

HOW TRANSFORMATIONAL LEADERSHIP INTENSIFY EMPLOYEE PERFORMANCE MEDIATING BY JOB SATISFACTION

I Gede Putu Kawiana¹, I Gede Riana², I Gede Rihayana³, I Nyoman Rasmien Adi⁴

¹University of Hindu Indonesia, ²Universitas Udayana, Bali, Indonesia, ³University of Mahasaraswati Bali, ⁴Universitas Pendidikan Nasional, Denpasar, Bali, Indonesia.
igp.kawiana@unhi.ac.id¹, gederiana@unud.ac.id², igederihayana@unmas.ac.id³,
rasmenadi1958@gmail.com⁴

Abstract. These studies aimed to investigate the relationship between transformational leadership on job satisfaction and employee performance. The study adopted a quantitative paradigm with a population of employees at the Investigation Department, Immigration Office in Bali, Indonesia. The questionnaire was spread to 253 employees on intervals time three weeks by the number was responding are 115 employees. The results revealed that transformational leadership has a significant effect on job satisfaction-however, no significant impact on employee performance. Job satisfaction has a significant impact on employee performance. Moreover, this research found that job satisfaction played an essential role as a mediating between transformational leadership on employee performance. The implications of the study represent job satisfaction as a critical role and will be discussed. Whereas, the practical implications concern the importance of administering equity in the transformational leadership values to enhance employee performance.

Keywords: Transformational leadership, Job satisfaction, employee performance.

Abstrak. Penelitian ini bertujuan untuk mengetahui hubungan antara kepemimpinan transformasional terhadap kepuasan kerja dan kinerja karyawan. Penelitian ini mengadopsi paradigma kuantitatif dengan populasi pegawai di Departemen Investigasi, Kantor Imigrasi di Bali, Indonesia. Kuesioner disebarkan kepada 253 karyawan dengan interval waktu tiga minggu dengan jumlah responden 115 karyawan. Hasil penelitian menunjukkan bahwa kepemimpinan transformasional berpengaruh signifikan terhadap kepuasan kerja, namun tidak signifikan terhadap kinerja karyawan. Kepuasan kerja berpengaruh signifikan terhadap kinerja karyawan. Selain itu, penelitian ini menemukan bahwa kepuasan kerja memainkan peran penting sebagai mediasi antara kepemimpinan transformasional dengan kinerja karyawan. Implikasi penelitian merepresentasikan kepuasan kerja sebagai peran penting dan akan dibahas. Sedangkan implikasi praktis menyangkut pentingnya penyelenggaraan pemerataan dalam nilai-nilai kepemimpinan transformasional dalam meningkatkan kinerja pegawai.

Kata Kunci: Kepemimpinan transformasional, kepuasan kerja, kinerja karyawan.

INTRODUCTION

Job satisfaction is a pleasant psychological condition that is felt by employees for their role in the organization because their needs are well met (Puspitawati and Riana, 2016). Job satisfaction is identified with specific things (Robbins and Judge, 2017). Meanwhile, Nguyen *et al.* (2003) describe the concept of job satisfaction influenced by multidimensional things that cannot be predicted through a single dimension. Some dimensions can predict job satisfaction, such as type of work, compensation, supervision, satisfaction with aspects of promotion, and relations with colleagues (Tao *et al.*, 2018). Differences in views on satisfying factors cause the level of employee job satisfaction will be different, because it relates to emotional states of pleasure or discomfort (Nurak and Riana, 2017). Different views on various aspects of job satisfaction require the role of leaders who can harmonize the needs of individuals and organizations.

Veliu *et al.* (2017), mentioned that leaders are individuals who have the skills and integrity to influence those around them to carry out joint activities and inspire by sharing the vision of the future. Therefore, leadership style plays an essential role in achieving vision, mission, and goals (Adnan & Valliappan, 2019). Leaders can motivate and create favourable social conditions so that job satisfaction can be made which has implications for increasing employee performance. Sharma and Jain (2013) clarify leadership has an essential role in influencing other people to behave as desired. Therefore, leadership is a process of directing and giving influence to various activities of a group of members who have interconnected assignments. One of the leadership styles that inspires subordinates in carrying out their tasks is called Transformational leadership. (Shibru *et al.*, 2011). Transformational leadership is considered useful in various situations and existing cultural models so that it can bring organizational members to feel trust, admiration, loyalty, and respect for leaders so that employees are motivated to carry out tasks beyond expectations (Muenjohn and Armstrong, 2007). Omar and Hussin's (2013) revealed transformational leadership had a significant positive effect on employee performance. Similarly, the study (Andreani and Petrik, 2016; Risambessy *et al.*, 2012), clarifies that transformational leadership has a significant effect on employee performance.

