Amoo, Akinlawon O.; Singh, Shamila

Article

The mediating and moderating role of job satisfaction in the leadership behaviour and work engagement relationship

Expert journal of business and management

Provided in Cooperation with:
Expert Journal of Business and Management

This Version is available at:
http://hdl.handle.net/11159/2436

The Mediating and Moderating Role of Job Satisfaction in the Leadership Behaviour and Work Engagement Relationship

Akinlawon O. AMOO[*] and Shamila SINGH

Management College of Southern Africa (MANCOSA), South Africa

The aim of the present study was to investigate job satisfaction as a moderator of the relationship between leadership behaviour and trainee work engagement. The study was conducted in an artisan training academy located in the East of Johannesburg. Data was collected from the entire population of 150 employed trainees in the academy using: (i) a self-designed demographical data questionnaire; (ii) the Harris and Ogbonna (2001) 13-item leadership behaviour questionnaire (iii) the Utrecht work engagement scale (UWES) developed by Schaufeli et al. (2002), and (iv) the single global rating for job satisfaction developed in 1990 by Allen and Meyer. Hierarchical multiple regression analysis were conducted in a census study of 150 trainees. Results showed that work engagement is significantly affected by leadership behaviour, and job satisfaction mediated and moderated the leadership behaviour – work engagement relationship.

Keywords: job satisfaction, leadership behaviour, work engagement

JEL Classification: O15, M30

1. Introduction

Numerous researches have shown that employees who are satisfied with their job are very productive and have positive impact in the entire organisation. (Gregoriou, 2008, p.5). Malik (2013, p.213) explained that Irvine and Evans (1995); Nissa (2003); and Malik (2011) have all highlighted "the importance of work characteristics, work role definition and work environment in creating and fostering job satisfaction.

Leadership, a key component of the work environment is thus seen as a vital indicator/predictor of positive organisational outcomes and employee job satisfaction. Scholars have shown that there exists a positive connection between leadership and employee job satisfaction (Malik, 2013, p.213). Such scholars as noted by Malik (2013, p.213) include: Malik, 2011; Yousef, 2006; Berson and Linton, 2005; Seo *et al.*, 2004; Nissa, 2003; Mosadeghrad, 2003a; Vance and Larson, 2002; Chiok Foong Loke, 2001; Dunham-Taylor, 2000; Stordeur *et al.*, 2000; Hespanhol *et al.*, 1999; Morrison *et al.*, 1997; Lowe *et al.*, 1996; and Martin, 1990).With regards to job satisfaction and work engagement, past research (Vokić and Hernaus, 2015, p.5) uncovered

positive and high level correlation between job satisfaction and work engagement, as well as not so straightforward causal relationship between the two constructs.

Much research has been done with regard to the relationship between leadership behaviour and work engagement, and there are evidences suggesting that job satisfaction can be regarded as a moderator of this relationship (Vokić and Hernaus, 2015, p.5). Spector (2000) argued that job satisfaction is a reflection of good treatment in the organisation. It is therefore, of great importance for managers of organisations to know whether this is without a doubt the case. This will help managers to design appropriate interventions that will foster the development of job satisfaction in their organisations, develop good leadership in the organisation and increase the work engagement of their employees.

2. Literature Review

2.1. Leadership Behaviour

Many scholar shave different definition for leadership, and leadership according to the numerous scholars, has been defined with respect to traits, behaviour, influence, interaction patterns, role relationship, and occupation of an administrative position (Buble *et al.*, 2014, p.163). Consequently, different definitions of leadership has given rise to the different definition of leadership style (Buble *et al.*, 2014, p.164).Several theories have been developed in a bid to explain the various leadership styles displayed by leaders. Stogdill (1974) identifies and differentiates six basic groups of these theories. The Great Man Theory and Trait Theory of the 19th century; situational theories which was dominant in the first half of the 20th century; personal-situational theory which was widely embraced between the 1930s and the 1960s. The other three theories which were introduced at the end of the 20thcentury are the interaction-expectation theory, the humanistic theory, and the exchange theory. These theories, stress the interaction between leadership styles and work engagement, and maintains that high work engagement is linked to modifying leadership style per situation (Buble *et al.*, 2014, p.164).

