

A study on the effect of transformational leadership on job satisfaction: The role of gender, perceived organizational politics and perceived organizational commitment

Kelsey Dappa^a, Feyza Bhatti^a and Ahmad Aljarah^{a*}

^aGirne American University, Turkey

CHRONICLE

ABSTRACT

Article history:

Received: February 14, 2019
Received in revised format: February 30, 2019
Accepted: March 6, 2019
Available online:
March 6, 2019

Keywords:

Transformational leadership
Organizational politics
Organizational commitment and
job satisfaction

This study aims at improving the understandings of the relationship between transformational leadership style and employee job satisfaction, considering the gender as the moderator and perceived organizational politics and perceived organizational commitment as mediators among the banking sector employees in North Cyprus. The data were collected through a self-completed questionnaire which was distributed randomly to bank employees in five districts of North Cyprus in 2018. A total of 400 questionnaires were returned and utilized to conduct regression analysis which suggested a positive relationship between transformational leadership and employee satisfaction. The findings also indicated that the perceived organizational politics and organizational commitment did play a mediating role on the relationship between transformational leadership style and employee satisfaction. Perception of organizational politics and perceived organizational commitment have an impact of the overall employees' satisfaction. As suggested by our finding, female and male leaders adopt transformational leadership skills in different ways causing various effects on the level of satisfaction of their employees.

© 2019 by the authors; licensee Growing Science, Canada

1. Introduction

Over the years the initiative that drove the research on employee satisfaction was its contribution on the productivity of the employees in any organization and its ability to retain effective employees. Cranny et al. (1992) described satisfaction of any employee as the integration of affective reactions to the variant overviews of what employees want to obtain in comparison with what he/she actually gets, and thus it can be considered as the ability of the organization to entice an employee with their level of employment. How satisfied the employees are in any organization depends on a variety of factors associated with the individual expectations to work environment also including the leadership styles of their managers (Metwally et al., 2014). The style of the leader refers to the characteristic behaviors of the leader in motivating, guiding and managing the employees. The leader serves as a role model to his/her subordinates, motivating the followers to work effectively, putting into consideration their strength and weakness to optimize their output. Transformational leadership (TL) was first defined by Bass and Avolio (1993) as a tool through which leaders and followers assist one another towards productivity and achieving

* Corresponding author.

E-mail address: ahmadaljarah@gau.edu.tr (A. Aljarah)

organizational goals through improving morale and motivation at the organization. Transformational leadership causes individuals to be more creative and hardworking towards achieving organizational goals. Transformational leadership improves the morale and performance of employees and also motivates them using various apparatuses (Fassina et al., 2008). It gives employees sense of belonging, making each employees and manager feel like a collective unit (Fassina et al., 2008). Applications of this transformational attributes varies from gender of the manager especially in this relatively patriarchal country like North Cyprus.

Scholars have emphasized so much on the potential of women in managerial roles and the benefits organization could stand to achieve if women are allowed to play managerial roles (Eagly & Johnson, 1990). While some previous studies indicated that female leaders are more effective transformational leaders when compared with male managers (Griffeth & Hom, 1987). Some other studies argued that female leaders are unable to direct, motivate or inspire their subordinate due to the nature of the working environment and organizations in patriarchal societies (Al-Husseini & Elbeltagi, 2016). Several other studies have also discussed the role of the gender as transformational leaders and whether women leaders are more effective in satisfying the needs of employees controlling perceived organizational politics and perceived organizational commitment (Susanty et al., 2013). Female managers are seen to be more considerate and caring than the male managers, the female managers tend to be more concerned with the well-being of their subordinates whereas the male managers show low affection towards the well-being of their subordinate, they solely focused on their outcome (Sun et al., 2016), which affects the level of satisfaction of their subordinate.

For decades, organizational politics have been a major issue various firms/ businesses face. It is commonly described as a persons' behavior or set of attribute exhibited that are informal, apparently narrow-minded, and usually divisive all in an illegitimate manner (Mintzberg, 1984). It is most times often used to strategize organizational goals in employee retention for either a short term or long term (Ferris & Kacmar, 1992). Lately, more studies in the western societies have performed on organizational politics (Wei et al., 2012). Organizational politics is said to be common in the Western societies and studies have shown that organizational politics practiced in companies and firms within US, Canada, UK result some attributes such as sub-optimization, tug of power and financial disagreement. The level of employee commitment is strongly influenced by leadership of that organization (Sun et al., 2016). These attributes of a transformational leader when they are adopted help to increase the followers' satisfaction and increase their commitment towards the organization and effectiveness.

Despite the existence of well-established literature on the positive relationship between TL and employee satisfaction, the studies that investigate the factors that influence this relationship are rare particularly in North Cyprus. The main aims of this study is to examine the relationship between TL style and job satisfaction (JS) considering the impact of organizational politics and organizational commitment as a mediator and gender as a moderator. Henceforth, the research strives to answer these three main questions about the relationship between TL and job satisfaction of employee: *Does transformation leadership style enhance employee's satisfaction? If yes, then does the organizational politics and commitment explain the robustness of transformational leadership style and employee's satisfaction relation? What is the role of gender in such relationship?*

The paper is structured as follows. The next section is devoted to present theoretical aspect of the research variables and propose hypotheses that will guide this research. Next, a detailed presentation of our methodology is presented including the sampling, data collection methods and measurement for the research variables. Finally, we conclude with discussing the research findings limitations, and few approached towards future research.

