

**INFLUENCE OF TRANSFORMATIONAL LEADERSHIP STYLE AND
ORGANIZATION CULTURE
TOWARD EMPLOYEE SATISFACTION A CASE STUDY AT PT XYZ
(CONSULTING COMPANY)**

By

Norman Yachya, S.T., M.M., M.BA.
E-mail: norman_yachya@yahoo.com

Dr. Dipl.-Ing. Rachman Sjarief, M.M., M.H.
E-mail: rachman.sjarief@sgu.ac.id

ABSTRACT

The main purpose of this research paper is to study the significance of transformational leadership and organization culture in relation with Employee satisfaction at PT. XYZ.

The study is based on quantitative data of 100 respondents of PT. XYZ employees from total of 307 employees, which cover all of PT. XYZ offices such as Jakarta, Bandung, Semarang, Surabaya, Bali, Medan, Palembang, Makassar, and Balikpapan.

The conclusion that organization culture is the most influences factor on employee satisfaction followed by transformational leadership. Both factors have positively influenced on employee satisfaction.

The implication of this research, that PT. XYZ should consider both factors of organization culture and transformational leadership in order to provide higher job satisfaction of employees.

Keywords: *Transformational Leadership, Organization Culture, and Employee Satisfaction.*

INTRODUCTION

Background

Human Capital

The concept of Human capital has relatively more importance in developing countries, including in Indonesia, because the level of education is lower than developed countries. Their human resource can be transformed into human capital with effective inputs of education, health and ethical values. Base on data from Badan Pusat Statistic (2010), Indonesia has population with total of 237, 556, 363 people; recently, Indonesia has been one of the least known countries despite having the fourth largest population in the world. These census data also stated that Indonesia has unemployment of 8, 592, 490 people. These censuses data probably are not exactly reflect the actual since in farmer & fisherman sometimes not actually have a job. Therefore more attention in human resource management is important to ensure that people are handled, built, and motivated well.

Due to their impact on performance and the success of an organization, Organizational

commitment and job satisfaction, characteristics of the way employees behave, received a lot of attention in workplace studies. Organizational commitment and job satisfaction increased in importance over the last few years (Lok & Crawford, 2004) because, they predict the input of employees and as Wilson and Rosenfeld (1990) indicated positive and negative feelings towards work and the organization may have powerful effects on the way employees behave in an organization. Organizations try to encourage commitment in their employees in order to achieve stability and avoid cost when employee leave. When employees are satisfied with their job, they are committed and usually not tempted to look for other opportunities (Lok, Wang, Westwood & Crawford, 2007). According to one of the most intriguing expressions of human capital is the leader-follower phenomenon. Since the beginning of civilization, people have sought answers to the questions of who becomes a leader and why.

This research will be done in Small and Medium-size Enterprises (SMEs). They usually have a flatter organization structure. The small number of employees, centralized decision making, depending on the sector a small number of highly educated employees, the high level of informality, the close personal relationships and the short lines of communication cause different interactions between leaders and their employees in small organizations than in large organization (Bolden & Terry, 2000;).

It would be interesting to see how Transformational leadership and organizational culture, influence Employee Satisfaction.

Problem Identification

Company Profile

PT XYZ at first in 2001 is company that only deliver motivation training for public, their strength is the method of deliver the training, touch an Emotion and Spiritual side of the human behavior. In 2010 the motivation training is everywhere, and the numbers of income starts to fall, they begin to develop the business and try Management Consultant Company and Training Provider, They give consultancy services to their client and deliver the training base on clients' needs. That year is like a wakeup call for them, they realize they have to prepare back up plan, so they star to build network and another business unit like: tour and travel unit, School, Merchandise, English Course, Hospitality, and Property.

Since 2001 until now PT XYZ already have 14 branches all over Indonesia with 307 employees.

Human Capital in PT XYZ

Problems that occur at this time:

- Lack of delegation of leadership to the team.
- Lack of communication between each department.
- Less unprepared leaders when carrying out its role as a leader in his team.
- Continued involvement of the CEO of any company activity.
- Boredom of the program that runs the company to employees.
- Distrust employee against his superiors.

All of this causing high number of turnover employee every year.

Research Objective

The objective of this research is to analyze the Influence of transformational leadership and organization culture toward Employee satisfaction at PT. XYZ.

The primary purpose of this research paper is to study the significance of transformational leadership and organization culture in relation to Employee satisfaction at PT. XYZ.

A secondary purpose is to determine into what extent that transformational leadership and organizational culture are affecting Employee satisfaction levels. The third purpose is to give inputs to PT. XYZ to maintain good quality of leadership and to improve Employee satisfaction.

LITERATURE REVIEW

Leadership

For as long as there was interaction between people, leadership existed. The topic of leadership has been the focus of studies for the past 20 years and gradually became a topic of great interest. This interest sprung forth out of the fact that leaders provide guidelines and they have to motivate their followers to accomplish tasks (Gill, 1998).

In Bass's (1998) current definition, leadership is an interaction between one or more members of a group. In another more recent definition, leadership is a relationship between leaders and followers where they influence each other and they intend real changes and outcomes that reflect their shared purposes (Daft, 2005).

According to Northouse (2007) leadership as a process means that, as mentioned earlier, it is not a characteristic someone is born with, it is an interaction between leaders and their followers. The leaders influence and are influenced by their followers (a group). Leadership is available to everyone; it is not limited to the person in power (Northouse, 2007). For this research the following definition for leadership will be applied: "Leadership is a process whereby an individual influences a group of individuals to achieve common goals (Northouse, 2007) "

This definition is best suited for this research due to the ongoing interaction between leaders and followers in Consultant management due to the short communication lines and the flatter organization structure.

Transformational Leadership Theory

Transformational leadership is a type of leadership style that can inspire positive changes in those who follow. Transformational leaders are generally energetic, enthusiastic, and passionate. Not only are these leaders concerned and involved in the process; they are also focused on helping every member of the group succeed as well.