Leadership quality is often illustrated as a reflection of organizational success or failure. Transformational leadership is seen as a comprehensive leadership model because it can have a positive influence on all existing organizational elements in achieving goals. A number of results of the study state that transformational leadership has a significant positive effect on job satisfaction (Braun *et al.*, 2013; Sfantou *et al.*, 2017; Mujkić, 2014; Babalola, 2016; Metwally *et al.*, 2014). Ahmad *et al.* (2014) stated that transformational leadership can enhance employee creativity, to create innovative cultures to spread new knowledge in supporting employee performance (Garcia-Morales *et al.*, 2012). Entering an era of disruption, organizations are facing a more complex environment (Babalola, 2016) so therefore, leaders need to understand the complexity of the rapidly changing global environment. Zhang and Sims (2005), mentioned that leaders may use more than one model of leadership behaviour, even a combination of various models of leadership behaviour depends on the needs of the organization. Goleman (2004) said that leaders who

have mastered four or more leadership styles can create the best work climate and business performance. This study examines the effect of transformational leadership on job satisfaction and employee performance.

LITERATURE REVIEW

Leadership has a variety of approaches and perspectives that give birth to a diverse understanding of leadership. Shibu (2011), view leadership as an agent of change in which there is interaction between two or more people within a group that regulates the situation, perceptions, and expectations of the members. Research by Mehmet *et al.* (2013) found that transformational leader behaviour influences job satisfaction and subordinate satisfaction with their leaders. Employee satisfaction depends on the difference (discrepancy) between the values, needs, and expectations that should be obtained with what has been felt or perceived by his work (Nurak and Riana, 2017). Thus someone will feel satisfied if there is no difference between hope and reality because the desired minimum limit has been achieved (Marnis, 2012).

There are two sets of conditions in the theory of job satisfaction, namely conditions that make people feel satisfiers and dis-satisfier (Robbins and Judge, 2017). If the condition of dis-satisfier is not considered, then people will not be motivated to take action so that it affects various work behaviour. These factors include working conditions, status, job security, quality of supervisors, wages, organizational procedures, and interpersonal relationships. The second condition described is a series of intrinsic conditions; job satisfaction will drive a strong level of work motivation resulting in work performance as satisfiers (Da Borralha *et al.*, 2016). In order to build up the nature of positive work, leaders must pay close attention to subordinate motivator factors, including achievement, responsibility, recognition, advancement, and work itself. Azeem's research (2010) reveals that there are five indicators to measure job satisfaction, namely the nature of the work itself, salary, supervision or supervision, promotion opportunities, and relationships with other employees.

Leadership is not always associated with having the right behavior or situation, but more likely to be related to get people to bring new ideas that aims to establish organization's vision. (Basadur, 2004). Zhang and Sims (2005) and Yukl (2010) define leadership as a pattern of behavior that influences other entities, such as individuals and teams, to understand what needs to be done and how tasks are carried out effectively. Organizational leadership is a contradiction (Seelos & Mair, 2012), meaning that the core of leadership is organizational routines, expected behavior, bound by the knowledge of standards, morality, and legality. On the other hand, leadership behavior must be out of habit, measure, and contemporary to apply different honesty, knowledge, and new legalities.

There are many choices of leadership styles to influence others, one of them is transformational leadership (Sadeghi and Pihie, 2012). Luthans (2011) states that transformational leadership is included in modern leadership theory, whose idea was initially developed by Stewart (2006), that transformational leadership is a process in

which leaders and subordinates try to achieve a higher level of morality and motivation. Transformational refers to working with and or through other people to optimally transform organizational resources to attain goals (Luyten and Bazo, 2019). Transformational leadership is one of the essential tools in organizational that change through the articulation of vision, acceptance of view, and directing employees' desires to fit into the image (Keller, 2006). According to Avolio et al. (2009), transformational is a leader behavioral approach that can transform and inspire followers to perform tasks beyond self-interest for the good of the organization.

Andreani and Petrik (2016), revealed that the role of leaders is significant in directing employees to achieve organizational goals. Transformational leaders will exert all efforts to improve the ability, potential, ethics, and trust of followers (Bahadori et al., 2016). Transformational leaders always try to harmonize relations between leaders and subordinates (dyadic) to create a conducive and cooperative atmosphere to produce performance (Jiang et al., 2017) through developing new ideas in facilitating the completion of work (Elgelal and Noermijati, 2014). Furthermore, (Munir et al., 2012; Belias & Koustelios, 2014) certify that there was a significant effect of transformational leadership on job satisfaction. Similarly, Zahari and Shurbagi (2012) revealed that there is a substantial influence between transformational leadership and job satisfaction. Even Mehmet et al. (2013) claim that transformational leader behaviors can influence job satisfaction and subordinate satisfaction with their leaders.