2. Theoretical background

2.1. Transformational leadership

Past literature about leadership described the various theories which have been revised over time and all of its theory with their necessary significance. Leadership theory adopted in any organization is determined by the nature of the organization, the level of sensitivity of the organization, technical expertise and culture of the establishment. The productivity of any firm is bet on the effectiveness of the leadership style adopted. There are different leadership theories; namely, Great Man Theory, Behavioral theories, Contingency Theories transformational leadership, transactional leadership, etc.

Great man theory is identified with qualities exhibited by powerful leaders such as Mahatma Gandhi, Indira Gandhi, Margaret Thatcher, Nelson Mandela, etc. Traits exhibited by such powerful leaders differentiates them from regular individuals in the society. Behavioral theories propose that certain leadership traits can be learned and received over time. It is the opposite of traits theory, describing leaders by what they do and not leaders were born as leaders. Contingency theory is, also known as situational theory, a leadership traits that manifest due to the situation surrounding the leader at that moment. Situational leadership is usually task-oriented which is said to enhance organizational performance (Judge & Piccolo, 2004). For transactional theory, Bass (1995) stated that individuals work hard when they are aware of the chain in command, they are also motivated by rewards and punishments and employees have to be watched carefully. According to transactional theory, subordinates are motivated by rewards, job entitlement and benefits or punishment. Transformational theory increases organizational performance by inspiring employees and making them have organizational goals at the back of their mind. This theory of leadership is effective in their unique ways, varying from the type of organization. Transformational leadership and Transactional have often been associated with organizational performance and job satisfaction (Bass & Avolio, 1993). Burns (1978), who connoted the term transformational leadership, considers two types of leadership styles: transactional and transformational leadership styles. While the transactional leaders could have similar characteristics, unlike transformational leaders they do not strive for change and accept and work within the existing organizational cultures. In a later study, Bass (1995) outlined certain criteria of a transformational leader which includes; self-directing, self-reinforcing and self-actualizing. Transformational leaders are able to accomplish their goals by raising the level of awareness of their subordinate, allowing them share their opinions on company policies and showing them ways, they can accomplish organizational goals. Bass and Avolio (1993) classified transformational leadership into three groups; namely, charismatic and inspirational, individual consideration, and intellectual stimulation. Leaders with charisma have the tendency of instilling their views, goals and objectives in their followers, making them more commitment to the course. Inspirational leaders create an emotional attachment with their followers, in individual consideration, the leader portrays himself as a mentor or Transformational leadership style is familiarizing with the welfare of their subordinate wherein the manager is usually involved with the affairs of their subordinate (Bass & Avolio, 1993). Transformational leaders show concern towards the needs of their subordinate, motivating and inspiring them to achieve organizational goals and objective. Transformational leaders are not solely focused on the task at hand, they mentor subordinate, help employees create a bond within the organization, developing individuals into leaders (Chen et al., 2014). These types of leaders are able to boost the performance level of their staff and ensure that they are satisfied within the working environment thus making them fully committed to the organization (Chen et al., 2014). Furthermore, they stated that transformational leaders express social and emotional intellect and are often charismatic, transformational leader instill organizational vision and goals in their employees (Bass & Avolio, 1993).

2.2. Job satisfaction

The term satisfaction has been widely addressed in the literature during the last decades and been generally defined as the difference between the perceived and expected value (Aljarah et al., 2018; Han et al., 2011; Walsh & Bartikowski, 2013). However, employee satisfaction is achieved when organization is

able to provide a sense of fulfilment or pride for the employees, mental, physiological and financially (Cranny et al., 1992). It is the feeling of employees after evaluating their job and embarrass a sense of accomplishment with it (Cranny et al., 1992). Employees exhibit their emotions, if they are satisfied with the job or dissatisfied (Carsten & Spector, 1987). They measure their satisfaction level through various factors such as wages, welfare, proper control, raise, description of work and colleagues (Cranny et al., 1992). If these factors are received by the employees such that they are paid expected wages and received certain benefit in a good working environment with proper supervision and respected coworkers, employee will be possibly satisfied and desire to work with the firm for a certain duration. Carsten and Spector (1987) described the satisfaction derived from employee as the attitude towards their assignment which is either positive or negative, relating positive attitudes signify that the employee is satisfy with their job whereas negative attitude signifies that the employees is dissatisfied with his job. He also defined it as the feeling to which employees value their job (Carsten & Spector, 1987). Employees' satisfaction is often attached to the personality and behavior of the employee within he/her working environment, workers' degree of satisfaction increases as their interest in the job increases (Barling & Macewen, 1988).