Many and different leadership styles have thus been defined according to these theories. An individual's leadership style is shaped by his beliefs, values and inclinations, as well as the organisational culture and norms which supports and promotes one leadership style over many others (Buble *et al.*, 2014, p.165). Three main key variables have been shown to influence leadership style– leader characteristics, follower characteristics and situation characteristics (Buble *et al.*, 2014, p.165). These three variables are mutually interdependent, meaning that leadership is considerably influenced by the leader's ability or inability (the presence or absence of the appropriate knowledge, skills, and personality), the follower's ability or inability of followers (the presence or absence of the necessary knowledge and skills, high work engagement or low work engagement) and by environmental stability or turbulence. As a result, the basic duty of leadership is to find and maintain a balance between the three variables (Buble *et al.*, 2014, p.165).

In the modern world of work, leadership behaviour plays a significant role in employee work engagement (McHugh, 2001, p.45,).In their book, Principles of organisational behaviour, Slocum and Hellriegel (2009) cited in Nelson and Shraim (2014, p.123) explained that the performance of employees is directly impacted by management's vision and the communication of the same to employees. The onus is on management to set clear, measurable targets for employees and to highlight to the employee, the significance of achieving such target with respect to the broader organisational goals (Slocum and Hellriegel, 2009 cited in Nelson and Shraim, 2014, p.123).

2.2. Work Engagement

Organisations require positive employees who can take initiative and work cooperatively with other employees and who can take responsibility for personal development and the delivery of high-quality work. These type of employees are characterised as energetic, dedicated, and absorbed by their work. Simply put, organisations need engaged employees (Bakker and Schaufeli, 2008). Schaufeli and Bakker (2004) identified three dimensions of work engagement namely, vigour, dedication, and absorption. Vigour is high vitality, strength, an eagerness to effort on the job, the capacity to not be easily exhausted, and perseverance when faced with difficulties. Dedication is a resilient involvement in work, zest, and sense of pride and motivation. Absorption is a satisfying state of being engrossed in one's work feeling time passing speedily, and the inability to be separated from work (Schaufeli and Bakker, 2004). Extremely engaged employees relate to their jobs individually and are totally driven to work. They have a habit of working harder and more effectively than others and are more likely to produce results valued by their customers and the organisation (Bhaskar and Mishra, 2014, p.543).

Harter *et al*. (2002, p.276), in their research noted the positive association between work engagement and a number of outcomes that include job satisfaction, customer satisfaction, efficiency, revenue, employee turnover, and a drop in occupational accidents. Work engagement has also been researched and related to high student performance (Schaufeli *et al*., 2002a, pp.474-477). Work engagement has likewise been connected to employee initiative and readiness to learn, helping to grasp the degree to which workers recuperated from the difficulties of the past working day (Sonnentag, 2003, p.518, 525).

2.3. Job Satisfaction

Many scholars who have made attempts to define job satisfaction always refer to Locke's (1976) depiction of job satisfaction as a "pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences" (Jex, 2002, p.116). Basically, job satisfaction is associated with how our own individual expectations of work are incompatible with the real work outcomes (Berghe, 2011, p.14). Job satisfaction (Gibson *et al*., 2000, pp.352-353) is premised on the individual's articulation of personal well-being, which is connected with doing the task at hand. According to Robbins (2001, pp.75-76), job satisfaction depends on the general attitude of an individual to their job, the difference between the rewards an individual receives as compared to what such an individual actually believes they should receive.

A person who has a high position in the pecking order of the organisation and acts positively toward the organisation is exceptionally fulfilled in their job (Gregoriou, 2008, p.4). A worker who is unsatisfied with the job they do, has a negative state of mind and causes trouble for colleagues and perhaps, for customers (Gregoriou, 2008, p.4).

Greenberg and Baron (2003, p.148-150) agreed that job satisfaction is a state of mind toward one's job and is made up of "cognitive, affective and behavioural" components. According to Jex (2002, p.116), the affective component alludes to "how one feels about a job, the cognitive component represents what one believes about a job, and these two components are often related. The behavioural component (Jex, 2002, p.116) is about one's behaviour towards the job, such as work punctuality, hardwork, etc. McShane and Von Glinow (2005, p.122-123) likewise asserted that job satisfaction is a many-sided concept, that is comprised of pleasant feelings born out of the past and present assessment of one's work role.

