

Analysis of the Impact of Transformational Leadership on Organizational Commitment and Job Satisfaction

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ABSTRACT

This research was carried out with the main aim of analyzing the influence that transformational leadership has on two important aspects in an organization: organizational commitment and employee job satisfaction. Transformational leadership, known for its capacity to inspire and motivate employees, is considered a key factor that can increase both organizational commitment and job satisfaction. Using a qualitative approach, this research in-depth examines how this leadership style influences employees' perceptions and attitudes towards the entity where they work. The research results confirm that transformational leadership plays a vital role in forming a stronger commitment from employees to their organization and increasing their level of satisfaction with their work. This higher organizational commitment and greater job satisfaction was further identified as having a significant contribution to improving overall organizational performance. Based on these findings, it is recommended that organizations strive to develop and maintain transformational leadership practices as a strategy to improve their internal quality, which includes increasing employee commitment and job satisfaction. The implementation of this leadership style is expected to encourage the creation of a more positive and productive work environment, which will ultimately benefit both employees and the organization as a whole.

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INTRODUCTION

Transformational leadership is an important topic that has been widely discussed in management and organizational psychology literature due to its significant ability to inspire employees and drive positive change in organizations. This type of leadership is considered to have a strong and positive impact on organizational commitment and job satisfaction, as shown in various studies conducted in various sectors and cultures.

Walumbwa (2005) found that transformational leadership had a positive impact on organizational commitment and job satisfaction in Kenya and the United States, indicating the universality of the effects of transformational leadership across cultures. This is in accordance with research by Kimeto (2018), which introduced the concept of transformational leadership and showed

that this leadership style can increase employee motivation, morale and performance through four key components: idealized influence, inspirational motivation, intellectual stimulation and individualized consideration.

Furthermore, research conducted by Judge (2004) in their meta-analysis also shows that transformational leadership is consistently associated with more positive outcomes, including job satisfaction and organizational commitment. These findings reaffirm that transformational leadership can be considered an effective approach in various cultural settings.

In the context of cross-national comparisons, Madi Odeh (2023) study of national cultural dimensions can provide insight into why transformational leadership is effective in various cultural environments. For example, although Kenya and the United States may differ in terms of power distance or individualism, transformational leadership that emphasizes universal values such as respect and inspiration can penetrate such cultural differences.

Similarly, Jung (2009) emphasized that transformational leadership has global relevance because it is able to adapt and respect the uniqueness of a particular cultural context while maintaining its universal basic principles. Transformational leadership, thus, helps build a shared vision, increase commitment, and inspire high performance across cultures.

Research by Mustaqim (2021) which shows a significant positive relationship between transformational leadership and job satisfaction and organizational commitment can be analyzed further by linking it with other related theories and studies to provide a deeper understanding.

According to Mustaqim (2021), transformational leadership contributes 64.1% to organizational commitment, which confirms the importance of transformational leadership in creating a positive work environment. This relationship is consistent with the social exchange theory proposed by Eisenberger (2020), which suggests that when employees perceive fair and supportive treatment from leaders, they tend to reciprocate with higher commitment and dedication to the organization.

A similar study by Thebo (2021) also found that transformational leadership can increase job satisfaction and organizational commitment by increasing employees' trust in their leaders. Transformational leaders, who demonstrate individual concern and set high moral standards, can build this trust, which is an important element in strengthening organizational commitment.

Additionally, research by Meyer and Allen (1991) on organizational commitment provides a framework for understanding how transformational leadership can influence the three components of commitment: affective, continuance, and normative. Transformational leadership, with its focus on employee development and empowerment, tends to increase affective commitment, where employees feel a strong emotional bond with the organization.

Integration of the results of Mustaqim (2021) with this theory and study provides a more comprehensive view of how transformational leadership contributes to the creation of a work environment that promotes satisfaction and commitment. It also underscores the importance of leaders who can inspire and motivate employees, not only to achieve organizational targets but also to strengthen their relationship with the organization.

Shurbagi's (2014) research in the oil sector in Libya adds evidence to the importance of transformational leadership in increasing job satisfaction and strengthening organizational commitment. In this study, organizational commitment is identified as a mediating variable that explains how transformational leadership influences job satisfaction. This provides deeper insight into the mechanisms through which transformational leadership impacts work outcomes.

