

## The Impact of Leadership Style Toward Job Satisfaction in Malaysian Public Sector

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### Abstract

Leadership is a process of influence between leaders and employee in which a leader tries to change employee behavior in order to accomplish organizational goals. The leaders of the organization and their leadership philosophies are crucial to the success of the organization in accomplishing its goals and objectives. Attaining employees' job satisfaction is crucial to retain productive and efficient employees. Therefore, one of the ways that may be effective help managers in increasing the satisfaction among their followers is employing the right leadership style. Jobstreet.com in 2017, stated that 21% of the respondent in the survey conducted is unhappy at work because of their relationship with their immediate supervisor. Malaysian Department of Public Services 2018 conducted a survey namely Indeks Keterlibatan Penjawat Awam (IKPA) found that there is a slight decrease between 0.9% to 9.4% in job satisfaction among government servants compared to the same survey conducted in 2015. This paper aims to see the impact of leadership style on job satisfaction in the Malaysian public sector.

**Keyword:** Job Satisfaction, Transformational Leadership, Transactional Leadership, Entrepreneurial Leadership.

### Introduction

In order for an organisation to succeed, effective leadership and employee job satisfaction have been viewed as essential elements. A capable leader gives the organization direction and guides employees toward the achievement of objectives. Similar to this, employee who are satisfied with their jobs are more inclined to put more effort into the tasks they are given and seek organisational goals. An organisation that promotes high employee job satisfaction is also better equipped to keep and recruit workers with the skills it needs (Raziq and Maulabakhsh, 2015).

Human resources are considered to be one of the fundamental components of every organisation, backed by both internal and external variable. Job satisfaction is one of the primary factors that enhances human resources (Mehrad & Fallahi, 2014). Job satisfaction has

an effective role on successful staff and their performance in any organisation either in public or private sector (Ismail, 2012). Therefore, it can motivate and develop the amount of creativity, work experience, and organization outcomes among staff (Sohail & Delin, 2013).

According to Aziri (2011) job satisfaction can enhance individual effort, communication, staff skill, the quantity if staff predisposition toward their work and it completely contribute to an organization's performance. High job satisfaction also enhances employees' psychological and physical wellbeing (Sironi, 2019) and positively affects employee performance (Mokaya and Gitari, 2012). Moreover, Ali et al (2013); Voon et al (2011) stated that the employee job satisfaction refers to how employees feel about their jobs and the company they work for. The researchers observed that a variety of organisational contextual elements, such as salaries, job autonomy, job security, workplace flexibility, and leadership, have an impact on job satisfaction. Particularly, leaders inside organisations can use the right leadership styles to influence the commitment, job satisfaction, and productivity of their workforce.

The pleasure derived from doing a job is referred to as job satisfaction. Managers face a significant challenge in ensuring that their employee are happy in their jobs. A satisfied employee is more efficient and effective in the workplace. Many managers do not have adequate awareness and skill for generating suitable atmosphere among staff and to apply precise style at workplace (Mehran & Fallahi, 2014). The attitude of individuals toward their work reveals their level of job satisfaction. Employees who are highly satisfied have a positive and favourable attitude toward their work, whereas dissatisfied workers have a negative attitude toward their job (Asghar & Oino, 2017).

Furthermore, the lack of attention to staff inner feeling results in some abnormal reactions, such as employee turnover, absenteeism, dissatisfaction, and insufficient behaviour with other members of the organization's staff (Ahmad et al., 2010). Previous study has found that job satisfaction is linked to external factors such as leadership style which effect on staff feeling and changes in their attitude about job (Ahmad et al., 2010; Olorunsola, 2012; Tiwari & Saxena, 2012).