The effect of transformational leadership on job satisfaction was also carried out by Sfantou et al. (2017), based on the idea that leaders can build employee commitment to motivating work more passionately. Mangkunegara and Miftahuddin (2016); Sapta et al. (2020), mention that the ideal effects as a reflection of transformational leadership can predict strongly against increasing productivity so that it will lead to improved performance. Scholars stated that employee job satisfaction is directly proportional to the transformational leadership system within the organization because it can build mutual trust with each other (Braun et al., 2013; Thamrin, 2012; and Sundi, 2013).

Mangkunegara and Miftahuddin (2016) state that job satisfaction can improve employee performance. The conditions and work environment contribute according to the expectations of increasing employee morale and performance (Thamrin, 2012). Similarly, the research of Idrus et al., 2016; Ayman et al., 2014), states that transformational leadership reflected by attributed charisma, inspirational motivation, intellectual stimulation, and individualized consideration can increase employee job satisfaction. Belias and Koustelios (2014) mentioned the importance of ideas, innovative and creative attitudes held by leaders at all levels of management to improve job satisfaction. Besides that, transformational leadership implies that the leader's personality is an essential aspect as a manifestation of leadership charisma to get personal support from followers (Bushra et al., 2011).

Several previous studies showed that there was a significant influence between transformational leadership on job satisfaction and employee performance (Bahadori et al., 2016; Paracha et al., 2012; Marnis, 2012; Mangkunegara and Miftahuddin, 2016)). Other findings reveal that transformational leadership has a significant effect on employee

performance (Advani & Abbas, 2015; Shokory & Suradi, 2018; Jiang *et al.*, 2017; and Elgelal & Noermijati, 2014). Moreover, scholars mentioned that transformational leadership has a significant effect on job satisfaction (Bushra *et al.*, 2011; Alamair, 2010; Ramos, 2014; Babalola, .2016).

H1: Transformational leadership has a significant effect on job satisfaction

H2: Transformational leadership has a significant effect on employee performance

H3: Job satisfaction has a significant effect on employee performance.

METHOD

This study uses a quantitative design by distributing questionnaires using a Likert scale, from a range of 1, showing strongly disagree until a variety of 5 shows strongly agree. The population of this study is the employees of the Immigration Office of the First Class Special Ngurah Rai, Badung, Bali. Furthermore, the target population is all employees in the Field of Immigration Examination (TPI), with a total of 253 employees, in the field with the highest number of employees. The questionnaire was given to all employees at intervals of 3 (three) weeks. The results of the collected questionnaires obtained 115 questionnaires filled in entirely and validly. Based on the number of respondents surveyed, 59.13% were male, and 40.87% were women. Age of respondent's ≤ 30 years as many as 47.82% and 31-40 years as many as 41.73%, the rest above 40 years as much as 10.45%. The majority of respondents' education is Bachelor (S1) which is 73.91%, with a working period of <5 years as much as 31.30%, work period of 6-10 years as much as 34.78%, and 11-15 years as many as 20.00%, the rest has more than 15 years of service, which is 13.92%.

The questionnaire contains statements about three variables with twelve indicators, namely transformational leadership refers to the Multifactor Leadership Questionnaire (MLQ) from Alsayed *et al.*, (2012) using four indicators, job satisfaction refers to the research of Vasiliki & Efthymios (2013) using five indicators and employee performance adopted from the study of Koopmans *et al.* (2014) using three indicators. The data quality test results on the statement items in the questionnaire using validity and reliability tests indicate that the questionnaire instrument was declared valid which was observed with product moment correlation (with $r > 0.30$) and reliably observed based on the Cronbach's Alpha value ($\alpha > 0.60$). Moreover, the data were collected analysed using WarpPLS to tested the proposed of hypotheses.

RESULTS AND DISCUSSION

Model fit and quality indices. This study uses the WarpPLS to analyze the influence between the variables tested in the research model hypothesis proposes. These results are shown in figure 1, and some model fit criteria and quality indices are proved.

Table 1. Model Fit and quality indices

| No | Model fit and quality indices | Criteria fit | Result | Remark |
|----|--|---|---------------------|----------|
| 1 | Average path coefficient | P<0.05 | 0.519 (P<0.001) | Good |
| 2 | Average R-squared | P<0.05 | 0.584, P<0.001) | Good |
| 3 | Average adjusted R-squared (AARS) | P<0.05 | 0.584, (P<0.001) | Good |
| 4 | Average block VIF (AVIF) | acceptable if ≤ 5 , ideally ≤ 3.3 | 1,686 | moderate |
| 5 | Average full collinearity VIF (AFVIF) | acceptable if ≤ 5 , ideally ≤ 3.3 | 2.352 | moderate |
| 6 | Sympson's paradox ratio (SPR) | acceptable if ≥ 0.7 , ideally = 1 | 1.000 | Ideally |
| 7 | R-squared contribution ratio (RSCR) | acceptable if ≥ 0.9 , ideally = 1 | 1.000 | Ideally |
| 8 | Tenenhaus GoF (GoF) | small ≥ 0.1 , medium ≥ 0.25 , large ≥ 0.36 | 0.698 | Large |
| 9 | Statistical suppression ratio (SSR) | acceptable if ≥ 0.7 | 1.000, | Ideally |
| 10 | Nonlinear bivariate causality direction ratio (NLBCDR) | acceptable if ≥ 0.7 | 1.000 | ideally |