Authors such as Biswas and Bhatnagar (2013); Caesens, Stinglhamber, and Luypaert (2014); Høigaard, Giske, and Sundsli (2012); Karatepe and Karadas, (2015); Moura, Orgambídez-Ramos, and Gonçalves (2014) contend that significant levels of job satisfaction are a positive result of work engagement (Vokić and Hernaus, 2015, p.5).

Empirical evidence from the research work carried out in 2013 by Biswas and Bhatnagar contends that engaged employees are emotionally happy and stable at work, and therefore show increased satisfaction with their job (Vokić and Hernaus, 2015, p.5). However, job satisfaction (Abraham, 2012a cited in Vokić and Hernaus, 2015, p.5) does not always lead to productivity, while engagement is by all accounts a reliable indicator of job performance (Chughtai and Buckley, 2011 cited in Vokić and Hernaus, 2015, p.5). Such contrasts are due to the different nature of the constructs (Vokić and Hernaus, 2015, p.5).

While job satisfaction (Vokić and Hernaus, 2015, p.5) is a reflexive, sentimental state, work engagement signifies an energetic and satisfied state (e.g., Abraham, 2012b; Alarcon and Lyons, 2011). Hence, work engagement conceivably could be improved through satisfied employees (Abraham, 2012a, 2012b cited in Vokić and Hernaus, 2015, p.5). Such a supposition (Vokić and Hernaus, 2015, p.5-6) infers that job satisfaction is the antecedent of work engagement (e.g., Alarcon and Lyons, 2011; Barnes and Collier, 2013; Brunetto *et al*., 2012; Schaufeli and Bakker, 2004). Figure 1 below shows the moderating role of job satisfaction's conceptual research model.
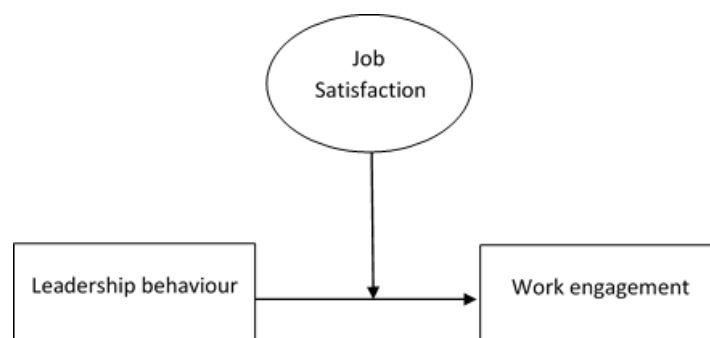

Figure 1. *Research conceptual model*

In the same vein, Vokić and Hernaus (2015, p.9) also found in their study that job satisfaction has a significant and positive effect on work engagement. It is thus evident from existing literature that there exists some sort of relationship among the triad of leadership behaviour, job satisfaction and work engagement.

In light of the literary discussion above, the objectives of the study were:

1. To determine if leadership behaviour has a positive and significant relationship with work engagement
2. To determine whether job satisfaction is a mediator of the relationship between leadership behaviour and work engagement among artisan trainees
3. To determine whether job satisfaction is a moderator of the relationship between leadership behaviour and work engagement among artisan trainees.

2.4. Hypotheses
The following hypotheses were tested

1. Leadership behaviour has a positive and significant relationship with work engagement
2. Job satisfaction mediates the relationship between leadership behaviour and work engagement
3. Job satisfaction moderates the relationship between leadership behaviour and work engagement.

3. Research Methods

The current study is an applied research in terms of purpose and is a survey-analytical research in terms of method. Data were collected through questionnaires including the items for leadership behaviour, work engagement and job satisfaction. Leadership behaviour was measured using the Harris and Ogbonna (2001) 13-item leadership behaviour questionnaire scored on a 7-point Likert scale. The Utrecht Work Engagement Scale (UWES) developed by Schaufeli *et al*. (2002), was adapted in this study to measure the respondents' level of work engagement. The instrument comprises of 17 items, scored on a 7-point occurrence scale. Job satisfaction was measured using the ACS (single global rating for job satisfaction) developed in 1990 by Allen and Meyer. Gathered data were analysed by conducting hierarchical multiple regression. Statistical population of this research is comprised of the entire trainees of an artisan training company in Johannesburg, South Africa. The study was a census study. 150 questionnaires were distributed and 150 questionnaires were returned.

