

# Transformational and Transactional Leadership Effect on Job Satisfaction in Santika Hotel Bandung

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**Abstract** – Human resources is a very important asset in the company to achieve its goals. One of the success factors in managing human resources is influenced by the style of leadership. Therefore, the leadership style needed to be able to influence employees to work in accordance with company objectives. The purpose of this research to find out how the responses of employees of transformational leadership style at Santika Hotel Bandung, how the responses of employees of Transactional leadership style that is applied to the Santika Hotel Bandung and to determine how much influence transformational and transactional leadership styles on employees' job satisfaction at Santika Hotel Bandung. This research respondents are the employees of Santika Hotel Bandung. This research analysis using multiple linear regression. Based on the analysis and data processing results showed a significant difference between transformational and transactional leadership style on job satisfaction. Suggestions put forward in the research is the leader needs to approach, for example: by making gathering among employees with leader. It is possible the emotional bond between the two sides, so that creates a sense of confidence, safe and comfortable when the employees work and leader are also expected to conduct periodic evaluations of their work in order to work better.

**Keywords** – Style of Transformational, Transactional and Job Satisfaction

## I. INTRODUCTION

**T**HE level of business competition is increasingly complex. The company's strategy to deal with these conditions one through its human resources, because the human resources are the most important asset in order to achieve its objectives.

The concentration of human resources centered on people who have working bound in the company. Companies in the journey will be more developed and developing, as well as having lots of challenges and obstacles, one of them is how companies can create job satisfaction for employees in it.

Based on the news quoted from Merdeka Newspaper website ([peristiwa.merdeka.com](http://peristiwa.merdeka.com), downloaded on March 22, 2013). Hundreds of employees of the Regional General Hospital (RSUD) Soedarso Pontianak, West Kalimantan, conduct demonstrations demanding welfare money for meals. Demonstrators also demanded payment of temporary employees fees (PTT), which is delayed by two months, and the transparency of the distribution of remuneration which is not in accordance with the workload. Employee

dissatisfaction is very clear effect on performance degradation which in this case hospital operations become disturbed and the result is in displaced patients.

One employee satisfaction factor is the presence of an effective leader. An effective leader is one of the important factors that affect the workings of employees which will result into job satisfaction that finally impact the work provided by the employee.

Leadership describes the relationship between the leader and the led, and how a leader directing subordinates will determine the extent to which the subordinate reaches the goals or expectations of leadership. The focus of the leader and subordinate relationships are intended to maximize the success of the company through the interaction of both parties. Maintenance and development of relations between the two sides in adults is not only beneficial to both of them, but more important is for the company as a whole in the achievement of performance, growth, and success. The concept of a fast growing leadership is transactional and transformational leadership concept popularized by Bass in 1985. Both are based on the concept of leadership styles, behaviors and situations that exist in a leader.

Moreover, the authors have made observations and interviewed 10 employees of Santika Hotel Bandung, he said that many disgruntled employees working at Santika Hotel Bandung, which is caused by a lack of communication between the subordinate-supervisor, so this lead to a miscommunication between them.

Santika Hotel Bandung is a company engaged in the hospitality industry, or more precisely the hospitality business services. Hotel is one type of accommodation that offers a wide range of amenities including room rental and providing other services. Hospitality services focus on service and customer convenience, so as to contribute in other business areas.

Based on the background described above, the authors wanted to do research with the title "**TRANSFORMATIONAL AND TRANSACTIONAL LEADERSHIP EFFECT ON JOB SATISFACTION OF EMPLOYEES IN SANTIKA HOTEL BANDUNG**".

### Formulation of The Problem

Based on the above problems can be formulated as follows:

1. What are the perceptions of employees on transformational leadership style at Santika Hotel Bandung?

2. What are the perceptions of employees on transactional leadership style at Santika Hotel Bandung?
3. How does employee satisfaction at Santika Hotel Bandung?
4. How big is the influence of transformational and transactional leadership style on job satisfaction of employees at Santika Hotel Bandung?

