

The Effect of Transformational Leadership Style and Human Relations on Work Satisfaction

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Abstract—Transformational and human relations leadership style are two factors which are capable of influencing work satisfaction. This research aims to empirically examine the role of such leadership style and their influence towards work satisfaction in X University. The subjects of this research are permanent employees and are those who have worked there for more than one year. Random sampling technique is performed to take the samples. Meanwhile, the methods of data collecting technique are transformational and human relations scales and work satisfaction scales. After that, the data are analyzed using multiple linear regression analysis. The result suggested that 1) transformational leadership and human relations styles gave significant influences simultaneously with the value of work satisfaction and F equal to 39.680. In addition, the significance level (p) is equal to 0,000 ($p < 0,01$). 2) it was observed that there was significant correlation between transformational leadership style and work satisfaction with the value of (t) equal to 6,168 and significance level (p) is 0,000 ($p < 0,01$). 3) Similarly, human relations style had significant correlation with work satisfaction with the value of (t) equal to 6,168 and significant level (p) equal to 0,000 ($p < 0,01$). In conclusion, the influence of transformational and human relations leadership style accounted for 61.7%, while other external factors outside this research accounted for 38.3%.

Keywords—Human relation, Work satisfaction, Transformational leadership style

I. INTRODUCTION

Human resources have been regarded as an intrinsic element which is correlated to the amount of wealth certain organization has. Therefore human resource is the most important asset which is essential to an organization [1]. In addition to that every organization also utilizes man power as its strategic competence to achieve the intended goal and thus it is equally important to maintain work satisfaction among employees. Farooqui and Nagendra [2] believes that work satisfaction plays an important role and influences organization performance. To explain further, Serrano and Vieira [3] come to roughly the same conclusion by saying that employees' work satisfaction

determine their performance and it will equally determine organization goal accomplishment.

Work satisfaction is perceived as an important welfare indication which is essential to be thought of as it can influence employees' performance. The benefit of having good satisfaction index is not limited to an individual only but it will also give a wider impact to the organization and all workers as a whole [4]. Baloch [5] believes that satisfied workers will be more motivated and committed to increase their performance quality. Hsieh and Wu [6] in their research find out that an individual who has higher work satisfaction will contribute and work harder and more productive. With the increasing level of satisfaction, organization will be benefited the most because it can reduce operational cost as a result of increasing productivity in terms of quality and quantity [4].

Low work satisfaction however can lead to high rate of turnover in an organization [7]. A research by Aiken, Clarke, Cheung, Sloane, and Silber [8] reveals that declining work satisfaction can also result to low-quality performance. Meanwhile, Gaertner [9] find out that low work satisfaction can cause declining commitment in an organization and increasing number of turnover. It can further influences employees' work quality and causes low work participation [10]. According to Shahmohammadi [11] low level of work satisfaction signals uncondusive work atmosphere in an organization which can lead to turnover.

Work satisfaction is the result of evaluation about how someone has worked and it is correlated to the possibility of reaching critical work values [12]. Farooqui and Nagendra [2] defines work satisfaction as a condition where someone feels content about their work. It also refers to the feelings and condition of someone based on the nature of their work. Shahmohammadi [11] on the other hand defines work satisfaction as a positive and joyful feeling and something that someone feels as a result of work evaluation based on their experience. In addition, this feeling can help maintain someone's physical and mental health.

Salau, Oludayo, Falola, Olokundun, Ibidunni, and Atolagbe [13] have identified that stimulation which charisma attribute may have on someone can become a predictive determinant of transformational leadership to increase work satisfaction. Furthermore, according to Saleem [14] transformational leadership has a positive correlation with work satisfaction. It means that transformational leaders' behavior can inspire and motivate their workers and it can equally cause psychological changes among their employees. Similarly, according to Kammerhoff, Lauenstein, and Schütz [15] either intentionally or not transformational leadership style can influence employees' work satisfaction and they further explain that this particular style has potential to decrease conflict resulting tasks and at the same time nourish employees' satisfaction.