4. Findings and Discussion

The leadership behaviour instrument, Utrecht work and well-being survey and the job satisfaction instrument had Cronbach alpha coefficients of 0.85, 0.86 and 0.88 respectively, which were regarded as satisfactory.

4.1 Hypotheses Testing
4.1.1. Hypothesis 1
The first null hypothesis of the study (H_0) was: "there is no positive and significant relationship between leadership behaviour and work engagement" and the corresponding alternative hypothesis (H_1) was that: "there is a positive and significant relationship between leadership behaviour and work engagement". The hypothesis was tested by means of the Pearson correlation technique. The correlation coefficient between leadership behaviour and work engagement was found to be ($r = 0.31$; $p < .0001$), which is highly significant (Table 1). This leads to acceptance of the alternative hypothesis that, "there is a positive and significant relationship between leadership behaviour and work engagement" and the rejection of the null hypothesis.

Table 1. *Pearson Correlation Coefficients, Work engagement and Leadership behaviour and Job Satisfaction*

Pearson Correlation Coefficients		
Prob > |r| under H0: Rho=0		
Number of Observations		
Variable	**Work Engagement**	**Leadership Behaviour**
Work Engagement	1	
	150	
Leadership Behaviour	Rho 0.31084	1
	p-value 0.0001	
	150	150

4.1.2. Hypothesis 2

***Table 2**. Job satisfaction as a mediating factor*

Source	DF	Sum of Squares	Mean Square	F Value	P-value
Model	2	21.956	10.978	25.980	<.0001
Error	127	53.659	0.423		
Corrected Total	129	75.615			

R-Square	Coeff Var	Root MSE	Mean
0.290	13.967	0.650	4.654

Parameter	Estimate	Standard Error	t Value	P-value	95% Confidence Limits	
Intercept	2.918	0.269	10.86	<.0001	2.386	3.450
l	0.098	0.047	2.07	0.0409	0.004	0.191
JS	0.352	0.058	6.06	<.0001	0.237	0.467

The second null hypothesis of the study (H_0) was that "job satisfaction does not mediate the relationship between leadership behaviour and work engagement", while the corresponding alternative hypothesis (H_1) was that "job satisfaction mediates the relationship between leadership behaviour and work engagement". Table xx shows the moderating effect of job satisfaction on the relationship between leadership behaviour and work engagement. The parameter estimate of the leadership behaviour variable illustrates that if leadership behaviour increases by 1 standard deviation, work engagement will increase by 0.1784 standard deviation and this is significant (p-value = 0.0001).

A second model fits both leadership behaviour and job satisfaction, the overall model fit of the second model is also significant, p-value < 0.001. The R-square value confirms that 29.0% of the dependent variable, work engagement, is explained by the model of the explanatory variable, leadership behaviour and job satisfaction.

The parameter estimate of the leadership behaviour variable illustrates that if leadership behaviour increases by 1 standard deviation (Job satisfaction at the mean value, JS = 0), work engagement will increase by 0.098 standard deviations. The parameter estimate of job satisfaction variable illustrates that if job satisfaction increases by 1 standard deviation, work engagement will increase by 0.352 standard deviations, this was statistically significant (p-value<0.001). As the p-value of the mediator variable is significant, it can be concluded that job satisfaction has a mediating effect on the relationship between leadership behaviour and work engagement.

4.1.3. Hypothesis 3

***Table 3**. Job satisfaction as a moderating factor*

Source	DF	Sum of Squares	Mean Square	F Value	P-value
Model	3	24.624	8.208	20.280	<.0001
Error	126	50.990	0.405		
Corrected Total	129	75.615			

R-Square	Coeff Var	Root MSE	Mean
0.325656	13.66905	0.636148	4.653932

Parameter	Estimate	Standard Error	t Value	P-value	95% Confidence Limits	
Intercept	1.149	0.737	1.560	0.122	-0.311	2.608
l	0.479	0.156	3.080	0.003	0.171	0.788
JS	0.868	0.209	4.160	<.0001	0.455	1.281
jsl	-0.109	0.042	-2.570	0.011	-0.193	-0.025

