

## RESEARCH ARTICLE

### THE IMPACT OF SUPERVISORY LEADERSHIP STYLE ON JOB SATISFACTION: A SRI LANKAN CASE

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#### ABSTRACT

Today business organizations are operating in a very competitive environment where Human Resource has become a sustainable competitive advantage and the employee performance is the key to increase organizational performance with the ultimate purpose of achieving its goals and objectives. Building a satisfied workforce in an organization is critical for any organization which contribute to increase quality of products and efficiency level of organization. Job satisfaction is directly influenced by the leadership style among many other factors which determine the job satisfaction. Following the issue this study aims to find out the impact of Transformational and Transactional Leadership style on employee job satisfaction. Respondents were 97 machine operators selected by purposive sampling method. Data were collected through a standard and validated questionnaire. Hypotheses were tested by using multiple regression analysis and result showed, both transformational and transactional leadership style have a significant positive impact for employee job satisfaction. Compared to the transactional leadership style, transformational leadership style has more impact on machine operators' Job Satisfaction level.

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#### INTRODUCTION

Apparel industry is one of the largest industry in Sri Lanka which employing a large number of employees and offer a high contribution to the Sri Lankan Economy to solve the unemployment problem by providing a higher number of career opportunities. The apparel industry has gained the priority in the export trade in Sri Lanka. It contributes more than 30% to the GDP in industry sector (Central Bank report, 2015). Apparel industry is facing ever increasing competition and the survival depends on how well they are performing than its rivals. In other words the success is determined by the competitive advantage of the organization. When achieving the competitive advantage, human resource received a high priority because, it is unique from other factors of production (i.e. money, machineries and processes). Further it has unlimited capacity when comparing to the other resources. Organization always expects the maximum contribution from their employees and to become successful it requires employees who perform more than their usual duties and responsibilities. That is why most of the organizations believe that dedicated workforce is a valuable asset to the organization. Human resource plays a very significant role in effectiveness and efficiency of an Organization.

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Their personal effort and commitment with organization is that which help organization to succeed. The ultimate objective of an organization is to maximize the profit and it is related to the productivity. Productivity of the organization depends on its employees (Moqsood, Bilal, Nazir and Baig, 2013, p.26). Employees can be retained in an organization and make them committed towards the organization if they satisfied in their job. Satisfied employees perform well in their job and if an organization has satisfied employees they can achieve targets easily. Employees who believe that management is concerned about them as a whole person not just an employee are more productive, more satisfied, more fulfilled. Hence, when organizations go to achieve targets, Job Satisfaction is a very important factor (Usman, 2011). Job satisfaction is a means to attract and retain qualified employees. It reflects the person's attitudes towards their job and to the organizations they work for (Ibraheem, Mohommad and Al-zeaud, 2011). Previous research findings reveal that job satisfaction is an important element in influencing a firm's performance. High level of job satisfaction will produce a positive attitude towards job commitment, which in turn can reduce the level of absenteeism, termination of service, negligence at work and increase productivity as well as efforts towards work excellence (Yagambaram 2012, p.1). Job satisfaction is important to maintain employees in long run. When it come to the real world situation is somewhat different. At present, many organizations are focusing on task fulfilling rather

focusing on people wellbeing in their organizations. It led them to treat people just like another resource they own. But it creates a considerable problem in this competitive business world. While many categories of employees are working in apparel industry direct employees is the main category among them. Direct employees are the employees who directly join with the operational process of the organization where they can make a significance influence on achieving organizational goals and objectives at the end. Therefore keeping them satisfied with the job become an important aspect for an organization. A preliminary survey has been conducted to find out the level of job satisfaction of the direct employees (machine operators) and results indicated that there is a low level of job satisfaction among them. Therefore this study aims to answer the question of;

