

The Effects of Muslim Leadership Style on Muslim Lecturer Working Satisfaction and Muslim Institute Performance in Samarinda

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Abstract— The main purposes of this research are to identify and to analyze the effects of Muslim Leadership Style on Muslim Lecturer Working Satisfaction and Muslim Institute Performance in Indonesia. Data collected from 60 Muslim lectures in Muslim Institute (IAIN) Samarinda and it i, East Kalimantan with purposive random sampling technique. SmartPLS 3.20 version was used for using for analysing path coefficient, not only direct effect, but also indirect effects exogenous variables on endogenous variable. This study found that Muslim Transformational Leadership Style has positive effect and significant on Higher Muslim Institution. Similarly, Muslim Lecturer Working Satisfaction has positive effect and significant on Muslim Higher Institution in Indonesia.

Keywords: *Transactional Leadership Style, Transformational Leadership Style, Working Satisfaction, Performance*

I. INTRODUCTION

Leadership style describes a consistent combination of skills, traits and attitudes that underlie a person's behavior. The right leadership style will drive employees' enthusiasm and enthusiasm to work so that they can improve their performance (Roscahyo).

Effective leadership must give direction to the efforts of all workers in achieving organizational goals. Without leadership or guidance, the relationship between organizational goals in higher education might be tenuous (weak). This situation creates a situation where an individual works to achieve his personal goals, while the whole organization becomes inefficient in achieving its goals. Leadership style affected to all aspects in

companies including accounting information. Handoko found that the leadership style at state-owned companies affect the use of accounting information systems and found accounting information system affect the quality of information. (Handoko, Sabrina et al. 2017)

Organization is a collection of people and machines that are not organized (chaotic). In addition, effective leadership will be closely related to job satisfaction of lecturers and lecturer performance

Job satisfaction and lecturer performance is a major milestone in carrying out work activities of lecturers, both in manufacturing and service companies, not least with the State Islamic Institute in Samarinda. Job satisfaction and employee performance are variables that are often used as output variables (Brahmasari 2008) Employees with high levels of job satisfaction will have positive feelings towards their work, and vice versa employees with low levels of satisfaction will have negative feelings about their work (Robbins and Judge 2016).

Performance is a result of the efforts of someone who is achieved with the ability and actions in certain situations (Cahyono 2005). Job satisfaction is an affective or emotional response to various aspects of one's work (Kreitner) Job satisfaction will be achieved if there is conformity of employees with the job position they get (Wijaya and Suana 2013)

II. LITERATURE REVIEWS

2.1 Leadership, Working Satisfaction and Performance

Leadership is needed by companies in an effort to achieve the goals of an organization. Employees are required to be able to follow the direction of their leaders because they are considered capable of being

an influence for employees to be able to have the same goals as the company. The leadership style is divided into two. Namely the transactional and transformational leadership style.

Transactional leadership style is a leadership model in which leaders integrate or motivate their followers in the direction of the goals being enforced by clarifying roles and task demands (Robbins and Judge 2009)

With transactional leadership style indicators include contingent rewards, active exception management and passive exception management. Contingent rewards are leaders who agree on what is done by subordinates and promise what rewards will be obtained if this can be achieved. Rewards can be in the form of bonuses, increased income, or providing facilities to employees. Active exception management is the leader monitoring deviations from established standards and taking corrective actions. Passive exception management is the leader taking action if standards are not reached (Robbins and Judge 2009).

Leader's transformational leadership style that gives consideration and intellectual stimulation that is individualized to subordinates or followers. With transformational leadership, followers feel trust, admiration, loyalty and respect for leaders, and they are motivated to do more than was originally expected of them (Yukl, O'Donnell et al. 2009).

The following are indicators of transformational leadership styles including inspirational motivation, i.e. leaders must be able to provide motivation, and clear targets to be achieved by their employees. Intellectual stimulation, where the leader must be able to stimulate his employees to come up with new ideas, the leader must also let his employees become problem solvers and provide new innovations under his guidance. Individualized consideration, leaders must pay attention, listen to complaints, and understand the needs of their employees. All dimensions, if implemented properly, will help in maximizing the role of leaders in the company (Bass and Avolio 1994).