A growing number of studies examined the impact of transformational leadership on employee's satisfaction with different views and opinions. For instance, Nawaz and Bodla (2010) aimed at understanding the correlation among TL attributes and its impact on JS. After using the Bass and Avolio's (1993) multifactor leadership questionnaire, their result showed that leadership style was positively associated with satisfaction. The researchers stated that leaders should endeavor to listen to the employees when they bring up bright ideas which will enable them be more productivity with their jobs. Pahi and Ab. Hamid (2015) focused on describing the association between transformational and job satisfaction of Jordanian nurse in private hospitals. They also adopted Bass and Avolio's (1993) multifactor leadership questionnaire to measure transformational leadership and Minnesota satisfaction questionnaire to measure job satisfaction. The results showed that transformational leadership and job satisfaction were correlated, emphasizing on the strength of intellectual stimulation as the strongest dimension having the highest impact on job satisfaction. Another study conducted in Libya determining the relationship with transformational style of leadership and satisfaction of employees considering organizational culture as a mediator by Ali Shurbagi and Zahari (2013) discovered that company culture had a positive impact on the correlation among transformational leadership and job satisfaction. Another study by Gill et al. (2010) investigating the impact of employees' perceived TL and employees' perceived JS among employees in an Indian restaurant concluded that perceived transformational leadership skills increase employee job satisfaction. They also stated that it is mandatory for superior in hospitality departments to adopt transformational leadership style and endow their workers with authority to carry out their day to day job. The key to increase in organization performance is sustaining employees in any organization threatening them such that they are satisfied and seen as an asset. Transformational leadership help to instills organizational goals into their employee and giving them a sense of membership, it manages not only the work aspect of the employees but as the individual's personal life. Transformational leadership increases employees' job satisfaction such that the employee feels safe and committed to the organization. In Metwally et al. (2014) and Sabri et al. (2013), there was a correlation between transformational leadership and employee job satisfaction, two dimensions of transformational leadership, idealized influence and individualized consideration was highly influencing subordinate job satisfaction, concluding that as transformational leadership increases, the employees' job satisfaction will increase too.

H1. Transformational leadership and job satisfaction are significantly and positively related.

2.3. Perceived Organizational Politics as a Mediator

Kim (1980) stated that it is the duty of the leader in a corporation to endeavor that there is a fair and neutral working environment in to achieve the organizational goals of the company and meet the employee's expectations. According to this theory, the employees believe that there should be a fair workplace and all employees should be treated equally by their manager. In order for an organization to be

succeed; it is the duty of the leader to ensure that there is a balance working atmosphere, the level of politics in any corporation needs to be reduced in order for the employees to be satisfied with their jobs.

Several Scholars have made survey on the mediating impact of perceived organizational politics on the relationship between leadership style and job satisfaction. For instance, Ferris and Kacmar, (1992) emphasized that the leader status and managerial skills may influence on the way employees perceived their job and also the environment around it because this will in turn explain the level of commitment or hard work the employees will put into their jobs. Therefore, the perceptions of employees working environment has to be controlled by the leadership style. Islam et al. (2013) research on testing the mediation impact on organizational politics on linkage between leadership style and organizational citizenship attitude and the effect of organizational politics on the relationship between leadership styles and organizational citizenship behavior. They reported that organizational politics was partially mediating in that construct. The study of Kimura (2013) examined the factors that could explain the relationship between transformational leadership and satisfaction. Their study reported that transformational leadership style had a positive correlation with employee's satisfaction from their jobs by decreasing perspective of organizational politics. Thus;

H₂. Transformational leadership and organizational politics are significantly and positively related.

H₃. The positive relationship between transformational leadership and employee satisfaction is mediated by organizational politics.

2.4. Perceived Organizational Commitment as a Mediator

Organizational commitment is strongly impacted by the leader (Boles et al., 2007). Past studies have concluded that employees who are happy with their managers tend to develop a sense of belonging in any organization (Boles et al., 2007). Managers push their subordinate to be more productive in achieving organizational goals (Boles et al., 2007). Leadership therefore is an influential denominator that determines the commitment level of any organization. Organizational commitment may also affect the level of satisfaction attained by an employee. Over decades, studies have proven that there is a correlation among job satisfaction and organizational commitment (Boles et al., 2007). However, this relationship could be either positive or negative (Sarooghi et al., 2015). Scholars did carry out various studies to understand the influence of organizational commitment on job satisfaction implied that organizational commitment was efficient in determining employee satisfaction (Sarooghi et al., 2015). Moynihan et al. (2000) reported that organizational commitment is an appropriate determinant for employee satisfaction. Other studies (i.e., Susanty et al., 2013) have furthermore concluded that organization commitment and employee satisfaction were positively linked. Atta and Khan (2015) perceived that TL style has an affirmative and meaningful effect on organizational commitment. Therefore;

H₄. Transformational leadership and Perceived organizational commitment are significantly and positively related.

H₅. The positive relationship among transformational leadership and job satisfaction is mediated by perceived organizational commitment.

2.5. Moderating Effect of Gender

Leadership has been studied in different dimensions, which are usually influenced by demographic characteristics, more specifically by the gender of the leader. While some studies indicated that women in leadership positions behave similarly compared with male leaders (Bass & Avolio, 1993), some other studies such as Chin (2013) articulates about the differences found between female and male managers (Bass and Avolio, 1993). Some other studies such as Chin (2013) articulates about the differences that were found between female and male managers. It is argued that male leaders tend to have masculine way of leading which involves hierarchical authority; competition and intensive leader control and are

usually less emotional and more analytic. Transformational leadership style, on the other hand, was described as a feminine style of leadership as leaders is considerate and emotionally involved with their subordinate (Laub, 1999).

