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The Mediating Effect of Job Satisfaction on The Link Between Leadership Style and Organizational Commitment

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ABSTRACT

The role of leaders in ensuring excellent organizational performance cannot be denied. It is important to ensure adequate motivation, suitable working environment, good compensation and efficient communication between employers and employees in order to promote excellent organization performance. Therefore, the purpose of this study is to determine the role of leadership styles play in public sector organization and how they influence employee commitment to the organization and how job satisfaction mediates this relationship. Previous studies proved that the effect of leadership style on organizational commitment was mediated by job satisfaction. This study will be done in Election Commission of Malaysia (ECM), therefore the data will be gathered through questionnaires distributed to civil servants who attached at ECM. The questionnaire aims to investigate the leadership style practised by, the relationships between and the impact of the variables on each other. The scales used were the Multifactor Leadership Questionnaire (MLQ), the Job Satisfaction Survey (JSS) and the Organizational Commitment Questionnaire (OCQ). The gathered data will be statistically analyzed with SEM-PLS. The leadership style known as transformational, transactional, and laissez-faire will be among the categories of leadership will be studied in order to determine which style is mostly being practiced by the civil servants. In related to that, this study intent to explore type of organizational commitment namely affective commitment, continuance commitment and normative commitment showed by them and job satisfaction as the mediating variable in a single model proposed.

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INTRODUCTION

For the past few decades, leadership styles continue to be one of the most exciting issues for organizations (Lo, Ramayah, Min, & Songan, 2010) because it plays a significant role in affecting the motivation, commitment and predisposition of the workforce in which it provides focus, meaning and inspiration to those who work for an organization (Ahmad, 2001). Therefore, the leader has to be the role model that portrays desirable beliefs, values and attitudes in the workforce.

According to Burke (1985), leadership has been defined more than 350 times and thus it is considered as one of the controversial concepts in the field of management. While Kuchler (2008) in his study also mentioned that leadership persistent to be one of the most extensively discussed topic by the researchers from all over the world (Chapman, Johnson, & Kilner, 2014; (Chan & Mak, 2014; Clinebell, Škudienė, Trijonyte, & Reardon, 2013; Indrawati, 2014; Kent, Crotts, & Azziz, 2009; Limsila & Ogunlana, 2008; Notgrass, 2014; Rehman, Shareef, Mahmood, & Ishaque, 2012; Schreuders & Alem Legesse, 2012; Zehir, Ertosun, Zehir, & Müceldili, 2011).

In Malaysia, study on leadership style have been continuously being the interested issue to be looked further into and conducted in both private and public sector. For organizations in private sector, researches on leadership have been conducted in plantation companies (Mahdi *et al.*, 2014), market research firms (Goh & Low, 2013), technological firms (Arshad *et al.*, 2013), commercial banks (Yunus & Siti Raibah Anuar, 2012), various firms (Lian & Tui, 2012; A. H. Ismail & Ali, 2011; Selvarajah & Meyer, 2008), small-medium enterprises (Gallato *et al.*, 2012), foreign companies in Malaysia (A. Ismail *et al.*, 2011), airline cargo firm (Marmaya *et al.*, 2011), manufacturing firms (Lo, Ramayah, Min, *et al.*, 2010), private universities (Khan & Rashid, 2012) and specifically on women entrepreneurs (Kuppusamy *et al.*, 2010). In the other hands, most of the studies on leadership styles in public sector are mostly conducted in public universities in which include the

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academicians (Bakar & Mahmood, 2014; Ahmad & Fontaine, 2011; or lecturers (Lo, Ramayah, & Run, 2010; Lo, T. Ramayah, *et al.*, 2010; Pihie *et al.*, 2011), administrative staffs (Nordin, 2011), librarians (Tarsik *et al.*, 2014) and students (Lian & Tui, 2012). Tajasom & Ahmad (2011) conducted a study on principal's leadership style from the perception of teachers as subordinate to the principal.

According to (Ahmad, 2001), Malaysian government emphasizes on the importance of having a developed society with high morals and good ethics and one of the mechanisms of achieving it is through the leaders or managers with good local values and able to inspire their employees the shared vision of the organization with good morale and values. With more than 1,000 government agencies, the successful of government of the day in ensuring their visions achieved is very much depending on those agencies in playing their role and functions accordingly. Each of these agencies has their own objectives and mission to be achieved which requires the holistic commitment from every individual in the organization regardless whether they are the leaders or workers. Therefore this study aims to explore the leadership styles practiced by the civil servants in government agencies and their relationship with organizational commitment and job satisfaction in carrying out their functions and duties.

Problem Statements:

Majlis Profesor Negara through their research (Berita Harian, 2013) which involved 3,756 respondents resulted only 67% of them believed that ECM has managed election for the country in a proper way. Public perceived the negative image upon ECM as the trusted body for the country election management and hoping for the improvement in several aspect towards ECM such as image, integrity and its electoral rolls. 13th General Election was held during the second quarter of the year 2013 on May 5, 2013. During the first quarter of the year 2013, there were about 69 complaints on ECM misconducts reported in the national newspaper. This indirectly gave a negative effect to ECM as the only authority and independent body and to conduct the election as well as the civil servants served at ECM.

Based on this perception, it is very important for them to prove to the public that the aim to achieve the organizational excellence as an independent body is always being the priority of all. Therefore this research aims to explore the importance good leaders could motivated the committed civil servants could guarantee excellence performance within and the survival of ECM which in turn can benefit the good image of civil service entirely. Hagen, Oubre, White and Nelson (2005) stressed that when employees became emotionally committed to their job, they will invest more to pursue excellence and required targets.