Job satisfaction is a pleasant or unpleasant emotional state with which employees view their work. Job satisfaction reflects one's feelings for their work (Handoko 2001)

According to As'ad indicators that affect job satisfaction, namely: Financial satisfaction is satisfaction associated with guarantees and employee welfare which includes the system and the amount of salary / wages, various kinds of benefits, social security, promotions and facilities provided. Physical satisfaction is an indicator related to the physical condition of employees which includes the type of work at work, the time between work and rest, the temperature of the room, air circulation, lighting, equipment and health conditions. Social satisfaction is

an indicator relating to social interaction that exists between fellow employees with superiors and between different employees (type of work or level of position) and with the environment around the company. Then psychological satisfaction is an indicator related to the mental state of employees which includes peace in work, attitude towards work, work stress levels and skills and talents (Machfudz and Supriyanto 2010)

Performance (work performance) is a work result achieved by a person in carrying out the tasks assigned to him based on skill, experience and sincerity as well as time (Malayu 2001)

Performance is something that is agreed upon by the organization within a certain period of time, both related to inputs, outputs, results, benefits, and impacts (Sobandi 2006)

2.2 Transaction Leadership Style and Working Satisfaction

There are very close relationship between transactional leadership style and working satisfaction. It is already examined by Riaz et. al that Transactional leadership is found significantly related to job success (Riaz and Haider 2010). Similarly, Nandjundeswaraswany found that leadership styles including transactional leadership style can affect the quality of work life (Nanjundeswaraswamy and Swamy 2014)

2.3 Transformational Leadership Style and Working Satisfaction

The relationship of transformational leadership style and working satisfaction is examined by Riaz that transformational leadership and job success are found highly related with career satisfaction. (Riaz and Haider 2010). More specifically Aydin's study found that transformational leadership style affected job satisfaction and organizational commitment of teachers in a positive way (Aydin, Sarier et al. 2013).

Transformational leadership had a strong positive influence on workplace empowerment, which in turn increased nurses' job satisfaction and decreased the frequency of adverse patient outcomes. (Handoko, Sabrina et al. 2017)

2.4 Transactional Leadership Style and Performance

According to Paracha that transactional is significantly positive associated with Employee performance (Paracha, Qamar et al. 2012), while Mahdinezhad argued that transactional leadership styles influenced performance of academic leaders (Mahdinezhad and Suandi 2013)

2.5 Transformational Leadership Style and Performance

According to Paracha that transformational is significantly positive associated with Employee

performance (Paracha, Qamar et al. 2012), while Mahdinezhad argued that transformational styles of leadership influenced performance of academic leaders (Mahdinezhad and Suandi 2013)

2.6 Working Satisfaction and Performances

Shakeri argued that a direct relationship was found between job satisfaction and the quality of educational performance (Shakeri 2014). In contrary, Ahmad found that there is a weak relation between job satisfaction and performance (Ahmad, Ahmad et al. 2010)

III. RESEARCH METHODS

The method section describes actions to be taken to investigate a research problem and the rationale for the application of specific procedures or techniques used to identify, select, process, and analyse information.

3.1 Data Collection

The data collected by using accidental random sampling technic by distributing questioners to all of respondents which generated by some variables such as transactional leadership style, transformational leadership style, lecturer working satisfaction, and higher institution performance.

It is also all of the variables consist of some indicator such as for transactional leadership style variable are contingent compensation, exception active management, exception passive management; for transformational leadership style are idealize influenced, inspirational motivation, intellectual stimulation, individualize consideration; for lecturer working satisfaction are financial satisfaction, physical satisfaction, social satisfaction, and psychology satisfaction; for higher institution performance are input, process, output and outcome.

3.2 Validity and Reliability Test

The next step is testing of the validity and reliability of instrument by using SPSS 21 version for ensures the all of the items of questioners are appropriate and can be analyzed.

3.3 Designing The Structural Model

Based on the variables, the structural model can be built as follows:

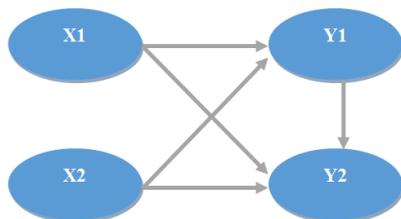


Fig 1: Research Structure Model

Whereas X1 = transactional leadership style, X2 = transformational leadership style, Y1 = lecturer working satisfaction, and Y2 = higher institution performance, from figure 1, it can be explained that α_1 = direct influence X1 to Y1, α_2 = direct influence X2 to Y1, β_1 = direct influence X1 to Y2, β_2 = direct influence X2 to Y2, β_3 = direct influence Y1 to Y2.

3.4 Data Analysis

For analysing the data Path Analysis instrument is used by using SmartPLS 3.20 version with the steps such as designing the structural model (inner and outer model), constructing a path diagram, converting a path diagram to regressions, hypothesis parameter, and examining the hypothesis.