Female manager usually award promotion to their subordinate and allow flexible work hours in order to motivate the employees (Laub, 1999). They train mentor and coach their employees. Coaching and mentoring help to increase one's self-awareness eliminating self-limitations. Women exhibit feminine traits, using non-traditional methods of leading which yield good results in some environment and increase the organization growth. There is a slight chance that women and men would differ in their pattern of leading their subordinate and will also differ from man to man and woman-to-woman determinant on their personality. For instance, Lorentzen et al. (2009) claimed that each woman would have her own style of leading. They argued that women use a soft tone in order not to look powerful or offensive, encouraging their subordinate to develop their full potential. Many researches focused on feminism; culture and hierarchy in the organization, division of labor (Lorentzen et al., 2009). Other researchers mentioned education and training and the contribution to gender management. In recent years, much study has been accomplished on gender management and these studies have tried to distinguish between male leadership skills and female leadership skills and how it will improve organizational performance (Pounder, 2002). McColl-Kennedy and Anderson (2002) concluded that female manager adopting a transformational style had an influential impact on their female subordinate. McColl-Kennedy and Anderson (2002) suggested that subordinate were happy with their jobs having a female manger. Male manager was encouraged to exhibit female attribute in managing their subordinates, nurturing and showing empathy, increasing their confident level. Other studies also observed that female subordinate were satisfied with male manager adopting transformational leadership style (Jaros, 2007). Male manager who show individualized consideration and concern about the welfare of the subordinate. Provided that, we hypothesis;

H₆: The transformational leadership style and job satisfaction relationship is moderated by gender.

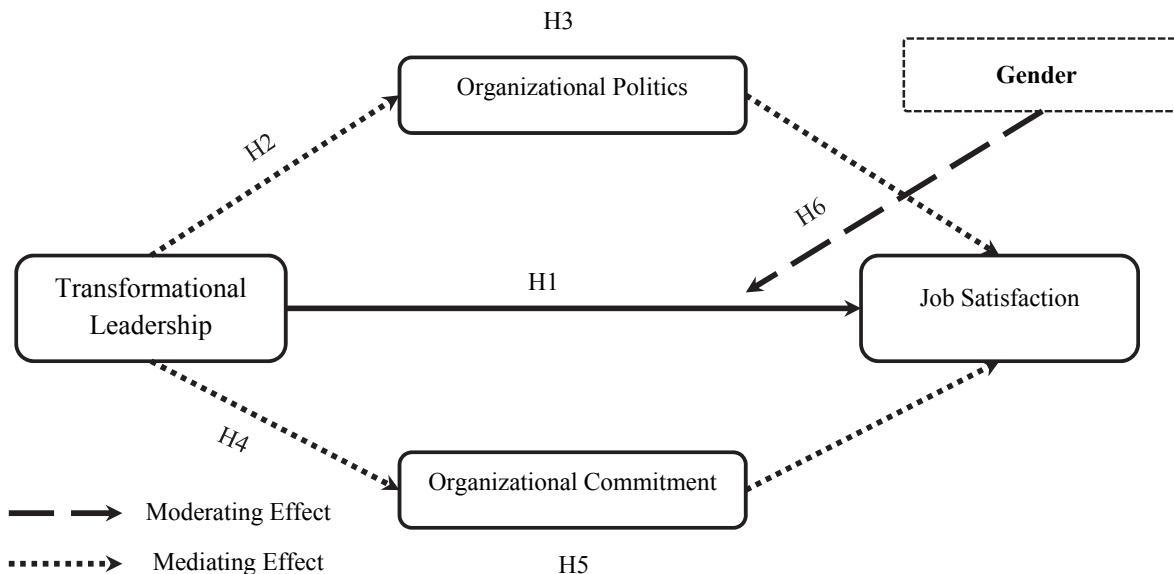


Fig. 1. Conceptual research model

3. Research methodology

3.1. Data collection

The participants in this research were the employees working in North Cyprus banks. The banking sector was selected specifically for this study as it is a sector in which women and men have been equally being

represented and women have been traditionally present in this sector both as employees and managers in north Cyprus. The public and commercial banks from five major districts in North Cyprus were selected randomly and approached for their permission. The printed questionnaires were distributed to a sample of 450 employees through convenience sampling. Four hundred of these questionnaires were returned, which sets the response rate as 89%. In addition to questions on the participant's demographic characteristics (education level, marital status, age), experience (duration of service) and the gender of their managers, the participants were asked to respond on the perception of the manager's transformational leadership skills, the level of satisfaction they derived from working in the banks, employees view of organizational politics perceived in the banks and their level of commitment attained from with the banks. The study and the questionnaire were approved by the ethical committee of Girne American University, Faculty of Business and Economics.

3.2. Variable definition and measurement

Perceptions of transformational leadership adopted by the banks were measured using Bass, (1995) measuring tool. Employees were asked questions about their perception of their manager's transformational leadership skills. Bass and Avolio (1993) designed a questionnaire called the Multifactor Leadership Questionnaire (MLQ) in 1995, ever since has been used by several researchers to measure transformational leadership style. MLQ (Multifactor Leadership Questionnaire) has been used by many researches to measure leadership designed by Judge and Piccolo (2004). MLQ measures transformational style of leadership with five different scales, which are, idealized influence, idealized behavior, inspirational motivation, intellectual stimulation and individual consideration. These items were all scaled on a five-point scale; with 1 represents as "strongly disagree" to 5 represents as "strongly agree". Employee Satisfaction was invented using a tool formed by Wei et al. (2012). Employee Satisfaction was measured using a tool designed by David et al. (1967). The questions were divided into four sections: Personal questions dealing on the responsibilities of the employee and what is expected of them while they work towards achieving organizational goals; relationships between employees, encouraging team work and the ability to cooperate with one another; customer satisfaction, aimed at discussing employees experience with their customers, determining the difficult and merits of the job and general questions about the firm and their lifetime expectance and job retention.

