

A Study of the Relationship between Leadership Styles and Employee Job Satisfaction at Islamic Azad University Branches in Tehran, Iran

Fatemeh Hamidifar¹

Abstract

The objective of this study is to explore how at the 16 branches of Islamic Azad University, Tehran province, Iran, leadership styles (the independent variable) influence employee job satisfaction (the dependent variable). Using random sampling, the researcher distributed 400 questionnaires, 386 of which were completed. This study concentrates only on non-teaching staff. The survey was administered between October and December, 2009. The researcher found that the dominant leadership styles were transformational and transactional and employees were moderately satisfied with their job. The results show that different leadership style factors will have different impacts on employee job satisfaction components. Individualized consideration and laissez-faire are strong predictors of all the job satisfaction factors.

Keywords: Leadership styles, Transformational leadership, Transactional leadership, Laissez faire leadership, Employee job satisfaction, Islamic Azad University.

Background

The fundamental factors influencing the effectiveness of an organization are leadership and employee job satisfaction (Kennerly 1989). Leadership is considered one of the most important determinants of employee job satisfaction. It extensively influences employees' motivation and dedication.

While the correlation between leadership style and job satisfaction has been studied in a wide variety of fields and in an equally wide variety of settings, few of these studies focus on this relationship in the context of higher education. And the ones that do concentrate on academic leadership and faculty job satisfaction in the context of North America and Europe.

In a departure from this focalization on Western institution and on faculty members, this study will look at the relationship between leadership styles and job satisfaction in the context of Iran. Specifically, it will concern itself with full-time non-teaching employees at Islamic Azad University (IAU) branches in Tehran province and explore the effect of leadership behavior, as adapted from Bass and Avolio's (1997) Full Range Leadership

Development Model, on employee job satisfaction, as adapted from Spector's (1997) Job Satisfaction Survey Model.

Established in 1982 with the support of the founder of the Islamic Republic of Iran, IAU boasts some stunning numbers: with more than 1.3 million students, approximately 30,000 faculty members, and 31,000 support personnel in more than 357 branches and educational centers throughout Iran, IAU is by far Iran's largest private university. It now enrolls 58 percent of all of Iran's university students. In fact, IAU can claim to be the world's largest single university; all the more as it is growing both within and outside Iran and has now campuses in Britain, the United Arab Emirates, Lebanon, Tanzania and Kenya.

Theoretical Perspective and Review of Literature

Leadership

Though leadership has long been of interest to historians and philosophers, scientific studies only began in the early 1900s. Still, the body of knowledge has since been fast growing as attested by the more than 350 definitions of the term which scholars have come up with. Giving one specific definition of leadership is a thus very complex task (Bass 1985).

1.Fatemeh Hamidifar recently graduated from Assumption University, Graduate School of Business.

Broadly speaking, leadership is an influence relationship among leaders and followers to perform in such a way to reach a defined goal or goals (Bennis & Nanus 1985; Burns 1978). What is meant by influence is that the relationship among people is not passive but multidirectional instead; superiors influence subordinates and subordinates influence superiors.

Leadership should be differentiated from management. Whereas managers are concerned with short-term problems within an organization, leaders adopt a much broader perspective (*Ibid*).

While early leadership theories concentrated on the characteristics of successful leaders, their traits, behavior, power, influence and situational approaches (e.g. Likert 1967; Mintzberg 1973; McClelland & Burnham 1976), recent ones have focused on the role of followers and the correlated nature of leadership.

Transformational leadership

Transformational leaders do more with followers and colleagues than transactional leaders do (Avolio et al. 1991). Instead of a simple exchange and agreement, transformational leaders provide a vision and a sense of mission, inspire pride, and gain respect and trust through charisma (Bass et al. 1990). Transformational leaders exhibit various types of behavior:

- Idealized influence (attributed/behavior): the leader is trusted and respected. He/she maintains high moral standards and the followers seek to emulate him/her. Idealized influence can be attributed (coming from followers) and/or the result of the leader's behavior.

- Inspirational motivation: The leader expressly and characteristically emphasizes to subordinates the need to perform well and helps to accomplish the organizational goals. Bass and Avolio (1994) pointed out that leaders adopting this behavior have an ability to strengthen their followers' responses and explain important ideas in simple ways.