The third null hypothesis of the study (H_0) was that "job satisfaction does not moderate the relationship between leadership behaviour and work engagement", while the corresponding alternative hypothesis (H_1) was that "job satisfaction moderates the relationship between leadership behaviour and work engagement". Table y shows the moderating effect of job satisfaction on the relationship between leadership behaviour and work engagement. The R-square value confirms that 32.56% of the dependent variable, work engagement, is

explained by the model of the explanatory variable, leadership behaviour, job satisfaction and the interaction between job satisfactions and leadership behaviour variables.

The parameter estimate of the leadership behaviour variable illustrates that if leadership behaviour increases by 1 standard deviation (Job satisfaction at the mean value, JS = 0), work engagement will increase by 0.479 standard deviations, this was significant (p-value=003). The parameter estimate of job satisfaction variable illustrates that if job satisfaction increases by 1 standard deviation, work engagement will increase by 0.868 standard deviations and was statistically significant (p-value<0.001). JS*l is the measure of the moderator effect of job satisfaction on work engagement and leadership, and has a negative value of 0.109, this was also significant (p-value=0.011). It can be concluded that job satisfaction has a moderator effect between leadership on work engagement.

5. Conclusion

The purpose of this study was to investigate job satisfaction as a moderator of the relationship between leadership behaviour and work engagement, using a population of technical trainees in an artisan training academy in Johannesburg, South Africa. To accomplish this objective, the significance of the problem and hypotheses were argued, followed by a literature review of the research variables. The literature review prompted the design of the conceptual model of the research. Finally, the hypotheses were tested, and after the test, the three hypotheses were confirmed.

Empirical findings from this research support previous findings (Chen and Silverthorne, 2005, p.285; Saks, 2006, p.613; Hayati *et al*., 2014, p.1) that showed a significant positive relationship between leadership behaviour and work engagement. Thus, the first hypothesis was confirmed. The research also showed that job satisfaction mediated the relationship between leadership behaviour and work engagement, thus confirming hypothesis two. This finding is in line with the arguments of Abraham (2012a, 2012b cited in Vokić and Hernaus, 2015, p.5). In investigating the moderating role of job satisfaction between the relationship of leadership behaviour and work engagement, the research showed that job satisfaction is a moderator of the relationship between leadership behaviour and work engagement. This implies that various levels of job satisfaction (as experienced by the followers) can considerably impact on the relationship between leadership behaviour and work engagement. Job satisfaction in this case was seen as a factor that weakens or reduces the relationship/association between leadership behaviour and work engagement. Hypothesis three was thus confirmed and supports the findings of Schaufeli and Bakker (2004), Alarcon and Lyons (2011), Barnes and Collier (2013) and Brunetto *et al*. (2012).

Evidence from existing literature shows that the most vital elements for job satisfaction are the creation of work that challenges employees; the provision of equal pay and rewards; leadership support; support from co-workers; and the creation of worker-confidence (Gregoriou, 2008, p.4). Greenberg and Baron (2003, p.157) also reported that the variables that lead employees to view their job positively or negatively, include: pay, the work itself, advancements or promotions, leadership supervision and support, supportive colleagues and working conditions.

Other numerous research studies have shown that employees who are satisfied with their job are very productive and have a positive impact on the entire organisation (Gregoriou, 2008, p.5). Malik (2013, p.213) explained that Irvine and Evans (1995), Nissa (2003), and Malik (2011) all highlighted "the importance of work characteristics, work role definition and work environment in creating and fostering job satisfaction.

Considering the fact that job satisfaction acts also as an important mediator and moderator in the relationship between leadership behaviour and work engagement, the management and trainers of the training institute should:

− Introduce "reward and recognition" for trainee performance. A performance reward and recognition for trainees would enhance job satisfaction and work engagement levels.
− Offer occasions for trainees to utilise their "skills and abilities" in the training environment. Trainees should be given more control, but not beyond what is essential.

References

Alarcon, G. M. and Lyons, J. B., 2011. The relationship of engagement and job satisfaction in working samples. *The Journal of Psychology,* 145(5), pp.463-480.