Transformational leadership is a style where leaders inspire their subordinate with ideas and morals to improve performance, to reach the highest achievement and to take responsibility of organization goals [16]. Meanwhile, according to Jung, Wu, and Chow [17] this leadership style develops and keeps control system by respecting creativity and innovation, by measuring the right performance and by using awarding system. Nguyen, Mia, Winata, and Chong, [18] believes that leaders with this style support their subordinates by increasing awareness about the importance of their needs and expected results. Leaders with this style also motivate subordinates by fulfilling their needs of attention and self-development in organization collective vision. This leadership style focuses on giving inspiration and motivation. Leaders lead by giving examples which aims to develop employees' self-potential [15].

Human relations is one of the most important factors in the making of work satisfaction. Employees who believe in the value of human relations in the workplace tend to have positive behavior towards the organization and show high work satisfaction [19]. While according to Sy, Tram, dan O'Hara [20], employees who have ability to manage human relation tends to have higher work satisfaction. Empirical findings by Balozzi and Aman [21] showed that human relations have a positive correlation with work satisfaction. In addition, work satisfaction also has a significant contribution to work satisfaction.

Human relation is interactions between individuals in a community which appeared because a bonding that connects someone with people within an organization [22]. According to Ezenweke dan Nwadiolor [23], human relations is associated with how a group of people within a social community anticipate, prevent and solve conflicts. Meanwhile, according to Newstrom and Davis [24] human relations is an interaction between individuals and other people both in the working and organizational situations. Shahmohammadi [11] defines human relations as a relationship which involves identification of all interactions in human behaviour and their social behaviour in the certain community.

Therefore, this research aims to know the effect of transformational leadership style and human relations on work satisfaction.

II. METHOD

The subjects of this research consist of 49 permanent employees who have worked at X University for more than one year. The subjects are chosen randomly with a simple random sampling technique.

Work satisfaction is revealed by using scales referring to the aspects of work satisfaction by Luthans [25] which consist of the work itself, the salary, promotion, supervision and workmates. While transformational leadership style is measured with scales which are based on Bass's transformational style [26]-[27] which are charisma, motivational, inspirational, intellectual stimulation, and individual considerations. Lastly, human relation aspect is measured with scales which refer to Jalaludin Rukmana's [28] about the needs to collaborate, mental readiness, emotional control and cultural background.

In work satisfaction scales with 30 subjects, the result of reliability coefficient is 0.706 and corrected item-total correlation is moving from 0.267 to 0.581. Valid and reliable items used for this research are 7 (seven) items.

In transformational style scales with 30 subjects, the reliability coefficient is 0.728 and corrected item-total correlation is moving from 0.269 to 0.655. There are six valid and reliable items used on this scale. Lastly, in human relations scales with 30 subjects, the value of the reliability coefficient is 0.900 with corrected item-total correlation moving from 0.587 to 0.815. There are six valid and reliable items used on this scale.

The data are analyzed with parametric statistics method using SPSS. 17.0 for Windows. By using multiple regression technique, the researchers want to know the effect of transformational leadership style and human relations on work satisfaction.

III. RESULT AND DISCUSSION

Based on the result of the normality test as shown in table 1, the significance values of work satisfaction variable, transformational leadership style and human relations are 0.089, 0.086 and 0.202 with $p > 0.05$. It means the data are distributed normally without significant differences between sample score distribution and population score. In other words, the samples used in the research have represented the population.