Perception of Organizational Politics was scaled by an instrument designed by Bedeian et al. (1992). They observed that political behavior was bound to be found in different levels in any organizational, individual, groups, and organization. They observed that in large organizations, employee often complains of high political behavior in their immediate work group. This instrument measured organizational politics in work groups and also within the organization. Organizational commitment may also affect the level of satisfaction attained by an employee. Over several decades, many studies have proven that job satisfaction and organizational commitment are related, however this relationship could be either positive or negative (Howell et al., 2005). Scientists did carry out various studies to determine the influence of organizational commitment on job satisfaction. Morris and Sherman (1981) implied that organizational commitment is efficient in determining employee satisfaction. Meyer et al. (1989) discovered that organizational commitment is an appropriate determinant for employee satisfaction. Organizational Commitment, the instrument used to determine organizational commitment was derived from Meyer and Allen Model. This instrument was grouped in three groups; namely Affective Commitment, Continuance Commitment and Normative.

4. Results

The demographical profile of our respondents shows that 54% of our correspondent were male and 46% were female. Around two-third of the sample (67%) were above the age of 35. The educational background of the sample varied. While only 14% of the sample bankers had a master degree, 45% had a bachelor's degree and 35 % had high school diploma. On the average, the sample was working in the

banking sector for 4 years. We have carried out a factor exploratory analysis test to determine our construct validity of the variables of our study. As shown in Table 1, each of the variable had an estimate value above 4, representing a good factor loading. The KMO result stands at 77.7 showing the reliably use factor analysis for data analysis since it is higher than 70. Besides, The Bartlett's test was significant for the whole set of items at level 0.05. Cronbach's alpha was used to test the reliability of research constructs. From our result, only one variable reported a Cronbach's alpha below 0.7 (organizational commitment) while the other variables were all above .70. The reliability for the entire questionnaire was taken as 0.81, which in turn signifies high reliability of the variables (Hair et al., 2009; Ibrahim & Aljarah, 2018; Nunnally, 1978).

Table 1
Factor analysis and reliability

Variables	Items	Factor loading	Variance (%)	Cronbach's alpha	Variables	Items	Factor loading	Variance (%)	Cronbach's alpha
Employee Satisfaction	JS1	.434	13.336	.76	Organizational Politics	OP1	.536	21.769	.77
	JS2	.527				OP2	.575		
	JS3	.539				OP3*			
	JS4	.559				OP4	.632		
	JS5	.587				OP5	.585		
	JS6	.626				OP6	.542		
	JS7	.605				OP7	.637		
	JS8	.573				OP8	.486		
	JS9	.533				OP9	.467		
	JS10	.528				OP10	.566		
Transformational Leadership	TL1	.429	27.077	.70	Organizational Commitment	OC2*		31.463	.62
	TL2	.503				OC3	.597		
	TL3	.562				OC4	.449		
	TL4	.565				OC5	.605		
	TL5	.568				OC6	.438		
	TL6	.630				OC7	.563		
	TL7	.468				OC8*			
	TL8	.459				OC9	.444		
	TL9	.510							
Bartlett's Test of sphericity	0.00	Sig							
KMO Measure	.777								

* = items removed due to the low loading

The result of intercorrelation, means and standard deviations are reported in Table 2.

Table 2
Descriptive analysis

Variables	Mean	Std. Dev	1	2	3	4
1. Employee Satisfaction	3.6980	.45267	1			
2. Organizational Politics	3.7942	.46506	.126*	1		
3. Transformational Leadership	3.8097	.42690	.325**	.199**	1	
4. Organizational Commitment	3.8413	.39294	.139**	.421**	.248**	1

Note: p < 0.05; *p < 0.01; **p < 0.000

The result of linear regression analysis is shown in Table 3.

Table 3
Empirical results: linear regression

Hypotheses	F-value	Adjusted R ²	Standardized estimate	t-Value	Sig.
H ₁ : TL → JS	47.097***	.104	.325	6.863	.000
H ₂ : TL → OP	16.432***	.037	.199	4.054	.000
H ₃ : TL → OC	26.080***	.059	.248	5.107	.000

Note: p < 0.05; ***p < 0.000

The result shows that there is an eloquent relationship between TL and JS derived from employees (p<0.05). Secondly, it shows that there is a significant relationship between TL and organizational politics (p<0.05). Thirdly, Table 3 indicates that there is a significant relationship between TL and organizational commitment (p<0.05) supporting our H1, H2, H3. Table 4 shows that there is an organizational

politics partially mediates the relationship between transformational leadership and employee satisfaction ($p < 0.00$). Similarly, organizational commitments found to have a partial mediation effect on the relationship between TL and JS. Finally, Table 4 also shows that gender moderates the relationship between transformational leadership and employee satisfaction.