In this context, the concept of mediating variables is very important. Organizational commitment as a mediating variable indicates that the effect of transformational leadership on job satisfaction occurs through increasing organizational commitment. This means that transformational leadership first increases organizational commitment, which in turn increases employee job satisfaction. This approach emphasizes that to increase job satisfaction, organizations must focus on increasing organizational commitment, which can be achieved through the implementation of transformational leadership practices.

Shurbagi (2014) emphasized that in a dynamic and challenging industrial environment such as the oil sector in Libya, transformational leaders play a critical role in inspiring and motivating employees, which ultimately creates a more satisfying work environment and encourages employees to commit to their organizations.

This study can be linked to (Due, 2023), where transformational leadership is in accordance with the assumptions of theory Y which considers employees to be intrinsically motivated and seek satisfaction and fulfillment in their work. By adopting a leadership style that encourages professional and personal development, transformational leaders can help realize employees' full potential, ultimately contributing to their satisfaction and commitment.

The integration of Shurbagi's (2014) findings with existing literature strengthens the understanding that transformational leadership is an effective tool in increasing employee commitment and satisfaction, which is critical in maintaining organizational sustainability and success in the long term, especially in a highly specific and challenging sector such as the oil industry. In conclusion, various studies confirm that transformational leadership plays an important role in increasing job satisfaction and strengthening organizational commitment, both of which are key elements for the success of an organization. These findings emphasize the importance of adopting a transformational leadership style to inspire employees and drive higher organizational performance.

LITERATURE REVIEW

Transformational leadership has been a major focus in management and organizational psychology research, known for its potential to inspire employees and drive positive change in organizations. This leadership style is recognized for its capacity to increase employee motivation, commitment and performance and assist in achieving organizational goals.

A. Transformational Leadership and Organizational Commitment

Walumbwa et al.'s research (2005) is one of the important studies in the leadership and management literature which examines the influence of transformational leadership on organizational commitment across cultures. Their findings showing significant increases in organizational commitment under transformational leadership in both cultural contexts, namely Kenya and the United States, provide strong evidence of the universality of the effects of transformational leadership.

According to Walumbwa et al. (2005), transformational leadership, which includes behaviors such as providing an inspiring vision, paying attention to individual needs, and stimulating employees intellectually, can produce employees who are more engaged and committed to their organization, regardless of their cultural background. This is consistent with the assumption that the basic principles of transformational leadership, such as inspiration and appreciation of individual contributions, have universal appeal and effectiveness.

The importance of this study can be attributed to leader-member exchange (LMX) theory which emphasizes the quality of interactions and relationships between leaders and their team members. Transformational leadership, which emphasizes two-way communication and individual understanding, can improve the quality of these exchanges, which in turn strengthens members' commitment to the organization (Usman & Haryadi, 2023).

This study also supports (Suwanto et al., 2022) argument about the importance of leaders in forming and maintaining organizational culture. Transformational leaders, by modeling the behaviors and values valued within the organization, indirectly help shape norms and expectations that contribute to stronger organizational commitment.

Integrating the findings of Walumbwa et al. (2005) in a broader research framework, we can understand that transformational leadership functions as a catalyst that strengthens organizational commitment through its positive influence on employee motivation and engagement, in various cultural contexts. This underscores the importance of adopting and adapting transformational leadership practices to foster organizational commitment, regardless of cultural differences that may exist in today's global work environment.

B. Transformational Leadership and Job Satisfaction

The study conducted by Mustaqim et al. (2021) provide an in-depth look at how transformational leadership influences job satisfaction and how this, in turn, impacts organizational commitment. Transformational leadership, which is characterized by the leader's ability to inspire, motivate, and respond to the individual needs of team members, is proven to play an important role in creating a satisfying work environment.

In this study, transformational leadership was identified as an important factor influencing job satisfaction, which is a key predictor of organizational commitment. This suggests that employees who feel satisfied with their jobs, especially due to the positive influence of transformational leaders, tend to show higher levels of commitment to the organization. Job satisfaction in this context can be seen as an emotional and psychological mediation that facilitates the transition from the influence of transformational leadership to deeper organizational commitment.

