

The influence of managerial leadership style on employee job satisfaction; case of private universities in Peshawar

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Abstract—This study conducted with the prime objective to evaluate the relationship between autocratic, democratic, and laissez-faire leadership style and employee job satisfaction in business administration department lecturers of private sector universities in Peshawar (Pakistan). In order to collect the data 150 questionnaires were distributed among employees and 108 questionnaires return back. The finding of the study concluded the democratic is positively related to employee job satisfaction while the autocratic and laissez-faire leadership styles are negatively associated with employee job satisfaction.

Keywords—Leadership Style, Job Satisfaction

I. INTRODUCTION

A. Background of the study

Organization in private universities having more pressure to meet changes, to develop their organization structure effectively and improve their organization performance [1]. The private university needs employee effective leadership style which leads to improving employee job satisfaction and employee will motivate when a preferable leadership style adopted by line managers and their adoption can indicate the way of achieving their organization objective [2]. Confusion is there that in private universities have deeply rooted the autocratic leadership style where line manager cannot share their power with their subordinates [1].

B. Objectives of the study

To measure the effect of democratic leadership style on employee's job satisfaction.

To measure the effect of autocratic leadership style on employee's job satisfaction

To measure the effect of laissez-faire leadership style on employee's job satisfaction

C. The significant of the study

The finding of this study will benefit the private universities managers considering the leadership style and employee job satisfaction. Through the study of this research, the manager can evaluate managerial leadership styles adopted by private universities managers and also can observe the employees' dissatisfaction reason concerning their jobs and the research has been done first time in Peshawar.

II. LITRATURE REVIEW

A. Introduction to leadership

Leadership is defined as the root of interaction with individuals and groups which concerning to organized and reorganized situation according to subordinates desire and their perception [3]. The leadership is the ability to have power and pay attention to formalizing paths by having power [4]. From the organization concern, it is elaborated that leadership is processed through which manager can motivate and influence the followers with good behavior, which leads them to achieve organization goals [5]. There are different leadership styles as suggested in the literature, but in this study, only three leadership styles are focused namely democratic, autocratic, and laissez-faire. Their details are as under.

B. Democratic leadership style

Democratic leadership is related to sharing the authority among the subordinates where the leader can get ideas from their followers and the employees will highly satisfied and proactive to achieve organization objective [2]. Other writers also supported the idea that democratic leadership is related to employee productivity, commitment, performance and satisfaction [6, 7].

C. Autocratic leadership style

The autocratic leaders will not precaution the norms, values, and ethics of the group members only indicating as practical work, and such type of leaders they act what they want to be acted [8]. Characteristics of autocratic leadership are very harmful for the individual and group performance organization

[2]. More precisely the autocratic leadership style having a low score in the factor of consideration toward followers [9].

D. Laissez-faire leadership style

Laissez-faire style is not related to the leadership because such type of leaders won't have influence over the members of the group, and that's really impossible to differentiate the leaders from the followers [2]. The laissez-faire leadership style only exists in our imagination and having no realistic nature, in such type of leadership employees are highly skilled, and have much experience to do their job and successfully they can accomplish their task and they are having arrogance in their work to lead it toward success, employees are highly specialist and trustworthy and much experienced full [8]

E. Job satisfaction

Job satisfaction is enjoyable which related to someone emotion and that comes out through job experience [10]. Job satisfaction is explained and not is connected with motivation because it's something different, it's driven force which comes automatically like enthusiasm, activeness and sustaining the performance [2]. This is only the way through which we can achieve our goals by motivating our employees and motivation of employees not only related to money that's also related to non-monetary factors. According to two-factor theory, it is stated that human needs can be divided into two factors (hygiene and motivator) where hygiene is related to basic needs which only work for survival [11]. Further, it is stated that organization full the hygiene needs of employees so the employee will satisfy, if an organization failed to fulfill the needs the employee will highly dissatisfied. Motivator if an organization motivated the employees of the organization by different motivation factors, so the employee will show high satisfaction if the organization failed to provide motivation factors to its employees so the employees will show dissatisfaction and they are still satisfied.

