

The Relationship between Transformational and Transactional Leadership with Job Satisfaction and Customers Satisfaction among Employees of Bank

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Abstract

The aim of the current research was to study the relationship between transformational and transactional leadership with Job satisfaction and Customers Satisfaction among personnel of the Yazd Melli bank since October 2012 until June 2013. The research method is the correlation Statistic Population consisted of all employees among the 35 branches of Yazd Melli band (220 cases) and all their clients, and 17 branches including 145 employees and 415 available clients were selected randomly to participate in research. Questions for measuring the research variable were transformational and transactional leadership questioners , with 36 questions and Minnesota satisfaction questioners with 20 questions and clients satisfaction questionnaires with 22 questions Statistic methods where the Pearson correlation coefficient and simultaneous regression analysis. Results showed that there is not a significant relationship between transformational and transactional leadership of branch managers and employee satisfaction. Also, there is not, significant relationship between the leading methods of branch managers and clients Satisfaction. Moreover, Pearson correlation coefficient does not demonstrate the meaningful relationship between clients' satisfaction and Customer Satisfaction. Simultaneous regression analysis showed that the Job satisfaction cannot predict the Customer Satisfaction

Keywords: Transformational Leadership, Transactional Leadership, Labors Satisfaction, Clients Contentment, Melli Bank.

Introduction

One of the tasks management in organizational is leadership. This leads to a lot of research in the industrialized nations and has led to gains or useful. There are many articles on leadership, but especially through diagnostics tools, there are a lot of shortcomings. Therefore, efficient and effective managers for excellence in all organizations, including financial institutions and banks, the obvious and inevitable. Nowadays organizations effective and efficient managers and employees need to be able to set goals in order to achieve the all-round development. The success of any organization depends on the realization of set goals and how to apply effective management and leadership styles manager. Patterns of behaviour

in any organization administrator create strong morale and motivation of employees and their job satisfaction and increase their professional. So as a facilitator of management style and provocative indirectly and directly affects employee productivity (Perspective, 1381: 47). But what style of management can be effective in creating job satisfaction, the question that many years of research in the field of management has been seeking answers. Recent research on transformational leadership theory and pragmatic two points. The last step we use (1992) called it the prospect of new leadership, to move from the theory of mutation and Bern (1987) began. This theory of leadership included that is pragmatic and flexible two distinct species. According to Byrne's pragmatic leadership of a transactional relationship between the leader and subordinate is in the hands of the individual, rewards the basic needs (security, affiliation and recognition) for compliance with the demands of leadership gets.

Also leadership (transformational) explained the relationship in which a leader, a person under his hand to achieve the highest possible encourage and promote greater access to classified needs and goals of success group. Identification of a transformational leader creates a new vision of leadership and different leadership approaches emerged. James (1989) theory of transformational leadership as an ethical approach proposed by the followers and leaders that will lead to higher levels of motivation and dignity. The effectiveness of leadership and winning further long term success and performance oriented transformational leadership is the same. Transformational leaders inspire their followers are motivated to do and this is one way that is beyond rewarding followers.

Various empirical studies show that between employee satisfaction and customer satisfaction, there is a direct relationship. The positive changes in vision research staff employed, leading to increased customer satisfaction. Some researchers have raised the standards in the field of numerical precision. For example, according to a study conducted a five-unit increase in employee satisfaction with the 3.1 unit increase in customer satisfaction and therefore 5 is a unit of earnings growth, employee loyalty and commitment of the staff, the quality of goods and services has a significant impact on the organization. The model proposed by the authors, employee satisfaction, commitment and loyalty are not only effective, but also on variables representing customer satisfaction, a dual effect (i.e. direct and indirect) is. In an extensive study in 2002 by two researchers on Bernard Vacant eight thousand units in 36 companies were found between job satisfaction and performance units that unit successfully, including customer satisfaction, high productivity, and good profitability. There is quite positive and direct relationship. To the extent it can be concluded in general and apply it to other organizations or units will be considered. Positive and the proof is quite visible. In particular, these researchers demonstrated between employee satisfaction and customer satisfaction, there is always a positive relationship. The basis of this study, the relationship between transformational and transactional leadership styles and employee job satisfaction and customer satisfaction in a simple form were considered based on theoretical background.