3.5 Hypothesis Parameter

Level of confidence is 95 percent or alpha = 0,05. Due to this hypothesis is two tail hypothesis, Since P-Value is less than 0.05, so the hypothesis a (Ha) will be accepted, but since P-Value is more than 0.05, so the hypothesis a (Ha) will be rejected.

This research hypothesis are:

Hypothesis 1

$H_0 : \alpha_1 = 0 \rightarrow$ There is no significance effect between transactional leadership style and lecturer working satisfaction

$H_a : \alpha_1 \neq 0 \rightarrow$ There is an significance effect between transactional leadership style and lecturer working satisfaction

Hypothesis 2

$H_0 : \alpha_2 = 0 \rightarrow$ There is no significance effect between transformational leadership style and lecturer working satisfaction

$H_a : \alpha_2 \neq 0 \rightarrow$ There is an significance effect between transformational leadership style and lecturer working satisfaction

Hypothesis 3

$H_0 : \beta_1 = 0 \rightarrow$ There is no significance effect between transactional leadership style and higher institution performance

$H_a : \beta_1 \neq 0 \rightarrow$ There is an significance effect between transactional leadership style and higher institution performance

Hypothesis 4

$H_0 : \beta_2 = 0 \rightarrow$ There is no significance effect transformational leadership style and higher institution performance

$H_a : \beta_2 \neq 0 \rightarrow$ There is an significance effect between transformational leadership style and higher institution performance

institution performance

Hypothesis 5

$H_0 : \beta_3 = 0 - \rightarrow$

There is no significance effect between lecturer working satisfaction and higher institution performance

$H_a : \beta_3 \neq 0 - \rightarrow$

There is an significance effect between lecturer working satisfaction and higher institution performance

3.6 Constructing Path Diagram

Path diagram can be showed as below:

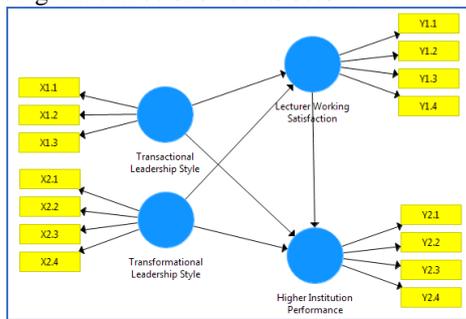


Fig 2: Constructing Path Diagram

3.7 Converting Path Diagram to Regression

From figure 2 it can explain that this research is to analyze the influences between the independent variables and the dependent variables, so the formulation can be built as follows:

$$Y_1 = \alpha_1 X_1 + \alpha_2 X_2 + \epsilon_1$$

(1)

$$Y_2 = \beta_1 X_1 + \beta_2 X_2 + \beta_3 Y_1 + \mu_1$$

(2)

Whereas: ϵ_1 = error term of Y_1 , μ_1 = error term of Y_2

IV. RESULTS AND DISCUSSION

After data calculating, the results can be mentioned as follows:

4.1 Validity and Reliability

By using SPSS 21 version, the results can be displayed as follows:

Table 1 : Validity

Items	Pearson Correlation	Description
X1.1	0.562	Valid
X1.2	0.575	Valid
X1.3	0.440	Valid
X1.4	0.555	Valid
X1.5	0.601	Valid
X2.1	0.647	Valid
X2.2	0.647	Valid
X2.3	0.698	Valid
X2.4	0.442	Valid
X2.6	0.453	Valid
Y1.1	0.324	Valid

Y1.3	0.378	Valid
Y1.4	0.683	Valid
Y1.5	0.746	Valid
Y1.6	0.672	Valid
Y1.7	0.583	Valid
Y1.8	0.644	Valid
Y1.9	0.721	Valid
Y1.10	0.448	Valid
Y1.11	0.610	Valid
Y1.12	0.672	Valid
Y1.13	0.726	Valid
Y1.14	0.653	Valid
Y2.1	0.738	Valid
Y2.2	0.720	Valid
Y2.3	0.759	Valid
Y2.4	0.726	Valid
Y2.5	0.704	Valid
Y2.6	0.731	Valid
Y2.7	0.713	Valid
Y2.8	0.824	Valid
Y2.9	0.716	Valid
Y2.10	0.765	Valid
Y2.11	0.653	Valid
Y2.12	0.812	Valid
Y2.13	0.813	Valid
Y2.14	0.712	Valid
Y2.15	0.730	Valid
Y2.16	0.843	Valid
Y2.17	0.748	Valid
Y2.18	0.783	Valid
Y2.19	0.737	Valid
Y2.20	0.808	Valid

Source : survey result, 2021

Based on data tested, it could be decided that all of the items are valid, because all of the Pearson Correlation are greater than 0.3.

