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THE EFFECT OF TRANSACTIONAL LEADERSHIP STYLE ON EMPLOYEE JOB SATISFACTION OF VILLA IN CANGGU AND SEMINYAK AREAS

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Abstract

Purpose - This paper examines between leadership style on employee job satisfaction. Transactional leadership style was selected in this paper. The purpose of this paper is to find the effect between transactional leadership style on employee job satisfaction especially in housekeeper perspective.

Design/methodology/approach - Total 40 questionnaires were distributed to the housekeeper staff from 30 Villas and all housekeeper completed the survey. The data analysis involved three major stages which are simple linear regression, t-test, coefficient of determination test assisted by SPSS version 23 for Windows.

Findings - The result of this paper that Transactional leadership style distributive justice positively and significantly to employee job satisfaction.

Keywords: Leadership style; transactional leadership style; employee job satisfaction.

A. INTRODUCTION

Human resource management is part of management that focuses on regulating the role of human resources in the activities of an organization (Badriyah, 2015). Human resource management itself gives consideration in making employee policies to ensure the organization who have high work motivation, always ready for changes, and fulfill work obligations (Sutrisno, 2015). Human resources take an important element for the success of the company as a whole and is one of the conditions that allow it to realize various benefits (Troth & Guest, 2020), therefore employee job satisfaction should be considered in order to support the achievement of organizational goals.

Job satisfaction is a self-assessment by individuals about work and the related factors and emotional feelings involved in it that affect employees' attitudes towards their work. Job satisfaction strongly give contribution to organizational effectiveness, as well as stimulates morale and employee loyalty (Swamy and Pradeep, 2021). Job satisfaction is described through a positive attitude from the workforce which includes feelings and attitudes through the assessment of a job as a respect in achieving an important job value, where a satisfaction or dissatisfaction of an individual is something that is personal which depends on how employee perceive the suitability or conflict between expectation and the results of the job (Pawirosumarto, et al: 2016).

Previous research by (Mickson et al., 2020) states that job satisfaction is produced by a leadership style, which the right leadership style can create the right work atmosphere to produce high job satisfaction. A good leadership style will create job satisfaction for employees. Leadership

style tends to reflect how a leader manages other resources to achieve company goals. The leadership style of a leader will encourage the employee performance to improve their morale, creativity and work attitude.

Every leader has the application of their respective of leadership styles. The leadership style consists of many types which according to its application to the research location, this study selected with transactional leadership style. Transactional leadership is most concerned with setting standards that individual followers are expected to strictly adhere to in order to measure their performance against the set standards (Baah and Ampofo, 2015). Transactional leaders use rewards and punishments to gain obedience from followers, they accept the existing goals, structure, and culture of the organization. Transactional leadership style enhances and fosters employee creativity where transactional leadership style increases the innovation value of the employees themselves (Sanda and Arthur, 2016).

PT Little Island Property Villa Management has a strong relationship between leadership and job satisfaction which manage villas at Canggu and Seminyak areas. This company applies a transactional leadership style that has the characteristics of contingent reward, active management by exception, passive management by exception, and laissez-faire (Bass, 2015:16) which is applied by the director of operations and supervisors in each of the villas in the Canggu and Seminyak areas. The tangible form of the four characteristics applied at the Villas in the Canggu area is a leader who can understand the interests of employees such as religious holy days, the leader who gives praise to the housekeeper when they get good feedback from the guest, the leader who goes directly to the Villa if there are problems related to guest complaints, and the leader who only monitor the work done by subordinates if it is in accordance with the procedures applied.

Several phenomenas found from the survey that tend the employee job satisfaction that come from the leadership problem by the supervisor which following: supervisor can't accept the suggestion from the employees, supervisors who have a high level of emotion in making a decision and the lack of appreciation that shown by the supervisor that can causes employees to feel unappreciated in their work. A statement given by one of employee who cannot be identified, there was an incident related to the operation of the Villa where the guest check-in process should be carried out by the supervisor. However, this was actually involved with the Villa housekeeper for reasons that did not make sense and also on the off schedule. This was complained by the housekeeper considering that it was not logical for a housekeeper to do this because the check-in process is the supervisor's responsibility. Another phenomenon also occurs when guests give tipping money to the housekeeper or supervisor, the money is never shared with the housekeeper. The money that should be shared rights but turns out to be taken in its entirety by the supervisor, or if it is shared with the team, they feel that the distribution is always uneven and one-sided. Incidents like this are often complained by some housekeepers who make them feel dissatisfied at work. The informant stated that he felt that his hard work while at Villa was never appreciated, thus triggering dissatisfaction at work. This study focuses on the problems experienced by housekeepers because housekeepers are permanent employees at the Villa who are directly related to the Villa's operations and are bound by contract, while maintenance and gardeners are freelancers who do not have a contract and are called only when needed.

The above phenomenons give n indication of the leadership problems that exist in the Villa areas of Canggu and Seminyak, such as: (1) Inappropriate leadership attitudes related to feedback to employees seen from the lack of responses from input by employees and employee appreciation. (2) Inappropriate attitude of the leader in supervising or operational activities, shown through the emotional level in operations or decision making. (3) the attitude of the leader who cannot appreciate the housekeeper's performance and working time of the housekeeper. In line of the phenomenas, this research use to find regarding the employee job satisfaction of housekeepers at Villa Seminyak and Canggu areas under the auspices of PT Litte Island Property.