Outer models measurement. The WarpPLS analysis requires meeting several model fit size requirements and quality indices. The results of the analysis show that all sizes of fit models have met the criteria, including good, large, moderate, and ideal. Before carrying out the interpretation, a re-examination of the construct validity and reliability is carried out, such as composite reliability, Cronbach's Alpha, R^2 Endogen variables, and average variance extracted (AVE).

Table 2. The Outer Models Measurement

| Construct | CA | AVE | CVC | Item Code | Outer Loading | p-Value |
|----------------------------------|-------|-------|-------|-----------|---------------|---------|
| Transformational Leadership (TL) | 0.952 | 0.833 | 0.952 | TF1 | 0.890 | <0.001 |
| | | | | TF2 | 0.894 | <0.001 |
| | | | | TF3 | 0.946 | <0.001 |
| | | | | TF4 | 0.920 | <0.001 |
| Job Satisfaction (JS) | 0.907 | 0.661 | 0.907 | JS1 | 0.765 | <0.001 |
| | | | | JS2 | 0.890 | <0.001 |
| | | | | JS3 | 0.805 | <0.001 |
| | | | | JS4 | 0.765 | <0.001 |
| | | | | JS5 | 0.837 | <0.001 |
| Employee Performance (EP) | 0.954 | 0.874 | 0.954 | EP1 | 0.959 | <0.001 |
| | | | | EP2 | 0.887 | <0.001 |
| | | | | EP3 | 0.958 | <0.001 |

Hair et al. (2016), states that convergent validity criteria were observed based on convergent validity coefficient ($CVC > 0.70$) and internal consistency reliability was observed based on alpha cronbach's values ($CA > 0.70$). The construct is declared valid because it already has CA and CVC values higher than 0.70. Similarly, the average variance extracted (AVE) value meets the discriminant criteria because it is higher than 0.50 (Peng & Lai, 2012). Outer loading shows the magnitude of the contribution of each indicator to construct with values higher than 0.50, so the model is stated to have fulfilled the convergent validity (Peng and Lai, 2012). Based on the results of the analysis, all constructs tested in the research model have met the criteria of validity and reliability (Hair et al, 2010).

Inner models measurement. Testing the effect size (f^2) can provide information about the variations explained by exogenous latent variables towards endogenous latent variables (Cohen, 1998). Criteria (f^2) is; if the value is 0.02 - 0.15 (small effect), 0.15 - 0.35 (medium effect) and if > 0.35 (strong effect). Based on the results of the analysis (Table 3), it shows that the average (f^2) is 0.445 so it can be concluded that the formation of a pattern of relationships between latent variables in this research model is strong.

Table 3. The R² and Q² Values for Endogenous Constructs

| Endogenous Constructs | R ² | Has Predictive Accuracy? | Q ² | Has Predictive Relevance? |
|-----------------------|----------------|--------------------------|----------------|---------------------------|
| Job satisfaction | 0.466 | Yes, moderate | 0.468 | Yes |
| Employee performance | 0.602 | Yes, substantial | 0.605 | Yes |



Figure 1. Path coefficient and its p-values

Path coefficient analysis is a statistical technique of partitioning the correlation coefficients into its direct and indirect effects, so that the contribution of each character to yield could be estimated.

Table 4. Path coefficient direct effect and indirect effect

| Path Coefficient Direct Effect | | | | | |
|---|--------------------|--------------------|-------------|--------------------|--|
| Hubungan antar variabel | Path coefficients | P Values | effect size | Remarks | |
| TransL --> JobSat | 0.683 | <0.001 | 0.466 | Highly Significant | |
| TransL --> EmpPerm | 0.120 | 0.093 | 0.334 | Weakly Significant | |
| JobSat --> EmpPerm | 0.693 | <0.001 | 0.534 | Highly Significant | |
| Path coefficient Indirect Effect | | | | | |
| | TransL --> JobSat | Highly Significant | | | |
| TransL-->EmpPerm--> JobSat | TransL --> EmpPerm | Weakly Significant | | Full Mediation | |
| | JobSat --> JobSat | Highly Significant | | | |

In addition, the result of analysis shows that two hypotheses are supported and one hypothesis is rejected (Table 4). Transformational leadership has a significant effect on job satisfaction; however does not a significant effect on employee performance. Moreover, job satisfaction has a significant effect on employee performance. Afterward, the transformational leadership has indirect influence on employee performance through job satisfaction. Thus, the role of job satisfaction as a full mediator (Figure, 1) appropriate with mediation criteria referred to Hair et al. (2010).

