

# Transformational Leadership in Higher Education Institutions and Employee Satisfaction Interventions

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**Abstract:** Transformational leadership is one form of leadership that is widely believed to have colored a new paradigm of thinking about the essence of leadership in the era of globalization. The motivation is given aims to gain support and trust from employees. Employee empowerment by leaders with transformational style is an important component in developing the potential of employee performance improvement. The purpose of this research is the magnitude of the direct influence of the transformational leadership style on the commitment of employees of the Faculty of Social and Political Sciences Airlangga University. The analysis technique used is path analysis using SPSS 13.0. The results of this data processing show that the direct influence of the transformational leadership style on organizational commitment is weaker than the indirect effect of transformational leadership on organizational commitment through job satisfaction variables. Thus, it can be concluded that the influence of transformational leadership style to organizational commitment through job satisfaction.

## 1 INTRODUCTION

Transformational leadership is leadership capable of bringing about change in every individual involved or for the organization to achieve higher performance. Four types of transformational behavior (Bass 1985) are charisma, intellectual stimulation, individual attention, and inspiration.

Burns (1978) describes transformational leadership is a process whereby leaders and employees together mutually improve and develop morality and motivation. Bass (1985) describes transformational leadership as leadership that enables followers of feelings of trust, admiration, loyalty, and respect for leaders, and the term motivation to do more than the employee expects. Results that match the results keep employees further from the outcome of the task, persuading employees to put more importance on the interests of the team or organization of interest and according to their higher needs.

In transformational leadership, leaders build subordinate consciousness will follow up and get the task carried out by conveying his vision to his

subordinates so that they work with his personal interests and encourage changes towards the interests of the organization. Go on growing trust, pride, loyalty, commitment and respect to the boss.

Job satisfaction is the individual's emotional response to his or her job or place of work derives from the experience of his work. According Luthans (2007: 141) job satisfaction is a sense of comfort or positive emotional state resulting from the assessment of work or work experience. Employee job satisfaction can be given to several factors. Among them by looking at the important factors that encourage employee job satisfaction. The aspect of employee job satisfaction according to Luthans (2006: 243) consists of the work itself, payroll/salary, promotion opportunities, supervision, working conditions according to Robbins (2003: 85) consists of what is fair (cooperation), work that mentally challenges (mentally challenging work), supportive colleagues, and supporting working conditions. Important factors that drive job satisfaction can also affect how committed employees are to the company.

Employees who have all the needs are met will achieve job satisfaction and have a commitment to the company. The high commitment of employees can influence the development of the company. The commitment will make employees support all activities of the company and make employees feel the company has a company. The existence of a high commitment to the company, employees will be more productive in work.

Researchers see a change in leadership style taking place in FISIP Unair as an interesting point that can be used as a case for the relationship of leadership strategy to intervention in this regard. As one of the faculties of Airlangga University which have changed its status to State Owned Legal Entity (BHMN) since 2006, of course, in FISIP Unair also experience style. BHMN status request is. Lifestyle at the university level and faculty level in Unair environment.

## **2 RESEARCH METHOD**

To know the influence of transformational leadership style to job satisfaction and organizational commitment this research using quantitative approach. In a quantitative approach, the researcher uses the rationalization process of a phenomenon that occurs and measures the variable (variable indicator) that is being investigated and finally the quantitative approach tries to make a generalized conclusion. Variables used in this study there are two types, namely independent variables, and dependent variables. The independent variable is the transformational leadership style (X). The intervening variable is employee satisfaction (Z). And the dependent variable is the organizational commitment (Y).

Measurement of organizational commitment variables based on respondents' answers or ratings on statements in questionnaires whose value is determined on a Likert scale, with the following explanation: (1) Value 1 represents a strongly disagreeable answer; (2) The 2nd value represents the disapproving answer; (3) The value 3 represents the answer quite agree; (4) Value 4 represents the agreed answer; (5) The value of 5 represents a strongly agreeable answer.

Primary data collection was done by questionnaire and direct observation. Secondary data in this research include the general description of the research subject, organizational structure of research subject as well as explanation of authority and job title.

The number of population in the study were 50 respondents covering employees of Faculty of Social and Political Sciences Airlangga University with details of 56 employees and 4 head sub-section consisting of Head of Administration Academic, Head of Student Affairs, Head of Finance and Head of Human Resources.

## **3 RELATION OF TRANSFORMATIONAL LEADERSHIP (X) ON WORK SATISFACTION (Z)**

The results showed that the transformational leadership style has a significant effect on job satisfaction on the employees of the Faculty of Social and Political Sciences Airlangga University. It is based on the test results with the value of standard regression coefficient (beta) 0.784 with a significance value of 0.000. These results illustrate that a leader must be able to appreciate and accept individual differences in terms of individual interest needs, for example some employees want more encouragement, employees want more leadership attention to employees for example: making sure that the employee is able to complete the task, faced by employees and encouraging employees to be more enthusiastic employees in completing the task and leaders always provide direction in completing the task. The leadership also raises the followers' awareness of the issues and influences the followers to view the issues as new perspectives.

Transformational leadership style strives to create a conducive climate for the development of innovation and creativity of employees, resulting in the emergence of a strong sense of ownership and will make employees happy in working and doing all the duty to perform tasks without feeling forced to create job satisfaction.