The Components of Transformational Leadership

Bass also suggested that there were four different components of transformational leadership according to Bodla and Nawaz, 2010; Robbins, 2005 :

- 1. Intellectual Stimulation (IS)** – Transformational leaders not only challenge the status quo; they also encourage creativity among followers.
- 2. Individualized Consideration (IC)** – Transformational leadership also involves offering support and encouragement to individual followers.
- 3. Inspirational Motivation (IM)** – Transformational leaders have a clear vision that they are able to articulate to followers.
- 4. Idealized Influence (II)** – The transformational leader serve as a role model for followers.

Organization Culture

Organizational culture refers to culture in any type of organization including that of schools, universities, not-for-profit groups, government agencies, or business entities. In business, terms such as **corporate culture** and **company culture** are sometimes used to refer to a similar concept.

Culture relates to the informal aspects of organizations rather than their official elements. They focus on the values, beliefs and norms of individuals in the organization and how these individual perceptions coalesce into shared meanings. Culture is manifested by symbols and rituals rather than through the formal structure of the organization: Beliefs, values and ideology are at the heart of organizations. Individuals hold certain ideas and value-preferences which influence how they behave and how they view the behavior of other members. These norms become shared traditions which are communicated within the group and are reinforced by symbols and ritual. (Bush 2003, p.156).

“Organization Culture” by Edgar Schein

According to Schein (2010, p.9) organizational culture is defined as “A pattern of shared basic assumptions invented, discovered, or developed by a given group as it learns to cope with its problems of external adaptation and internal integration” that have worked well enough to be considered valid and therefore, to be taught to new members as the correct way to perceive, think and feel in relation to those problems”. It has also been defined as “the specific collection of values and norms that are shared by people and groups in an organization and that control the way they interact with each other and with stakeholders outside the organization.” (Hill and Jones, 2001).

According to Schein (2010, p.55), organizations should strive for what is considered a “healthy” organizational culture in order to increase productivity, growth, efficiency and reduce employee turnover and other counterproductive behavior. A variety of characteristics describe a healthy culture, including:

- Acceptance and appreciation for diversity
- Regard for and fair treatment of each employee as well as respect for each employee’s contribution to the company
- Employee pride and enthusiasm for the organization and the work performed
- Equal opportunity for each employee to realize their full potential within the company
- Strong communication with all employees regarding policies and company issues
- Strong company leaders with a strong sense of direction and purpose
- Ability to compete in industry innovation and customer service, as well as price
- Lower than average turnover rates (perpetuated by a healthy culture) Investment in learning, training, and employee knowledge

Table 2.2 Organization Culture Definition

No	Researcher	Result of research	Issued
1	Schein , Mitchell and Yate	values, beliefs and feelings shared by the groups in an organization are the basic assumptions of the organizational culture. Organizational culture is the feelings and understandings of members in the group and expresses in the organization.	1996 , 2002
2	Tunstall	Organizational culture is a media for leaders to model members' commitments and constructs visions .	1985
3	Peter F Drucker	Organizational culture acts as a very important bridge in an organization. It is can prompt the identification, the cohesiveness and the consensus of the followers.	1995
4	Racasi and Schultz	Organizational culture is a set of shared mental assumptions that guide interpretation and action in organizations by defining appropriate behavior for various situations.	2006
5	Needle	Organizational culture represents the collective values, beliefs and principles of organizational members and is a product of such factors as history, product, market, technology, and strategy, type of	2004
6	Daniel Denison	Daniel Denison's model (1990) asserts that organizational culture can be described by four general dimensions – Mission, Adaptability, Involvement and Consistency.	1990
7	Deal and Kennedy	Defined organizational culture as <i>the way things get done around here</i> . Created a model of culture that based on 4 different types of organizations, work hard play hard, tough guy macho culture, process culture, bet the company culture	1982
8	Kim Cameron and Robert Quinn	Made a research on organizational effectiveness and success. Based on the Competing Values Framework, they developed the Organizational Culture Assessment Instrument that distinguishes four culture types.	1999
9	Geert Hofstede	The work focused on what the authors called the six dimensions that separate and define organizational cultures:	1990
10	Wallach	In this research the following definition for organizational culture will be applied: "Organizational culture is the shared understanding of the beliefs, values, norms and philosophies of how things work (Wallach, 1983)"	1983

Organization Culture:

Based on the above theory, Organization Culture synthesize in this research is beliefs, values and feelings shared and understanding by the group, how the organization do their things done. According to author Organization Culture is build from individual beliefs that reflect on the attitude and character, Organization Culture is combining between habit, attitude character and personality, Organization is a numbers of individual, if we going to change the organization we have to change the individual inside the organization.

Employee Satisfaction

Employee satisfaction, also known as job satisfaction, is the extent to which an individual is happy with their job and the role it plays in their life.

Employee satisfaction is the level of contentment a person feels regarding his or her job. This feeling is mainly based on an individual's perception of satisfaction. Employee satisfaction can be influenced by a person's ability to complete required tasks, the level of communication in an organization, and the way management treats employees.

Job satisfaction or employee satisfaction has been defined in many different ways. Some believe it is simply how content an individual is with his or her job, in other words, whether or not they like the job or individual aspects or facets of jobs, such as nature of work or supervision. Others believe it is not so simplistic as this definition suggests and instead that multidimensional psychological responses to one's job are involved.

Researchers have also noted that job satisfaction measures vary in the extent to which they measure feelings about the job (affective job satisfaction).or cognitions about the job (cognitive job satisfaction). Affective job satisfaction is a person's emotional feeling about the job as a whole. Cognitive job satisfaction is how satisfied employees feel concerning some aspect of their job, such as pay, hours, or benefits.