F. Leadership style and job satisfaction

Research on leadership effectiveness started in the 1920s [3]. Most initial studies show that leadership style has an influence on the satisfaction level of employees. Later studies conducted after the Second World War showed that behavior of leader determines job satisfaction of employees [3]. For example, studies showed that a manager can improve employees' job performance [12]. Other studies show that leadership not only influence job satisfaction but also influence other employee-related outcomes such as work productivity, workplace stress, and employee turnover intention [13,14]. A study shows there democratic leadership style is more suitable and produce greater job satisfaction among employees compare autocratic leadership [3]. In other study found that the democratic leadership style positively predicts employees' commitment and job satisfaction [14]. Finally, Laissez-faire leadership style is found to be less effective in terms of producing workplace performance, organization performance, job satisfaction and so on[1]. Overall democratic leadership style is found to be more effective as compare to autocratic and laissez-faire

leadership style as founding previous studies [1, 2, 3, 13, and 14].

III. RESEARCH METHODOLOGY

A. Research design

The design of the study is explanatory as it shows the relationship between the independent and dependent variable. It is also based on cross-sectional data and survey-based approach for data collection.

B. Population and sample size

As the study focuses on the studying of influencing managerial leadership style on employee job satisfaction at private universities in Peshawar, so all private sector universities in Peshawar makes the population of the study. Through sampling, data is collected from employees of Business administration department of four leading universities, Sarhad University, Qurtaba University, Preston University and, Iqra national university. A total of 150 surveys were distributed and 108 were returned making a response rate of 72%.

C. Data collection

The primary data was collected from employees of the sampled business department of private universities, and the standard questionnaire was used with closed-ended questions on managerial leadership style and employee job satisfaction.

D. Instrument/questionnaire design and adoption

The data has been collected through the questionnaire and it's having questions regarding managerial leadership style and employee job satisfaction. The managerial leadership style consists of 30 questions based on previous source [15]. In this questionnaire; there were 10 questions for an autocratic style, 10 items for democratic style, and 10 items for laissez-faire style. Job satisfaction is measured by 3 items adapted from [16].

Table 1: Reliability of Questionnaire

Variables	No.of Items	Cronbach's Alpha
Autocratic Leadership	10	0.69
Democratic Leadership	10	0.75
Laissez-faire style Leadership	10	0.68
Job Satisfaction	3	0.81

All variables had Cronbach alpha of above 0.60 so it indicates the good reliability of the instrument adapted.

IV. RESULT

Table 2: Demographic Information

		Frequency	Percentage
Gender	Male	86	79.6%
	Female	22	20.4
Age	18-25	14	13.0
	25.1-35	68	63.0
	35.1-45	16	14.8
	Above45	10	9.3
Education	Bachelors	2	1.9
	MS	86	79.6
	PhD	20	18.5

In table 2 above, demographic information shows that out of total 108 sampled respondent the male respondents were 86 in the percentage of 79.6% and the female respondents consist 22 in the percentage of 20.4 and the total number population sampled 108 with the percentage of 100%. Age is an important factor which contributes enthusiastically to the development. From the Table 2 about (13%) of the sampled (14) respondents belong to age group of (18-25)years old, followed by (63%) of (25.1-35)years age group sampled 68 respondents, and about 14.8% belonged to (35.1-45)years age group sampled 16 respondents while rest of (9.3%) referred to above 45 age groups sampled (10) respondents. In terms of Educations, all of the sampled respondents were literate but with different status. Majority 79.6% with a frequency of 86 respondents were having a master educational level, followed by 18.5% with frequency 20 having Ph.D. level education, and only 2 respondent having the bachelor education level, so all respondents equally sampled regarding their education status.