Table 4

Analysis of mediator and moderator test results

		Standardized estimate	t-Value	Sig.	
<i>Organizational Politics as mediator</i>					
H₄:	Dir: TL → JS	.325	6.863	.000	Partial Mediation
	Ind: TL → OP → JS	.313	6.469	.000	
<i>Organizational commitment as mediator</i>					
H₅:	Dir: TL → JS	.325	6.863	.000	Partial Mediation
	Ind: TL → OC → JS	.310	6.337	.000	
Gender as a moderator					
H₆:	Dir: TL → JS	.325	6.863	.000	Moderation Effect
	Int: (TL*Gender) → JS	.128	2.712	.007	

5. Discussion

The reason for this research was to determine the influence of transformational leadership style and job satisfaction by considering the organizational politics and organizational commitment as a mediator and gender as a moderator. Employing linear regression analysis, we have found that transformational leadership had a significant impact on job satisfaction through the mediating influence of both organizational politics and organizational commitment. It was also discovered a major fundamental of transformational leadership that were of great importance and were individual consideration and inspirational motivation which foster the productivity of the employees in achieving the banks goals and target. This report is similar to findings by Sun et al. (2016). Organizational politics partly defines the organizational culture of any working environment and we also observed the presence of the leader played an important role in controlling the level of organizational politics because it affects employees' satisfaction. Transformational leadership had a significant influence on the organizational politics within the banks in North Cyprus. Similar discovery was reported between the correlation of transformational leadership and organizational politics in a Japanese study by Sarooghi et al. (2015). It was denoted that the relationship between the managers and employees had a positive influence on the level of each employees' commitment. The components of transformational leadership such as individual consideration help to stimulate employees, providing them with the sense of belonging. Employees are more committed when they are involved in the company and their opinions are being heard. Gender was observed to be a significant moderator in the relationship between transformational leadership and employee satisfaction.

Transformational leadership has maintained a direct and indirect influence on the behavior of employees in any organization. From our result we were able to see that transformational leadership had a positive impact on employee satisfaction. Similar result was also drawn from Bronkhorst et al. (2015). This type of leadership positively influenced employee self-efficacy, their performance and innovative ability. Managers who exhibited high transformational leadership skills had more satisfied employee. This result was similar to Obasan and Banjo (2014), Employee's view of organizational politics has had an effect on their satisfaction and performance. This research investigated the impact of perceived organizational politics on the relationship between transformational leadership style and employee satisfaction. Transformational leadership was identified with integrity and unbiased which provides a conducive working environment therefore decreasing the perception of politics shown in the result this study. We were able to establish that perceived organizational politics was a partial mediator between transformational leadership style and employee satisfaction. This result was parallel to what Kimura (2013) and Cranny et al. (1992) derived from their study. They also added that transformational leadership controls the level of politics in any organization. Organizational commitment is the length of loyalty /responsibility an indi-

vidual perceives towards the achieving organizational goals, perceived organizational commitment partial mediates between the relationship between transformational leadership and employee satisfaction similar to the findings of Cranny et al. (1992). Transformational leadership skills; individualized consideration, intellectual stimulation, inspirational motivation and idealized influence ensure that employees are committed to their mission and goals of the organization (Kouzes & Posner, 2011). Transformational leaders stimulate their employees on a sentimental level, inspiring their subordinate to think of ways to achieve target efficiently and effectively. All three dimensions of organizational commitment i.e. affective commitment, continuance commitment and normative are utilized when adopting transformational leadership (Kalsoom et al., 2018). Transformational leadership has a great influence on the level of loyalty an employee feels. Individual consideration help increase employees job satisfaction as it drifts towards motivating employees, it draws the leader closer to their subordinate enhancing the way a team building and communication with both parties (Bass, 1995). There is a need to take into consideration the difference in gender when talking about leadership, the increase in the number of female managers has called for a need to determine how satisfaction will vary. Female managers presently hold 12 out of 191 positions in board room in Germany (Rittinger, 2014). Although the number is still growing but there has been reported increment in the satisfaction level of employees working under female managers (Rittinger, 2014). Female managers are more dominate in banking and finance sectors than males. Bronkhorst et al. (2015) concluded from their survey that female board directors had a higher percentage on return on sales and equity than companies that had less women on their board. It was noted that woman had positive impact on team building as a result of their mother instinct

6. Conclusion/Limitation and directions for future studies

The main reason for this study was to determine the effect of transformational leadership on employee satisfaction. A quantitative survey was carried out among 400 employees working in both private and public banks in North Cyprus. From our result, we have discovered that in the banking sector, top management should adopt transformational leadership style and endeavor to train their managers to practice and take into consideration the various factors of transformational leadership. Managers should be mentored and trained in line with this style of leadership. This study proves that transformational leadership and employee satisfaction has maintained a positive relationship with each other. In conclusion, managers who aim at having a fair working environment, free of bias and fully committed employees should adopt transformational leadership style. In other words, for organizational performance to increase, leaders should endeavor to be act well and be unbiased, avoiding organizational politics within the firm to increase the commitment level of employees. Fully committed employees are often satisfied with their jobs and working environment (Ferris & Kacmar, 1992). Transformational leaders should constantly work on developing their talents and improving their craft, in order to implement the right attribute when leading their subordinate or motivate them. They should be able to understand their employees and determine the best style of leadership adopted, knowing what makes each staff be more productive. Banks in this region (North Cyprus) were not willing to answer the questionnaire at first until the purpose of the questionnaire was properly explained to the correspondent before they decide to attend it, most of the correspondents felt it was an appraisal test and did not want to get involved in the exercise. This present study investigated the effect of transformational leadership on employee satisfaction by considering perceived organizational politics and perceived organizational commitment as mediator and gender as a moderator. Future studies should check the relationship between transformational leadership and turnover intention, job performance or employee engagement. A comparative study on the relationship between transformational leadership and employee satisfaction on both west society and third world countries, considering the difference in culture is recommended. Future studies could be carried out with different mediator such trust prejudicial justice, organizational culture.

