

The Effects of Transformational Leadership and Job Satisfaction on Organizational Commitment

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Abstract—The aim of this research was to determine the variables of organizational commitment. The results of this study aim to analyze PT X is engaged in the field of airlines in Indonesia serving the eastern part of Indonesia. From the temporary observation it is seen that the employees of PT. X indicate attendance; work is low and employees feel less comfortable in work, then work commitment becomes one of the factors that should be examined. Based on a literature review and explanatory research, a conceptual model of organizational commitment. The questionnaires have been collected to 70 employees. The analysis data use multiple linier regression. Furthermore, the results showed that the variables transformational leadership have a linear and positive influence on organizational commitment, but job satisfaction does not have influence on organizational commitment organizational. It is recommended that the supervisor improves the leading employees to make increase loyalty in corporate.

Keywords—*transformational leadership; job satisfaction; organizational commitment*

I. INTRODUCTION

Zahra suggests that human resources must be preserved, defended, and developed as they are the driving forces of the organization [1]. Employee commitment is needed to compete with competitors in era digital. The most widely used conceptualizers of employee commitment are the three component models is affective, continuance, and normative commitment [2,3]. Affective commitment is defined as the employee's attachment to the organization. The normative commitment consists of the perceived obligation to remain within the organization. Continuance commitment is related to the recognition of the associated costs if leaving the organization.

Wibowo is among the opinions of researcher who equate organizational commitment with employee loyalty [4]. But most claim that loyalty is one element of organizational commitment. The first element of organizational commitment is the feeling of identification, the feeling of the individual that being part of the organization. The second element is engagement, meaning that the individual feels involved in the organization's implementation process. While the third element is loyalty, in the sense of individual loyal to the organization. Thus, it can be concluded that organizational commitment is

the feelings, attitudes and behavior of individuals identify themselves as part of the organization, engaged in the process of organizational activities and loyal to the organization, in achieving organizational goals.

Some research results indicate that one of the factors considered to affect organizational commitment is job satisfaction. Job satisfaction has a significant influence on organizational productivity either directly or indirectly. According to Robbins and Judge, and Santoso job satisfaction is an attitude of an individual to his work [5,6]. Work demands interaction with colleagues, employers, organizational rules and policies, performance standards, working conditions and so on. A person with a high level of job satisfaction shows a positive attitude towards the work, and vice versa. Long et al. suggests that job satisfaction and organizational commitment have strong significant relationships [7]. In other studies, job satisfaction also affects organizational commitment [8].

In maintaining organizational commitment, it is also necessary that the role of leadership and leadership be very effective becomes the main requirement. A leader in applying his style of leadership must first understand who his employees are and, should understand the strengths and weaknesses of his employees and understand how to harness the power of his employees to compensate for the weaknesses it has [1].

Leadership is the ability of an individual to influence, motivate, and enable others to contribute to the effectiveness and success of the organization. These changes make the company more and more aware of the importance of leadership, especially transformational leadership [9]. Leadership can be classified as transactional and transformational. According to Bass in Verma & Krishnan transactional leaders decide employees must do to realize the interests and goals of the organization [9]. Contrary to transformational leadership is much more complex in the process and realization that requires more visionary and more inspirational figures. Wang, et al. and Keskes, et al. have shown that transformational leadership is more effective than transactional to motivate employees and to improve performance [2,10].

In this research took place research at PT. X. PT X is engaged in the field of airlines in Indonesia serving the eastern part of Indonesia. From the temporary observation it is seen

that the employees of PT. X indicate attendance; work is low and employees feel less comfortable in work, then work commitment becomes one of the factors that should be examined.

Based on the background, the following research questions are defined:

- Is there any significant influence of Transformational Leadership Toward Organizational Commitment PT. X?
- Is there any significant influence of Job Satisfaction Toward Organizational Commitment PT. X?
- Are there any significant influence of Transformational Leadership and Job Satisfaction simultaneously toward Organizational Commitment PT. X?

II. LITERATURE REVIEW

A. Transformational Leadership

Transformational leadership was originally introduced by Burns and Bass in Keskes, et al. to describe the impact that exceptional leaders have on subordinate's reactions and to describe the process by which leaders create a connection with followers, attend to their individual needs, and help followers reach their potential [2].