### Why there is a low level of Job Satisfaction among machine operators?

#### Hypotheses

Existing literature shows that job satisfaction of the employees is much important and many factors affecting to the job satisfaction of the employees including Working Conditions, Opportunity for Advancement, Workload and Stress Level, Financial Rewards, Relationship with Supervisor, Leadership style. Among those factors researchers highlighted that supervisory leadership style becomes the most influential factor for the job satisfaction in different contexts. Though the immediate responsible person is a supervisor for the machine operators in a garment they do not have a healthy relationship between themselves. Many problems are arising in factories due to this unfavorable relationship of machine operators and supervisors. The main reason for this is their leadership style towards the machine operators. "Coordination with manager and employee is very important to full fill any task at given time. So for making strong communications between employee and their supervisor organization asked to manager to make strong relationship with his all employee so they easily and happily work with that supervisor and loyal to their organization" (Mansoor, 2012). "There is a strong relationship between leadership style and job satisfaction of employees" (Parveen and Tariq, 2014). "Both transformational leadership and transactional leadership help in predicting subordinates' satisfaction with their leaders" (Bennett as cited in Riaz, Haider and Open, 2010, p.30). Bass (2006) claimed that transformational leadership has a positive impact on followers' job satisfaction (p.5). According to Bushra, Ahmad and Naveed (2011) "Transformational leadership, an approach of enhanced interpersonal relationship between supervisor and subordinate, is a way to create higher level of job satisfaction of employees.

"As the study of Chen *et al* as cited in Riaz *et al*, (2010) found that "followers were satisfied with the contingent reward dimension of transactional leaders and individualize consideration of transformational leaders" (P.30). "Transactional leadership style provides high satisfaction and organizational identification as compared to transformational leadership style" (Mansoor, 2012). Therefore in the light of the literature the proposed two hypotheses of the study as follows.  
H1<sub>A</sub>: There is an impact of transformational leadership style on Job Satisfaction

H1<sub>B</sub>: There is an impact of transactional leadership style on Job Satisfaction

#### Literature Review

**Job Satisfaction:** Many authors have defined Job Satisfaction in various ways. According to Bushra *et al*. (2011) "Job satisfaction is the emotional response of an individual toward his or her job or place of job coming out from his or her experience from the job" (p.262). According to Luthans job satisfaction is "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experience" (p.262). Sarwar, Mumtaz, Batool and Ikram, (2015) have defined Job Satisfaction is "basically the emotional state and is about how one evaluates his job and this evaluation can be negative, neutral or positive" (p.836). According to Ibraheem *et al*, (2011) Job Satisfaction is "attract and retain qualified employees. It reflects people's attitudes to their jobs and to the organizations they work for. Job satisfaction can be typically defined as the emotional reaction of an employee towards work, on the basis of comparing the actual results and the expected ones". According to McShane, and Mosadeghrad as cited in (Ibraheem *et al*, 2011, p.32) "Job satisfaction is also defined as "the person's assessment of his own work and the context and content of the work". According to Minsener, "Job satisfaction can be compared to a multidimensional structure including the employee's feelings towards a diverse group of intrinsic and extrinsic components. It includes certain aspects of satisfaction relating to pay, promotion, working conditions, supervision, organizational practices, and relationships with work colleagues" (Minsener, *et al*, as cited in Ibraheem *et al* 2011, p.38). Locke (1976) has identified and defined Job Satisfaction as "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences. A job is a complex interrelationship of tasks, roles, responsibilities, interactions, incentives, and rewards" (Yagambaram 2012, p.22).

"The varied aspects which influence job satisfaction include work environment, tasks assigned, supervisory traits, policy and administration, potential for development, remuneration, interpersonal relationships, recognition and empowerment" (Castillo and Cano as cited in Yaghoubi poor, Tee and Ahmed 2013, p.16). Spector as cited in Al-ababneh and Lockwood, (2001) stated that "the antecedents of job satisfaction can be categorized into two groups. The first group includes the job environment itself and some factors related to the job. The second group includes individual factors related to the person, who will bring these factors to the job including previous experiences and personality". Locke (1976) classified jobs into nine dimensions as "Work variety - opportunities for growth and learning, amount, difficulty, Pay amount - equity, method of payment, Promotion - fairness, opportunities for, Recognition - celebrations, praise, criticism, Benefits - pension, leave time, vacations, health, Working conditions - hours, breaks, physical layout, temperature, location, Supervision - style, skill, ability, human relations, Co workers - friendliness, competence, support, Company and management - employee relations, benefit packages" (Yagambaram, 2012, p.23). "Job satisfaction is not only the job instead it depends on working environment, supervision, interpersonal relation of co-workers, salary, and organizational culture" (Parveen and Tariq, 2014, p.2).