Discussion. Different styles have been widely used to describe leadership that reflects the characteristics of effective and ineffective leaders. In general, effective leaders are considered more flexible, guiding, inspiring, and encouraging employee involvement so that it is possible to take the initiative and develop creativity (Boyle & Clarke, 2019). On the other hand, ineffective leaders are considered to be more focused only on goals, less attention to the needs of subordinates and involving subordinates in the decision-making process (Wakeling, 2019). Leadership style is considered important in the organization on building employee performance and organizational performance. In the era of 21st century competition, transformative models are needed to identify changes in the environment to transform organizational change. Transformative leaders are considered capable of being agents of change so as to provide motivation (Graves et al., 2013; Ahmad et al., 2014; Naile & Selesho, 2014) and inspiration to optimum contribution by subordinates (Carter et al., 2013). Jung and Avolio (2000), explained that transformative leaders are able to increase creativity and innovation and build solid team work to bring renewal in the

organization. The transformative model is also able to give more satisfaction to subordinates in the workplace.

The theory of transformational leadership is based on the statement that leader behavior can arouse followers to a higher level of thought (Shibru, 2011; Stewart, 2006). Followers will feel trust, admiration, and loyalty and respect so that employees will do more what they expected. Transformational leadership is able to change and motivate followers with charisma, intellectual passion, and individual considerations to improve interpersonal relations towards a higher level of employee job satisfaction (Metwally *et al.*, 2014). Transformational leaders also help employees to become more creative, innovative, and bring new ideas that enable organizations to grow competitively and be able to adapt to an ever-changing environment. However, the influence of leadership on employee behavior in the workplace is still being debated by researchers.

The findings of this study inform that transformational leadership reflected by idealized influence, inspirational motivation, individualized consideration and intellectual stimulation does not have a significant impact on employee performance (Buil *et al.*, 2019; Golden & Shriner, 2019). This result is not in line with the opinion of (Shokory & Suradi, 2018; Kebede & Goyal, 2019) that transformational leaders have a direct impact on employee perceptions and attitudes so that they have a significant impact on employee performance. Moreover, this study provides an important role in job satisfaction in mediating the role of the dyadic relationship between employees and leader. Employees emphasize that satisfaction with work, rewards, supervision, promotion, and peers is an important factor that is able to provide encouragement for better performing employees (Siengthai, & Pila-Ngarm, 2016; Ramli, 2019; Al-Ali *et al.*, 2019). However, subordinate supervisor's relationship is more emphasized on how supervisors carry out fairer supervision. Employees will perform better if their expectations regarding work can be fulfilled. Another finding in this study that inspirational motivation makes an important contribution to transformational leadership, in contrast to the research (Babalola, 2016; Mangkunegara & Miftahuddin, 2016) that idealized influence has a major influence on job satisfaction and employee performance. This study also found that, transformational leadership can improve employee performance when the employee feels satisfaction at the workplace. Thus, job satisfaction is a key factor in improving employee performance. Job satisfaction is identified with a very individual thing, so that the level of satisfaction of each employee can be different and occur when the several factor are met, namely individual needs and their relationship with the work environment (Robbins & Judge, 2017). When satisfied, employee tends to contribute optimally to the organization so that it can directly improve on its performance (Usman *et al.*, 2019; Roberts & David, 2020).

CONCLUSION

Leadership style has a significant effect on employee performance because of the interdependence between leaders and employees, a good leader will produce good employee performance. This study shows that transformational leadership can increase job satisfaction, but the four transformational indicators have not been able to influence

employee performance. The transformational leadership model has a significant effect when employees' expectations of the work environment are deemed to have met a sense of justice, fostering employee expectations for self-development. Equity Theory (Adam, 1978) explains that fairness in the work relationship between leaders and employees is one of the important demands of an organization because it has an impact on employee performance. Likewise with social exchange theory (Blau, 1984) which states that, leaders must be able to understand employee behavior because before behaving there are certain motives that can trigger behaviour. Social exchange theory also explains that individuals in organizations engage in exchange relationships with other individuals because of the motivation to get rewards. However, behaviour can be shaped by various things that are considered useful. The results of this study indicate that job satisfaction is an attitude that can affect work behaviour as employee performance so that it needs serious attention, especially by the leadership. Leadership values that are transformed in the organization must fulfil a sense of justice so as to create a sense of admiration, loyalty from employees and generate respect from members to the leader and in the end create employee loyalty resulting in dedicated employees and will improve employee performance and business performance.