Transformational leaders are able to influence follower's organizational commitment by promoting higher levels of intrinsic value associated with goal accomplishment, emphasizing the linkages between follower effort and goal achievement, and by creating a higher level of personal commitment on the part of the leader and followers to a common vision, mission, and organizational goals. Transformational leaders influence follower's organizational commitment by involving followers in decision-making processes and by inspiring loyalty, while recognizing and appreciating the different needs of each follower to develop his or her personal potential. By encouraging followers to seek new ways to approach problems and challenges, and identifying with followers needs, transformational leaders are able to motivate their followers to get more involved in their work, resulting in higher levels of organizational commitment. This view was supported by prior research that showed organizational commitment was higher for employees whose leaders encouraged participation in decision making, emphasized consideration, and were supportive and concerned for their follower's development [9].

So, first hypothesis of this research are formulated as follows:

H₁: There is any significant influence of Transformational Leadership toward Employee Commitment

B. Job Satisfaction

Job satisfaction has many impacts on organizational sustainability, job satisfaction is not just an effort to reduce stress / work pressure, but also can help to improve performance, reduce organizational member turnover, and

reduce absenteeism. Knowledge continues to grow and enables many efforts from the company to increase satisfaction, including: Making the job more pleasing; providing salaries, giving incentives, and fair treatment in terms of promotion; Customize members of the organization according to their interests, abilities, and personalities; Redesigning the work to make it more interesting and fun to do.

Job satisfaction is an emotional outburst that has pleasant and positive attributes as a result of a person's performance appraisal and work experience, not just his job, but also the interactions formed with colleagues or members of the organization (leadership and member relations). be faithful to organizational rules, performs standards of performance established by the organization [5,11].

Job satisfaction is one of the attitudinal constructs that has been shown to be related to organizational commitment but its treatment as an independent construct should be emphasized [12]. It does have positive effects on employee commitment and job satisfaction [13].

So, second hypothesis of this research are formulated as follows:

H₂: There is any significant influence of Job Satisfaction toward Employee Commitment PT. X

C. Organizational Commitment

Although job satisfaction has received the most attention of all work-related attitudes, organizational commitment has become increasingly recognized in the organizational behavior literature. Whereas satisfaction is mainly concerned with the employee's attitude toward the job and commitment is at the level of the organization. Because of this multidimensional nature of organizational commitment, there is growing support for the three-component model proposed by Meyer and Allen. The three dimensions are as follows [14]:

- Affective commitment involves the employee's emotional attachment to, identification with, and involvement in the organization.
- Continuance commitment involves commitment based on the costs that the employee associates with leaving the organization. This may be because of the loss of seniority for promotion or benefits.
- Normative commitment involves employee's feelings of obligation to stay with the organization because they should; it is the right thing to do.

So, third hypothesis of this research are formulated as follows:

H₃: There is any significant influence of Transformational Leadership and Job Satisfaction simultaneously toward Employee Commitment PT. X.

D. Conceptual Framework

Based on the above theories, conceptual framework of this study can be described as follows:

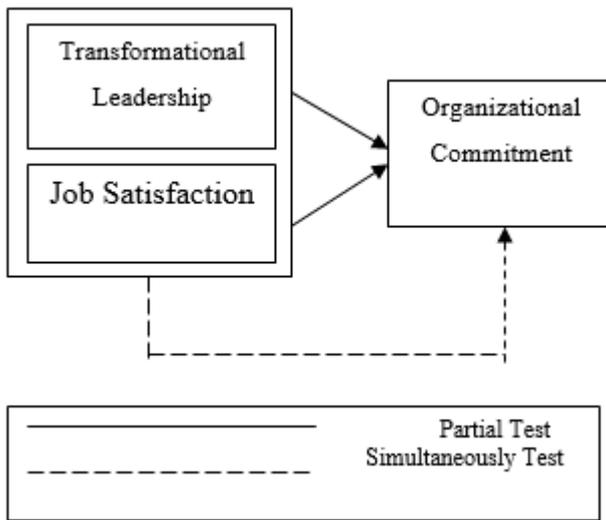


Fig. 1. Conceptual framework.

III. METHODOLOGY

This study used a quantitative approach to measure the relationship between transformational leadership, satisfaction, and Organizational Commitment. Survey research method was used for collecting data in this study. Data was collected through a self-administered close ended questionnaire specially developed for the current study. The questionnaire items were constructed based on literature on transformational leadership, satisfaction, and Organizational Commitment. The respondents rated each of the items on a five-point Likert scale (ranging from 1=strongly disagree to 5=strongly agree) [15].

The sample was chosen among the employee’s PT.X with accidental technique. The questionnaires have been distributed to 75 employee’s PT.X. A total of 70 usable questionnaires were returned. The analysis data use multiple linier regression, with the validity and reliability test, and test assumptions of linear regression.

IV. RESULTS AND DISCUSSION

Once all the data from respondents were fully recapitulated, the analysis continued to using a multiple linear regression. All data from the questionnaire were neatly arranged in the table-entry using software IBM SPSS 24.0.