## Leadership

The term leadership has a long history. According to Baas (1997), "In earlier times, words meaning "head of state" "military commander" "principles" "proconsul" "chief" or "king" were very common in most societies; these words differentiated the ruler from other members of society". "Leadership continued to be one of the most widely discussed topic by the researchers from all over the world" (Kuchler as cited in Bushra *et al*, 2011, p.262). Leadership has defined by many authors in different ways. According to Burns, there was more than 130 definitions for leadership all over the world. However, several generally accepted variations on the definition appear in the management and leadership literature. "Leading is the ability to influence people towards the attainment of organizational goals" (Draft, 2012). "Leadership is the process of directing and influencing the task-related activities of group members" (Stoner, Freeman and Gilbert, 2009). Burns presented five characteristics of leadership. Those are leadership is collective, leadership is dissension, leadership is causative, leadership is morally purposeful and transforming leadership is elevating (Xiaoxia, Xiaoxia and Jing, 2003). According to Bolden "The concept of leadership starts with the unique focus on the theory of "Great Man". The proponent of the great man theory assumes that leaders are born and have innate qualities; therefore, leaders cannot be made. The word "Man" was deliberately used to signify the role of males only. Initially, leaders were thought to be those having success stories which were largely associated with military men" (p.30). In 1957 Hemphill and Coons as cited in Mansoor, 2012, said that "leadership is behavior which guides a specific number of people in group for accomplishing and achieving targeted aims and mission" (P.27). According to Stogdill as cited in Ali, Sidow and Guleid (2013) "that is single man which have leadership characteristic is tell them the way which help them to accomplished their targeted goals and aims" (p.27). According to above definition leadership is a usage to strengthening the people in an organization. Always leadership helps to people to see the future beyond their limits. Also it helps to reach some achievements in follower's lives.

## Leadership style

Red and Yarmohammadian argued that, "A leadership style is a particular set of behavior which is displayed by an individual, regardless of particular situations. Leadership styles can be seen as a succession of managerial attitudes, behaviors, characteristics and skills based on an individual and organizations' values, leadership interests and reliability of employees in different situations" (as cited in Petersen, 2013, p. 22). According to above definition, leadership style is a leader's set of action which they show when they leading the people. This kind of action differs from person to person. Those actions depend on their attitudes, behaviors, values, skills and some other personal factors. When studies about literature we can identify different leadership approaches such as Trait theory, Behavioral leadership, Path goal theory, situational leadership, Transactional leadership and Transformational leadership. According to Taylor (as cited in Wanjiru, 2013), the trait theory of leadership focused on traits such as personality, physical appearance, social background, intelligence and ability. Trait theory differs from other theories in the sense that it focuses on personal qualities and

characteristics rather than on the behavior displayed by leader (Gehringas cited in Petersen, 2013). It is a conventional vision that great leaders possess special traits that distinguish them from other people. "The behavioral approach focuses on what leaders do rather than what trait they possess" (Xiaoxia *et al.*, 2003, p.10) According to Feishman, researchers categorize the leadership behavior in to two attributes as consideration and initiating structure (as cited in Petersen, 2013). The fundamental difference between trait theories and behavioral theories are based on the fact that trait theories maintain that leaders are born and cannot be created whereas behavioral theories, on the contrary, maintain that leaders can be created by mimicking the leadership behavior of successful leaders. According to Dixon and Hort, path goal leadership style reward and encourage their followers for goal achievement and also provide their followers with the necessary direction, clarity and assistance with the elimination of obstacles in order for them to attain their goals (as cited in Petersen, 2013). In this theory leaders always help to their followers to establish goals and to achieve those goals. Situational leadership theories try to explain leaders' style, behavior or effectiveness by understanding how aspects of the situation shape leaders behaviors. According to Xiaoxia *et al.*, (2003), "the situational theory presumes that different leadership styles are better in different situations and that leaders must be flexible enough to adopt their style to the situation there are in". According to Hersey and Blanchard (1993), situational leadership can be subdivided in to two categories, mainly task oriented leadership and relationship oriented leadership. If simply said, leaders should select actions base on the nature of the situation (as cited in Bushra *et al*, 2011).