Table 2 : Reliability

Items	Cronbach's Alpha	Description
X1.1	0.957	Reliable
X1.2	0.957	Reliable
X1.3	0.955	Reliable
X1.4	0.955	Reliable
X1.5	0.955	Reliable
X2.1	0.954	Reliable
X2.2	0.954	Reliable
X2.3	0.954	Reliable
X2.4	0.957	Reliable
X2.6	0.957	Reliable
Y1.1	0.955	Reliable
Y1.3	0.955	Reliable
Y1.4	0.953	Reliable
Y1.5	0.953	Reliable
Y1.6	0.954	Reliable
Y1.7	0.954	Reliable

Y1.8	0.954	Reliable
Y1.9	0.953	Reliable
Y1.10	0.954	Reliable
Y1.11	0.953	Reliable
Y1.12	0.953	Reliable
Y1.13	0.953	Reliable
Y1.14	0.953	Reliable
Y2.1	0.953	Reliable
Y2.2	0.953	Reliable
Y2.3	0.953	Reliable
Y2.4	0.953	Reliable
Y2.5	0.953	Reliable
Y2.6	0.953	Reliable
Y2.7	0.953	Reliable
Y2.8	0.953	Reliable
Y2.9	0.953	Reliable
Y2.10	0.953	Reliable
Y2.11	0.954	Reliable
Y2.12	0.952	Reliable
Y2.13	0.953	Reliable
Y2.14	0.953	Reliable
Y2.15	0.953	Reliable
Y2.16	0.952	Reliable
Y2.17	0.953	Reliable
Y2.18	0.953	Reliable
Y2.19	0.953	Reliable
Y2.20	0.952	Reliable

Source : survey result, 2021

Based on data tested, it could be decided that all of the items are reliable, because all of the Cronbach's Alpha are greater than 0.6

After designing the structure model and its regression formulation, these model and regression have to convert using SmartPLS 3.20 version to figure as follows:

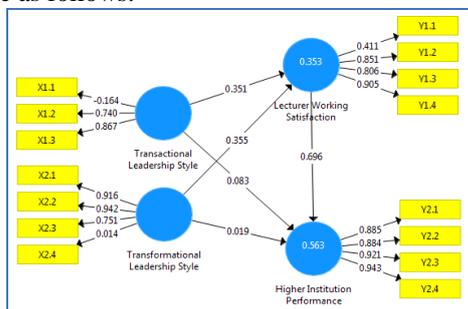


Fig 3: Path Diagram

Source : survey result, 2021

Another result is the path coefficient as follows:

Table 3 : Path Coefficients

	Higher Institution...	Lecturer Worki...	Transactional ...	Transformationo...
Higher Institution Performance				
Lecturer Working Satisfaction	0.696			
Transactional Leadership Style	0.083	0.351		
Transformational Leadership Style	0.019	0.355		

Source : survey result, 2021

From the Table 3, it can be converted in path coefficients as follows:

$$Y1 = 0.351X1 + 0.355X2 \tag{1}$$

It means, the transactional leadership style and transformational leadership style have positive effect on lecturer working satisfaction. The both of factors indicate, when the leadership style gives consideration and intellectual stimulation can make employees feel trust, admiration, loyal and respect for leaders, and with the leadership have contingent rewards such as bonuses, increased income, or providing facilities for employees can make motivate to reach the goals. It is supported by (Robbins and Judge 2009) and (Yukl, O'Donnell et al. 2009).

$$Y2 = 0.083X1 + 0.019X2 + 0.696Y1 \tag{2}$$

It means, the transactional leadership style, transformational leadership style and lecturer working satisfaction have positive effect on higher institution performance. The leadership style is needed by organization to achieve the goals, because they are considered capable of being an influence for employees to be able to have the same goals as the company. From the leadership style can make employees comfortable with their work and job satisfaction reflects one's feeling for their work. This study found is supported by research undertaking by (Robbins and Judge 2009) and (Handoko 2001).