B. RESEARCH METHOD

A quantitative survey methodology among Villa employees was used to assess transactional leadership influence on employee job satisfaction. The sample of the current study was drawn from housekeeper in Villa at Canggu and Seminyak Areas. The goal and purpose of this study was explained the correlation between independent variable (X) which transactional leadership and dependent variable (Y) which employee job satisfaction. Questionnaire were directly distributed to the housekeepers with total of 40 housekeepers participated in this study complete the questionnaires. The data analysis method used was the validity test, reliability test, simple linear regression, t-test, and determination coefficient test which was assisted by SPSS version 23 for Windows. Transactional leadership style has 3 dimensions such as Congtingent Reward, Active Management by Expectation, and Passive Management by Expectation with 13 instrumens (Rothfelder *et al.*, 2013). Employee job satisfaction defined into 2 dimension such as intrinsic and extrinsic with 10 instrumens for quetionaire (Shaju and Subhasini, 2017).

C. RESULTS AND ANALYSIS

o Demographic Information

Table. 1 Demographic Information of Survey Respenden

Demographic	Frequency	Percentage
Age		
• <21	2	5%
• 21-30	20	50%
• 31-40	10	25%
• 41-50	8	20%
Gender		
• Male	10	25%
• Female	30	75%
Work Period		
• <1 year	8	20%
• 1-3 years	22	55%
• >3 years	10	25%

Table 1 explained the demographic information of respondents in this study. Based on the age characteristics, respondents were dominated by the age range of 21 to 30 years old in total 20 employees (50%), followed by respondents aged 31 to 40 years old in total 10 employees (25%), employee at 41 to 50 years old in total 8 employees (20%) and employees at range age of <21 years old are 2 employees (5%). In line with gender characteristics are dominated by female respondents with total 30 respondents (75%), followed by male respondents with total 10 respondents (25%). Last characteristics of respondents is based on working period of the housekeepers with dominated respondents are range 1-3 years work period (55%), followed by range >3 years work period (25%), and last are <1 year (20%).

o **DATA ANALYSIS**

Calculations and data analysis were performed using SPSS statistics version 23 for Windows which consist of Simple linear regression, T_{test} , and coefficient of determination.

1. Simple Linear Regression Analysis

Table. 2 Simple Linear Regression Result

Model	Coefficients ^a				
	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	9,977	3,579		2,788	,008
Transactional Leadership Style	,618	,070	,821	8,880	,000

a. Dependent Variable: Employee Job Satisfaction

Simple linear regression analysis at the table explained the forecast of the transactional leadership style to employee job satisfaction. Based on the results of simple linear regression analysis, the constant value is 9,977 and transactional leadership style regression coefficient is 0,618 with regression equation which following

$$Y = 9,997 + 0,618 X$$

2. T_{test} Analisis

The results of the t-test founded that $t_{count} > t_{table} = 8.880 > 1.685$ and the significance value ($<\alpha=0.000 <0.05$) which mean that the transactional leadership style has a significant effect on employee job satisfaction in the Villa areas of Canggu and Seminyak from PT Little Island Property Villa Management with an error rate of 5%, 95% confidence and 39 degrees of freedom.

3. Determination Coefisien Analysis

Table 3. Determination Coefisien Result

Model	Model Summary		
	R	R Square	Adjusted R Square
1	,821 ^a	,675	,666

a. Predictors: (Constant), Transactional Leadership.

The results of the coefficient of determination in this study of 67.5% which means that the independent variable (transactional leadership style) has a strong effect on the dependent variable (employee job satisfaction) at Villa of Canggu and Seminyak Area in PT Little Island Property Villa Management.

○ **Result**

This research used descriptive statistical analysis by finding the average score (mean) of the respondent's assessment on statement items of each variable to explain the overview of the research. Table 4 is about mean score of each indicator for both of variables.

Table 4. Mean Score of Indirect Compensation and Employee Performance

Transactional Leadership Style (X)		Employee Job Satisfaction (Y)	
Dimension	Mean Score	Dimension	Mean Score
Contingent Reward	15,22	Intrinsic	3,86
Active Management By Exception	26,50	Extrinsic	12,28
Passive Management By Exception	13,89		

From the following table 4, there are in total 5 dimensions for both of variable. For transactional leadership style, there are 3 dimensions and employee job satisfactions are 2 dimensions. Transactional leadership style has 13 statements and employee job satisfaction has 10 statements. The statements are presented to the respondents by assessing from 1 (Strongly Disagree) until 5 (Strongly Agree). Based on calculated statements for each variable found that the lowest statement for transaction leadership styles are point number 3,4, and 5, and for employee job satisfaction found that point number 9,3, and 4 are lowest score from the calculate.