- Intellectual stimulation: The leader stimulates the subordinates' understanding of

the problems and an identification of their own beliefs and standards.

- Individualized consideration: The leader treats followers as individuals but all are treated equitably. Individual's needs are recognized and assignments are delegated to followers to provide learning opportunities.

Besides, transformational leaders are change agents and visionaries encouraging individuals and having the ability to deal with complexity, ambiguity and uncertainty (Tichy & Devanna 1996).

In a study on the organizational culture, leadership modes, and employee job satisfaction at electric cable companies in Taiwan, Chang (2003) found that transformational leadership modes tend to be more acceptable to employees and affect employee job satisfaction level and innovativeness.

Transactional Leadership

Transactional leaders communicate with their subordinates to explain how a task must be done and let them know that there will be rewards for a job done well (Avolio et al. 1991). Different types of behavior inherent to transactional leadership have been identified:

- Contingent Reward: subordinates receive rewards for good performance.

- Management by Exception (Active): subordinates are monitored and then corrected if necessary in order for them to perform effectively.

- Management by Exception (Passive): subordinates receive contingent punishment in response to obvious discrepancies from the standard performance.

In a survey of 244 nursing school faculty members, Chen (2005) found that Taiwanese nursing directors were more transformational leaders than transactional or laissez-faire ones. The results also indicate that the nursing faculty members were moderately satisfied with their jobs and felt that the heavy workloads as opposed to the directors' leadership styles were possible reasons for their dissatisfaction with their jobs.

In another study, expanding Chen's previous study, Chen et al. (2005) surveyed 18 of

Taiwan's higher education nursing schools that had a minimum of 20 full-time faculty members. They found that idealized consideration, a transformational leadership factor, and contingent reward, a transactional leadership factor, were positively significant predictors of faculty job satisfaction.

Laissez-Faire Leadership

Laissez-faire leadership is a passive kind of leadership style. There is no relationship exchange between the leader and the followers. It represents a non-transactional kind of leadership style in which necessary decisions are not made, actions are delayed, leadership responsibilities ignored, and authority unused. A leader displaying this form of non-leadership is perceived as not caring at all about others' issues.

The Full Range leadership development Model

The Full Range Leadership Development Model, developed by Bass and Avolio (1994), is a combination of both transactional and transformational leadership. It includes five transformational factors: Idealized influence (attributed); Idealized influence (behavior); Inspirational motivation; Individualized consideration; Intellectual stimulation, and three transactional ones: Contingent reward; Management by exception (active); Management by exception (passive).

In a study examining the effectiveness of transformational and transactional leaders and the degree of employee satisfaction with the leadership style in the public banking sector, Gharoieahangar and Alijanirooshan (2004) found that transformational and transactional leaderships were highly and positively correlated with extra effort, effectiveness and satisfaction. Contingent rewards were also positively related to the outcome measures but less than to the transformational scale ratings. However, Management by exception (Active and Passive) and Laissez Faire were strongly and negatively correlated with the outcome.

Exploring the importance of leadership style in the Palestinian industrial sector, As-Sadeq and Khoury (2006) showed that transactional leadership style was more frequent than

transformational leadership and laissez-faire, considered as the least commonly occurring leadership style and more frequent among leaders with low educational background, and low previous managerial experience. Moreover, transformational leadership was found to encourage satisfaction, willingness to apply extra effort and effectiveness among employees.

Leadership in Iran

With most of the literature on leadership based on research conducted in industrialized countries, the understanding of leadership in Iran is quite limited (Dastmalchain, Javidan & Alam 2001). Moreover, studies of leadership and management in Iran have focused on industry and product organizations with the majority of them related to the Global Leadership and Organizational Behavior Effectiveness (GLOBE) project; a project focusing on managerial behavioral qualities, leadership styles, and community and organizational culture (Bikmoradi 2009).

According to the GLOBE studies, Iranian employees and managers expect their leaders to be visionary and inspirational and also decisive and willing to make personal sacrifices (Yukl 2006; Dastmalchian, Javidan & Alam, 2001).

As part of the Islamic culture, Iranians view their supervisors the same way they favorably see their old siblings or parents (Yukl 2006). Since Iranian employees do not consider participation to be an effective attribute of leadership, they do not expect their leaders to be participatory but to develop a vision and communicate it to them instead.