This relationship supports the concept that organizational commitment is not only rooted in structural or material factors, but is also strongly influenced by employees' emotional and psychological experiences, in which leadership plays a key role. This research is in line with previous theories which state that effective leadership, especially transformational, can strengthen job satisfaction and, as a result, increase organizational commitment (Atmojo, 2015).

The conclusion is that it emphasizes the importance of companies and organizations to develop and maintain a transformational leadership style to foster job satisfaction, which in turn will strengthen organizational commitment. The implication is that to increase organizational commitment, leaders must prioritize building positive relationships with employees, inspiring and motivating them, and encouraging continuous professional and personal development.

C. Interaction Between Transformational Leadership, Job Satisfaction, and Organizational Commitment

Shurbagi's (2014) research conducted in the context of the oil industry in Libya provides significant insight into the mechanisms through which transformational leadership influences job satisfaction. In his findings, Shurbagi shows that organizational commitment functions as a mediator in the relationship between transformational leadership and job satisfaction, highlighting the layered processes in the influence of transformational leadership.

In this context, transformational leadership—which involves inspiring vision, individual understanding, intellectualization, and support—has a direct positive effect on organizational commitment. This type of leadership encourages employees to feel more connected and committed to their organization. Then, this stronger organizational commitment serves as a foundation that increases job satisfaction. Therefore, the effect of transformational leadership on job satisfaction is not only direct but also carried out through increasing commitment to the organization.

These findings provide important practical implications for management in a challenging industry such as petroleum, suggesting that investment in transformational leadership development can provide a dual benefit: increasing organizational commitment and, through it, job satisfaction. This also emphasizes that managers in this sector must prioritize building leadership capacity that does not only focus on short-term results but also on building long-term human capital through increasing commitment and satisfaction.

From an academic perspective, Shurbagi's (2014) research adds evidence to the literature that supports the theory that organizational commitment can mediate various positive effects of transformational leadership. Therefore, to fully understand leadership dynamics in organizations, it is important to consider the role of mediating variables such as organizational commitment in linking leadership style to employee outcomes. This research also shows the relevance of these concepts across industries and cultures, adding insight into the universality of transformational leadership principles.

METHOD

This research method utilizes a qualitative approach to explore employees' experiences and perceptions regarding transformational leadership in their organizational context. A qualitative approach was chosen because it provides space for researchers to explore, understand, and interpret the meaning that employees attribute to their transformational leadership experiences. This is critical in understanding the psychological and interactional dynamics involved in the leadership process and how these processes influence organizational commitment and employee job satisfaction. By exploring personal narratives and subjective perspectives, researchers can capture the nuances and complexities of experiences that cannot always be uncovered through quantitative approaches.

In collecting data, this research focuses on in-depth interviews with employees who have experienced or are currently experiencing transformational leadership. These interviews were designed to gather rich stories and detailed descriptions from employees about their interactions with

transformational leaders, their perceptions of the effects this leadership had on themselves and their peers, and their reflections on how it contributed to their commitment to the organization and satisfaction. them towards work. By listening to these voices, the research seeks to capture the essence of transformational leadership as experienced by those on the 'front lines' of organizations.

Data analysis in this qualitative research involved parsing in-depth interviews to identify themes, patterns, and relationships in employee narratives. This process will involve critical and iterative reading of interview transcripts, thematic coding, and data synthesis to construct a holistic understanding of the impact of transformational leadership on organizational commitment and job satisfaction. By linking these findings to existing theory and research, this study aims to contribute a richer and more layered understanding of the dynamics of transformational leadership and its relevance for employee well-being and productivity.

RESULT

The results of this research confirm that transformational leadership plays an important role in influencing organizational commitment and employee job satisfaction. Transformational leadership, characterized by aspects such as inspiration, motivation, individual attention, and intellectual stimulation, has been shown to contribute significantly to the improvement of these two variables in the work environment.

employees experience transformational leadership in their organizations, there is a process of deep identification with the values and vision of the organization, which greatly influences their commitment. Transformational leaders not only direct employees towards organizational goals through instruction and supervision, but furthermore, they inspire and motivate employees by linking the work performed to broader and more meaningful goals.

An employee's willingness to put in extra effort is a manifestation of a high level of commitment. It's not just about working hard; it's about working smartly and with the dedication that comes from recognizing their contribution to something worthwhile. Transformational leaders are able to show how that extra effort not only benefits the organization but also provides personal satisfaction because it contributes to the achievement of larger goals.