Important Factors Influence Employee Satisfaction

Typically, five factors can be used to measure and influence Employee satisfaction:

1. Salary or total compensation
2. The work itself (i.e., job specifics such as projects, responsibilities)
3. Promotion opportunities (i.e., expanded responsibilities, more prestigious title)
4. Relationship with supervisor
5. Interaction and work relationship with coworkers

Table 2.3 Definition Employee Satisfaction

No	Researcher	Result of research	Issued
1	Kaplan	Satisfied employees are a precondition for increasing productivity, responsiveness, quality, and customer service.	1996
2	Armstrong	the key factors affecting job satisfaction are career opportunities, job influence, teamwork and job challenge.	2006
3	Edwin A Locke	defines job satisfaction as "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences" .	1976
4	Hulin and Judge	job satisfaction includes multidimensional psychological responses to an individual's job, and that these personal responses have cognitive (evaluative), affective (or emotional), and behavioral components.	2003
5	Spector	The assessment of job satisfaction is a common activity in many organizations where management feels that employee well-being is important.	1997
6	Griffin and Ebert	Job satisfaction is degree of enjoyment that people derive from performing their jobs. If people enjoy their work, they are relatively satisfied, if they do not enjoy their work; they are relatively dissatisfied	2010
7	Misener et al	Job satisfaction is known as a construct with multi facets that includes the employee feelings about different job elements, intrinsic as well as extrinsic. It includes specific features of satisfaction associated with pay, benefits, supervision, organizational practices, promotion, work conditions and relationships with co-workers	1996
8	Mowday, Steers, & Porter	Job satisfaction was referred to employee's self-recognition	1979
9	Mc Neese-Smith	Employees who feel satisfied with their job are more productive and are likely to stay with the organization	1997
10	Yang	The research of job satisfaction dimensions included management, salary, welfare, praise, promotion, colleague, system and job condition	2006

Based on the above theory, Employee Satisfaction synthesize in this research according to Mowday, steers and Porter, Mc Neese is How employee feel self-recognize and feel satisfied with their job from most of the factor (Salary, welfare, praise, promotion, colleague, system) that affect the satisfaction and likely to stay with the organization. From all the research according to author Employee Satisfaction is a level where needs and reality can meet and event sometimes above their expectation.

Research Framework

The research framework is consists of several steps as below:

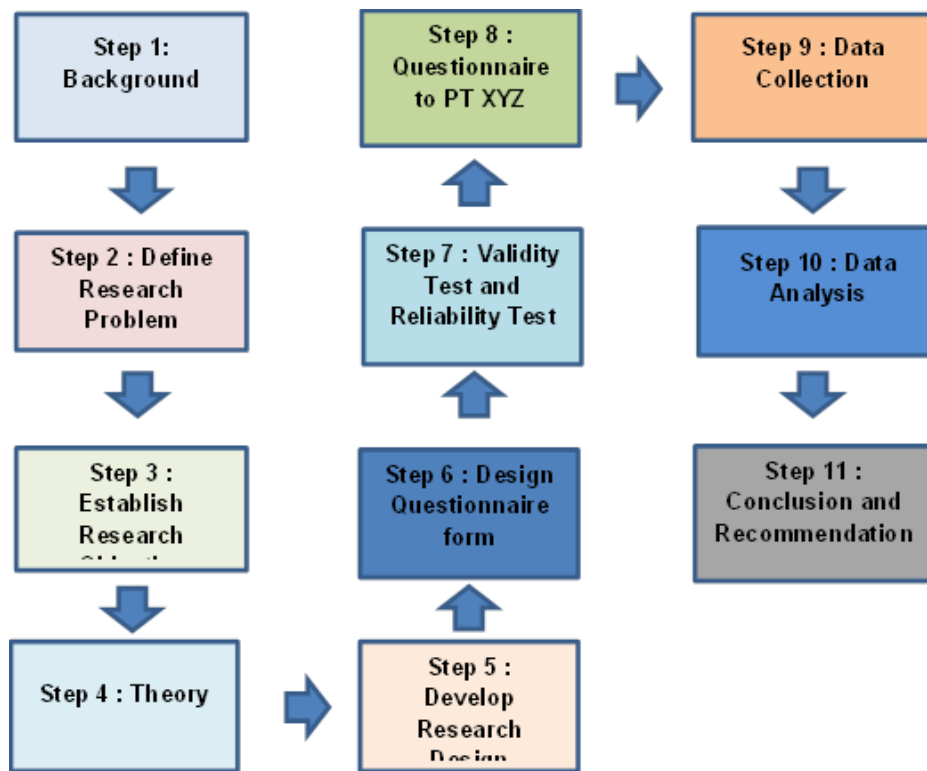


Figure 3.2 Shows the Research Framework

First, the research problem should be defined, followed theory, Develop research design, questionnaire design, Validity test and reliability test, data collection, data analysis, hypothesis, and provide the research conclusion and recommendation.

Research Question

A questionnaire was adopted from several sources for the purpose of this study. It contained questions with answers. It was distributed to 100 company employees from the managerial level.

The questionnaire was divided in three parts: Transformational Leadership, Organizational culture and Employee Satisfaction for the questionnaire and have the indicator that going to be the question. which were meant to distinguish the style and organizational culture of the company and whether there is correlation between these two and employee commitment. All questions included five-point Likert scales, ranging from “strongly disagree” to “strongly agree”.

Beside the questionnaire researcher also do the interview to middle management level from PT XYZ organization (Figure 3.) for strengthen the data with the same three parts, Each part consisted of seven questions,



Figure 3.3 Research Question

3.2.3 Research Model

The research models are stated at below figure:

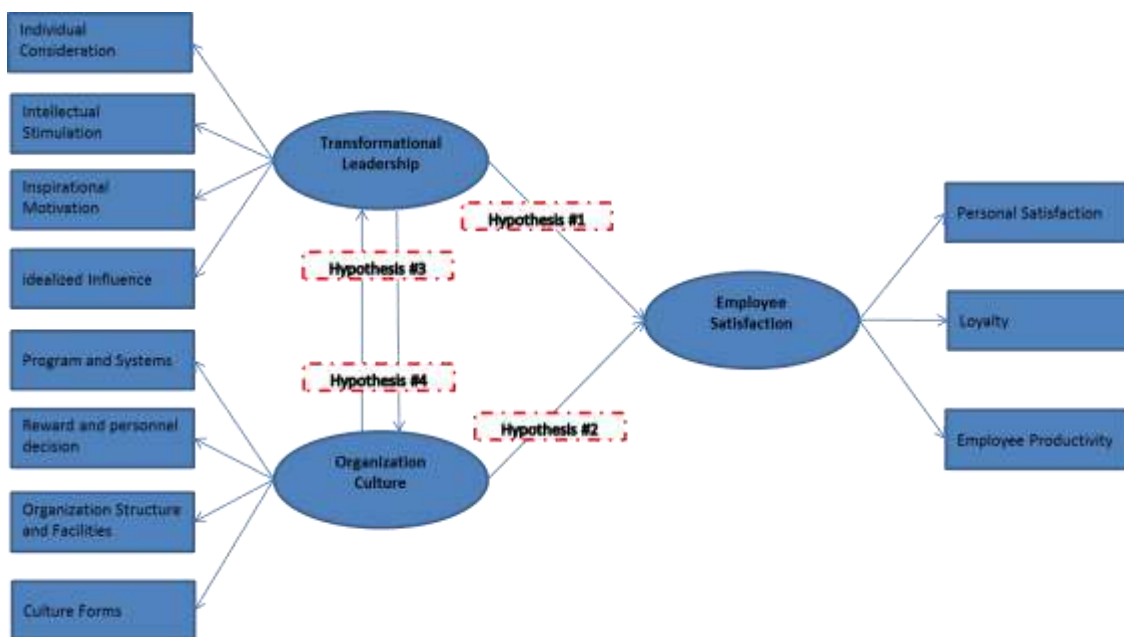


Figure 3.4 Research Model

Table 3.1 Summary of Variables Used in This Research Model for questionnaire

Variable	Dimension	Indicators
Transformational Leadership	Individualized consideration (bass, 2008)	Support and empathy
		Communication open
		coaching or mentoring
		understand problems and needs
	Intellectual stimulation (bass, 2008)	respect on follower
		Stimulates and encourages creativity.
		recognize and develop potential
		learning and training
		always see the opportunity, even on unexpected situation.

	Inspirational motivation (Bass, 2008)	Inspire, motivate and challenge with high standards communicate optimism about future goals clear task communication skill that make the vision understandable, precise, powerful and engaging
	idealized influence (Bass, 2008)	Provide a role model for high ethical behavior provide a role model for instills pride provide role model for gains respect and trust
Organization culture	Progress and System (Yuki, 2010)	Company policy and regulation
		understanding on the company's policy and regulation
		review of company's policy and regulation
		company's strategic plan
		training program
	Rewards and personnel decision (Yuki, 2010)	System of compensation
		understanding on system of compensation
		periodically review of compensation policies
		compensation are distributed by a fair criteria
		employees satisfaction on compensation given by the company
		employees contribution to company
	Organization structure and facilities (Yuki, 2010)	possibility to find a new job with greater compensation
		organization structure and job descriptions
		company's organization structure is sufficient and acceptable
		understanding on position and responsibility to do the job
		company provide enough facilities
		the condition of company's facilities is good and usable
		the workplace arrangements are excellent
		cleaning of workplace
	condition of work environment, lightning, ventilation, temperature, and loudness	
Cultural forms	company's value, vision and mission clearly	
	understanding the company's value, vision and mission	
	company's motto and slogan	
	company do ceremonies to inaugurate a new leader	
	good norm are available in this company.	
employee satisfaction	personal satisfaction (Greenberg and baron,	happy with job
		satisfy with the way this company is managed
		satisfy with the leader
		the work quite interesting

2008)	the company's policy already represent the right
loyalty (Hackman and oldham, 1976)	Guarantee of future
	company priority
	Never absent from the work with unreasonable reason
	affecting of leader to keep working in this company
employee productivity (Griffin and Ebert, 2010)	Appreciation of work
	play an active role to achieve company's goal
	have a good performance
	believe on ability to succeed at workplace
	satisfy the customer

Data Validity and Reliability

The survey questionnaires were distributed in two stages. The first stage is the pre-test questionnaires to 30 customers of PT.XYZ. The second stage is the post-test questionnaires to 70 customers.

SPSS 17 - Cronbach's Alpha has been used in this research to examine reliability by determining the internal consistency of a test or the average correlation of items (variables) within the test.

If the alpha is greater than 0.7 then the variable is considered as reliable and if less than 0.7 then it will be considered as not reliable. Based on the calculation result using SPSS Ver.17, the Cronbach's Alpha of the pre-test (30 respondents) is 0.823 (see Table 4.3). Thus, it shows that variables of the questionnaire are reliable.

The Characteristic of Respondents

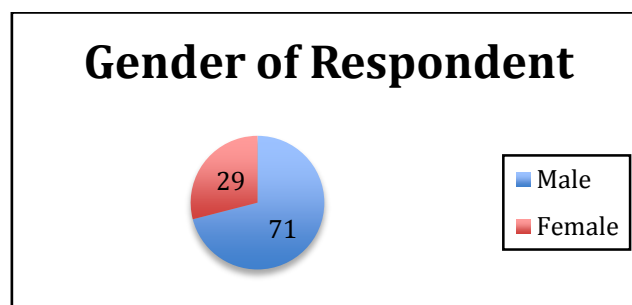
The data in this research was collected through questionnaire survey. The questionnaire form was distributed into two ways: through email and hard copy. The respondents of this questionnaire are limited to employees of company XYZ. The result collected in total respondents who have already participated in the survey.

The Demographic of the Respondents

Demographic information resulted from the questionnaire discuss below. The elements of demographic information are gender, education level, working period and position in the company.

Gender

Below is a figure showing the gender of 100 respondents



Source : Author

Figure 4.1 Gender of Respondent

The surveys show at Figure 4.1 that the majority of the respondents are male (71%) compared to female (29%).

Age

Below is a figure showing the age of 100 respondents.

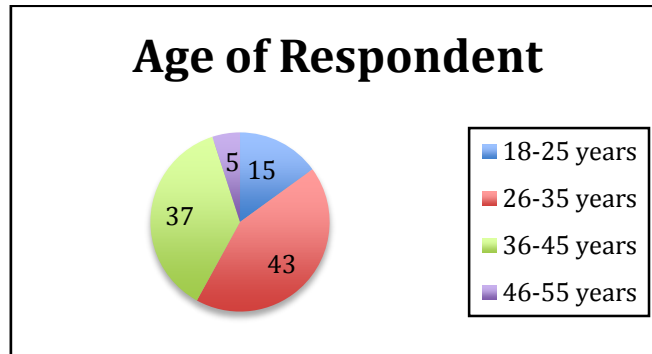


Figure 4.2 Age of Respondent

As shown on the above figure, most of respondent age around 26-35 years (38%), following with 36-45 years (32%), 18-25 years (25%), and 46-55 years (5%).