#### Research Purposes:

This study aims

1. To determine employee's perceptions of transformational leadership style at Hotel Santika Bandung.
2. To determine the employee's perception of transactional leadership style at Hotel Santika Bandung.
3. To determine employee satisfaction at Hotel Santika Bandung.
4. To determine how much influence transformational and transactional leadership on job satisfaction of employees at Hotel Santika Bandung.

#### Usefulness of Research

This research is expected to be useful:

1. For Practitioners  
To contribute ideas for the leadership of the company in the management of its employees.
2. For the other Party  
As a further reference for researchers who will examine leadership.

## II. FRAMEWORK OF THOUGHT AND HYPOTHESES

Leadership is a very important factor in determining the achievement of the goals set by the organization. Leadership is the central point and policy makers of the activities to be implemented organization.

Many definition of leadership offered by experts in the field of organization and management. Each has its own perspective and methodology of making definitions are quite different, depending on the approach (epistemology) that they built in order to investigate the phenomenon of leadership.

According to **Mullins (2005:282)**, leadership is "...a relationship through which one person influences the behaviour or actions of other people".

While **Lussier dan Achua (2010:6)**, stated that leadership is "...the influencing process of leaders and followers to achieve organizational objectives through change."

Transformational Leadership approach originally proposed by James MacGregor Burns in 1978. Besides, Bass and Riggio (2008: 1-16) Burn distinguish two types of leadership is Transactional Leadership and the opponent is Transformational Leadership.

Patterned transactional leaders are those who lead through social exchange. For example, politicians led by shifting one thing with another thing, work with sound, or subsidized by campaign contributions. Business leaders patterned transactional offering financial rewards for productivity or not and members reward for the lack of productivity.

Bass and Riggio (2008) suggested that transactional leadership relationship with employees is reflected in the three things that leaders know what employees want and identifies

what will they get if it works as expected, the leader of exchange efforts made by the employees in exchange, and responsive leaders to private interests over the interests of employees is equivalent to the value of the work that has been done by employees. Thereby creating transactional leadership characteristics shown by the behavior of superiors as follows, Contingent Rewards, the active exception (Active Management By Exception), passive exception (Passive Management By Exception), Laissez-Faire Leadership (LF).

Transformational leaders help followers to thrive and make them become the new leader by way of responding to the needs of the individual from the followers. They empower the followers of a way to synchronize the larger goals of individual followers, leaders, groups, and organizations.

According to **Bass dan Riggio (2008)** "*transformational leadership can transform followers than expected performance, as they are able to achieve the satisfaction and commitment of followers of the group or organization*".

Each leadership style can affect employee satisfaction. Employee satisfaction should be created as well as possible so that morale, dedication, love, and discipline of employees increased. This attitude is reflected by the morale, discipline, and performance. Job satisfaction enjoyed on the job, off the job, and a combination of inside and outside of work. Job satisfaction in the job is job satisfaction in a job that is enjoyed by gaining praise the work, placement, treatment, equipment, and the atmosphere of a good working environment. Employees who prefer to enjoy job satisfaction in a job would prioritize the job than remuneration even if the remuneration is important.

Furthermore, the question of job satisfaction according to **Kreitner dan Kinicki (2005 : 271)** :

*"Job satisfaction is an effective or emotional response to various aspects of the job. Satisfaction is not a single concept, on the contrary, one can be relatively satisfied dengan an aspect of the job or are not satisfied with one or more other aspects."*

Essentially the job satisfaction is feelings or a person's attitude toward his work, which concerns the attitude in response to the difference of what he hopes to what is obtained from reality in the workplace.

## III. RESEARCH METHODS

The research method used is descriptive and verification methods. According to Nazir (2005: 54) descriptive method is a method in researching the status of a group of people, an object, a set of condition, a thought, or a class of events in the present. This descriptive study aims to create a description, picture or in a systematic painting, factual and accurate information on the facts, the properties and the relationship between investigated the phenomenon. While the verification method according Rochaeaty (2007: 13) is a research method that aims to examine the relationships of variables proposed hypotheses with empirical data.