## **4 RELATION OF WORK SATISFACTION (Z) TO ORGANIZATIONAL COMMITMENT (Y)**

The results showed that job satisfaction has a significant effect on organizational commitment at the Faculty of Social and Political Sciences Airlangga University. This is based on test results with the value of standard regression coefficient

(beta) 0.708 with a significance value of 0.000. These results show the higher the employee job satisfaction of the Faculty of Social and Political Sciences of the University, the higher the commitment of employees. Job satisfaction has a positive and significant impact on organizational commitment. Organizational commitment shows a power of a person in identifying one's desire, involvement, and membership in an organization. The emergence of organizational commitment will lead to a strong sense of ownership of the organization.

## **5 RELATION OF TRANSFORMATIONAL LEADERSHIP (X) TO ORGANIZATIONAL COMMITMENT (Y)**

The results showed that the transformational leadership style significantly affected the organizational commitment to the employees of the Faculty of Social and Political Sciences, Airlangga University. It is based on the test results with a significance value of 0.683 below the significance value of 0.000. The results are supported by the existing conditions in the Faculty of Social and Political Sciences Airlangga University can be seen from the characteristics and leadership behavior that inspire employees. The leader's charisma explains as a result of employee perceptions about the quality of leader behavior. Charismatic leaders are able to inspire employees about the form of loyalty and obedience beyond their own interests, if an employee feels admirable towards his leader, then the leader will be easily accepted by employees in various aspects of the work in the organization, a number of leadership researchers stated that the sense of awe is a positive response of employees to leadership transformational.

This means an effective leader influences his followers to have greater optimism, confidence, and commitment to the organization's goals and mission. Thus, the behavioral ways of leaders in directing their followers will have an effect on employees' organizational commitment, thus supporting previous research on the influence of leadership style on organizational commitment (Desianty, 2005).

Leaders with a transformational style encourage more employees to come up with new ideas and creative solutions to the problems at hand. This

theory is reinforced by Bass (1998) who states "transformational leaders will always try to build and develop the potential of individuals to make them into independent followers". Leaders with transformational leadership styles tend to have inspirational traits that motivate employees in work, but influence does not only come from charismatic leaders. With a leadership style, transformational leadership applied then the attachment arises between leaders and employees so as to facilitate can increase the commitment of organization.

## **6 THE EFFECT OF THE LEADERSHIP OF TRANSFORMATIONAL LEADERSHIP (X) ON ORGANIZATIONAL COMMITMENT (Y) THROUGH THE SATISFACTION OF WORK (Z)**

From the results that have been done earlier, it can be seen that the style of transformational leadership of organizational commitment through job satisfaction of 0.148 can be seen also that the transformational leadership style variables affected significantly to job satisfaction with a significance value of 0.000 influence on organizational commitment. to employees of the Faculty of Social and Political Sciences Airlangga University.

The transformational leadership style has a positive and significant impact on employees' organizational commitment. Leaders can be an inspiration in work and determine the direction and purpose of the organization. Leaders can demonstrate their ability to delegate responsibility with caution and instil a strong sense of ownership of their employees. It is this leader's attitude that affects employees to be able to commit to their organization. This is supported also by the descriptive statistical data of the respondents working year where the number of respondents who work more than 5 years by 84% indicates that most employees have a high commitment that makes them loyal to the organization.

Based on the results of the research show that hypothesis testing is statistically proposed supported by previous theory. Job satisfaction has a positive and significant influence on organizational commitment to support the results of research. So this supports the research of Nafisah (2005) and

Rivandi (2005) about the positive relationship between job satisfaction with organizational commitment.

## 7 CONCLUSION

The influence of transformational leadership style to organizational commitment with job satisfaction as an intervening variable (study at Faculty of Social and Political Sciences of Airlangga University). This research concludes that the four hypotheses proposed in this research are all accepted.

Transformational leadership style (X) has a positive and significant effect on job satisfaction (Z) in the Faculty of Social and Political Sciences Airlangga University. Leadership style becomes an important factor affecting work behavior such as satisfaction and performance. The influence of job satisfaction (Z) has a positive and significant effect on organizational commitment (Y) has a standard regression coefficient (beta) of 0.708; meaning that the better the job satisfaction of employees of the Faculty of Social and Political Sciences of the University the higher the commitment of the employee organization. The influence of transformational leadership style (X) has a positive and significant effect on organizational commitment (Y) has a standardized regression coefficient (beta) of 0.683. The indirect influence of transformational leadership style (X) on organizational commitment (Y) through job satisfaction (Z) has a positive and significant effect is  $0.332 \times 0.448 = 0.149$  where the value is smaller than the direct influence between X to Y of 0.683.

Evidently, the transformational leadership style has a positive and significant influence both on job satisfaction and organizational commitment of employees in the Faculty, such leadership model will certainly contribute positively to the improvement of FISIP performance as an organization. Management of employees by effective organizations. If this transformational leadership style practice turns out to increase organizational commitment to encourage the achievement of their job satisfaction, then this leadership style practice may also be an example that needs to be disseminated to other units within the University.

The influence of transformational leadership style on organizational commitment with job satisfaction can be concluded that transformational leadership style greatly influences work behavior such as job satisfaction. These results illustrate that a

leader is able to appreciate and give encouragement to its employees and strive to create a climate conducive to the development of innovation and employee creativity that will make employees feel happy at work and do all the obligations to carry out tasks without feeling forced so as to create job satisfaction.

Leaders with transformational leadership styles tend to have inspirational traits that motivate employees to work, but internship does not only come from charismatic leaders. With the transformational leadership style applied, there is an attachment between leaders and employees so that a strong commitment to the organization arises

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