Table 5. Indicator Transaction Leadership Style

Indicator	Mean Score
Contingent Reward	
Supervisor explained the expectation for my work	3,93
Supervisor explained the reward if I finish my work correctly	4,08
Supervisor use the reward to improve my work	3,08
Supervisor gives positive feedback for good work	3,45
Supervisor gives praise for a good work	3,53
Active Management By Exception	
Supervisor focus on bad performance of the employee	3,95
Supervisor gives correction if I did wrong in my work	4,03
Supervisor do the supervise during my work	3,98
Supervisor tell if something wrong with my work	4,05
Passive Management By Exception	
Supervisor act when something goes wrong	4,50
Supervisor ignore the problem solving	3,80
Supervisor solve the crucial problem	4,45
Supervisor give attention to the serious problem	4,55

The result found from transactional leadership style that the lowest average for the transactional leadership style instruments are 3rd statement "Supervisor use the reward to improve my work", followed by the 4th statement "Supervisor gives positive feedback for good work" and the 5th statement "Supervisor gives praise for a good work". The highest average is in the 13th statement "Supervisor only give attention to the serious problem", then the 10th statement "Supervisor act when something goes wrong" and the 12th statement "Supervisor solve the crucial problem". In line that the transactional leadership style applied by each supervisor and director of operations still needs to be improved based on employee perceptions. Supervisors need to improve about giving praise, recognition and appreciation to all employees so that employees are more enthusiastic, satisfied at work and employees will provide better performance results.

Rewards for employees if they do a very good job should also be applied, the rewards can be in the form of gifts in the form of pocket money, vouchers or other physical forms or rewards in the form of employee recognition programs. The reward is to motivate employees to always give their best performance for the company. The average value of the transactional leadership style variable as a whole is 3.95 that the transactional leadership style at Villas in the Canggu and Seminyak areas of PT Little Island Property Villa Management is in the interval 3.41 – 4.20 which mean in a good category even still need to improve based on the perception of employees.

Table 6. Employee Job Satisfaction

Indicator	Mean Score
Intrinsic	
My salary in accordance with my work	4,10
I am satisfied with my salary	4,15
I get material bonus during my work	3,53
I get non material bonus during my work	3,65
Extrinsic	
I am satisfied with the facilities at my work	4,88
I am satisfied with my partner at work	4,95
I am satisfied with the chance to improve myself	4,15
I am satisfied with the supervise from my supervisor	4,93
I am satisfied with support from my supervisor	3,30
I am satisfied with training program that given by my supervisor.	4,08

The result found for employee job satisfaction that the lowest average for the employee job satisfaction instruments are The highest average for instruments about employee job satisfaction is found in the 6th instrument "I am satisfied with my partner at work", then the 8th instrument "I am satisfied with the supervise from my supervisor" and the 5th instrument "I am satisfied with the facilities at my work". The lowest average score such as 9th statement "I am satisfied with support from my supervisor", then the 3rd "I get material bonus during my work" and the 4th statement "I get non material bonus during my work". According to the lowest average of 10 statements from employees' perceptions that employees are less satisfied with supervisors who are less supportive of employees, they do not get material and non-material bonuses. Some supervisors do not give bonuses for employee performance, even the tipping obtained by employees is not distributed to employees but for their personal interests or if they are divided, the distribution is always uneven. Some supervisors are also less supportive of employees, lack of communication and do not accept opinions from employees. The average value of the employee job satisfaction variable as a whole is 4.17, in the interval 3.41 - 4.20 which mean employee job satisfaction is in a good category but still need to improve based on the perception of the housekeeper employees at the Villas in the Canggu and Seminyak areas from PT Little Island Property Villa Management.

D. CONCLUSION

According to data analysis result, concluded in this study that transactional leadership style (X) has a positive and significant influence on job satisfaction of housekeeper employees (Y) at Villas in Canggu and Seminyak areas, which can be proven by a significance value of $0.000 < 0.05$ with a value of $t_{count} > t_{table} = 8.880 > 1.685$. The value of the transactional leadership style is 0.618, which means that if the transactional leadership style increases by one unit and the other variables remain constant, employee job satisfaction will increase by 0.618. The results of the analysis of the coefficient of determination, transactional leadership style has a strong influence with 67.5% on job satisfaction of housekeeper employees in the Villa area of Canggu and Seminyak, while the

remaining 32.5% is influenced by other factors outside of this study. This result is in line with the previous research by Baah and Ampofo (2015), Sanda and Arthur (2016), and Thai Ho et al., (2016) which state that transactional leadership style has a significant and positive effect on job satisfaction. employee. This can be interpreted when the transactional leadership style increases, employee job satisfaction will also increase. Thus, the paper suggests for Villa management is to be able to maintain and even improve the application of transactional leadership style to each supervisor at Villa in Canggus and Seminyak areas because if there is an increase in transactional leadership style will be following by increasing employee job satisfaction itself. The Villa management is also expected to be able to give more attention to the employee satisfaction of Villa employees in the Canggus and Seminyak areas. The management can arrange a meeting session as an evaluation with the supervisor and housekeepers of the Villa, also the company is expected to pay more attention to the rewards/bonuses that should be received by employees both materially and non-materially in order to increase the employee job satisfaction for the housekeepers in Villa of Canggus and Seminyak areas.

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