### A. Population

The population of this research were employees at Santika Hotel Bandung, amounting to 80 people and all the population

sampled (sample or respondents are all employees of the Santika Hotel Bandung). This, along with the opinion Suharsimi Arikunto (2007: 107), which states that if the population is less than or equal to 100, the sample size is taken entirely, whereas if the population of more than 100 samples taken 10% -15% or 20% - 25% or more.

**B. Operational of Variables**

The research variables are transformational and transactional leadership variables (variable X) as the independent variable and job satisfaction variable (variable Y) as the dependent variable.

Operational of variables in this research, researchers describe through the table 1:

**TABLE I  
OPERATIONAL OF VARIABLES**

Variable	Subvariable	Indicator	Scale
Transformational leadership (X1)	Transformational leadership is defined as the relationship between leaders and subordinates are very close proximity, causing emotional and closer, and subordinates feel respect and trust in leaders and motivated to work more than the truth.	1. charisma 2. Individual attention 3. Motivating intellectually 4. Giving aspirations	Ordinal
	<b>Suharto (2006:16)</b>		
Transactional leadership (X2)	Leadership that leads through social exchange. Business leaders patterned transactional offering financial rewards for productivity or do not give a reward for the lack of productivity.	1. Contingent Rewards 2. active exception management 3. Passive exception Management 4. <i>Laissez-Faire Leadership</i>	Ordinal
	<b>Bass dan Ringgio (2008:1)</b>		
Job satisfaction (Y)	Job satisfaction is a pleasant emotional attitude and loves the job.	1. Jobs 2. Co-Workers 3. Salary 4. Promotion 5. Leader/Boss	Ordinal
	<b>Hasibuan (2007:202)</b>		

This research uses primary data and secondary data obtained by survey method with the following assessment criteria answer:

**TABLE II  
LIKERT SCALE**

level Gradient	Question
Strongly Agree	5
agree	4
Less Agree	3
Disagree	2
Strongly Disagree	1

Source : Sugiyono (2009 :107)

**C. Validity Test**

*Pearson Product Moment* Correlation was used to test the validity of the statements in this study with the criteria, if the value of the correlation coefficient statement item being tested is greater than the critical r-0.30, it can be concluded that the statement was construction are valid. The validity of the test results are presented in the following table:

**TABLE III  
RECAPITULATION VALIDITY TEST RESULTS  
TRANSFORMATIONAL LEADERSHIP VARIABLE (X1)**

Statement Item	r <sub>count</sub>	r <sub>critical</sub>	Description
Statement Item 1	0,570	0,30	Valid
Statement Item 2	0,570	0,30	Valid
Statement Item 3	0,752	0,30	Valid
Statement Item 4	0,752	0,30	Valid
Statement Item 5	0,507	0,30	Valid
Statement Item 6	0,507	0,30	Valid
Statement Item 7	0,413	0,30	Valid
Statement Item 8	0,413	0,30	Valid
Statement Item 9	0,507	0,30	Valid
Statement Item 10	0,507	0,30	Valid

Source: Data Processing, 2013

**TABLE IV  
RECAPITULATION VALIDITY TEST RESULTS  
TRANSACTIONAL LEADERSHIP VARIABLE (X2)**

Statement Item	r <sub>count</sub>	r <sub>critical</sub>	Description
Statement Item 1	0,828	0,30	Valid
Statement Item 2	0,828	0,30	Valid
Statement Item 3	0,621	0,30	Valid
Statement Item 4	0,621	0,30	Valid
Statement Item 5	0,782	0,30	Valid
Statement Item 6	0,782	0,30	Valid
Statement Item 7	0,587	0,30	Valid
Statement Item 8	0,587	0,30	Valid