According to a survey conducted in 2019 by Ranstad, a global recruitment firm, job satisfaction is highest in India, followed by Mexico and Turkey, while Malaysia is ranked in twelfth position, after United Kingdom. In a press release by Jobstreet.com in 2017, 21% of the respondent from the survey conducted is unhappy at work because of the relationship with immediate supervisor. Malaysian Department of Public Services in 2018 conducted survey namely Indeks Keterlibatan Penjawat Awam (IKPA) found that there is a slight decrease between 0.9% to 9.4% in job satisfaction among government servant compared to the same survey conducted in 2015, with the view that they are not involved in the decision -making that involves their work.

However, there are various current leadership problem that do not show a good leadership (Howell & Costley, 2006). Some of these issues include leaders' diversity, fairness and ethics, leader development and change of leadership style. According to Voon et al (2011), the impact of leadership styles on employees' job satisfaction in Malaysian public sector organisations revealed that transformational leadership style and job satisfaction in government organisations have a positive relationship, while transactional leadership style and job

satisfaction in government organisations have a negative relationship.

Previous studies also have examined the relationship between employee job satisfaction and leadership behaviour in various settings such as healthcare, military, education and business organisations (Choi et al., 2016; Top et al., 2015; Chen & Silversthorne, 2005). These studies generally indicate that employee job satisfaction in the public sector is just as important as it is in the private sector. Consistent with this, the present study intends to examine the relationship between leadership styles and job satisfaction in the public sector.

## **Literature Review**

### *Job Satisfaction*

Job satisfaction is located as an inner principle feeling that is created by various elements at work environment (Mehrad & Fallahi, 2014). Job satisfaction is influenced by many factors, which depends on how to employees enjoy work. Jung et al (2017) stated that job satisfaction is influenced by demographic factors such as gender, minority status, salary, and working hours. Job satisfaction involves a person's positive or negative feelings towards his or her job. Job satisfaction also refers to the level of employee satisfaction in the organization towards their job and work environment (Affendi, 2014). According to Baro and Mahavidyalaya (2014), job satisfaction can be understood to mean "a pleasant emotional state resulting from a person's assessment of his or her desires in line with what is in his or her job".

Chin et al (2017) also describes how an employee likes their job and some views state that job satisfaction is important because it is one of the key aspects in shaping a motivated and high-performing employee (Ali & Anwar, 2021). According to Robbins (2001); Saari & Judge (2004), job satisfaction is defined as a person's general attitude towards his job. This definition has a broad meaning. In other words, job satisfaction is a complex summation of several job elements that are different and separate from each other (discrete job elements). Aziri (2011) also defines job satisfaction as a group of feelings and beliefs that employees have about their job.

Public sector are resources that help organizations in carrying out administration and achieving goals. Public sectors play an important role in determining the success or failure of an organization in Malaysia. For organisations to fulfil their aims and objectives, officers and employees must work together. As a result, research on employee job satisfaction is critical in both corporate and academic settings. Job satisfaction is an essential efficiency metric for evaluating organisations since it has a large indirect influence on employees' actions and work ethic. Job satisfaction has a considerable, beneficial, and direct effect on organisational engagement and performance outcomes (Bakotic, 2016). According to Amarjit et al (2010), job satisfaction comes through employees' capacity to clearly comprehend the organization's aims and ambitions. Ibrahim et al (2018) argue that job satisfaction is very valuable and exists in every individual who works because when satisfaction is achieved, tasks can be performed well.

Job satisfaction is an indicator of the manifestation of a sense of fun, comfort, and peace or a positive feeling that results from work experience or an attitude that results from the individual's emotional satisfaction with his job (Affendi, 2014). Job satisfaction shows the employee's enthusiasm in doing a given task without feeling stressed. Therefore, job satisfaction is the main key that leads to job satisfaction factors such as salary factors,

supervision factors, work atmosphere of colleagues and promotion factors. The study shown to the 'Job Descriptive Index' by Balzer and Smith (1997), dimensions of job satisfaction include salary, the job itself, supervision, relationships with colleagues and promotion opportunities. Meanwhile, Yiing & Ahmad (2009) discovered that leadership behaviour influences employee satisfaction-moderated organisational culture; West and Bocarnea (2008) discovered a significant relationship between service leadership and organisational commitment and job satisfaction; and Arocas and Camps (2008) discovered that payroll strategy and job enrichment strategy have positive relations with job satisfaction.