REFERENCES

- Adnan, S. N. S. M., & Valliappan, R. (2019). Communicating shared vision and leadership styles towards enhancing performance. *International Journal of Productivity and Performance Management*, 68 (6), 1042-1056.
- Alamir, I. (2010). Testing the impact of transformational and transactional leadership on job satisfaction and organizational commitment in private Syrian organizations. *International Journal of Arts and Sciences*, 3(12), 405-415.
- Al-Ali, W., Ameen, A., Isaac, O., Khalifa, G. S., & Shibami, A. H. (2019). The mediating effect of job happiness on the relationship between job satisfaction and employee performance and turnover intentions: A case study on the oil and gas industry in the United Arab Emirates. *Journal of Business and Retail Management Research*, 13(4). 103-116
- Advani, A. (2015). Impact of transformational and transactional leadership styles on employees' performance of banking sector in Pakistan. *Global Journal of Management and Business Research: Administration and Management*, 15(5), 28-36.
- Ahmad, F., Abbas, T., Latif, S., & Rasheed, A. (2014). Impact of transformational leadership on employee motivation in telecommunication sector. *Journal of management policies and practices*, 2(2), 11-25.
- Alsayed, A. K., Motaghi, M. H., & Osman, I. B. (2012). The use of the multifactor leadership questionnaire and communication satisfaction questionnaire in Palestine: A research note. *International Journal of Scientific and Research Publications*, 2(11), 1-9.

- Andreani, F., & Petrik, A. (2016). Employee Performance as the Impact of Transformational Leadership and Job Satisfaction in Pt Anugerah Baru Denpasar. *Jurnal Manajemen dan Kewirausahaan*, 18(1), 25-32.
- Avolio, B. J., Zhu, W., Koh, W., & Bhatia, P. (2004). Transformational leadership and organizational commitment: Mediating role of psychological empowerment and moderating role of structural distance. *Journal of Organizational Behavior: The International Journal of Industrial, Occupational and Organizational Psychology and Behavior*, 25(8), 951-968.
- Avolio, BJ, Walumbwa, FO & Weber, TJ, (2009) Leadership: current theories, research, and future directions, *Annual Review of Psychology*, 60 (1), 421-449.
- Ayman H. Metwally, Nada El-bishbishyand Yehia Sabri Nawar. 2014. The impact of transformational leadership style on employee satisfaction. *The Business & Management Review*, 5 (3), 32-42.
- Azeem, S. M. (2010). Job satisfaction and organizational commitment among employees in the Sultanate of Oman. *Psychology*, 1(04), 295.
- Basadur, M. (2004). Leading others to think innovatively together: Creative leadership. *The Leadership Quarterly*, 15(1), 103-121.
- Braun, S., Peus, C., Weisweiler, S., & Frey, D. (2013). Transformational leadership, job satisfaction, and team performance: A multilevel mediation model of trust. *The Leadership Quarterly*, 24(1), 270-283.
- Babalola, S. S. (2016). The effect of leadership style, job satisfaction and employee-supervisor relationship on job performance and organizational commitment. *Journal of Applied Business Research (JABR)*, 32(3), 935-946.
- Bahadori, A., Hajibabae, F., Ashghali Farahani, M., & Peyrovi, H. (2016). The relationship between nursing leadership and patient satisfaction. *International Journal of Medical Research & Health Sciences*, 5(10), 134-141.
- Boyle, B., & Clarke, P. (2019). *The Head teacher as Effective Leader*. Routledge.
- Blau, P. M. 1984. Exchange and Power in Social Life, New York: Wiley.
- Da Borralha, S., de Jesus, S. N., Pinto, P., & Viseu, J. (2016). Job satisfaction in hotel employees: A systematic review of the literature. *Journal of Spatial and Organizational Dynamics*, 4(1), 4-20.
- Belias, D., & Koustelios, A. (2014). Transformational leadership and job satisfaction in the banking sector: A review. *International Review of Management and Marketing*, 4(3), 187-200.
- Buil, I., Martínez, E., & Matute, J. (2019). Transformational leadership and employee performance: The role of identification, engagement and proactive personality. *International Journal of Hospitality Management*, 77, 64-75.
- Bushra, F., Ahmad, U., & Naveed, A. (2011). Effect of transformational leadership on employees' job satisfaction and organizational commitment in banking sector of Lahore (Pakistan). *International journal of Business and Social science*, 2(18), 261-267
- Carter, M. Z., Armenakis, A. A., Feild, H. S., & Mossholder, K. W. (2013). Transformational leadership, relationship quality, and employee performance