TABLE 1. NORMALITY TEST

Variable	K-SZ score	Sig.	Explanation
<i>Work Satisfaction</i>	1.248	0.089	Normal
<i>Transformational Leadership Style</i>	1.253	0.086	Normal
<i>Human Relations</i>	1.070	0.202	Normal

Based on table 2, the result of linearity test, F linearity in transformational leadership style on work satisfaction is 24.584 with a significance level (p) of 0.000 which means there is a correlation between the two variables. The same

result can also be found between human relations and work satisfaction where the value of F linearity is 54.671 with (p) 0.000

TABLE 2. LINEARITY TEST

Variable	F	Significance	Criterion	Explanation
<i>Transformational Leadership Style</i>	24.584	0.000	P<0.05	Linear
<i>Human Relations</i>	54.671	0.000	P<0.05	Linear

Based on table 3, the analysis result shows that transformational leadership style and human relations have VIF value of 1.154 ($VIF < 10$) and *tolerance* 0.867 = (*tolerance* > 0.1). Thus, there is no multicollinearity between two variables.

TABLE 3. MULTICOLLINEARITY TEST

Variable	Tolerance	VIF	Explanation
<i>Transformational Leadership Style</i>	0.867	1.154	Not multicollinear
<i>Human Relations</i>	0.867	1.154	Not multicollinear

Based on table 4, the result of multiple regression test is (t) = 3.732 with a significance level of 0.001 ($p < 0.01$). This means that there is very significant influence between transformational leadership style and work satisfaction. Besides, the result of multiple regression test in human relations variable towards work satisfaction is 6.168 with a

TABLE 4. THE CORRELATION ANALYSIS BETWEEN VARIABLES

Variable	t	Sig	Criterion	Explanation
<i>Transformational leadership style on work satisfaction</i>	3.732	0.001	p<0.01	There is a very significant influence
<i>Human Relations on work satisfaction</i>	6.168	0.000	p<0.01	There is a very significant influence

significance level of 0.000 ($p < 0.01$). It means that there is also a very significant influence.

The result of multiple regression test simultaneously shows the value of F = 39.680 with a significance level of (p) = 0.000 (< 0.01). It means that both leadership style and human relations can influence work satisfaction among employees at X University. The influence of these two variables can be seen from the value of Adjusted R Square which is equal to 0.617. It means that these two variables account for 61.7% influence while 38.3% come from other factors outside this research.

The results of the regression analysis showed that transformational leadership style and human relations

TABLE 5. THE RESULT OF MULTIPLE REGRESSION TEST

Variable	Adjusted R Square	F	Sig	Criterion	Explanation
<i>Transformational leadership style and human relations on work satisfaction</i>	0.617	39.680	0.000	P<0.01	There is a very significant influence

simultaneously influence employee work satisfaction. The effect of transformational leadership style on work satisfaction is relevant to the findings of Nielsen, Yarker, Randall, and Munir [29] who also support previous research and broaden understanding of the mechanisms by which transformational leadership has an effect on work

satisfaction. The results of Braun, Peus, Weisweiler, and Frey [30] research also show that transformational leadership increases individual and teamwork satisfaction, and directs attention to the relevance of trust among team members. The transformational leader has an important role in increasing employee work satisfaction so as to shape the quality of the work environment with better results [31].

The results of other studies, namely the influence of human relations on employee work satisfaction are also supported by the theory and also the results of previous relevant research such as the results of the Akbari study [32] which shows that there is a relationship between human relations and work satisfaction, Akbari further explained that individuals with human relations would tend to be more satisfied with their work. Botsio [33] in his research has succeeded in seeing the impact of human relations in influencing employee work satisfaction. Meanwhile Shahmohammadi [11] in his research also found that there was a relationship between human relations and employee work satisfaction.

Simultaneously transformational leadership style and human relations contribute 63.3% to work satisfaction and the remaining 36.7% comes from other variables. Other variables according to Farooqui and Nagendra [2] include the type of work, organizational policy, supervision, administration, salary and quality of life.

Partially the results of this study indicate that

transformational leadership style contributes to work satisfaction by 20.6% and human relations contributions to work satisfaction by 42.7%. The effect of human relations on work satisfaction is more dominant than the transformational leadership style on work satisfaction on the employee at X University.

IV. CONCLUSION

The conclusion in this study is that there is a very significant effect between transformational leadership style and human relations on employee work satisfaction at X University. The role of human relations is more dominant than the transformational leadership style in influencing

employee work satisfaction at X University.

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