Customer satisfaction is undoubtedly one of the most strategic issues in recent decades. Back capital sources, are customers. So to maximize business performance in the future, managers must now mean our customers can focus on their most valuable asset. Because the customer is the economic success of any organization and any business. The validity of a successful organization based on the organization's long-term relationship with clients is the key factor in business customer satisfaction and loyalty, providing appropriate services.

One of the practical goals of the organization to provide the appropriate services based on customer needs and expectations are designed to base on the principles trade. Except for services based on their needs, Favorites, features and expectations of customers are not allowed. Gathering information such as integrated organizations in order to provide

appropriate services in accordance with the needs and expectations of customers helps. Organization's customer care and robe (1386) for the following reasons:

- Attracting a new customer costs 5 to 11 times that of a former client.
- two percent increase customer will be %10 of the cost.
- loss of losing a customer to another customer in order to escape 100.
- Customer satisfaction is a prerequisite for the future success of all organizations.
- the most valuable asset of any organization is customer trust.

But banking is different from other industries because of the banking relationship between the customer and the bank out longer than other industries. When a customer opens an account in a bank to bank relationships than he is. Czech frequent customers may write your check to deposit, transfer money to pay bills for their services or withdraw money from your account, the bank is sending monthly with regard. A topic that has recently attracted the attention of researchers is: what kind of behavior can lead to increased job satisfaction. This has led to the formation of two types of leadership style and transactional leadership to transformational leadership is known. Transformational leadership has created an extraordinary incentive of their followers, and their performance can be improved. The main study examined the relationship between transformational leadership styles, is the exchange job satisfaction and customer satisfaction, and this study sought to provide an answer for them.

Transformational Leadership

Decision making is an important task for leaders to apply. Most of the activities of managers (private sector) and heads (public sector) decisions are involved. This decision involves the planning of work, technical problems; the selection of subordinates, the salary, and the job duties is similar. Transformational leadership, a leadership that involves employees at all levels of the organizational hierarchy is defined. Others to participate in decisions that will affect important aspects of their lives. Two approaches to leadership behaviors transformational leadership, and power is on. Going to get their ideas and suggestions, and also certain behaviors that are used to entrusting them.

Transformational leadership and subordinates are involved in decision making and implementation. Following them into their hands in important decisions and should seek the views of the others. Collaborative systems for internal and external staff to use ideas for effective strategies to maintain organizational sensitivity, and responsiveness to allow store managers. When employees participate in the entire organization who are just more likely to engage in collective responsibility as a force only reduces cagily. Transformational leadership, support, and look back, because subordinates are consulted about problems and potential actions and ideas for solutions are encouraged. Thus, the climate is characterized by transformational leadership, staff believes the ability to increase their sense of helplessness and loss of self-esteem is minimized and subsequently reduced the unpleasantness of work (Abraham, 1998). Thus, transformational leadership, a leadership style in the workplace, the level of staff involvement in actions and decisions are based. 248). This style of leadership attitudes and behaviour of staff in particular, the role of perception, job stress, job satisfaction, willingness to leave the organization, and is linked to burnout (Bhatia, 2004, Jones et al, 1996).

Transactional leadership

The most important issue in the deployment of transactional leadership is a process of exchange between leaders and followers. It fits with the benefit of two-way exchanges are found, they can have influence on each other. In other words, leaders and followers what they want to do it (for example, salary increases) and expect the followers to realize their desires

(such as greater productivity, adherence to standards, etc.). In this exchange, both sides are highly interdependent, and the other Empathy helps to meet the demands of other Yazd. Burns (1978) states that this type of leadership, transactional leadership occurs when a person enters the process with others is exchanged, the exchange can be economic, political and even psychological. As bartering goods or goods with money, exchange ideas voters with candidates and MPs in their work, even listening to the process of health care's length transactions, involving the Finn through the power and vision The parties desire to continue working in such an environment will not appear on transactional leadership. Note that the overall aim of the course leaders and their followers are aware of the relationship between individual goals.