- during continuous incremental organizational change. *Journal of Organizational Behavior*, 34(7), 942-958.
- Cohen, J. (1988). *Statistical Power Analysis for the Behavioral Sciences*, New York, NY: Routledge Academic.
- Elgelal, K. S. K., & Noermijati, N. (2015). The Influences of Transformational Leaderships on Employees Performance (A Study of the Economics and Business Faculty Employee at University of Muhammadiyah Malang). *Asia-Pacific Management and Business Application*, 3(1), 48-66.
- Garcia-Morales, V. J., Jimenez-Barrionuevo, M. M., & Gutierrez-Gutierrez, L. (2012). Transformational leadership influence on organizational performance through organizational learning and innovation. *Journal of Business Research*, 65(7), 1040–1050.
- Goleman, D. (2004). What Makes a Leader ?. Harvard Business Review. pp. 1-11.
- Golden III, J. H., & Shriner, M. (2019). Examining relationships between transformational leadership and employee creative performance: the moderator effects of organizational culture. *The Journal of Creative Behavior*, 53(3), 363-376.
- Graves, L. M., Sarkis, J., & Zhu, Q. (2013). How transformational leadership and employee motivation combine to predict employee proenvironmental behaviors in China. *Journal of Environmental Psychology*, 35, 81-91.
- Marnis., A. (2012). The Influence of Transformational Leadership on Job Satisfaction, Organizational Commitment, and Employee Performance. *International Research Journal of Business Studies*. 5(2), 113 – 128.
- Hair J.F., Black W.C., Babin, B. J., Aderson R., E. (2010). *Multivariate Data Analysis*, Seventh, Prentice Hall, Englewoods Cliffs.
- Hair Jr, J. F., Hult, G. T. M., Ringle, C., & Sarstedt, M. (2016). *A primer on partial least squares structural equation modeling (PLS-SEM)*. Sage publications.
- Idrus, M., Hamzah, I., Maupa, J., Muis, M, H. (2016). Transformational Leadership Style Effects on the Job Satisfaction of Government Employees. *International Journal of Scientific and Research Publications*, 6(4), 662 – 686.
- Jiang, W., Zhao, X., & Ni, J. (2017). The impact of transformational leadership on employee sustainable performance: The mediating role of organizational citizenship behavior. *Sustainability*, 9(9), 1567.
- Jung, D. I., & Avolio, B. J. (2000). Opening the black box: An experimental investigation of the mediating effects of trust and value congruence on transformational and transactional leadership. *Journal of Organizational Behavior*, 21, 949-964.
- Kebede, G. H., & Goyal, S. (2019). The relationship between transformational leadership and job performance in Amhara national regional state bureaus, Ethiopia. *International Journal of Management, IT and Engineering*, 9(3), 183-202.
- Keller, R. T. (2006). Transformational leadership, initiating structure, and substitutes for leadership: a longitudinal study of research and development project team performance. *Journal of applied psychology*, 91(1), 202.

- Koopmans, L., Bernaards, C. M., Hildebrandt, V. H., De Vet, H. C., & Van der Beek, A. J. (2014). Construct validity of the individual work performance questionnaire. *Journal of occupational and environmental medicine*, 56(3), 331-337.
- Luyten, H., & Bazo, M. (2019). Transformational leadership, professional learning communities, teacher learning and learner centred teaching practices; Evidence on their interrelations in Mozambican primary education. *Studies in educational evaluation*, 60, 14-31.
- Luthans, F. (2011). *Organizational Behavior: An Evidence-Based Approach*. New York: McGraw-Hill.
- Muenjohn, N., & Armstrong, A. (2007). Transformational leadership: The influence of culture on the leadership behaviours of expatriate managers. *International Journal of Business and information*, 2(2).
- Munir, R. I. S., Rahman, R. A., Malik, A. M. A., & Ma'amor, H. (2012). Relationship between transformational leadership and employees' job satisfaction among the academic staff. *Procedia-Social and Behavioral Sciences*, 65, 885-890.
- Metwally, A. H., El-Bishbishy, N., & Nawar, Y. S. (2014). The impact of transformational leadership style on employee satisfaction. *The Business & Management Review*, 5(3), 32-42.
- Mangkunegara, A.P., Miftahuddin. (2016). The Effect of Transformational Leadership and Job Satisfaction on Employee Performance. *Universal Journal of Management*, 4(4): 189-195.
- Mujkić, A., Šehić, D., Rahimić, Z., dan Jusić, J. (2014). Transformational leadership and employee satisfaction. *Ekonomski Vjesnik. God. XXVII, BR. 2/2014*. Pp. 259-270
- Naile, I., & Selesho, J. M. (2014). The role of leadership in employee motivation. *Mediterranean Journal of Social Sciences*, 5(3), 175.
- Nurak, L., A., D, Riana, I., G. (2017). Examine the Effect of Organizational Justice on Job Satisfaction and Employee Performance. *Journal of Management and Marketing Review*. 2(3), 30-37.
- Nguyen, A., Taylor, J., & Bradley, S. (2003). Relative pay and job satisfaction: some new evidence.
- Omar, W.W., & Hussin, F. (2013). Transformational Leadership Style and Job Satisfaction Relationship: A Study of Structural Equation Modeling, *International Journal Of Academic Research in Business and Social Sciences*, 3(2), 346-365.
- Paracha, M. U., Qamar, A., Mirza, A., Hassan, I. U., & Waqas, H. (2012). Impact of leadership style (transformational & transactional leadership) on employee performance & mediating role of job satisfaction. Study of private school (educator) in Pakistan. *Global Journal of Management and Business Research*, 12(4), 55-64.
- Peng, D. X., & Lai, F. (2012). Using partial least squares in operations management research: A practical guideline and summary of past research. *Journal of Operations Management*, 30(6), 467-480.