Table 3: Descriptive Statistics

	Min	Max	Mean	S/D
Autocratic Leadership	1.30	4.30	3.1	.58
Democratic Leadership	1.30	4.20	2.9	.81
Laissez-faire Leadership	1.20	4.00	2.6	.78
Job Satisfaction	1.33	4.33	2.97	.63
Valid N (listwise)				

The descriptive statistics on the variables shows that Autocratic leadership is the most common leadership style (Mean= 3.13, SD= .58). Democratic leadership is second most common style (Mean=2.92, SD=.81). Finally, the Laissez-faire Leadership style is not very common (Mean = 2.69, SD=.78). Finally, the job satisfaction descriptive statistics show that on the average, most respondents are not very satisfied with their job (Mean=2.98, SD=.63).

Table 4: Correlation

		1	2	3	4
Autocratic Leadership	Pearson Correlation	1	.429**	.429**	.246
	Sig. (2-tailed)		.001	.001	.073
	N	108	108	108	108
Democratic leadership	Pearson Correlation	.429**	1	.821**	.536**
	Sig. (2-tailed)	.001		.000	.000
	N	108	108	108	108
Laissez-faire Leadership	Pearson Correlation	.429**	.821**	1	.509**
	Sig. (2-tailed)	.001	.000		.000
	N	108	108	108	108
Job Satisfaction	Pearson Correlation	.246	.536**	.509**	1
	Sig. (2-tailed)	.073	.000	.000	
	N	108	108	108	108

** . Correlation is significant at the 0.01 level (2-tailed).

The results on the correlation table show that Job satisfaction is positively associated with autocratic leadership style. The value of r shows that the association between both variables is 24.6% while the relationship is insignificant (P value=.073). Similarly, results also show that job satisfaction is positively associated with Democratic leadership style. The value of (r) shows that the association between both variables is 53.6% while the relationship is highly significant (P value=0.000). Finally, the results show the job satisfaction is also highly associated with Laissez-faire Leadership. The value of r shows that association between both variables is 50.9% while the relationship is also significant (P value=0.000).

Table 5: Regressions

	Unstandardized Beta Value	t-Value	P Value
Constant	1.703	4.026	.000
Autocratic Leadership	.021	-.003	.997
Democratic Leadership	.284	1.963	.004
Laissez-faire Leadership	.169	1.003	.321
R	.550		
R2	.302		
F Statistics and P-Value of F Statistics	7.212 (0.000)		

The result of regression shows that Autocratic leadership style is not having any positive significant effect on the job satisfaction. The beta value shows that one unit increase in autocratic leadership will bring 0.021 increase in job satisfaction, while the relationship is non-significant (see p value=0.997). The results also show that the democratic leadership style is having a significant positive effect on employees' job satisfaction. The beta value shows that one unit increase in democratic leadership will bring 0.284 increase in job satisfaction, while the relationship is significant (see p value=0.004). Finally, the results show that Laissez-faire Leadership style is a positive effect on job satisfaction. The beta value shows that one unit increase in Laissez-faire Leadership will bring 0.169 increase in job satisfaction, while the relationship is non-significant (see p value=0.321). The value of R shows that all variables in the model are 55% associated. Similarly, the value of R square shows that all independent variables explain 30.2% variation in the dependent variables. The value of F Statistics suggests that overall model is fit (F value =7.21) while the F value is also significant (p value=0.000).

V. CONCLUSION AND RECOMMENDATION

A. Conclusion

This study examined the effect of managerial leadership style

on employee job satisfaction at the private universities in Peshawar. The findings of the study show that democratic style is the most important leadership style having a positive and significant influence on employee's job satisfaction in this particular context of private universities staff in the Peshawar area.

B. Recommendation

The following recommendations were made based on a finding of the empirical results

- A manager should adopt a democratic leadership style.
- An employee should involve in the decision-making process.
- For the enhancing employee job satisfaction and organization performance the organization should create a monitoring system for addressing employees' related issues.
- The organization should maintain the monthly record of individual employee's performance, through which line manager easily can appraise the employee performance and can also assess the shortcoming and problem identification in order to solve inappropriate time.

C. Limitations

There are so many limitations of the study which includes; First, the study is only limited to the private universities in Peshawar because the data was collected on from the business department of private universities, so the result of this study may not be valid for other private universities of Pakistan. Secondly, a small sample size was taken due to time constraints. In the future, a bigger sample size may be taken for such kind of study.

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