Societal and organizational cultures in Iran confer much value to low uncertainty avoidance, in-group collectivism, low societal collectivism, power distance, and masculinity (Bikmoradi 2009). Since charismatic leaders help to reduce uncertainty, there is a strong preference for visionary, honest, cooperative, generous, concerned, modest, and self-effacing leaders.

High power distance and a male-culture orientation also reflect a paternal family

structure that has strong historical and cultural roots. Because of male dominance in Iran, low gender equality is the norm in most Iranian organizations (Farhangi & Esfidani 2004).

Leaders usually prefer to work with male managers, and governmental organizations generally tend to appoint male managers, allowing gender consideration to dominate capabilities and qualities (*Ibid*). Strong positive correlations between job satisfaction, age, work experience, and organizational culture on the one hand, and management styles on the other, have been found in Iran (Aslankhani 1999; Javidan & Dastmalchain 2003).

There is very little knowledge about academic leadership in higher education. Still, the available findings indicate that the dominant style and model are visionary and charismatic leadership (*Ibid*).

Iranian values in leadership are thus similar to the characteristics of western transformational leadership. The leader inspires and guides the followers and at the same time provides care and affection to his/her subordinates (Sinha 1997). The Iranian view of a visionary leader is a person who has a mental map, shares a new pattern, has a global outlook, is excited about and dedicated to his/her vision, and is a reliable communicator (Dastmalchian, Javidan & Alam 2001).

Job Satisfaction

Job satisfaction may be defined as a positive emotional response from the assessment of a job or specific aspects of a job (Locke 1976; Smith *et al.* 1969). It is influenced by many factors such as: the working conditions, work itself, supervision, policy and administration, advancement, compensation, interpersonal relationships, recognition, and empowerment (Castillo & Cano 2004).

According to Quick (1998), each person has a different set of goals and can be motivated if he/she believes that: there is a positive correlation between efforts and performance; effective performance will result in a pleasing reward; the reward will satisfy an important need; and the desire to satisfy the need is strong enough to make the effort meaningful.

Vroom (1964) suggested that the motivation to work depends on the relationships between expectancy, instrumentality and valence.

Expectancy is a person's belief that working hard will result in a satisfying level of job performance. Instrumentality is an employee's belief that successful performance will be followed by rewards. And valence is the value a person holds with respect to outcomes (rewards).

Relationship between Leadership and Employee Job Satisfaction

Leadership style is an important determinant of employee job satisfaction. The reactions of employees to their leaders will usually depend on the characteristics of the employees as well as on the characteristics of the leaders (Wexley & Yukl 1984).

Employee job satisfaction is influenced by the internal organization environment, which includes organizational climate, leadership types and personnel relationships (Seashore and Taber 1975).

The quality of the leader-employee relationship – or the lack thereof - has a great influence on the employee's self-esteem and job satisfaction (Chen & Spector 1991; Brockner 1988; DeCremer 2003).

Employees are more satisfied with leaders who are considerate or supportive than with those who are either indifferent or critical towards subordinates (Yukl 1971).

As Wilkinson & Wagner (1993) argued, it is stressful for employees to work with a leader who has a hostile behavior and is unsupportive. If subordinates are not capable of figuring out how to perform the work by themselves they will prefer a leader who will provide adequate guidance and instructions (Wexley & Yukl 1984).

Negative leader-employee relations reduce productivity and increase absenteeism and the turnover to the organization can be quite high (Keashly, Trott, & MacLean 1994; Ribelin 2003).

According to Robbins (2003), the employee resign rate with transformational leadership is less than with transactional leadership. Improving the employees' working situations,

fulfilling their needs, and helping them perform better are positively related to transformational leadership (Liu *et al.* 2003).