References

- Al-Husseini, S., & Elbeltagi, I. (2016). Transformational leadership and innovation: a comparison study between Iraq's public and private higher education. *Studies in Higher Education, 41*(1), 159–181.
- Ali Shurbagi, A. M., & Zahari, I. Bin. (2013). The relationship between transformational leadership and

- organizational culture in national oil corporation of Libya. *International Journal of Business Administration*, 4(4), 26.
- Aljarah, A., Emeagwali, L., Ibrahim, B., & Ababneh, B. (2018). Does corporate social responsibility really increase customer relationship quality? A meta-analytic review. *Social Responsibility Journal*, SRJ-08-2018-0205. <https://doi.org/10.1108/SRJ-08-2018-0205>
- Atta, M., & Khan, M. J. (2016). Perceived organizational politics, organizational citizenship behavior and job attitudes among university teachers. *Journal of Behavioural Sciences*, 26(2).
- Barling, J., & Macewen, K. E. (1988). A multitrait-multimethod analysis of four maternal employment role experiences. *Journal of Organizational Behavior*, 9(4), 335–344.
- Bass, B. M. (1995). Theory of transformational leadership redux. *The Leadership Quarterly*, 6(4), 463–478.
- Bass, B. M., & Avolio, B. J. (1993). Transformational Leadership and Organizational Culture. *Public Administration Quarterly*, 17(1), 112–121
- Bedeian, A. G., Ferris, G. R., & Kacmar, K. M. (1992). Age, tenure, and job satisfaction: A tale of two perspectives. *Journal of Vocational Behavior*, 40(1), 33–48.
- Boles, J., Madupalli, R., Rutherford, B., & Andy Wood, J. (2007). The relationship of facets of salesperson job satisfaction with affective organizational commitment. *Journal of Business & Industrial Marketing*, 22(5), 311–321.
- Bronkhorst, B., Steijn, B., & Vermeeren, B. (2015). Transformational leadership, goal setting, and work motivation. *Review of Public Personnel Administration*, 35(2), 124–145.
- Carsten, J. M., & Spector, P. E. (1987). Unemployment, job satisfaction, and employee turnover: A meta-analytic test of the Muchinsky model. *Journal of Applied Psychology*, 72(3), 374–381.
- Chen, G., Ai, J., & You, Y. (2014). Managerial coaching behaviours and their relations to job satisfaction, life satisfaction and orientations to happiness. *Journal of Human Resource and Sustainability Studies*, 02(03), 147–156.
- Chin, J. L. (2013). Diversity leadership: Influence of ethnicity, gender, and minority status. *Open Journal of Leadership*, 02(01), 1–10.
- Cranny, C. J., Smith, P. C., & Stone, E. F. (1992). *Job satisfaction : how people feel about their jobs and how it affects their performance*. Lexington Books.
- Eagly, A. H., & Johnson, B. T. (1990). Gender and leadership style: A meta-analysis. *Psychological Bulletin*, 108(2), 233–256.
- Fassina, N. E., Jones, D. A., & Uggerslev, K. L. (2008). Meta-analytic tests of relationships between organizational justice and citizenship behavior: testing agent-system and shared-variance models. *Journal of Organizational Behavior*, 29(6), 805–828.
- Ferris, G. R., & Kacmar, K. M. (1992). Perceptions of organizational politics. *Journal of Management*, 18(1), 93–116.
- Gill, A., Flaschner, A. B., & Bhutani, S. (2010). The impact of transformational leadership and empowerment on employee job stress. *Business and Economics Journal*, 122.
- Griffeth, R. W., & Hom, P. W. (1987). Some multivariate comparisons of multinational managers. *Multivariate Behavioral Research*, 22(2), 173–191.
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2009). *Multivariate Data Analysis* (7th ed.). Pearson Education India. Retrieved from <https://www.amazon.in/Multivariate-Data-Analysis-Pearson-International-ebook/dp/B00IZ0AY62>
- Han, H., Kim, Y., & Kim, E.-K. (2011). Cognitive, affective, conative, and action loyalty: Testing the impact of inertia. *International Journal of Hospitality Management*, 30(4), 1008–1019.
- Howell, J. M., Neufeld, D. J., & Avolio, B. J. (2005). Examining the relationship of leadership and physical distance with business unit performance. *The Leadership Quarterly*, 16(2), 273–285.
- Ibrahim, B., & Aljarah, A. (2018). Dataset of relationships among social media marketing activities, brand loyalty, revisit intention. Evidence from the hospitality industry in Northern Cyprus. *Data in brief*, 21, 1823–1828.
- Islam, T., ur Rehman, S., & Ahmed, I. (2013). Investigating the mediating role of organizational politics between leadership style and followers' behavioral outcomes. *Business Strategy Series*, 14(2/3), 80–96.
- Jaros, S. J. (2007). Meyer and Allen Model of Organizational Commitment : Measurement.
- Judge, T. A., & Piccolo, R. F. (2004). Transformational and transactional leadership: a meta-analytic test of their relative validity. *Journal of Applied Psychology*, 89(5), 755.
- Kalsoom, Z., Khan, M. A., & Sohaib Zubair, S. (2018). Impact of transactional leadership and transformational leadership on employee performance: A case of FMCG industry of Pakistan. *Industrial Engineering Letters*, 8(3), 23–30.