Education Level

Below is a figure showing the education level of 100 respondents.

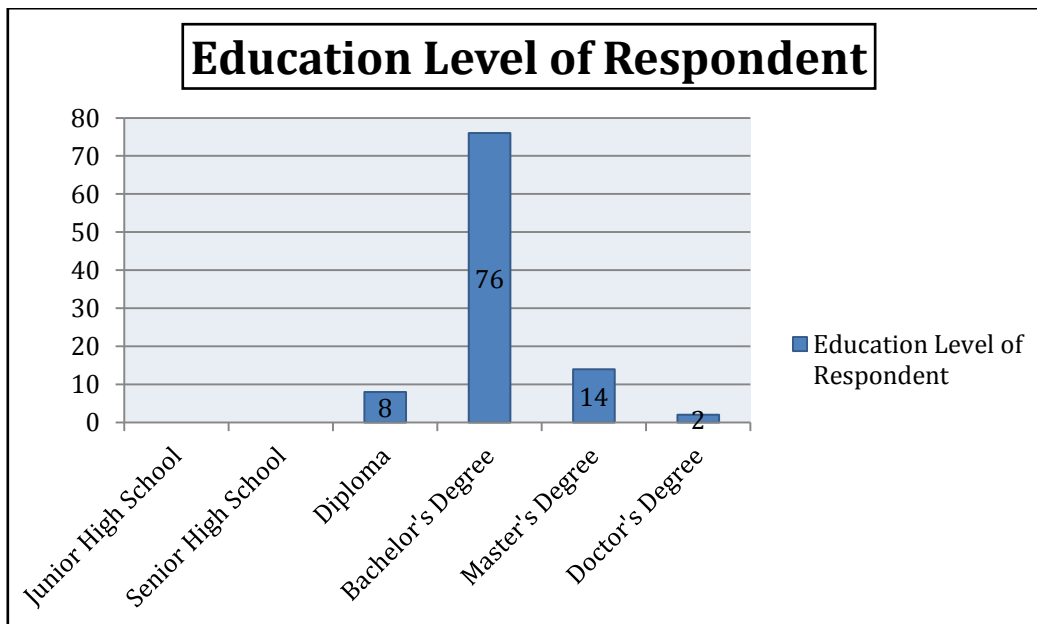


Figure 4.3 Education Level of Respondents

The education level as shown in the figure are 8 respondents are Bachelor's degree, 17 respondents are Diploma, 11 respondents are Master degree, 8 respondents are Senior High School, and only 1 respondents are Doctor's degree.

Position

Below is the figure showing the position of 63 respondents.

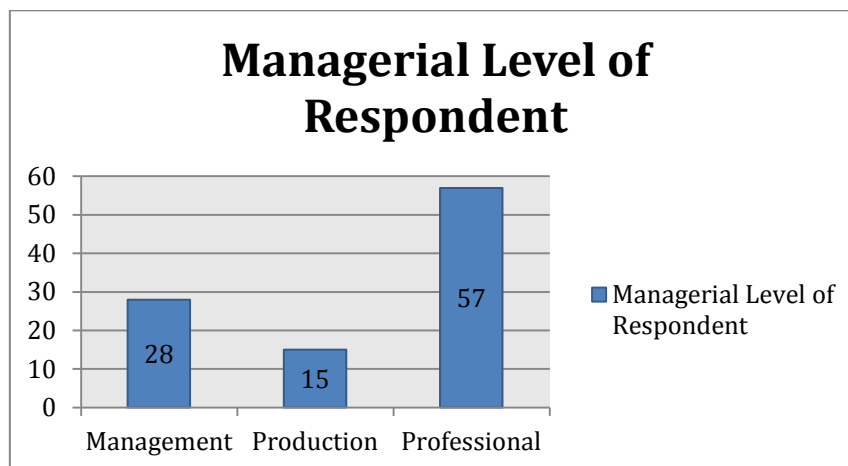


Figure 4.4 *Managerial level of Respondent*

From the position point of view, 28 respondents are Management (Managers and Senior Manager), 15 respondents are Production (Manager) and 57 respondents are Professional (Trainers and Senior Consultant).

Working Period

Figure 4.5 above illustrates that most of the respondents (58%) have been working in the company less than 5 years, while 27% have been working for 6-10 years and only 15% respondents have been working for more than 10 years.