Employees in Iran

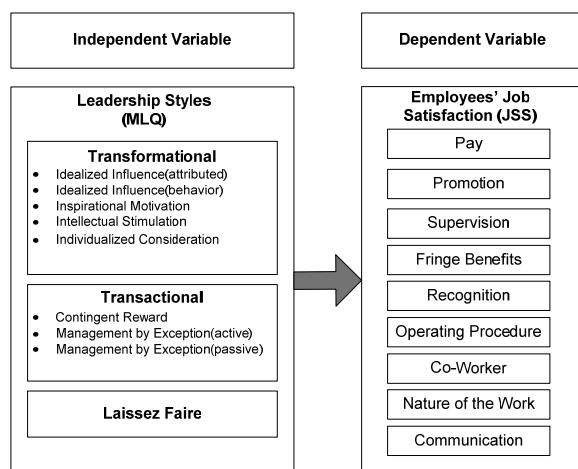
Iranian employees are motivated by social rewards, self-actualization needs, compensation, and improved working conditions (Cheraghi 1983; Yeganeh *et al.* 2008). Moreover, Iranian employee's job satisfaction is strongly influenced by their attitudes towards their salaries, promotion, and the organization's promotional policies (*Ibid.*).

Since in Iranian organizations, promotion does not translate into salary raise, the importance of promotion for employees must be seen in their need to satisfy their ambitions, desire for status, need to be recognized on the basis of their personal abilities, performance, and contribution to the organization (Mosadeghrad (2006).

Furthermore, in Iran, employee satisfaction is linked to team-oriented leadership. Because of collectivism as well as Islamic principles, employees are satisfied with lower levels of power distance and much higher levels of human orientation (*Ibid.*).

Conceptual Framework

Figure 1 - Theoretical Framework



Source: created by the author for this study.

This research conceptual framework is a modified model adapted from three models:

Bono and Judge's (2003), Bass and Avolio's (1990), and Chang and Lee's (2007) models.

As Figure 1 shows, it reflects the fact that employee job satisfaction, as measured in terms of pay, promotion, supervision, fringe benefits, recognition, operating procedure, co-workers, nature of the work and communication can be influenced by either one of the three different leadership styles considered in this study: transformational, transactional, and laissez-faire leadership.

Five factors (sub-variables) were identified as characteristic of transformational leadership: idealized influence attributed and behavior, inspirational motivation, individualized consideration, and intellectual stimulation. Three factors (sub-variables) were found to be characteristic of transactional leadership: contingent reward, management by exception-active, and Management by exception-passive). Laissez-faire is self-described.

Thus, leadership style as measured the Multifactor Leadership Questionnaire is the *independent* variable and employee job satisfaction as measured by the Job Satisfaction Survey the *dependent* variable.

The independent variable includes 9 *sub-variables*: idealized influence (attributed/behavior), inspirational motivation, intellectual stimulation, and individualized consideration, contingent reward, management by exception (active/passive), and laissez-faire.

Employee job satisfaction is adapted from JSS model and is measured in terms of 9 *sub-variables*: pay, promotion, supervision, fringe benefits, recognition, operating procedure, co-workers, nature of the work, and communication.

Statement of the Problem

IAU sees the development of Islamic culture and humanistic values among its faculty members and staff as one of its main tasks; one that should be reflected in its leadership style. The challenge for IAU is thus to ensure that leadership practices in its branches are in-keeping with this goal and also ensure employee job satisfaction. This raises the issues of which leadership style is best suited for this purpose.

The research question can be therefore formulated as follows: which leadership style has been adopted by IAU branches in Tehran province and how does it affect non-teaching employee job satisfaction?

Objective and Scope of the Study

This study thus aims to explore the relationship between leadership styles and non-teaching employee job satisfaction at IAU branches in Tehran province.

In light of the theoretical literature and empirical studies related to leadership styles and employee job satisfaction, the researcher will focus on how the nine leadership style sub-variables considered in this study influence employee job satisfaction as measured in terms of the nine sub-variables taken into account.

The objectives of this research can be expressed as follows:

1. To determine the leadership style(s) used at the 16 IAU branches in Tehran province.

2. To examine the influence of transformational leadership, expressed in the form of five sub-variables [idealized influence (attributed/behavior), inspirational motivation, intellectual stimulation, and individualized consideration], on employee job satisfaction as measured in terms of pay, promotion, supervision, fringe benefits, recognition, operating procedure, co-workers, nature of the work, and communication.

3. To study the influence of transactional leadership, expressed in the form of three sub-variables [contingent reward and management by exception (active/passive)], on employee job satisfaction as measured in terms of pay, promotion, supervision, fringe benefits, recognition, operating procedure, co-worker, nature of the work, and communication.