## Transformational Leadership

"Burns (1978) was the first person who gave the concept of transformational leadership. Transformational leadership is observed when leaders encouraged followers to boost up the level of their morals, motivation, beliefs, perceptions, and coalition with the objectives of the organization" (Bushra *et al*, 2011, p.262). "Transformational leadership is different from transactional leadership in that it concentrated on development and progress, solidity, authorization, self-confidence and complement" (Ibraheem *et al* 2011, p.36). "Transformational leadership occurs when one or more persons engage with others in such a way that the leaders and followers raise one another to higher levels of motivation and morality" (Burns as cited in Ali, *et al*, 2013, p.175). "The nature of transformational leaders is such that they are more involved with their subordinates and colleagues as compared to transactional leaders" (Avolio *et al* as cited in Yaghoobipoor *et al* 2013, p.15). According to Bass (1999) "The charismatic, multidimensional transformational leaders inspire trust and respect from their followers and instill in them a sense of pride and purpose and a vision to follow, as opposed to the exchange and agreement approach of other leader. Northouse (2007) emphasized transformational leadership consists of four components including, idealized influence, inspirational motivation, intellectual stimulation, individualized consideration" (Mansoor, 2012).

**Idealized influence (attributed/behavior):** these leaders earn the trust and respect of their followers; they embody high-moral standards which their followers strive to follow. Such

influence can be derived from the followers and/ or be a consequence of the leader's own behavior.

**Inspirational motivation:** these leaders constantly encourage their followers to do well and to work towards achieving the organization's goals. According to Bass (1999) leaders who use this tactic are able to convey their ideas in a clear and simple manner and motivate their subordinates to do well.

**Intellectual stimulation:** the followers are encouraged to better understand any problems arising and to also be able to relate better to their own beliefs and standards.

**Individualized consideration:** the followers are recognized as individuals and all treated fairly. The leaders note their individual followers' needs and assign tasks appropriately, providing them with opportunities to develop themselves"

### Transactional Leadership

"Transactional leadership occurs when one person takes the initiative in making contact with others for the purpose of an exchange of valued things" "Transactional leaders are those who lead through social exchange" (Burns as cited in Ali *et al*, 2013, p.175). According to (Yagambaram 2012) "Transactional leaders identify primarily tasks of the followers, establish the structure, emphasis on planned and scheduled work. Followers are rewarded or punished to achieve organizational goals". Burns (1978) defined transactional leadership as "a process of social exchange whereby leaders rely on organizational rewards and punishments to increase the performance of employees" (Mansoor, 2012). "Further, transactional leaders are visionaries and change agents who motivate others and can also handle complex, ambiguous and uncertain situations" (TichyandDevanna as cited in Yaghoubipoor *et al* 2013, p.15). According to Avolio, Zhu,Kohand Bhatia (2004) "Transactional leadership is characterized by working directly with individuals and groups, establishing contracts to achieve work objectives, determining individual's capabilities, and setting up a compensation and rewards system. In addition, they emphasize assignments, work standards and task oriented goals. In its corrective form, transactional leadership consists of waiting for mistakes to occur before acting (passive), and closely monitoring for the occurrence of mistakes (active)" (Yagambaram, 2012).

According to Bass andRiggio, (2006) Dimensions of transactional leadership are;

**Contingent reward:** The primary aim of transactional leader is to achieve organizational objectives. In this context, the leader gives various awards to improve the performance and motivations of his followers. His follower can get the award when fulfilling the mandate.