However, commitment is closely related to satisfaction (Vandenberg & Lance, 1992). Dimitriandes (2006) explores the nature of interrelationships among satisfaction and commitment in Greece service organization. Dimitriandes (2006) established that commitment significantly related to satisfaction. In other hands, Abd. Rahim (2014) found that the satisfaction was performed to be the mediating factor for quality management practices and commitment in which job satisfaction will ensure total commitment in order to achieve organizational goals.

Thus, this study intentions to satisfy this gap in the leadership styles literature by analyzing the relationships amongst leadership styles, job satisfaction and organizational commitment experienced by public sector in a single model.

Research Objectives:

This study has three objectives: First, to investigate the relationship between leadership style and organizational commitment. Second, to determine the relationship between leadership style and job satisfaction. Third, to examine the relationship between job satisfaction and organizational commitment. Lastly, this study is designed to explore the extent to which the mediating effect of job satisfaction in the relationship between leadership styles and organizational commitment.

Literature Review:

Relationship between Leadership Style and Organizational Commitment:

There are previous studies conducted the link between leadership style and organizational commitment (Cokluk & Yilmaz, 2010; Meyer and Allen, 1991; Meyer & Allen, 1997; Perryer & Jordan, 2005). A study by Mahdi *et al.* (2014) where used a sample of 300 supervisors and employees from various plantation companies in Malaysia. The study found that there are significant strong relationship and significant impacts between the leadership behavior and the organizational commitment where improvement in the two dimensions of the leadership behavior may result in the improvement of the organizational commitments. Mahdi *et al.* (2014) also mentioned in their findings that supportive and directive leadership behaviors are as strongly related to affective, continuance and normative organizational commitment (Cokluk & Yilmaz, 2010; Meyer and Allen, 1991; Meyer & Allen, 1997; Perryer & Jordan, 2005). Therefore supportive and directive leadership behaviors do play important roles in determining the levels of employee's commitment.

On the other hands, Brower, Schoorman and Tan (2000) mentioned in his sudy, supportive and directive leadership behavior is not the only determinative of organizational commitment, there some other factors such as working environment and the nature of the relationship between the manager and subordinate has been acknowledged as other factors for organizational commitment study.

Relationship between Leadership Style and Job Satisfaction:

Many studies carried aout on job satisfaction such as Robbins (2005) and Rad and Yarmohammadian (2006). However as mentioned by Yousef (2000) through his several literature review by, findings of studies on relationship between leadership behaviour and job performance were inconsistent.

A collection of feelings that an individual holds towards his or her is one of job satisfaction's definition as mentioned by Robbins (2005) and there are various factors will influence employee job satisfaction (Rad and Yarmohammadian, 2006). According to Yiing and Ahmad (2008), the relationship between leadership behaviour and job satisfaction has received a great deal of attention in past research (Appelbaum *et al.*, 2004; Yousef, 2000) with various findings (Pool, 1997; Savery, 1994; Yousef, 2000). One of the findings suggest that there is no direct relationsio between employee satisfaction and a specific leadership style (Yiing& Ahmad, 2008). On the other hands, in order to reduce employee dissatisfaction is through the good leadership style supported by culture and working environment.

Relationship between Leadership Style, Job Satisfaction and Organizational Commitment:

According to Yiing& Ahmad (2009), employees are less committed towards their organization when they dissatisfied at work therefore will be emotionally and mentally effected and eventually will quit from the organization. Thus, one of the medium for the employee's contribution assessment is through their attitude on the organizational commitment and job satisfaction towards the organization. overall contribution of the employee to the organization. Prevoius studies have proved the relationship between organizational commitment and job satisfaction (Caykoylu *et al.*, 2007; Chen, 2007; Jernigan *et al.*, 2002; Lok and Crawford, 2001; Samad, 2005; Yousef, 2001).

Samad (2005) and Rashid *et al.* (2003) in their studies in Malaysia resulted that job satisfaction and employee performance are some other factors that are associated with the relationship between leadership behaviour and organizational commitment.

Methodology:

This study aims on civil servants attached at ECM as a population of interest. Little known about study in leadership style practised by civil servants in public organization. The data will be collected through survey questionnaires distributed to those served at ECM. A structured questionnaire developed by adapting the Multifactor Leadership Questionnaire will be used in order to obtain data for this study originated from Bass and Avolio (1997). In order to measure three dimensions of organizational commitment, namely, affective commitment, continuance commitment and normative commitment this study adopted Allen and Meyer's (1996) 18-item scale method. While job satisfaction will me measured by using the Job Satisfaction Questionnaire by Paul Spector (1994).

Conclusion:

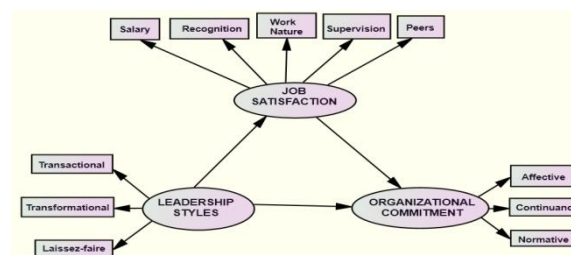


Diagram 1.

Research Framework:

Figure 1 proposes the single model on the study on job satisfaction as the mediating factor for the relationship between leadership styles and organizational commitment. This model will give a comprehensive understanding on the direct and indirect effects on the relationship between the variables. The proposed model can be tested empirically to support the relationships of the variables in the future further research.

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