4. To examine the influence of laissez-faire leadership on employee job satisfaction as measured in terms of pay, promotion, supervision, fringe benefits, recognition, operating procedure, co-workers, nature of the work, and communication.

This research has some inevitable limitations. First, since it concerns itself with a private university in Iran, the results do not apply to

public universities. Moreover, with AIU branches in Tehran province as the target location of the research, the findings of this study cannot be generalized to other provinces.

The findings of this study are also limited to the perception of leadership styles and their influence on employee job satisfaction. They cannot be generalized to other factors possibly affecting job satisfaction. Besides, the findings cover a specific time frame (October-December 2009) and may not therefore be generalized to all time.

Another limiting factor is the target population; IAU full-time employees and administrative staff. Thus, the results may not be generalized to the teaching staff and those not considered for this study purpose as employee; cleaners, office boys, janitors, security guards, independent contractors, and part-time employees.

Research Hypotheses

Based on the conceptual framework nine hypotheses were developed to identify the impact of leadership style factors on employee job satisfaction.

Hypothesis 1

H10: *Employee job satisfaction as measured in terms of pay is not significantly influenced by any of the leadership sub-variables.*

H1a: *Employee job satisfaction as measured in terms of pay is significantly influenced by the leadership sub-variables.*

Hypothesis 2:

H2o: *Employee job satisfaction as measured in terms of promotion is not significantly influenced by any of the leadership sub-variables.*

H2a: *Employee job satisfaction as measured in terms of promotion is significantly influenced by the leadership sub-variables.*

Hypothesis 3:

H3o: *Employee job satisfaction as measured in terms of supervision is not significantly*

influenced by any of the leadership sub-variables.

H3a: *Employee job satisfaction as measured in terms of supervision is significantly influenced by the leadership sub-variables.*

Hypothesis 4:

H4o: *Employee job satisfaction as measured in terms of fringe benefit is not significantly influenced by any of the leadership sub-variables.*

H4a: *Employee job satisfaction as measured in terms of fringe benefit is significantly influenced by the leadership sub-variables.*

Hypothesis 5:

H5o: *Employee job satisfaction as measured in terms of recognition is not significantly influenced by any of the leadership sub-variables.*

H5a: *Employee job satisfaction as measured in terms of recognition is significantly influenced by the leadership sub-variables.*

Hypothesis 6:

H6o: *Employee job satisfaction as measured in terms of operating procedure is not significantly influenced by any of the leadership sub-variables.*

H6a: *Employee job satisfaction as measured in terms of operating procedure is significantly influenced by the leadership sub-variables.*

Hypothesis 7:

H7o: *Employee job satisfaction as measured in terms of co-worker is not significantly influenced by any of the leadership sub-variables.*

H7a: *Employee job satisfaction as measured in terms of co-worker is significantly influenced by the leadership sub-variables.*

Hypothesis 8:

H8o: *Employee job satisfaction as measured in terms of nature of the work is not*

significantly influenced by any of the leadership sub-variables.

H8a: *Employee job satisfaction as measured in terms of nature of the work is significantly influenced by the leadership sub-variables.*

Hypothesis 9:

H9o: *Employee job satisfaction as measured in terms of communication is not significantly influenced by any of the leadership sub-variables.*

H9a: *Employee job satisfaction as measured in terms of communication is significantly influenced by the leadership sub-variables.*

Research Methodology

This study used descriptive research, which, as Zikmund (2003) explained, provides answers the “*who, what, when, where, and how*” questions.

The survey technique was used to collect data from the respondents and understand and predict some aspects of the behavior of the population of interest.

The target population is non-teaching employees at IAU branches who have worked for at least one year or more either as administrators, human resources (HR) staff or librarians.

Based on various previous studies (e.g. Brook 2007; Ogunlana & Limsila 2007; Xirasagar 2008; and Tabbodi & Prahallada 2009), the sample size of this research was set at 400 employees, both males and females selected from 10 IAU branches (40 respondents from each selected branch). Simple random sampling was used to draw 10 branches out of IAU 16 branches.

The questionnaire includes a total of 78 items contained in three sections: one on leadership style, another on job satisfaction and a third on demographics, respectively.

