

The influence of leadership styles on employees' job satisfaction in public sector organizations in Malaysia

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Abstract

Leadership is a process influence between leaders and subordinates where a leader attempts to influence the behaviour of subordinates to achieve the organizational goals. Organizational success in achieving its goals and objectives depends on the leaders of the organization and their leadership styles. By adopting the appropriate leadership styles, leaders can affect employee job satisfaction, commitment and productivity. Two hundred Malaysian executives working in public sectors voluntarily participated in this study. Two types of leadership styles, namely, transactional and transformational were found to have direct relationships with employees' job satisfaction. The results showed that transformational leadership style has a stronger relationship with job satisfaction. This implies that transformational leadership is deemed suitable for managing government organizations. Implications of the findings were discussed further.

Keywords: Leadership; transformational; transactional; job satisfaction; working condition; working assignment

1. Introduction

Effective leadership and employee job satisfaction are two factors that have been regarded as fundamental for organisational success. A capable leader provides direction for the organisation and lead followers towards achieving desired goals. In similar vein, employees with high job satisfaction are likely to exert more effort in their assigned tasks and pursue organisational interests. An organisation that fosters high employee job satisfaction is also more capable of retaining and attracting employees with the skills that it needs (Mosadegh Rad & Yarmohammadian, 2006). Several studies have also examined the relationship between the two factors and concurred that leadership has significant impacts on job satisfaction and organisational commitment (Lok & Crawford, 1999, 2001; William & Hazer, 1986; Mosadegh Rad & Yarmohammadian, 2006). High job satisfaction enhances employees' psychological and physical wellbeing (Ilardi, Leone, Kansser, & Ryan, 1983) and positively affects employee performance (Vroom, 1964; Porac, Ferris, & Fedor, 1983). According to Mosadegh Rad and Yarmohammadian (2006), employee job satisfaction refers to the attitude of employees towards their jobs and the organization which employs them. The researchers pointed out that job satisfaction is influenced by many organisational contextual factors, ranging from salaries, job autonomy, job security, workplace flexibility, to leadership. In particular, leaders within organisations can adopt appropriate leadership styles to affect employee job satisfaction, commitment and productivity.

Previous studies have examined the relationship between employee job satisfaction and leadership behaviour in various settings such as healthcare, military, education and business organisations (Cook, Wall, Hepworth, & Warr, 1989; Bass, 1990; Chen & Silversthorpe, 2005). These studies generally indicate that employee job satisfaction in the public sector is just as important as it is in the private sector. Consistent with this, the present study intends to examine the relationship between leadership styles and job satisfaction in the public sector. Two types of leadership styles are examined, namely, transactional and transformational leadership. The specific objectives of the study are:

- i. To determine the relationship between aspects of transactional leadership such as contingent reward, active management by exception and passive management by exception with job satisfaction among employees in the public sector.