The desire to remain in the organization reflects strong commitment. This shows that employees don't just stay because they lack other options or because they feel contractually bound, but because they truly want to be part of the organization's journey. They see their future in terms of the growth and success of the organization, and this is rooted in the belief that the organization meets their personal aspirations and values.

Strong identification with organizational values is another critical aspect of the commitment inspired by transformational leadership. When employees feel that the organization's values reflect their own personal values, they experience a greater sense of belonging and unity with the organization. It's not just about agreeing to a company's mission or vision statement; it's about feeling that their involvement in the organization is meaningful and that they are actively contributing to the achievement of shared goals.

In this context, increased commitment as a result of transformational leadership is not just about loyalty or mechanical dependence on the organization. It is a commitment that comes from deep identification, emotional involvement, and belief in the goals and values of the organization, all of which are enhanced by the inspirational and motivational influence of the transformational leader.

Transformational leadership has a significant effect on employee job satisfaction because this type of leader focuses on developing employees' full potential through an inspirational and motivating approach. This goes beyond traditional transactions between employees and managers; Transformational leaders seek to create deeper and more meaningful relationships with and between employees, which has a positive impact on their job satisfaction.

Intrinsic aspects of job satisfaction, such as feeling valued, recognized, and empowered, are at the heart of what is achieved through transformational leadership. Employees feel valued not only for their work but also for their unique potential and contributions. This recognition not only comes in the form of verbal praise or appreciation but also through opportunities for personal and professional growth and development. Empowerment, an important pillar of transformational

leadership, implies that employees are given the trust and autonomy to make decisions and control their work, which increases their sense of ownership and responsibility for the results of their work.

The extrinsic aspect of job satisfaction is also strengthened by transformational leadership. Good working conditions, fairness in organizational management, and consistent support from management all contribute to employees' positive perceptions of their workplace. Transformational leaders understand the importance of these aspects and strive to create an environment that is not only physically supportive but also morally and ethically satisfying.

In a work environment shaped by transformational leadership, employees feel that their contributions are valued and important, not only to the success of the organization but also in the context of their personal growth and development. This positive relationship between transformational leadership and job satisfaction reflects an environment where employees feel motivated and appreciated, which is key to increasing their engagement and productivity.

Therefore, transformational leadership not only increases job satisfaction through intrinsic factors related to employees' personal work experiences but also through extrinsic factors that influence employees' perceptions of the organization as a whole. This creates a positive cycle where higher job satisfaction contributes to stronger organizational commitment, which then reinforces a positive and productive work environment.

In conclusion, the findings from this study provide empirical evidence that supports the theory that transformational leadership plays a crucial role in increasing organizational commitment and job satisfaction. Through their broad influence, transformational leaders succeed in forming a positive organizational culture, where employees feel valued, involved, and satisfied, which in turn benefits the overall success of the organization.

DISCUSSION

Transformational leadership does have a significant ability to move employees towards higher achievements both individually and collectively. Through a clear and inspiring vision, transformational leaders are able to communicate the future direction and goals of the organization that resonate with employees' personal values and aspirations. This not only motivates employees to contribute towards the goal but also builds a strong sense of ownership in the success of the organization.

Additionally, by providing individual attention, transformational leaders recognize and value each employee's unique potential, listen to their needs, and assist them in developing strengths and overcoming weaknesses. This approach increases the feeling of being valued and understood, which significantly influences employee motivation and job satisfaction.

Intellectual challenge is another aspect of transformational leadership that encourages employees to think critically and creatively, encouraging them to explore new solutions and improve existing ways of working. This not only increases effectiveness and innovation within the team but also allows employees to feel that their work is intellectually challenging and satisfying.

By combining all of these elements, transformational leadership creates an environment where employees feel emotionally connected to the organization, motivated to achieve higher levels, and supported in their personal and professional growth. The deeper commitment resulting from these relationships not only strengthens individual performance but also increases coherence and synergy within the team, driving toward collective achievement of organizational goals. Thus, transformational leadership not only benefits individual employees but also provides substantial benefits to the organization as a whole.