The next step of analysis is to run the bootstrapping facility with using SmartPLS 3.20 version, and the new figure as follows:

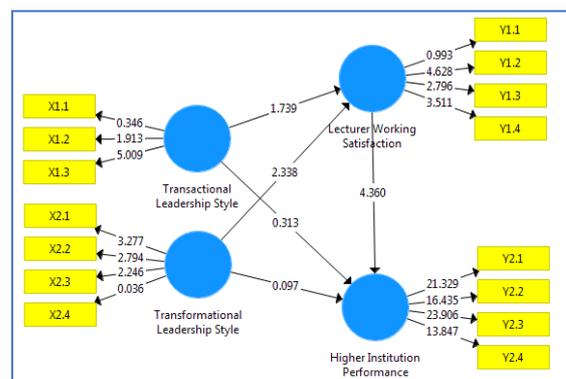


Figure 4 : The Bootstrapping Structural Model

Source : survey result, 2021

The path coefficients table can be displayed as follows:

Table 4 : Bootstrapping Path Coefficients

Path Coefficients	Original Sampl...	Sample Mean (...)	Standard Devia...	T Statistics (O...	P Values
Lecturer Working Satisfaction -> Higher Institutio...	0.696	0.667	0.160	4.360	0.000
Transactional Leadership Style -> Higher Institutio...	0.083	-0.028	0.265	0.313	0.757
Transactional Leadership Style -> Lecturer Workin...	0.351	0.448	0.202	1.739	0.092
Transformational Leadership Style -> Higher Instit...	0.019	0.130	0.192	0.097	0.924
Transformational Leadership Style -> Lecturer Wor...	0.355	0.336	0.152	2.338	0.026

Source : survey result, 2021

Based Figure 4 and Table 4, the model can be converted to be:

$$Y1 = 0.351X1 + 0.355X2$$

$$Y2 = 0.083X1 + 0.019X2 + 0.696Y1$$

4.2 Hypothesis Examining

The study found that only two hypothesis are accepted, while three hypothesis direct effects are rejected. It is found that lecturer working satisfaction has significant effect on higher institution performance which proved by P-Value test. It is mentioned that P-Value = 0,000 or less than 0.05. It means hypothesis a (Ha) is accepted. Since the lecturers have satisfaction they will happy and could lead their working motivation higher. Finally, because they have higher motivation it led the increasing of institution. It is confirmed Shakeri argument that a direct relationship was found between job satisfaction and the quality of educational performance (Shakeri 2014).

Similarly, transformational leadership style has significant effect on lecturer working satisfaction which examined P-Value test is 0.026 or than 0.05. It is reasonable because by transformational leadership style the employees more competent, and they can be trusted. Since they are competent, so they will fell happy and finally, they will have satisfaction. It confirmed the results under taken by that transformational leadership and job success are found highly related with career satisfaction.(Riaz and Haider 2010). And Aydin who found that transformational leadership style affected job satisfaction and organizational commitment of teachers in a positive way (Aydin, Sarier et al. 2013)

The benefits of using SmartPLS V3.20 are the total indirect effect can be explored automatically as follows:

Table 5 : Bootstrapping Total Indirect Effects

Total Indirect Effects	Original Sampl...	Sample Mean (...)	Standard Devia...	T Statistics (O...	P Values
Lecturer Working Satisfaction -> Higher Institutio...	0.244	0.302	0.161	1.521	0.139
Transactional Leadership Style -> Higher Institutio...	0.247	0.215	0.104	2.384	0.024

Source : survey result, 2021

From Table 5, can be decided that the hypothesis transformational leadership style has significance effects on higher institution performance **are accepted** because P-Value = 0.024 < 0.05. but for

transactional leadership style have significance effects for higher institution **are rejected** because the P-Value =0.139 > 0.05.

It is necessary to identify the contribution independent to dependent variable as follows:

:Table 6 : R Square Value

Matrix	R Square	R Square Adjusted
Higher Institution Performance	0.563	0.513
Lecturer Working Satisfaction	0.353	0.305

(1)
(2)

Source : survey result, 2021

Table 6 showed that the contribution of independent variables such as transactional leadership style and transformational leadership style on dependent variable such as higher institution performance for Muslim institute Samarinda are quite huge that is 56.3 percent. While the contribution of independent variables such as direct investment are very limited or only 3,6 percent, while the contribution of independent variables such as transactional leadership style, transformational leadership style and higher institution performance just 35.3 percent.

V. CONCLUSION

Based on results and discussion, it can be concluded that transactional leadership style has no significant effect on lecturer working satisfaction, while transformational leadership style has significant effect on lecturer working satisfaction. For improving the management system, the transformational leadership style should be implemented consistently. However, It is found that transactional leadership style has no significant effect on higher institution performance. Similarly, the transformational leadership style has no significant effect on higher institution performance.

Especially the effect of lecturer working satisfaction, it is found that lecturer working satisfaction has significant effect on higher institution performance.

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