSHIP STYLE WITH JOB SATISFACTION SUBSCALES.**

Correlations										
Leadership styles	Job satisfaction	Pay sat.	Promotion	Super Vision	Benefits	Rewards	Operating procedure	Co-workers	Work itself	Communication
Transformational leadership style		.353*	.801*	.239*	.148*	.081	.316	-.027	.172*	.195*
Transactional leadership style		.312*	.374*	-.106	.037	-.064	-.090	-.073	.186	-.014

Note: N=185  
 \*. Correlation is significant at the  $p < 0.05$  level (2-tailed).

As we can see from the above table(2)displayed the relationship of leadership style (transformation and transaction)with employee job satisfaction. The table revealed that pay satisfaction ,promotion, supervisory, benefits, work itself and communication satisfaction had relatively positive relationship with transformational leadership style were ( $r=0.353,0.801,0.239,0.148,0.172,0.195$ )respectively, whereas; rewards, operating procedure and co-workers satisfaction didn't. Transaction leadership style had positive relationship with pay satisfaction, promotion and work itself job satisfaction( $r = 0.312, 0.374, \text{and } 0.186$ ), respectively.

## DISCUSSION

Since the objective of the this research is to understand the connection between transformational and transactional leadership style with the sub scales of employee job satisfaction.

The result of the study indicated that as concerned to the correlation of leadership style (transformation and transaction leadership style)with sub scales of job satisfaction. The researcher obtained the following outputs i.e pay satisfaction ,promotion, supervisory, benefits, work itself and communication satisfaction had relatively positive relationship with transformational leadership style were ( $r=0.353,0.801,0.239,0.148,0.172,0.195$ )respectively, whereas; rewards, operating procedure and co-workers satisfaction didn't. Transaction leadership style had positive relationship with pay satisfaction, promotion and work itself job satisfaction( $r = 0.312, 0.374, \text{and } 0.186$ ), respectively.

## CONCLUSIONS

Based on the above statistical results the researcher can attempt the following conclusion.

Transformational leadership style had positive associated with the all subscales of employee job satisfaction except for reward, operating procedure and co-workers. This means transformational leadership style can get satisfaction to the subordinators through increasing salary to the subordinators, giving promotion to the subordinators, supervising subordinators while in working process ,giving benefits from the profit of the organization ,work it self i.e creating favorable and conducive working environment including the location of the organization to be free from any disturbance that hinder the work activity ,and finally a good communication both top to bottom and bottom to top communication to be implemented. This conclusion are also supported by resent studies Raza omidifar(2013) and mundiannndi(2010)[as cited by ]<sup>13</sup>.

I can be recommended that leaders found in the given organization give a special attention to the above basic and critical elements that can used to increase the level of job satisfaction of subordinators for the benefits of the organization. The result of this study opposite to the other research study there is no relationship between transformational leadership style and rewards, operating procedure and co-workers sub scale of job satisfaction.

Transactional leadership style has positive relationship pay and promotion but there is no relationship with the other subscales of job satisfaction. This indicated that under transactional leadership style subordinators are motivated only for if and only if they get many and promotion.

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