- Kim, J. S. (1980). Relationships of personality to perceptual and behavioral responses in stimulating and nonstimulating tasks. *Academy of Management Journal*, 23(2), 307–319.
- Kimura, T. (2013). The moderating effects of political skill and leader–member exchange on the relationship between organizational politics and affective commitment. *Journal of Business Ethics*, 116(3), 587–599.
- Kouzes, J. M., & Posner, B. Z. (2011). Leadership begins with an inner journey. *Leader to Leader*, 2011(60), 22–27.
- Laub, J. A. (1999). Assessing the servant organization; Development of the Organizational Leadership Assessment (OLA) model. *Dissertation Abstracts International*, 60(2), 1-115.
- Lorentzen, S. G., Guldberg, S., & Thesis, L. B. (2009). *Successful leadership communication from a gender perspective*.
- McCull-Kennedy, J. R., & Anderson, R. D. (2002). Impact of leadership style and emotions on subordinate performance. *The Leadership Quarterly*, 13(5), 545–559.
- Metwally, A. H., El-Bishbishy, N., & Sabri Nawar, Y. (2014). *The impact of transformational leadership style on employee satisfaction. The Business & Management Review (Vol. 5)*.
- Meyer, J. P., Paunonen, S. V., Gellatly, I. R., Goffin, R. D., & Jackson, D. N. (1989). Organizational commitment and job performance: It's the nature of the commitment that counts. *Journal of Applied Psychology*, 74(1), 152–156.
- Mintzberg, H. (1984). *Power In and Around Organizations. Organization Studies (Vol. 5)*. Sage PublicationsSage CA: Thousand Oaks, CA. <https://doi.org/10.1177/017084068400500419>
- Morris, J. H., & Sherman, J. D. (1981). Generalizability of an Organizational Commitment Model. *Academy of Management Journal*, 24(3), 512–526. <https://doi.org/10.2307/255572>
- Moynihan, L. M., Boswell, W. R., & Boudreau, J. W. (2000). *DigitalCommons@ILR CAHRS Working Paper Series Center for Advanced Human Resource Studies (CAHRS) The Influence of Job Satisfaction and Organizational Commitment on Executive Withdrawal and Performance*.
- Nawaz, M. M., & Bodla, M. A. (2010). Comparative study of full range leadership model among faculty members in public and private sector higher education institutes and universities. *International Journal of Business and Management*, 5(4).
- Nunnally, J. C. (1978). *Psychometric Theory*. New York, NY: McGraw-Hill Book Company.
- Obasan Kehinde, A., & Hassan Banjo, A. (2014). A test of the impact of leadership styles on employee performance: A study of department of petroleum resources. *International Journal of Management Sciences*, 2(3), 149-160.
- Pahi, M. H., & Hamid, K. A. (2015). How leadership styles influence Commitment to Service Quality (CSQ): A case study of hospitals of Sindh Pakistan. *Mediterranean Journal of Social Sciences*, 6(6 S2), 282.
- Pounder, J. (2002). *Do women really make better leaders than men?*
- Rittinger, K. (2014). *Impact of Female Leadership on Employee engagement in German small and medium-sized Family Companies*.
- Sabri, P. S. U., Ilyas, M., & Amjad, Z. (2013). The impact of organizational culture on commitment of Teachers in Private Sector of Higher Education. *Pakistan Journal of Social and Clinical Psychology*, 11(2), 69–76.
- Saroghi, H., Libaers, D., & Burkemper, A. (2015). Examining the relationship between creativity and innovation: A meta-analysis of organizational, cultural, and environmental factors. *Journal of Business Venturing*, 30(5), 714–731.
- Sun, Y., Gergen, E., Avila, M., & Green, M. (2016). Leadership and Job Satisfaction: Implications for Leaders of Accountants. *American Journal of Industrial and Business Management*, 06(03), 268–275.
- Susanty, A., Miradipta, R., & Jie, F. (2013). Analysis of the effect of attitude toward works, organizational commitment, and job satisfaction, on employee's job performance. *European Journal of Business and Social Sciences*, 1(10), 15-24.
- Walsh, G., & Bartikowski, B. (2013). Exploring corporate ability and social responsibility associations as antecedents of customer satisfaction cross-culturally. *Journal of Business Research*, 66(8), 989–995.
- Wei, L.-Q., Chiang, F. F. T., & Wu, L.-Z. (2012). Developing and utilizing network resources: Roles of political skill. *Journal of Management Studies*, 49(2), 381–402.