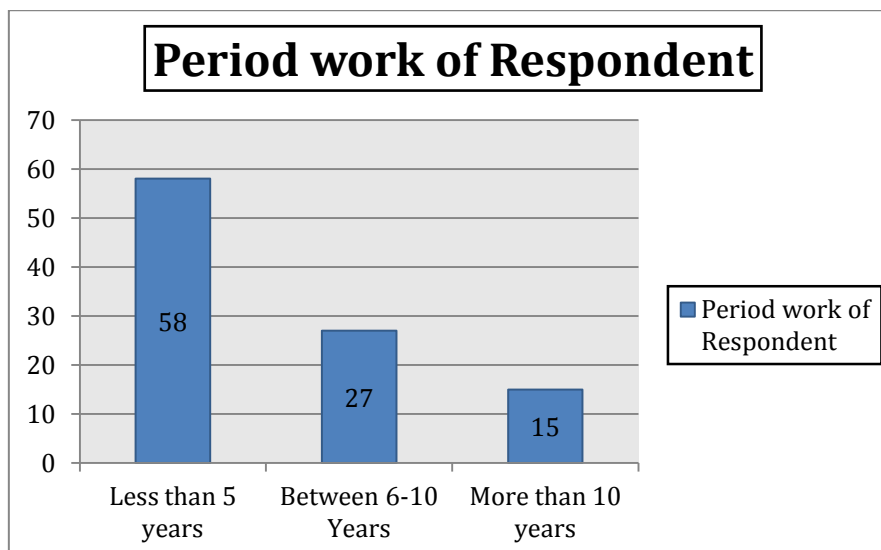


Figure 4.5 *Period work of Respondent*

Path Diagram

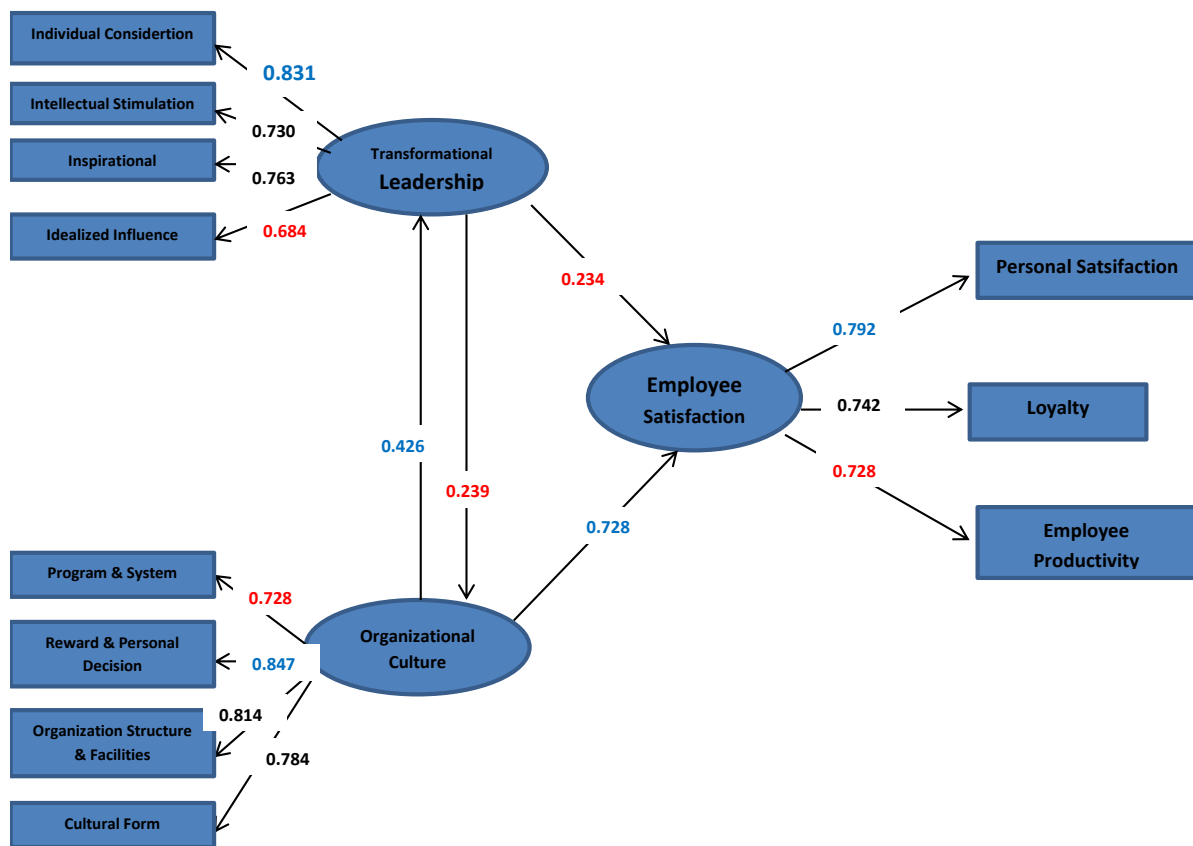


Figure 4.6 Path Diagram

Shows the relationship between the variables of transformational leadership, Organization Culture, and Employee Satisfaction. Each of the variable is determined by their own respective indicators level.

In this diagram we can see the correlation between every variable and the Element, the number will tell us about the strength of the correlation and determinant.

Path Diagram Interpretation

Base on the path diagram

Tabel 4.70 Summary of The most influence elements from Transformational Leadership

Element	Coefficient Correlation (r)	Coefficient Determinant (r^2) %
Individual consideration	0, 831	69, 0
Intellectual satisfaction	0, 730	53, 3
Inspirational Motivation	0, 763	58, 2
Idealized Influence	0, 684	46, 8

Tabel 4.71 Summary of The most influence elements from Organization Culture

Element	Coefficient Correlation (r)	Coefficient Determinant (r ²) %
Transformational Leadership	0, 426	18, 1
Program and system	0, 728	53, 0
Reward and personal decision	0, 847	71, 8
Organization structure and facilities	0, 814	66, 2
Cultural form	0, 784	61, 5

Table 4.72 The Summary of the Most Influence Element on Employee Satisfaction

Element	Coefficient Correlation (r)	Coefficient Determinant (r ²) %
Personal Satisfaction	0.792	62.7
Loyalty	0.742	55.1
Employee Productivity	0, 728	53.0

Tabel 4.73 Summary of The most influence indicator variable for Employee Satisfaction

Element	The Most influence indicator variable	Coefficient Correlation (r)	Coefficient Determinant (r ²) %
Transformational Leadership	Individual consideration	0, 831	69, 0
Organization culture	Reward and personal decision	0, 847	71, 8

Tabel 4.74 Summary of The most influence element of Employee Satisfaction

Element	Coefficient Correlation (r)	Coefficient Determinant (r ²) %
Transformational Leadership	0, 234	5, 5
Organization Culture	0, 728	51, 4

4.5 Internal Interview result

The questions about **Transformational leadership** ask the respondents:

1. Do you know about leadership?

Leadership is a role of the person to develop other people and help the team to lead for achieve the expectation.

2. Can you explain what do you know about Transformational Leadership?

The type of the leader who give example and involve to every activity, the one help develop the team for becoming better individual.