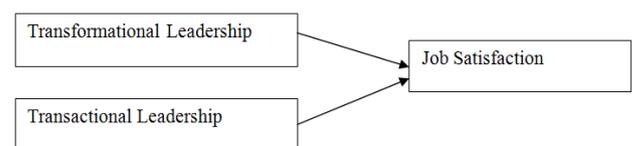
**Management by Exception:** It is applied in two ways, active or passive. If the management is active, leaders correct the mistakes of followers by tracking their performance. If the management is passive, leaders wait until the emergence of errors. These leaders follow performance as problems arise; they pass action to correct them" (Bass, 1999).

**Leadership style and Job Satisfaction:** "The relationship between leadership and job satisfaction is increasingly important in understanding today's globalized society" (Yagambaram 2012, p.13). "Several studies were conducted

during the 1950s and 1960s to investigate how managers could use their leadership behaviors to increase employees' level of job satisfaction". These studies confirmed the significance of leadership in making differences in employees' job satisfaction (Bass, 1997). Furthermore, Yousef (2000) showed that leadership behavior was positively related to job satisfaction and therefore managers needed to adopt appropriate leadership behavior in order to improve it (Yagambaram, 2012). According to Spector (2003) "Job satisfaction ultimately leads to job performance and organizational commitment which ensures organizational success" (Bushra *et al*, 2011, p.262). "Transformational leaders increase the level of job satisfaction of employees by developing shared vision, motivating the followers" (Wanjiru, 2013). "Transformational leaders can create a positive organizational climate, reach goals more easily, and increase the levels of job satisfaction Bass andRiggio, (2006). "There is a strong relationship between leadership style and job satisfaction of employees. Leadership style and gender of head of department have significant effect on job satisfaction of members" (Parveenand Tariq, 2014, p.23). "Transformational leadership has positive impact on job satisfaction. Transformational leaders could raise the level of job satisfaction of followers by motivating followers and showing them close attention. Transactional leadership affects job satisfaction at a broad level and in a positive way" (Uysal, 2013). "Leadership styles would differ according to managers' demographic profiles and similarly that employee job satisfaction would also be influenced by demographic profiles. There were indeed significant differences in job satisfaction due to employees' demographic characteristics, but that overall employees were moderately satisfied with their jobs and with the job facets investigated. There were also significant differences in leadership style due to managers' demographic characteristics" (Al-ababnehand Lockwood, 2001).

## MATERIALS AND METHODOLOGY

### Conceptual framework



### Research approach

Research approach may be induction or deduction. Through the induction researcher observe certain phenomena and on this basis arrive at conclusions. In the deduction approach the researcher arrive at a reasoned conclusion by logical generalization of a known fact. In this approach a theory has been tested. Theory testing can be done by developing hypothesis and proving those hypotheses by using statistical data analysis methods. In the current study, the researcher tested theory by developing hypothesis within Sri Lankan context. Hence, deduction approach have used through this study.

### Population and Sampling

The study was conducted in a Sri Lankan apparel firm and the population was 130 machine operators. As the sample of the study researcher selected 97 respondents. Even though the positivistic researcher generally forced to follow the

probabilistic sampling there may be several occasions where researcher cannot rely on it (Kothari, 2007). The available techniques to select a sample in non-probabilistic sampling are convenience sampling, purposive sampling and judgment sampling (Kothari, 2007; SekaranandBougie, 2003). Thus the machine operators are busy with the production process in the whole day it is difficult to get a time to collect the data. Therefore the researcher used purposive sampling method in the current study as the sampling method. Respondents were selected on the basis of when they are free from the production process and then distributed the questionnaires to them. Notably, there are examples where quantitative researchers employ purposive and convenience sampling (Gelo, Braakmann, and Benetka, 2008).

### Source of Data

Basically there are two types of data as primary and secondary data. Researcher used the primary data which was collected by using questioner for this study.

### Data Analysis and Data presentation

Minitab and SPSS statistical software packages were used to analyze the data. To present the data visually researcher used charts, and percentages to make it easy to understand as well as to present. To identify the relationship between Leadership style and Job satisfaction correlation analysis and to measure the impact of Leadership style on Job satisfaction simple regression analysis has been used.