Methods

Due to this combination of simple relationships and transformational leadership, transactional leadership, and job satisfaction and customer satisfaction has been studied the research method is a correlation. The population of the entire staff of 220 people and 35 branches, all branches of the National Bank city of Yazd 91 formed in the spring. For a sample of 17 Branch 35 Branch randomly based on sufficient sample size to a total of 128 employees and 17 supervisors totaling 145 patients, all male, the staff and heads of branches and 415 clients randomly and available through selected branches of the same customers. In Table 1, the descriptive parameters (mean, standard deviation and variance) variables are presented.

Table 1: Descriptive characteristics of scales, heads a group of selected banks
 No statistical indicators

variance	standard deviation	mean		
0.11	0.33	4.33	Transformational Leadership	1
0.49	0.7	3.47	Transactional Leadership	2
0.061	0.25	3.82	Job satisfaction	3
0.037	0.19	4.53	Customer satisfaction1	4
0.12	0.35	4.15	Customer satisfaction2	5
0.07	0.26	4.13	Customer satisfaction3	6
0.07	0.27	3.61	Customer satisfaction4	7
0.09	0.29	3.83	Customer satisfaction5	8

As shown in Table 1, the transformational leadership has an average of 4.33 (SD 0.33), leading exchange an average of 3.47(SD 0.7), job satisfaction averages 3.82 (SD 0.25), customer satisfaction employee an average of 4.53 (SD 0.19), customer satisfaction processes provide an average of 4.15 (SD 0.35), satisfying customers' facilities physical space offices an average of 4.13 (with SD 0.26), customer satisfaction average of 3.61 (SD 0.27), satisfying customer services an average of 3.83 (SD 0.29), respectively.

Hypothesis 1: Leadership style (transformational and transactional) relationship with job satisfaction (significant) there. The result of this hypothesis is presented in Table 2.

Table 2: Correlation between Leadership Style branches with job satisfaction and customer satisfaction

transactional leadership			transformational leadership			customer satisfaction and job satisfaction	
sig	common variants	correlation	sig	common variants	correlation		
0.21	10.2	0.32	0.07	20	0.45	Job satisfaction	1
0.53	2.5	-0.16	0.6	2	-0.14	Customer satisfaction1	2
0.86	0.25	-0.05	0.93	0.05	0.023	Customer satisfaction2	3
0.5	3	-0.17	0.83	0.25	-0.05	Customer satisfaction3	4
0.7	0.8	0.09	0.15	13	0.36	Customer satisfaction4	5
0.5	2.9	0.17	0.24	5.8	0.24	Customer satisfaction5	6

As can be seen in Table 2, the relationship between job satisfaction with transformational leadership and transactional leadership is not significant ($0.05 > p$), the first research hypothesis is not confirmed.

Hypothesis 2: Leadership style (transformational and transactional) customer satisfaction with the relationship (significant) there. The result of this hypothesis is presented in Table 2. As can be seen in Table 2, the dimensions of customer satisfaction with any of the branches of Leadership Style (transformational and transactional) statistically significant ($0.05 < p$) do not exist. Thus, the second research hypothesis is not confirmed.

Hypothesis 3: The relationship between customer satisfaction and employee satisfaction (significant) there. The result of this hypothesis is presented in Table 3.

Table 3: Correlation between job satisfaction and customer satisfaction
 Row Customer satisfaction, job satisfaction

Significant	common variance	Correlation	Customer Satisfaction	
0.62	1.7	-0.13	Customer Satisfaction1	1
0.69	1.08	-0.104	Customer Satisfaction2	2
0.2	10.3	-0.321	Customer Satisfaction3	3
0.45	4	-0.2	Customer Satisfaction4	4
0.72	0.08	0.09	Customer Satisfaction5	5
0.54	2.9	0.17	total customer satisfaction	6

As can be seen in Table 3, the satisfaction of our customers in any dimension, there is no significant relationship with job satisfaction ($0.05 < p$). Thus, the third research hypothesis is not confirmed.