- Puspitawati, N. M. D., dan Riana, I. G. (2016). Pengaruh kepuasan kerja terhadap komitmen organisasional dan kualitas layanan, *Jurnal Manajemen Strategi Bisnis dan Kewirausahaan*, 8(1), 68 – 80.
- Ramos, N., P. (2014). Transformational Leadership and Employee Job Satisfaction : The Case of Philippines Savings Bank Batanga Branches, *Asia Pacific Journal of Multidisciplinary Research*, 2(6), 6 – 14.
- Ramli, A. H. (2019). Work Environment, Job Satisfaction and Employee Performance in Health Services. *Business and Entrepreneurial Review*, 19(1), 29-42.
- Risambessy, A., Swasto, B., Thoyib, A., & Astuti, E. S. (2012). The influence of transformational leadership style, motivation, burnout towards job satisfaction and employee performance. *Journal of Basic and Applied Scientific Research*, 2(9), 8833-8842.
- Robbins, P. S., & Judge, T., A. (2017). *Organizational Behaviour*, Edisi 13, Jilid 1, Salemba Empat, Jakarta.
- Roberts, J. A., & David, M. E. (2020). Boss phubbing, trust, job satisfaction and employee performance. *Personality and Individual Differences*, 155, 109702.
- Sapta, I. K. S., Landra, N., Supartha, I. W. G., Asih, D., & Setini, M. (2020). Public Health welfare in Digital-based Resources Transformation from Social Capital and Information Sharing: Creative Industries from Village. *Systematic Reviews in Pharmacy*, 11(6), 688-696.
- Sadeghi, A., & Pihie, Z. A. L. (2012). Transformational leadership and its predictive effects on leadership effectiveness. *International Journal of Business and Social Science*, 3(7), 186-197.
- Seelos, C. H., Mair. J. (2012). Organizational Capacity for Continuous Innovation-Outline of a Research Agenda. *PACS Report to the Rockefeller Foundation*.
- Sfantou, D. F., Laliotis, A., Patelarou, A. E., Sifaki-Pistolla, D., Matalliotakis, M., & Patelarou, E. (2017). Importance of leadership style towards quality of care measures in healthcare settings: a systematic review. In *Healthcare* (Vol. 5, No. 4, p. 73).
- Shibru, B., & Darshan, G. M. (2011). Transformational leadership and its relationship with subordinate satisfaction with the leader (The case of leather industry in Ethiopia). *Interdisciplinary Journal of Contemporary Research in Business*, 3(5), 686-697.
- Siengthai, S., & Pila-Ngarm, P. (2016). The interaction effect of job redesign and job satisfaction on employee performance. In *Evidence-based HRM: a Global Forum for Empirical Scholarship*, Vol. 4, No. 2, pp. 162-180.
- Stewart, J. (2006). Transformational leadership: An evolving concept examined through the works of Burns, Bass, Avolio, and Leithwood. *Canadian Journal of Educational Administration and Policy*, (54).
- Sundi., K. (2013). Effect of Transformational Leadership and Transactional Leadership on Employee Performance of Konawe Education Department at Southeast Sulawesi Province. *International Journal of Business and Management Invention*, 2 (12), 50-58.

- Tao, L., Guo, H., Liu, S., & Li, J. (2018). Work stress and job satisfaction of community health nurses in Southwest China. *Biomedical Research*, 29(3), 510-518.
- Thamrin, H. M. (2012). The Influence of Transformational Leadership and Organizational Commitment on Job Satisfaction and Employee Performance. *International Journal of Innovation, Management and Technology*, 3(5), 566 -572
- Usman, J., Sukmayuda, D. N., & Kurniawati, S. (2019). Job Satisfaction and Employee Performance Shoes Industry in Tangerang Regency Banten Province. *International Review of Management and Marketing*, 9(1), 98.
- Vasiliki, B & Efthymios, V. (2013). Job Satisfaction of Public Administrative Personnel in Greece. *International Journal of Academic Research in Business and Social Sciences*, 3, (11), 239-252.
- Veliu, L., Manxhari, M., Demiri, V., dan Jahaj, L. (2017). The Influence Of Leadership Styles On Employee's Performance, *Vadyba / Journal of Management*, 31(2), 59–69.
- Wakeling, A. (2019). How to be an effective leader. *Children and Young People Now*, 2019 (5), 47-47.