Source: Data Processing, 2013

**TABEL V**  
**RECAPITULATION VALIDITY TEST RESULTS**  
**JOB SATISFACTION VARIABLE (Y)**

Statement Item	r <sub>count</sub>	r <sub>critical</sub>	Description
Statement Item 1	0,929	0,30	Valid
Statement Item 2	0,929	0,30	Valid
Statement Item 3	0,835	0,30	Valid
Statement Item 4	0,835	0,30	Valid
Statement Item 5	-0,333	0,30	Invalid
Statement Item 6	-0,333	0,30	Invalid
Statement Item 7	0,578	0,30	Valid
Statement Item 8	0,578	0,30	Valid
Statement Item 9	0,681	0,30	Valid
Statement Item 10	0,681	0,30	Valid

Source: Data Processing, 2013

The tables 3, 4 and 5 can be explained there are two items that are invalid that are the statement numbers 5 and 6 with whole such statements item fit for use as a measuring tool in the research unless the item is invalid statement not be included.

**D. Reliability Test**

Reliability testing is done by testing the instrument once, and then analyzed using the methods Alpha Cronbac'h. The questionnaire is said reliable if the reliability coefficient is positive and greater than 0.60. The results of the reliability test using Alpha Cronbac'h method is as follows:

**TABLE VI**  
**RECAPITULATION OF RESEARCH QUESTIONNAIRE RELIABILITY TEST RESULTS**

Variable	Reliability Index	Critical Value	Description
Transformational Leadership (X1)	0,682	0,60	Reliable
Transactional Leadership (X2)	0,854	0,60	Reliable
Job Satisfaction (Y)	0,769	0,60	Reliable

Source: Data Processing, 2013

Reliability value questionnaire statement item each variable being studied is greater than 0.60 indicates that the results of this questionnaire item on each variable is reliable to measure each variable.

**E. Analysis of Quantitative Data**

Analysis of the data used in this research is Multiple Linear Regression with the regression equation as follows:

$$Y = a + b_1X_1 + b_2X_2 + \dots + b_nX_n$$

Where:

- Y = dependent variable
- a = constant
- b<sub>1</sub>, b<sub>2</sub> = regression coefisient
- X<sub>1</sub>, X<sub>2</sub> = independent variables

**IV. RESEARCH RESULT**

*Respond of respondents About Transformational Leadership (X1)*

Responder on Transformational Leadership at Santika Hotel Bandung can be seen in the following table:

**TABLE 7**  
**RESPONDENTS RECAPITULATION ON TRANSFORMATIONAL LEADERSHIP**

Statement Item	Respondent	Frequency					Total Score	Mean
		5	4	3	2	1		
1	80	0	0	54	0	26	188	2,35
2	80	0	0	54	0	26	188	2,35
3	80	0	0	14	66	0	174	2,18
4	80	0	0	14	66	0	174	2,18
5	80	0	0	79	0	1	238	2,98
6	80	0	0	79	0	1	238	2,98
7	80	0	0	60	20	0	220	2,75
8	80	0	0	60	20	0	220	2,75
9	80	0	0	79	1	0	239	2,99
10	80	0	0	79	1	0	239	2,99
<b>Total Score</b>							<b>2118</b>	<b>2,65</b>

Source: Primary data, processed in 2013.

Based on the table 7, the average value of the respondents indicated a figure of 2.65 or transformational leadership style can be said that Santika Hotel Bandung is located in the unfavorable category.

**Respondents On Transactional Leadership Style (X2)**

Respondent on transactional leadership style can be seen in the following table:

**TABLE 8**  
**RESPONDENTS RECAPITULATION ON TRANSACTIONAL LEADERSHIP**

Statement Item	Respondent	Frequency					Total Score	Mean
		5	4	3	2	1		
1	80	27	53	0	0	0	347	4,34
2	80	27	53	0	0	0	347	4,34
3	80	52	28	0	0	0	372	4,65
4	80	52	28	0	0	0	372	4,65
5	80	38	42	0	0	0	358	4,48
6	80	38	42	0	0	0	358	4,48
7	80	43	37	0	0	0	363	4,54
8	80	43	37	0	0	0	363	4,54
<b>Total Score</b>							<b>2880</b>	<b>4,50</b>

Source: processed in 2013

Based on the table 8 can be explained that the transactional leadership style (X2) at Santika Hotel Bandung showed the number of 4.50 which can be said that the transactional leadership style is very good.