The leadership style items in section one were adapted from Avolio and Bass’ (1997) Multifactor Leadership Questionnaire (MLQ) and the job satisfaction items from Spector’s (1997) Job Satisfaction Survey (JSS). Both the

MLQ and JSS models were modified into a nine-component scale to facilitate coding and data interpretation.

As to the demographic items, they are based on previous theoretical and empirical studies.

The MLQ was developed by Bass (1997) to measure a broad array of leadership types ranging from passive leaders to leaders giving contingent rewards to followers and leaders transforming their followers into leaders themselves. It originally consisted of 45 items and was coded from 0 to 4.

An adapted MLQ is used in this research. It consists of 36 items measuring the main characteristics of leadership. The 36 items are rated using a 5-point Likert scale (1 = not at all, 2 = once in a while, 3 = sometimes, 4 = fairly often, and 5 = frequently, if not always).

Many studies have revealed that the reliability of the MLQ has been with the Cronbach alpha of > 0.90 (e.g. Avolio & Bass 2004).

Section two is based on the 36-item 9-component scale JSS developed by Spector (1997) to evaluate employee job satisfaction.

Each of the nine components is evaluated with four items. Seventeen of these items are positive statements and nineteen negative ones (which must be scored reversely). A score of 6 represents the strongest agreement with a negative statement and is considered equivalent to a score of 1, representing the strongest disagreement with a positive statement, allowing them to be combined meaningfully.

A 1-6 point Likert scale was used for each job satisfaction factors (1= Disagree very much, 2= Disagree moderately, 3= Disagree slightly, 4= Agree slightly, 5= Agree moderately, 6= Agree very much).

The reliability of the JSS has been measured to be a Cronbach alpha of: 0.75 for Pay; 0.73 for Promotion; 0.82 for Supervision; 0.73 for Fringe Benefits; 0.76 for Recognition; 0.62 for Operating Procedure; 0.60 for Co-workers; 0.78 for Nature of Work: and 0.71 for Communication.

(<http://shell.cas.usf.edu/~spector/scales/jssovr.html>08/10/2001).

Simple random sampling, quota sampling and convenience sampling were used to get the sampling unit.

The data was collected in November and December, 2009. The questionnaire was first pilot-tested with a group of 85 respondents and then distributed to 400 non-teaching IAU employees.

386 questionnaires were fully answered and 14 considered invalid. In other words, 96.5% of the respondents answered the 78 items. The data were analyzed using the statistical package for Social Science (SPSS).

Results and Analysis

A majority of the 386 respondents (58.8%) are males, 227 in total. The highest age group of respondents (69%) includes those between 26-35 years and the smallest one those between 46-55 years (1.3%).

The majority of the respondents are married (67.1%). A minority of them (5.7%) is divorced. Over half the participants have bachelor's degree (52%) and only 13.7% of them have a master's degree.

A majority of the respondents have between 1-5 years of work experience (65.5%) and only 2.6% have 16-20 years (2.6%). A large number of the respondents are administrators (56.7%).

All of the hypotheses were tested using the multiple regression analysis. As indicated in Table 1, all the 9 null hypotheses were rejected.

Table 1: Summary of the coefficient of multiple determinations R squares and F value of the research hypotheses

Hypothes es	R Square	F value
H1	.810	230.920
H2	.794	242.988
H3	.770	254.450
H4	.807	226.254
H5	.826	255.482
H6	.153	13.742
H7	.779	190.076
H8	.782	168.633
H9	.816	239.452

Hypothesis five has the highest coefficient of multiple determination R^2 which is equal to

0.826 with a F value of 255.482. This indicates that the variations in terms of idealized influence (attributed/behavior), individualized consideration; intellectual stimulation; inspirational motivation; management by exception (active) and laissez-faire account for 82.6% of the variance in employee job satisfaction as measured in terms of recognition. This means that all the transformational leadership factors, laissez-faire and one of the transactional leadership factors [management by exception (active)] have significant relationships with employee job satisfaction in term of recognition (Sig. <0.05). However, two other transactional leadership factors [contingent reward and management by exception (passive)] have no significant affect on recognition in the multiple regression model.

This is in-keeping with prior research which shows that recognition through reward and encouragement increase employee job satisfaction (e.g. Wood and Pecci 1995).