A. Validity Test

Validity refers to the degree in which our test or other measuring device is truly measuring what we intended it to measure. Validity is arguably the most important criteria for the quality of a test. The term validity refers to whether or not the test measures what it claims to measure. The scores and interpret 0,20-0,29 is unacceptable; 0,30-0,39 is moderate; 0,40-0,69 is strong, and >0,70 is very strong.

TABLE I. VALIDITY TEST FOR TRANSFORMATIONAL LEADERSHIP

| Indicator | r _{test} | r _{critic} | Conclusion |
|-----------|-------------------|---------------------|------------|
| TL1 | 0,569 | 0,30 | Valid |
| TL2 | 0,631 | 0,30 | Valid |
| TL3 | 0,384 | 0,30 | Valid |
| TL4 | 0,573 | 0,30 | Valid |
| TL5 | 0,647 | 0,30 | Valid |
| TL6 | 0,577 | 0,30 | Valid |
| TL7 | 0,596 | 0,30 | Valid |
| TL8 | 0,382 | 0,30 | Valid |

TABLE II. VALIDITY TEST FOR JOB SATISFACTION

| Indicator | r _{test} | r _{critic} | Conclusion |
|-----------|-------------------|---------------------|------------|
| S1 | 0,636 | 0,30 | Valid |
| S2 | 0,593 | 0,30 | Valid |
| S3 | 0,621 | 0,30 | Valid |
| S4 | 0,711 | 0,30 | Valid |
| S5 | 0,638 | 0,30 | Valid |

TABLE III. VALIDITY TEST FOR ORGANIZATIONAL COMMITMENT

| Indicator | r _{test} | r _{critic} | Conclusion |
|-----------|-------------------|---------------------|------------|
| COM1 | 0,709 | 0,30 | Valid |
| COM2 | 0,709 | 0,30 | Valid |
| COM3 | 0,409 | 0,30 | Valid |
| COM4 | 0,435 | 0,30 | Valid |
| COM5 | 0,476 | 0,30 | Valid |
| COM6 | 0,336 | 0,30 | Valid |
| COM7 | 0,558 | 0,30 | Valid |
| COM8 | 0,387 | 0,30 | Valid |
| COM9 | 0,333 | 0,30 | Valid |
| COM10 | 0,445 | 0,30 | Valid |

Table 1, 2, and 3 indicates the variables and indicator are valid. The indicator has a score more than 0,30.

B. Reliability Test

The reliability of a measure is an indication of the stability and consistency with which the instrument measures the concept and helps to assess the “goodness” of a measure. The popular test of inter item consistency reliability is Cronbach’s Alpha [16].

TABLE IV. RELIABILITY TEST

| Variable | Cronbach Alpha | Criteria | Conclusion |
|-----------------------------|----------------|----------|------------|
| Transformational Leadership | 0,664 | 0,60 | Reliable |
| Satisfaction | 0,609 | 0,60 | Reliable |
| Organizational Commitment | 0,623 | 0,60 | Reliable |

Cronbach and others generalized some basic assumptions of classical test theory in their generalizability theory. $\alpha < 0,50$ is unacceptable, $0,50 \leq \alpha < 0,60$ is poor, $0,60 \leq \alpha < 0,70$ is acceptable, $0,70 \leq \alpha < 0,90$ is good, and $\alpha \geq 0,90$ is excellent. The strength of agreement between test–retest responses for the continuous variable was characterized according to the ratings suggested by Robinson et al.: poor = 0–0.2, fair = 0.2–0.4,

moderate = 0.4–0.6, substantial = 0.6–0.8, and almost perfect = 0.8–1.0 [17].

This result of this research indicates transformation leadership, job satisfaction, and Organizational Commitment include criteria acceptable internal consistency because Cronbach alpha value more than 0,60.

C. Test Assumptions of Linear Regression

Linear regression is an analysis that assesses whether one or more predictor variables explain the dependent (criterion) variable. The regression has many assumptions: Multivariate normality, No or little multicollinearity, No or little heteroscedasticity.

D. Normality Test

Normality can be checked with a goodness of fit test, e.g., the Kolmogorov-Smirnov test. In order to make valid inferences from your regression, the residuals of the regression should follow a normal distribution. The residuals are simply the error terms, or the differences between the observed value of the dependent variable and the predicted value.

TABLE V. NORMALITY TEST

| | |
|------------------|-------|
| Asymp Sig | 0,576 |
|------------------|-------|

If Asymp sig is higher than 0.05, it may be assumed that the data have a Normal distribution and the conclusion ‘accept normality’ is displayed.