### **Leadership**

The definition of leadership is a social relationship between two or more people who rely on one another to achieve specific common goals in a group setting (Hollander & Julian, 1969). In a company, leaders are the people who will exercise command and assign tasks to other team members in order to get the greatest outcomes. Leadership influences people to achieve the organization's vision and goals (Robbins et al., 2011). According to Patiar & Wang (2020) the leadership also can improve the performance and become a competitive advantage.

Substantial attention should be dedicated to the precise leadership style at an organization (Mehran & Fallahi, 2014). According to trait leadership theory, focuses on the quality and characteristics of the leader, meanwhile, behavioural leadership theory assesses the leader when preparing the organization planning and deliver it to followers by building mutual trust relationship and respecting to the ideas (Holbert et al., 2021). Leaders are expected to have good characteristics, and subordinates should be able to access them. Leadership style in this study is measured by transformational leadership, transactional leadership and transactional Leadership.

Current leadership theory describes leaders based on attributes or how influence and power are used to achieve different goals. Various leadership styles in an organization have been introduced and have been accepted and adopted by various parties, among them are the types of transformational and transactional leadership (Wongyanon et al., 2015). This shows that not all leaders have the same leadership styles, and the quality of leadership is different between the teams they lead. Identifying the style of a leader is important to assess the quality and effectiveness of leadership especially as it is closely related to the goals of the organization (Khan & Nawaz, 2016). An effective leader must appeal to the self-interest of followers and use a mixture of short-term and long-term rewards in order to lead followers towards achieving organisational goals.

### **Methodology**

As the research questions in this study are data-driven, the research strategy is in the form of a statistical survey. To gather the data, a sample of the population was employed in this questionnaire. According to Goertzen (2017), in quantitative research methods, structured data that can be represented numerically is collected and examined. The creation of precise and trustworthy measurements that enable statistical analysis is one of the main objectives (Goertzen, 2017).

Quantitative research is especially good at addressing the "what" or "how" of a particular issue since it concentrates on data that can be measured (Goertzen, 2017). In addition, the components of the research design have been described in order to give a more detailed image of this study. The elements include the purpose of the survey, the extent of the investigator's impact, the setting of the survey, the unit of the survey strategy and analysis, and the duration of the survey.

Data was collected through survey questionnaire from targeted employees working in Penang Royal Malaysia Customs Department (RAMD) in Pulau Pinang. The respondent included employees from different level in the department such as clerk, lower management, and middle management. The population for this study was 777 employee that registered under RMCD and approximately 254 was the sample size according to Krejcie & Morgan (1970) table by using a convenient sampling method.

The measuring instrument for data collection from the employee is in the form of questionnaire which consist of close-ended question and divided into four sections. The data was analyse using SPSS. In this study, the independent variable is divided into two type of leadership style namely, transactional and transformational leadership style meanwhile for dependent variable is job satisfaction.

### **Conclusion and Recommendation**

Overall, the purpose of this study was to determine the aspect of leadership style that effect employees job satisfaction in public sector in Malaysia by focusing on RMCD department in Penang. From the previous study examining the relationship between leadership style and job satisfaction found out there is positive and negative relationship on both private and public sector. This study will help us to find out the impact of leadership style on the working and output of employee and their job satisfaction at RMCD.

Effective leadership and employee job satisfaction have been seen as crucial components for an organization's success. A capable leader gives the group direction and leads the team in the direction of goals. Similar to this, employees who are happy in their occupations are more likely to work harder on the assignments they are given and pursue organizational objectives. Both officer and employee working together the accomplished organization goal.

This current study examined the impact of leadership style and job satisfaction. Future research could involve more variable related to leadership style and using other dimension to measure job satisfaction. Other approach for future research should consider to broaden the population, not only in one state but the entire RMCD or any other public sector in Malaysia.

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