On the other hand, hypothesis six has the lowest coefficient of multiple determination R^2 which is equal to 0.153 and has a F value of 13.726. This means that only 15.3% of the variation in terms of employee job satisfaction as measured with the operating procedure sub-variable is accounted for the following transformational and transactional factors: idealized influence (behavior), individualized consideration, intellectual stimulation, management by exception (passive) and laissez-faire.

This shows that the operating procedure factor is not a motivator for the employees and presidents of IAU branches. The results, however, show that the individualized consideration sub-variable is a powerful predictor of job satisfaction as measured in terms of pay, promotion, supervision, fringe benefit, recognition, operating procedure, co-workers, nature of the work and communication. Likewise the transactional contingent reward factor is a robust predictor of job satisfaction as measured in terms of supervision.

However, the transactional management by exception (active/passive) sub variables are

mostly not significant predictors of job satisfaction in this multiple regression model. Still, this doesn't imply that other leadership factors will have no effect on employee job satisfaction components if another methodology is applied. What this means is that the researcher cannot predict employee job satisfaction factors by utilizing those leadership style factors.

Discussion and Implications

The results of this study regarding employee job satisfaction indicate that IAU employees are moderately satisfied with a mean score of overall job satisfaction of 3.75 and a standard deviation of .974. This finding is consistent with Mosadeghrad and Yarmohammadian's (2006), who used a similar instrument to measure employee job satisfaction in Iranian university hospitals. In that study, the mean score regarding job satisfaction was 3.26 ± 0.56 , which these two scholars construed as indicating moderate satisfaction.

The highest mean score of employee job satisfaction components pertains to supervision and communication (3.96). This underlines the importance of relationships between supervisors and employees and the way the organization communicates; a finding supported by similar studies which have shown supervision and communication to be important factors in terms of employee satisfaction (Lok & Crawford 1999; Rahim 1998; Mosadeghrad 2007).

The lowest mean score in this study is related to operating procedure (3.05); a result which, according to Spector (1996), is consistent with previous studies. This score indicates that employees at IAU branches are little satisfied with rules and procedures at work.

Moreover, as the findings show, the mean score of the overall transformational leadership is 3.12. The highest mean score for the transformational leadership sub-variables is 3.32 and pertains to inspirational motivation and the lowest one is 2.91 and pertains to individualized consideration. This means that IAU presidents show themselves to be reasonably inspired when it comes to stimulating employees' commitment to

perform well. However, it also indicates that they do not spend time on individualized consideration. This finding is consistent with Jandaghi, Zarei Matin & Farjami's (2002) who studied transformational leadership in successful and unsuccessful Iranian companies.

The mean score of overall transactional leadership is 3.10. The highest mean among the transactional sub-variables is 3.37 and pertains to management by exception (active). The lowest one is 2.76 and pertains to management by exception (passive). These results show that under this leadership style of management by exception, IAU leaders specify standards for compliance and may punish employees for not abiding by the regulations. These leaders may monitor deviances, mistakes and errors in their employees' performance so as to take corrective action when necessary.

The mean score of laissez-faire is 1.96, which indicates that IAU branches' presidents avoid adopting laissez-faire leadership. According to the mean scores of the leadership style variable, IAU leadership style is a combination of both transactional and transformational leadership. These findings are supported by earlier studies which also used MLQ and the full range leadership development behaviors in various organizations (Bass and Avolio, 1994; Bass 1985; Jandaghi, Zarei Matin and Farjami 2002).

In general, the results show that there is a negative relationship between laissez-faire leadership and employee job satisfaction factors. This means that employees are not satisfied under laissez-faire leadership. There is a positive association between individualized consideration and all the employee job satisfaction sub-variables. These results are consistent with previous studies showing the significant positive influence of transformational leadership factors on employee job satisfaction and the significant negative influence of laissez-faire leadership on subordinates' job satisfaction (Bass and Avolio 1994; Loke, 2001; Bass 1998; Avolio 1999, Shim *et al.* 2002; Waldman *et al* 2001; Lok and Crawford 1999; Howell and Avolio 1993).