3. Your manager allows you to participate in the decision making process?

The Manager allow us to participate in the decision making process, we involved and ask expect to contribute for the decision making for marketing strategy and business strategy, we give an idea of how we can do market penetration better, but most of the time for rules

- and regulation of the company is only come from the CEO of the company.
4. Your manager wants you to follow a strict set of procedures? Explain?
Yes, have to follow the strict procedures, if we didn't follow the procedures, we get warning letter, but most of the employee break the rules or procedures because the lack of attention .
 5. Your manager is part of the team? explain?
yes, the manager part of the team cause they do the activity like staff do and always involve in the team avitivity.
 6. Your manager is reachable (you can freely go to him/her and discuss an idea or a problem that you have)?
Yes, the manager is reachable, event the CEO, in the company they have group of communication on social media and Gadget, but because of there is plenty of event at the internal management makes us easy to reach the manager or superior.
 7. Your manager is concerned with your personal problems and well-being?
yes, my manager is concerned with our personal problems and well being, we usually go out and discuss about the challenge at work and issues that influence our performance, from the job and also personal issues.
 8. Your manager encourages you to be creative in your work?
Yes, specially when we facing the client, how we going to approach the client and how we can manager to maintain the client. We also have morning briefing every morning from Monday to Thursday for encourage our work.
 9. Your manager encourages you to constantly develop your skills?
Yes, we have to attend the training once a month and brain storming to get new skill from all the leader, every member of the board of director have to held one class every month.

The questions about **organizational culture** ask the respondents if they agree with the following statements:

1. What do you know about culture?
Culture is habit shaped by the environment and based from the character of every individual, group, or team.
2. Do you know about organization culture?
Organization Culture is the culture based on the individual originality or shaped by the leaders for create or merge a new culture.
3. There are strict rules and regulations in your organization that you have to follow?
Yes, the rules and regulation we have to follow and in this company, every time there is a issues, there will be a new rules and regulation.
4. Your company sets clear goals for you?
Yes, every first quarter of the year, we set the goals of the company for one year ahead, there is company target and individual target.
5. You are allowed to express your opinion on an idea?
Yes, only to the management representation.
6. You are given the chance to develop in the company?
Yes, but most of the time our idea is only listen and keep by the person.
7. You are encouraged to work in teams?
yes, we have to work together as a team.
8. Your organization recognizes the success of teams?
Yes, every the end of the year, we get awarded for the best achievement and appovement.
9. Your organization has a strict hierarchy?
yes, the organization have a strict hierarchy, cause of the company is consulting company

and most of the product is for assist a company to deal with organization and culture issues, XYZ company have strong values that have to implement by the employee.

The questions about **Employee Satisfaction** ask the respondents if they agree with the following statements:

1. You understand the vision and mission of the company?
Yes, understand the vision and mission of the company.
2. You feel as a part of the company? Why?
Yes, we always involved in every event and changing.
3. You are satisfied with the management of the company?
No, not because of the salary or benefit, but because of the way the leader treat the employee and how the CEO to involve to every activity .
4. Your company and the manager motivate you to show your full potential?
Yes, they usually do the assessment every year for every employee, the result of the assessment will discuss together with the leader, discussing about the potential of our self.
5. You enjoy starting a new day at work?
Yes, because of the team and co workers.
6. You feel encouraged to make a difference in your organization?
Yes, at the first time, but because of the idea and input only stop to the person, not follow up to the management, we only concern about our job.
7. You are considering leaving the company in the next 3-5 years?
Yes, there is enough reason to leave this company, the company that doesn't listen to their employee for us is just another problems in the future.

Conclusion of Study

Conclusions of this research are:

- Hypothesis # 1: There is Positive Influence of transformational leadership on employee satisfaction.
Based on SPSS analysis from 100 respondent and shows in figure 5.1, The influence of transformational leadership on Employee Satisfaction is 23.4 %.
- Hypothesis # 2: There is positive influence of Organization Culture on employee satisfaction..
Based on SPSS analysis from 100 respondent and shows in figure 5.2, The influence of Organization Culture on Employee Satisfaction is 72.8 %.
- Hypothesis # 3: There is positive Influence of Transformation Leadership on organization culture.
Based on SPSS analysis from 100 respondent and shows in figure 5.4, The influence of transformational leadership on Employee Satisfaction is 42.6 %.
- Hypothesis #4: There is positive Influence of organization culture on leadership transformation.
Based on SPSS analysis from 100 respondent and shows in figure 5.3, The influence of transformational leadership on Employee Satisfaction is 23.9 %.

Recommendation

1. In general, company of PT. XYZ are advised to always observe the organization culture as a factor that significantly influence on Employee satisfaction, in order to increase the employee satisfaction.

Table 5.1 Employee Satisfaction Recommendation

No	Strategy	Action Plan	Due Date
1	Program and System	a. Review company Policy	1 year
		b. Review Company's strategic plan	
		C. Review training Program	
2	Rewards and Personnel Decision	a. Review System of Compensation	1 year
		b. Distribute the compensation by a fair criteria	
3	Organization Structure and Facilities	a. Review organization structure and job description	1 year
		b. Improve facilities condition and workplace	
4	Cultural Forms	a. Clearly communication to employees related company's value vision and mission	1 year
		b. Introduce motto, slogan and good norm of company	

Base on the result, the most influence indicator from variable Organization Culture is Reward and Personnel Decision, therefor beside review the system of compensation and distribute the compensation by a fair criteria, some effort need to be done to improve organization culture :

- 1) The leader must provide role models in communication, ways of thinking, behaving and working well, with 'walk the talk' and doing 'sensing' then all members of the organization will mimic a capable leader.
- 2) The atmosphere of openness in communication, by providing information that is transparent and in proportion. by openness then every member of the organization is not awkward to express their opinions directly.
- 3) Conduct performance appraisals objectively and fairly based on the Key Performance Indicators are measurable, if possible implement 360 performance appraisal.
- 4) Implement the system of remuneration based on performance and innovation.
- 5) Provide a sign of appreciation for the work and tenure in the organization.
- 6) Implement annual recreation with all employees, to resolve the tension and establish a good relationship between all components of the organization.
- 7) Perform a standing meeting every morning or every other day which was only carried out in 30 minutes, where each manager reported briefly issue.
- 8) Provide opportunities for every member of the meeting to be chairman of the meeting, so that all managers are accustomed to speak clearly and directly.
- 9) outward bound training for organizational components to break the ice and build cohesiveness among them.