**Respondents On Job Satisfaction (Y)**

Respondent on Job Satisfaction can be seen in the following table:

**TABLE IX**  
RESPONDENTS ON JOB SATISFACTION

Statement Item	Respondent	Frequency					Total Score	Mean
		5	4	3	2	1		
1	80	0	0	29	35	16	173	2,16
2	80	0	0	29	35	16	173	2,16
3	80	0	0	40	24	16	184	2,30
4	80	0	0	40	24	16	184	2,30
5	80	0	0	51	29	0	211	2,64
6	80	0	0	51	29	0	211	2,64
7	80	0	0	6	74	0	166	2,08
8	80	0	0	6	74	0	166	2,08
9	80	0	0	42	38	0	202	2,53
10	80	0	0	42	38	0	202	2,53
<b>Total Score</b>							<b>1872</b>	<b>2,34</b>

Source: Primary data, processed in 2013.

Based on the table 9, the average value of the respondents showed the number of 2.34, it means Santika Hotel Bandung employee satisfaction in the category of poor.

**Analysis of Effect of Transformational Leadership (X1) and Transactional Leadership (X2) on Job Satisfaction (Y)**

**Multiple Linear Regression Analysis.**

The results of multiple regression analysis are shown in the table 10:

**TABLE 10**  
THE RESULTS OF CALCULATION VALUE EQUATION REGRESSION COEFFICIENTS

		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
Model		B	Std. Error	Beta		
1	(Constant)	1,962	5,193		,378	,707
	X1	,473	,184	,281	2,568	,012
	X2	,100	,121	,090	,827	,411

a. Dependent Variable: Y

The results of multiple linear regression equation can be illustrated as follows:

$$Y = 1,962 + 0,473 X_1 + 0,100 X_2$$

**V. DISCUSSION**

Responder on transformational leadership style at Santika Hotel Bandung shows the value of at 2.65, it can be said to be in the unfavorable category, because they are less charismatic boss, it is judged by the words and actions, the behavior of superiors who are unable to motivate and inspire subordinates, less proximity emotional between superiors/boss and subordinates/employees cause unwell communications, lack of attention paid by the employer either personal or professional attention. The response of transactional leadership style (X2) at Santika Hotel Bandung showed the number of 4.50 which can be said that the transactional leadership style is very good. This means that their boss is a leader who can appreciate his subordinates/employees based on specific performance, the boss just focus on the mistakes made by his subordinates, no personally close relationship between superiors/boss and subordinates/employees led to the creation of the distance between the two, other than that there is often a perceived delay important solution to subordinate or often putting off important decisions and subordinates/employee often have to resolve themselves the problems that arise on the job. Respondents about their satisfaction working at Santika Hotel Bandung showed the number of 2.34, meaning that employee satisfaction Santika Hotel Bandung in the category is poor, this is due to inadequate salaries and payroll system that is incompatible with the job, no career, lack of emotional closeness with superiors/boss, less conducive working environment, the gap between employees, as well as a monotonous job situation often makes employees tired and bored with their jobs. While the results of multiple regression analysis shows the results of  $Y = 1,962 + 0,473 X_1 + 0,100 X_2$ , it can be explained that the transformational leadership style (X1) to contribute to employee satisfaction at 0.473 and transactional leadership style contributes to employee satisfaction at 0,100.

**VI. CONCLUSION**

Based on the discussion, it can be put forward some suggestions that, the leadership should be given attention and approach to his subordinates/employees either personally or work approach in order to create a better relationship, so that increase job satisfaction, which directly affects the performance better, the approach can be done by gathering activities or activities outside of work together as out bond, or recreation, in order to reduce the level of saturation of employees at work. Leaders also need to instill a sense of confidence to the employee so that the employee feels comfortable when working and employees do not work under pressure. Besides, the company is expected to make improvements on a regular basis for staffing and job evaluation system to enable them to work better, promotion opportunities and pay attention to employee career path and

give bonuses to employees in the form of shares that have a sense of belonging to the company.

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