The results of hypotheses 1, 5, 7 and 9 indicate that idealized influence (attribute), idealized influence (behavior), inspirational motivation, intellectual stimulation, individualized consideration and laissez-faire significantly influence employee job satisfaction as measured in terms of pay, recognition, co-worker and communication. These results also show that idealized influence (attributed), intellectual stimulation and individualized consideration significantly and positively affect employee job satisfaction as measured in terms of pay, recognition, co-worker and communication. This means that by providing an effective encouragement system, supporting environment, and sense of respect and confidence in employees' ability, the leaders increase employee satisfaction as measured in terms of pay, recognition, co-workers, and communication. This result is supported by Walumbwa, Orwa, Wang and Lawler (2005) who found that transformational leadership behavior has a significant and positive influence on organizational commitment and job satisfaction.

Conclusion and Recommendations

The results show that each leadership style factor will impact the employee job satisfaction factors differently.

All the results from the hypotheses - except for hypothesis 3 - indicate that individualized consideration, a transformational sub-variable, positively influences all the job satisfaction factors. On the other hand, however, laissez-faire leadership significantly and negatively influences them.

Therefore special attention should be given by IAU leaders to motivators such as employee recognition, good working conditions, communication, competitive salaries, and promotion in order to improve job satisfaction among IAU non-teaching staff.

For IAU leaders to succeed in today's fast changing educational environment, it is recommended that they adopt a transformational leadership style rather than transactional or laissez-faire leadership ones to enhance IAU employees' satisfaction consistently and efficiently; which will in turn

generate higher quality performance on the employees' part.

Besides, since transformational leadership accords with the Iranian culture of transformational-charismatic and team-oriented model of leadership, it is most suited to leaders in Iran (Yukl 2006; Dasmalchian, Javadian & Alam 2001).

IAU branches' presidents should avoid any laissez-faire behavior and spend time instead coaching, paying attention to employees' desires, abilities and needs, help them develop their talent, and provide a supportive environment. This would help achieve higher performance standard within the organization.

The presidents of the 16 IAU branches should also enhance their knowledge about leadership styles. This would help them understand how their leading style influences their employees. They should select the style best suited to the organizational goals and employees' needs and desires.

To ensure higher employee performance, they should act as ethical, behavioral and working role models and be accepted as such. Moreover, they should show more respect to their staff.

Another issue raised by the survey is that IAU presidents should encourage employees to perform special tasks that would develop their talents and creativity. This would embolden employees to see the problems within the organization from different angles and make them more confident and eager to perform the tasks at hand effectively.

It is very important to emphasize that IAU presidents need to develop suitable resource strategies and apply them to achieve high level of job satisfaction among employees, which in return will bring high levels of commitment to the organization.

Topping the list of managerial skills that IAU presidents should continue to develop are creativity, team orientation, appreciation of others, coaching, and employee recognition.

The result from hypothesis 3 indicates that contingent reward - a transactional sub-variable - has the highest level of influence on supervision followed by individualized consideration. Contingent reward has an

average mean score, which shows that some IAU presidents need to communicate unambiguously with employees about their work and responsibilities and make clear what their expectations are in terms of performance and reward, encouragement and recognition which the employees would receive for performing satisfactorily.

Therefore, IAU presidents should ensure that the rewarding system is reliable and trusted and truly intended to recognize important and meaningful employee performance. To achieve that, they need to better understand the kind of rewards and recognition employees expect, which do not necessarily have to be in a monetary form.

This finding is consistent with some previous studies which found that delivering on the promise of a contingent reward has a significant influence on employee job satisfaction. Rewarding and encouraging are consistently considered by commentators to be one of the important motivators (Snape 1996; Erkutlu 2008).

IAU presidents could also motivate their employees through enhanced participation as a means of recognition. One way to achieve this is to adopt the quality working life approach (QWL), a job design system that has proven to be effective with regard to enriching employee's jobs and providing a higher sense of challenge and achievement. The QWL advocates providing intrinsic rewards such as, for example, a feeling of success, and extrinsic rewards such as, for example, benefits, recognition, and promotion.

More effective results can be accomplished through job training, which includes modifying organizational objectives and developing new methods of coordination such as, planned progression, job rotation, re-assigning supervision, and temporary promotion until the employee has proven himself up the new task assigned.

In conclusion, as this survey shows, the ideal leadership style at IAU should be a mix of transactional managerial abilities with a proper dose of transformational abilities, such as idealized influence, inspirational motivation, and intellectual stimulation, individualized

consideration, and other ingredients such as creativity, team orientation, appreciation of others, coaching, and recognition.

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