2. Beside the organization culture, Employee satisfaction expected the transformational leadership, especially on Individual Consideration from the leaders. This is because Individual Consideration has strongest correlation to Employee satisfaction.

Table 5.2 Transformational Leadership Recommendation

No	Strategy	Action Plan	Due Date
1	Individual Consideration	a. Give support for the decision made and Empathy for how they try to do they work	1 year
		b. Open Communication with all team, make a good environment and good bounding.	
		c. Do coaching and Mentoring for give guidance to the leader and team	
		d. Try to Understand Problem and needs	
		e. always Respect on Followers	

And also according to the result of the research, author give recommendation for give the program for leadership, a kind of development for create the good leader that can be a role model and mature enough to lead a team and can give a good example to the others.

And also author give recommendation for reducing CEO involvement in activities organization, so that the delegation can run well. Here is some recommendation for the manager :

- provide opportunities to managers in decision-making to be more trained and willing to take risks and to consider all the risks and benefits.
- Not to give high pressure, sanction and not always blaming on the manager, which can result in managers are afraid or reluctant to make decisions.
- Provide procedures and limits of authority for decision making.

Efforts to improve transformational leadership manager

In order to enhance the transformational leadership and the manager there are some things that can be done activities include:

- actualize the vision and mission of the organization in order to be clarified and understood by every member of the organization. With the vision, mission, goals and organization of the annual work plan that clearly then any manager can redirect all of the components of organizations to work together in achieving the organizational goals by deciding the problem accurately.
- Provide opportunities every manager to make every department progressive vision and aligned with the organization's vision.
- Provide encouragement to each manager to be able to nurture and inspire his team.
- Provide motivation manager for more attention to the development of his team and also know the strengths and advantages and disadvantages of each member of the team, so it can be put and build their Carrier path.
- Provide an opportunity manager to make progressive changes to organization development

REFERENCES

- Bass, B. M. (1985). *Leadership and Performance*, N.Y. Free Press.
- Bass, B. M. (2008). *The Bass Handbook of Leadership: Theory, Research, and Managerial Applications* 4th edition. N.Y. Free Press.
- Bass, B. M., and Riggio, R. E. (2006). *Transformational Leadership*. 2nd edition, Lawrence Erlbaum Associates, Inc.
- Burns, J. M. (1978). *Leadership*. New York: Harper and Row Publishers Inc.
- Dessler G. (2010). *Human Resource Management*. 12th edition, Pearson Education, Pearson International Edition.
- Goleman, D., Boyatziz, R., and McKee, A. (2002). *Primal Leadership: Learning to Lead With Emotional Intelligence*. Harvard Business School Press, USA.
- Griffin, R. W., and Ebert, R. J. (2010). *Business*, 8th Edition. Pearson Prentice Hall International Edition.
- Greenberg, J. and Baron, R. A. (2008). *Behavior in Organization*, Ninth Edition. Pearson International Edition.
- Hackman, J. R., & Oldham, G. R. (1976). *Motivation through the design of work: Test of a theory*. *Organizational Behavior and Human Performance*.
- Hair, J. F., Black, W. C., Babin, B. J., Anderson, R. E., & Tatham, R. L. (2006). *Multivariate Data Analysis* (6th ed.). New Jersey: Pearson Education Inc.
- Higgins, J. (2005). *The Correlation Coefficient*. In *The Expected from The Radical Statistician* (p. Chapter 2).
- Hill, C. W. L., and Jones, G. R. (2001) *Strategic Management*. Houghton Mifflin.
- Sevilla, Consuelo G. et. al (2007). *Research Methods*. Rex Printing Company. Quezon City.
- Boundless. "Key Behaviors of Transformational Leaders." *Boundless Management*. Boundless, 14 Nov. 2014.
- Darlene Fowler. "The Relationship Between an Organization's Culture and its Leadership, and the Impact on Employee Performance and Satisfaction", May 2009
- Parks Duncan. "The Impact of Leadership Styles on Employee Performance", 2010.
- Elena Bica, Camelia Firica "The Influence of Transformational Leader upon Organizational Culture" 2010.
- Masood, S.A "Transformational leadership and Organizational Culture: The Situational Strength Perspective" 2006

- Danielle, Griffith- Kranenburg “The Effect of Organizational Culture and Leadership Style on Organizational Commitment Within SMES in Suriname, with Job Satisfaction as a Mediator” February 2013.
- Schein, “Organizational Culture” February 1990
- Joel Tham Kah Marn, “The Impact of Transformational Leadership Practices on Job Satisfaction of PHEI Lecturers”2012.
- Man M., Modrak, “Theoretical Approach to The Job Satisfaction”, 2011
- Ullah Anes, “ Impact of Leadership on Organizational Performance”, 2013
- Goleman, Daniel, “Leadership That Get Results”, 2000
- Desson, Kenneth, “Organizational Culture-Why Does it Matter?”, Nov 2010
- M.Trap, Bruce, “ Defining Culture and Organizational culture: from Anthropology to the Office”
- Givens, Roger, “Transformational Leadership : The Impact on Organizational and Personal Outcomes”, 2008
- Aydogdu, Sinem, “ The Effect of Transformational Leadership Behavior on Organizational Culture : An Application in Pharmaceutical Industry”,
- Drucker, Peter, “Managing Oneself”, 1999
- Hai Nam Nguyen, “The Impact of Leadership Behaviors and Organizational Culture on Knowledge Management Practices in Small and Medium Enterprises”, 2009
- Schein, Edgar, “Organizational Culture and Leadership”2004
- Voon, M, L, “ The Influence of Leadership Styles on Employees Job Satisfaction in Public Sector Organizations in Malaysia”, 2011
- Apriyanto, Yunus, “The Effect of Transformational Leadership and Organization Culture on Job Satisfaction in Service Company”, 2012
- Sang long, Choi, “The Impact of Transformational Leadership Style on Job Satisfaction”, 2014
- International Labour Organization, “Labour and Social Trends in Indonesia”, 2013
- Emmanuel Ogbonna, “Leadership Style, Organizational Culture and Performance:Empirical Evidence from UK Companies”, 2006