### Research Instrument

Researcher has used standard structured questionnaire, which has developed by Bass (1999) and Professor Paul Spector, in order to collect data. The questionnaire has three parts. The first part consists with three questions to collect the demographic information such as gender, age, years of experience of the sample. The second part consists with items to identify transformational and transactional leadership style of supervisor's. It includes 21 questions to cover the seven dimensions such as idealized influence, inspirational motivation, intellectual stimulation, individualized consideration, contingent reward, management by exception and laissez-faire. The third part of questionnaire includes ten questions to measure machine operator's Job Satisfaction regarding their job. In this study researcher has used 5 point Likert scale. For the better convenience of the respondents', researcher translated questionnaire in to Sinhala. The questionnaire has achieved 0.723 overall reliability.

## DATA PRESENTATION, ANALYSIS AND DISCUSSION

### Reliability Analysis

The reliability of research instrument is considered to be an essential element to achieve the research purpose. If the results of a study can be reproduced under a similar methodology, then the research instrument is considered to be reliable. As per SekaranandBougie (2003) Alpha score of 0.7 is generally acceptable. Researcher has measured reliability by using

Cronbach's Alpha value (Table 2). Cronbach's Alpha values for all the independent and dependent variables were greater than 0.7. Thus; researcher has evidence that internal consistency of the entire questionnaire was satisfactory.

**Table 1. Demographic composition**

Subject		Frequency	Percentage %
Gender	Male	21	22%
	Female	72	77%
Age Group	Less than 20	12	13%
	21- 25 years	15	16%
	26- 30 years	34	37%
	More than 30 years	32	34%
Service period	Less than one year 1	31	33%
	1- 2 years	34	36%
	2- 5 years	22	24%
	more than 5 year	06	06%

**Table 2. Reliability Analysis**

Variable	Cronobach's alpha	No of items
Transformational leadership	0.850	12
Transactional leadership	0.851	9
Job Satisfaction	0.943	10

### Validity analysis

Validity testifies to how well the results obtained from the use of the measure fit the theories around which the test is designed. Researcher has used KMO and Bartlett's Test for measuring validity of the questionnaire. The grounded value of the KMO test is 0.5. According to the analysis the value of the KMO test is 0.465, 0.806 and 0.826 are more than the grounded value (Table 3).

**Table 3. Validity**

Variable	KMO and Bartlett's value
Satisfaction	0.465
Transformational leadership	0.806
Transactional Leadership	0.826

### Test of normality

According to SekaranandBougie (2003) "Attributes or characteristics of the population are generally normally distributed. If we are to estimate the population characteristics from those represented in a sample with reasonable accuracy, the sample has to be follows the same pattern of normal distribution as it does in the population". If data is followed normal distribution, P-value should be greater than 0.05. According to the current study the p-value is 0.083. Then the normal distribution in the sample is in satisfactory level (Table 4).

**Table 4. Test of Normality**

Test	P value
Normality	0.083

### Bivariate Analysis of the Study

Researcher used Correlation coefficient to identify relationship between independent variables and dependent variable. Pearson's correlation coefficient values are shown in Table 5.

**Table 5. Correlation coefficients**

Variable	Job Satisfaction	Sig
Transformational	0.792	0.000
Transactional	0.660	0.0000.719

Two tail test has been used because hypotheses are non-directional. Correlation coefficient between Transformational Leadership and Job Satisfaction is 0.792 which indicates there is a strong positive correlation between Transformational Leadership and Job Satisfaction. Correlation between Transactional Leadership and Job Satisfaction level is 0.660 shows there is a moderate positive correlation between Transactional Leadership and Job Satisfaction of machine operators. These relationships are significant at  $P < 0.05$ . Here the correlation between independent variables (between transformational leadership and transactional leadership) also somewhat strong (correlation is 0.719). Because of that researcher used tolerance value and Variance Inflation Factor (VIF) to check multi-co linearity. According to table 6 tolerance value and VIF value of independent variables are respectively 0.483 and 2.071. Tolerance value is more than 0.2 and VIF value is less than ten 10 or both variables hence there is no multi-co linearity issue among the independent variables.