E. Multicollinearity Test

Multicollinearity is an often encounters statistical phenomenon in which two or more independent variables in a multiple regression model are highly correlation. These measures indicate the degree to which one independent variable is explained by the other independent variables. A common cutoff value is a tolerance value of 0,10, which corresponds to a VIF of 10 [16].

TABLE VI. MULTICOLLINEARITY TEST

| Variable | Collinearity Diagnostic | | Conclusion |
|-----------------------------|-------------------------|-------|----------------------|
| | Tolerance | VIF | |
| Transformational Leadership | 0,999 | 1,001 | No multicollinearity |
| Job Satisfaction | 0,999 | 1,001 | No multicollinearity |

The results indicate two variables independents is out from multicollinearity, because the tolerance value is more than 0,10, and VIF is below of 10.

F. Heteroscedasticity Test

The concept of heteroscedasticity is used in statistics, especially in the context of linear regression or for time series analysis, to describe the case where the variance of errors or the model is not the same for all observations, while often one of the basic assumption in modeling is that the variances are homogeneous and that the errors of the model are identically distributed.

TABLE VII. HETEROSCEDASTICITY TEST

| Variable | Asym Sig | Conclusion |
|-----------------------------|----------|-----------------------|
| Transformational Leadership | 0,128 | No heteroscedasticity |
| Job Satisfaction | 0,116 | No heteroscedasticity |

The Glejser test has found that for large samples the first four of the preceding models give generally satisfactory results in detecting heteroscedasticity. As a practical matter, therefore, the Glejser technique may be used for large samples and may be used in the small samples strictly as a qualitative device to learn something about heteroscedasticity [18].

G. Multiple Linier Regression

The basic idea of multiple regression analysis is similar to that of simple regression analysis. Only in this case, we use more than one independent variable to explain variance in the dependent variable. Multiple regression analysis is a multivariate technique that is used very often in business research. The starting point of multiple regression analysis is, of course, the conceptual model (and the hypotheses derived from that model) that the researchers has developed in an earlier stage of the research process [16].

TABLE VIII. MULTIPLE LINEAR REGRESSION

| Variable | Sig | t _{statistic} | R Square | Conclusion |
|---|-------|------------------------|----------|-----------------------|
| Transformational Leadership → Organizational Commitment | 0,000 | 8,782 | 53,44% | Hypothesis 1 accepted |
| Job Satisfaction → Organizational Commitment | 0,892 | 0,136 | | Hypothesis 2 rejected |

The level of significance between transformational leadership and organizational commitment is 0.000 (table 8) which indicates that transformational leadership has significant impact on organizational commitment of employees in public sector organizations, hence H1 is accepted. This result is consistent with the existing to organizational commitment by examining the impact of gender attributes on transformational leadership and organizational commitment [9]. The value of effect transformational leadership to organizational commitment is 53,44%.

The findings indicate no significant influence of job satisfaction on organizational commitment making H2 rejected. The significance value is 0,892, more than α (0,05). This result is consistent with the research by Gangai & Agrawal, job satisfaction is no significant effect between job satisfaction and organizational commitment [19]. The other research statement there is a significant and positive effect between job satisfaction and organizational commitment [20].

H. F Test (ANOVA) and Coefficient of Determination

F test is used to the determine whether the two independent variables simultaneously have significance effect on dependent variable.

Based on the formula, the coefficient of determination is the ratio of the line of best fit’s error over that incurred by

using Y. One purpose of testing, then, is to discover whether the regression equation is a more effective predictive device than the mean of the dependent variable [21].

TABLE IX. SIMULTANEOUSLY REGRESSION

| Model | F _{statistics} | Sig | Adjusted R Square | Conclusion |
|------------|-------------------------|-------|-------------------|------------------------|
| Regression | 38,562 | 0,000 | 0,521 | Hyphothesis 3 accepted |

Table 9 shows that $F_{statistics} = 38,544$, and level of significance = 0,000, is below from value 0,05 (5%). This means H_3 accepted.

V. CONCLUSION

In this study, the researchers proposed to determine the variables of organizational commitment. Primarily, the researchers analyzed the relationship between transformational leadership and organizational commitment. The research findings indicated that there is a positive effect and significant relationship between transformational leadership and organizational commitment. Secondly, we analyzed the relationship between job satisfaction and organizational commitment. Empirical theories regarding the relationship between job satisfaction and organizational commitment have a significant effect, but the result of this research is contradictive, this result job satisfaction have not significant effect toward organizational commitment. Finally, this study's finding transformational leadership and job satisfaction simultaneously significant toward organizational commitment.

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