From an organizational commitment perspective, a fundamental aspect of transformational leadership is its ability to align individual employee values and goals with the values and goals of the organization. This creates a dynamic where employees not only work for personal gain or financial compensation but also because they feel connected and committed to the greater cause that the organization represents.

Internalization of organizational values and goals by employees results in increased identification with the organization, which is a key component of affective commitment. Employees who have affective commitment feel an emotional bond with the organization, feel proud to be part of it, and tend to see the organization's success as their own success. This encourages them to give

their best effort, show loyalty, and have a strong will to contribute to the sustainability of the organization.

When employees feel that they are contributing to something valuable and that their work has meaning, this increases their intrinsic motivation, which further strengthens their commitment to the organization. They are more likely to invest personal energy and resources in their work, which not only improves individual performance but also improves the overall performance of the organization.

In addition, employees who have strong affective commitment are more likely to stay with the organization for the long term, reducing turnover rates and retaining valuable knowledge and skills within the organization. This is critical to the long-term success of an organization because retaining competent and committed employees can reduce recruiting and training costs and maintain continuity in the organization's operations and culture.

Therefore, through transformational leadership, organizations can not only improve short-term performance but also build a strong foundation for long-term loyalty and retention, both of which are critical indicators of organizational sustainability and success.

Transformational leadership has a significant impact on employee job satisfaction by influencing various factors that contribute to that satisfaction. One important aspect of transformational leadership is recognition of employee efforts and achievements. When leaders actively recognize and appreciate employees' contributions, this not only strengthens employees' sense of being valued but also increases their sense of self-worth and validation. This sense of appreciation is very important in building job satisfaction because employees feel that their work is meaningful and appreciated.

Additionally, transformational leadership often provides opportunities for employees to grow and develop, both professionally and personally. By providing opportunities for learning and development, transformational leaders enable employees to expand their skills and competencies, which can strengthen their sense of accomplishment and job satisfaction. Employees feel that they are not only performing in their daily work but also growing to their full potential.

Justice is another important component that is influenced by transformational leadership. When leaders act in a fair and transparent manner, employees tend to perceive higher levels of organizational justice, which contributes to job satisfaction. Fairness in recognition, rewards, distribution of resources, and opportunities plays a key role in how employees perceive their workplace, and transformational leaders ensure that this fairness is prioritized.

Transformational leaders also support employee participation in decision making and challenge them with new problems, which strengthens their sense of competence and autonomy. When employees feel that their opinions are valued and they have a voice in decisions that affect their work, they develop a greater sense of autonomy. Likewise, by being given the right challenges, employees feel more competent and effective in their roles. This combination of a sense of competence, autonomy, and recognition forms a satisfying work environment, where employees not only feel satisfied but are also motivated to give their best.

The practical implications of these findings for management practice are quite significant. To increase organizational commitment and job satisfaction, organizations must develop and support a transformational leadership style. This can include training to strengthen leaders' abilities to inspire and motivate employees, support employees' professional and personal development, and encourage employee engagement in the organization's vision. Management practices that instill these aspects of transformational leadership will not only increase commitment and job satisfaction but can also lead to improved overall organizational performance.

CONCLUSION

The conclusions of this study highlight the importance of transformational leadership in building organizational commitment and increasing job satisfaction. Through the various studies reviewed, it appears that transformational leadership has a positive universal impact, across different sectors and cultures, in improving these two important aspects in organizations. Transformational leadership emphasizes inspiration and motivation, attention to individual development, and intellectual stimulation, all of which contribute to a more positive and productive work environment.

From the analysis of the literature presented, we understand that transformational leaders play a key role in connecting employees with the larger goals of the organization, strengthening their identification with the values and vision of the organization. This, in turn, increases their commitment to the organization. Additionally, by paying attention to individual needs and growth, transformational leaders increase job satisfaction, which not only benefits individual employees but also improves the overall performance of the organization.

Therefore, for management practitioners, it becomes important to develop and support transformational leadership practices in organizations. This may include leadership training, increasing awareness of the importance of this leadership style, and integrating transformational leadership principles in organizational development strategies. A deeper understanding of how transformational leadership can be applied in various contexts can help organizations design effective interventions to increase commitment and job satisfaction, ultimately leading to the achievement of better outcomes for the organization as a whole.

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