Bakker, A.B. and Schaufeli, W.B., 2008. Positive organizational behavior: engaged employees in flourishing organisations. *Journal of Organizational Behavior*, 29, pp.147-154.

Barnes, D. C. and Collier, J. E., 2013. Investigating work engagement in the service environment. *Journal of Services Marketing*, 27(6), pp.485-499.

Berghe, J.V. 2011. *Job satisfaction and job performance at the workplace.* Degree Thesis. ARCADA University of Applied Sciences.

Bhaskar, A.U. and Mishra, B., 2014).Organisational learning and work engagement: study of an IT organization. *The Indian Journal of Industrial Relations*, 49(3), pp.541-550.

Brunetto, Y., Teo, S. T. T., Shacklock, K. and Farr-Wharton, R., 2012. Emotional intelligence, job satisfaction, well-being and engagement: explaining organisational commitment and turnover intentions in policing. *Human Resource Management Journal*, 22(4), pp.428-441.

Buble, M., Juras, A. and Matić, I., 2014. The relationship between managers' leadership styles and motivation. *Management*, 19(1), pp.161-193.

Chen, J. C. and Silverthorne, C., 2005. Leadership effectiveness, leadership style and employee readiness. *Leadership and Organisation Development Journal,* 26(4), pp.280-288.

Gibson, J.L., Ivancevich, J.M. and Donnelly J.H., 2000. *Organizations – behavior – structure – processes.* (10thed.). Boston: McGraw-Hill.

Greenberg, J. and Baron, R.A., 2003. *Behaviour in Organisations: understanding and managing the human side of work.* (8th ed.). New Jersey: Pearson Education.

Gregoriou, I.C., 2008. *Need fulfilment deficiencies and job satisfaction in the republic of Cyrus. The case of the ministry of finance*. Master thesis. European University Cyprus.

Harter, J. K., Schmidt, F. L. and Hayes, T. L., 2002. Business-unit level relationship between employee satisfaction, employee engagement, and business outcomes: a meta-analysis. *Journal of Applied Psychology,* 87(2), pp.268-279.

Hayati, D., Charkabi, M. and Naami, A., 2014. The relationship between transformational leadership and work engagement in governmental hospitals nurses: a survey study. *Springer Plus,* 3(25), pp.1-7.

Jex, S.M., 2002. *Organizational psychology: a scientist-practitioner approach*. New York: John Wiley and Sons.

Malik, S. H., 2013. Relationship between leader behaviours and employees' job satisfaction: a path-goal approach. *Pakistan Journal of Commerce and Social Sciences,* 7(1), pp.209-222.

McHugh, M., 2001. Employee absence: an impediment to organisational health in local government. *International Journal of Public Sector Management,* 14(1), pp.43-58.

McShane, S. L. and Glinow, M. A. V., 2010. *Organisational behaviour* (5thed.). New York: McGraw-Hill/Irwin.

Nelson, S. A. and Shraim, O., 2014. Leadership Behaviour and employee engagement: a Kuwaiti services company. *International Journal of Human Resources Development and Management,* 14(1/2/3), pp.119-135.

Robbins, S.P., 2001. *Organizational behaviour.* (9th ed.). New Jersey: Prentice-Hall.

Saks, A. M., 2006. Antecedents and Consequences of employee engagement. Journal of Managerial Psychology, 21, pp.600−619.

Schaufeli, W. B. and Bakker, A. B., 2004. Job demands, job resources and their relationship with burnout and engagement. *Journal of Organisational Behaviour*, 25, pp.293–315.

Sonnentag, S., 2003. Recovery, work engagement, and proactive behaviour: a new look at the interface between non-work and work. *Journal of Applied Psychology,* 88, pp.518-528.

Spector, P. E., 2000. *Job satisfaction: application, assessment, causes and consequences*. London: Sage Publication, Inc.

Vokić, N. P. and Hernaus, T., 2015. The triad of job satisfaction, work engagement and employee loyalty – the interplay among the concepts. Paper presented at the Jubilee *5th South-East European (SEE) Meeting and Scientific Conference of Management Departments 'Entrepreneurial Society: Current Trends and Future Prospects in Entrepreneurship, Organisation and Management,* Varaždin, Croatia.