**Table 6. Tolerance and VIF Values**

Independent Variable	Tolerance	VIF
Transformational	0.483	2.071
Transactional	0.483	2.071

### Analysis of Variance (ANOVA)

ANOVA is used to test the significance of the model. If the P value is less than 0.05 ( $P \text{ value} < 0.05$ ) the model is significance relevant to the 95% of confident level. Significant value of the model of this study is 0.000 which is less than 0.05. Thus, the model is significant.

**Table 7. Significance of the model**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	30.347	02	15.174	79.781	0.000
Residual	16.737	88	0.190		
Total	47.084	90			

### Regression Analysis

Based on the correlation, researcher identified that there is a positive correlation between independent variables (transformational leadership and transactional leadership) and dependent variable (machine operator's job satisfaction). To understand the level of impact (quantity of the relationship) researcher has used regression analysis.

### Model Summary of the Regression Analysis

Value of the R square ( $R^2$ ) shows the degree to which the variance of the dependent variable is explained by independent variables. In this data set Adjusted  $R^2$  value is 0.636. That means 63% of machine operators satisfaction is explained by transformational leadership and transactional leadership. Only 37% of the variables of employee Job Satisfaction, explained by other influencing factors which are not covered by this study.

### Fitted Regression Equation

$\beta$  value of the table represents the degree to which extent the dependent variable can be affected by a certain independent variable while other independent variables remain constant.

**Table 8. Model Summary**

R	R Square	Adj R Square
0.803	0.645	0.636

According to the results of the coefficients table the regression equation as follows,

Regression equation

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \epsilon$$

$$Y \text{ (Job satisfaction)} = -0.695 + 0.867 \text{ (Transformational leadership)} + 0.248 \text{ (Transactional leadership)}$$

According to the regression equation  $\beta_0$  coefficient is  $-0.695$ . It means that it is expected to decrease Job Satisfaction by 0.695 when the transformational and transactional leadership style is not existed.  $\beta_1$  coefficient for transformational leadership is 0.867 indicates when transformational leadership style is increased by one (1) unit, it causes to increase machine operators Job Satisfaction by 0.876 units while other independent variables remain constant and vice versa.  $\beta_2$  coefficient for transactional leadership is 0.248. means when transactional leadership style is increased by one unit (1) it causes to increase machine operators satisfaction by 0.249 while other independent variables remain constant and vice versa. And the values are significant ( $P < 0.05$ ) at 95% confident level.

### Hypotheses Testing

Hypotheses can be tested by using the P - value (sig level) of each  $\beta$  coefficient of independent variables. Confident interval of accepting hypotheses in social sciences is 95%. To achieve this confident interval, P - value should be equal to or less than 0.05. If it is not equal to or less than 0.05, there are not enough evidence to reject  $H_0$ . In another way alternate hypothesis is not supported.

**H1<sub>A</sub>:** There is an impact of transformational leadership style on Job Satisfaction

According to table 5.9 P- value of transformational leadership is 0.000. Significant level is less than 0.05 and exists in recommended level. Because of that there are enough evidence to reject  $H_0$ . Due to that reason transformational leadership has significant impact to the machine operator's Job Satisfaction.

**H1<sub>B</sub>:** There is an impact of transactional leadership style on Job Satisfaction

P value of transactional leadership is 0.043. According to that significant level is less than 0.05 and also exist in recommended level.

Table 9. Regression Coefficients

Model	Un-standardized coefficient		Standardized coefficient Beta	t value	Sig Value
	B	std. error			
Constant	- 0.695	0.248		- 2.457	0.016
Transformational	0.867	0.121	0.657	7.188	0.000
Transactional	0.248	0.121	0.187	2.048	0.043

Then there are enough evidence to reject  $H_0$ . Then Transactional leadership has significant impact on machine operator's job satisfaction.

## DISCUSSION

The job satisfaction of employee and leadership style are the main elements that impact the organization effectiveness. Leadership is known as one of the important aspects of Job Satisfaction from employees (ArziandFarahbod,2014,p.180).