Hypothesis 4: The Leadership Style branches (transformational and transactional) combination is associated with job satisfaction. The result of this hypothesis is presented in Tables 4 and 5.

Table 4: Correlation coefficient between Leadership Style branches with multiple staff satisfaction with analysis of variance

standard error estimates	correlation coefficient adjusted	correlation multiple	multiple correlation coefficient	significant	F	
0.23	0.12	0.233	0.48	0.16	12	Leadership style of manager branches

Conclusions

According to the results of the branch leadership style (transformational and transactional) relationship with job satisfaction (significant) there. This assumption results in Table 2 show that job satisfaction between leadership style (transformational and transactional) there is no significant relationship ($0.05 > P$). Was assumed based on previous research in this area, there was a positive relationship between leadership style and job satisfaction is. As they were introduced, the change management of employee participation in decision-making, in-depth attention to teamwork, staff director of the favorable attitude, confidence, and motivate them to increase the job satisfaction of employees in be followed and that the focus on mobility management decisions, according to the individual, precise control, through regulations and administrative circulars and disregard for human relations, employee job satisfaction are low. But the study did not confirm this hypothesis; the researchers did not explain the relationship between leadership style and employees' job satisfaction heads of branches, stating the following reasons.

Be done, but banks system does not allow such freedom. We can assume that the leadership style of the head office alone had no effect on employees' job satisfaction and management practices Deputy Branch is also responsible for this. This could be because the bank employee satisfaction is low. A fourth reason, in this study the relationship between leadership style and job satisfaction does not significantly, due to small sample manager is forced condition. Table 2 shows the correlation between transformational leadership and job satisfaction by 0.45 and 20 which reflects their joint variance coefficient is high. Although the small sample ($n = 17$ managers) structure of the database (population 35 branches) is beyond the control of the researcher, this is another reason.

Branches between leadership style (transformational and transactional) with regard to customer satisfaction (significant) there. The results in Table 2 of this hypothesis are the verse. As can be seen in Table 2, none of the customers of the branch leadership style (transformational and transactional) correlated ($0.05 > P$) do not exist. The second hypothesis of the study are not approved. Customers will also be affected. Since the first hypothesis of this study is the significant relationship between leadership style and job satisfaction was observed, thus influencing customer satisfaction in the relationship between leadership style and the hypothesis is rejected.

The third hypothesis stated that the relationship between job satisfaction and customer satisfaction, relationship (significant) there. This assumption results in Table 3 showed that none of the customers, there is no significant relationship with job satisfaction ($0.05 > P$). The third hypothesis of the study are not approved. The reasons for the lack of a significant relationship between job satisfaction and customer satisfaction are the reasons for this are as follows.

In many cases, customer behavior, due to the high expectations of the staff are friendly and respectful staff do the job. Or in other words, satisfying customer expectations of staff is far above. Another reason for this lack of relationship (job satisfaction and customer satisfaction) e-banking system is a relationship between job satisfaction and customer satisfaction can be impaired. It could be that the clients on employee satisfaction components (speed of service, accuracy of service, expertise and proficiency of staff, management and customer communication, accountability, and advice to customers, honesty and confidentiality, complaints), in which questionnaire referred to have an impact on customer satisfaction.

All accounts will be another reason to focus on this hypothesis is rejected. The bank can do to cause a division-specific customer relationship is not with employees of other branches. Meanwhile, the control system of tangible and intangible employees on how to deal with customer's complete supervision, which prevents the employee from his job in dealing with customer dissatisfaction, will occur.

Customers can be compared based on their overall satisfaction with the bank's influence. Explain this to be stated in a way that customers, employees and other employees of the National Bank(Export, people, commerce, etc.) and compare their performance on customer behavior, speed and accuracy service, integrity and confidentiality, expertise and proficiency of staff have reported favorable.

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