The objective of this study was to investigate the impact of Leadership style on the employees' Job Satisfaction. Then it attempt to identify the impact of Transactional leadership style and Transformational leadership style on employees' Job Satisfaction. The research was deemed to be relevant considering the lack of research conducted on Leadership style and Job Satisfaction within the Sri Lankan context. The researcher carried out the correlation and regression analysis with the aim of achieving the objective of the current study. The correlation analysis was carried out to discover the relationship between Leadership style and employees' Job Satisfaction. It was found that there is a strong positive relationship between Transformational leadership style and employees' Job Satisfaction. Because the correlation value between Transformational leadership style and Job Satisfaction was 0.792. If the correlation value is higher than 0.75, it means that there is a high correlation between variables. Data analysis of the current study shows the 0.657  $\beta$  value for Transformational leadership style, and that value is significant at 0.000 level. This value represents high impact of Transformational leadership style on employees' Job Satisfaction.

"During the last decade great number of empirical researches has demonstrated the positive relationship between Transformational leadership style and employees' Job Satisfaction. "Transformational leadership, an approach of enhanced interpersonal relationship between supervisor and subordinate, is a way to create higher level of job satisfaction and organizational commitment of employees. Transformational leaders also help employees to become more creative, innovative and bring such new ideas which allow the organization to grow competitively and adapt itself to the changing external environment" (Bushra *et al* 2011,p.266). "Since the transactional leadership is based on contingent reward and punishment behavior, therefore supervisors positively reward the individuals with praise or recognition when they perform at or above expectations" (Arzi, Farahbod, 2014, p.180). "There is a strong relationship between transformational leadership style and job satisfaction while there is weak relationship between job satisfaction and transactional leadership. That means the instructors prefer transformational leadership than transactional leadership" (Ali *et al*, 2013). Confirming the previous literature this study also proves that transformational leadership has significant impact on machine operators' Job Satisfaction as well.

According to the data analysis, transactional leadership has 0.248 $\beta$  value with 0.000 significant level. As well as, transactional leadership has achieved 0.667 correlation value. Then transactional leadership style has moderate positive correlation with employees' Job Satisfaction. Findings of the study reveal that Transformational leadership has high positive correlation with Job Satisfaction as well as high positive impact on Job Satisfaction than Transactional leadership. Not only at the garment industries, there are numerous research studies carried out at other industries as well.

Those findings have provided similar results indicating a positive relationship between transformational leadership and job satisfaction. Job satisfaction appears to be a mediator of the effects of transformational leadership on teachers' organizational commitment and organizational citizenship behavior. (Bass and Riggio, 2006). Ramey (2002) in a study analyzing the relationship between transformational leadership of nurse leaders and staff nurses' job satisfaction found that there was a significant relationship between transformational leadership and staff nurse job satisfaction. (Wanjiru, 2013, p.16). It is found that transformational leadership induced the greatest satisfaction, willingness to exert extra effort and effectiveness among employees. Finally, according to Bass and Riggio (2006), empirical evidence has demonstrated that transformational leadership can motivate followers to exceed expected performance, as well as lead to high levels of follower satisfaction and commitment to the group and organization (Parveen and Tariq, 2014).

## Conclusion

The overall objective of the current study is to exploring the impact of Leadership style on Employees' Job Satisfaction with relevant to the apparel industry. The correlation and regression analysis was performed to achieve the research objective and the analysis indicates that there is a significant impact and a positive relationship between Leadership style and employees' job satisfaction. Moreover the correlation analysis indicates that Transformational leadership style (Idealized Influence, Inspirational Motivation, Inspirational Motivation, Intellectual Stimulation, Individualized consideration) and Transactional leadership (Contingent Reward, Management by Exception, Laissez-faire) has a significant relationship with Employees' Job Satisfaction. The research investigated the impact of Leadership style on employees' job satisfaction. Results of the regression analysis found out, both transactional and transformational leadership style has high impact on employee Job Satisfaction and transformational leadership style impact on job satisfaction than Transactional leadership style. Even though there are lots of studies that have analyzed the impact of Leadership style on employee Job Satisfaction so far no studies have been done in the apparel industry and in the Sri Lankan cultural context.

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