

Role of Transformational Leadership in Enhancing Job Satisfaction: Evidence from Higher Educational Institutions

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ABSTRACT

Transformational leadership is a leadership style where leaders inspire their subordinates to achieve higher performance levels by motivating them, challenging them intellectually, and addressing their individual needs. This study examines the influence of transformational leadership, focusing on the four dimensions - Idealized Influence, Inspirational Motivation, Individualized Consideration, and Intellectual Stimulation on Job satisfaction among educators in Haryana. The research aims to identify which aspects of transformational leadership contribute most significantly to enhancing job satisfaction. Data were collected from 160 teachers using a structured questionnaire and analysed through PLS-SEM using SmartPLS4. The findings reveal that Individualized Consideration and Inspirational Motivation have a significant positive impact on job satisfaction, underscoring the importance of personalised support and visionary leadership. In contrast, Idealized Influence and Intellectual Stimulation showed no significant effects on Job satisfaction. The study offers valuable insights for enhancing leadership strategies in educational institutions, thereby contributing to a more supportive and satisfying work environment for educators.

Keywords: *Transformational leadership, Job satisfaction and Higher Education*

Effective leadership is not merely about issuing commands to subordinates; rather, it is about fostering an environment where employees feel valued, supported, and motivated to excel. In today's competitive and dynamic work environment, organisations increasingly recognise human resources as their most valuable asset. While management plays a crucial role in directing operations, leadership is essential for inspiring innovation, enhancing productivity, and cultivating a positive workplace culture. Among various leadership styles, transformational leadership has gained significant attention due to its ability to motivate employees, foster commitment, and enhance job satisfaction (Avolio & Bass, 2001). Transformational leaders influence their subordinates through a compelling vision, intellectual stimulation, and individualised attention, thereby creating an environment that enhances job satisfaction and organisational commitment.

Bass and Riggio (2005) conceptualized transformational leadership as comprising four key dimensions - Idealized Influence, Inspirational Motivation, Intellectual Stimulation, and

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Individualized Consideration (the 4 I's), which collectively contribute to employees' motivation and satisfaction. Research has demonstrated that transformational leadership has a positive impact on job satisfaction across various industries (Mohd Zin et al., 2023; Eliophotou, 2014; Ibraheem et al., 2011). However, existing studies often treat transformational leadership as a single construct rather than examining the independent effects of each of its four dimensions on job satisfaction. This creates a research gap, as it remains unclear which dimension exerts the strongest influence on job satisfaction in specific organisational contexts. Additionally, while transactional leadership is more commonly observed in the education sector due to its emphasis on performance metrics and academic outcomes, it has been criticised for prioritising grades over holistic skill development and faculty satisfaction (Jung et al., 2006). In contrast, transformational leadership fosters long-term professional growth, innovation, and employee well-being, making it a leadership style worth investigating in higher education institutions.

While several studies have explored the relationship between transformational leadership and job satisfaction in various professional settings, research on this topic has been limited in the higher education sector, particularly in the Indian context. Additionally, the direct effects of each of the four I's on job satisfaction have not been sufficiently explored, leaving a critical gap in the literature. Furthermore, most existing studies fail to differentiate between faculty and administrative staff perceptions of transformational leadership, despite the fact that these groups may experience leadership influences differently. Given the increasing challenges in higher education, such as faculty burnout, declining job satisfaction, and administrative pressures, understanding how transformational leadership can foster a more engaged and satisfied workforce is crucial.

This study aims to fill these gaps by investigating the individual impact of the four I's of transformational leadership on job satisfaction in higher educational institutions in the Haryana region of India. By adopting a quantitative approach, this research will empirically assess the role of transformational leadership in shaping the satisfaction of faculty and administrative staff, providing valuable insights for educational policymakers, administrators, and institutional leaders. The study's objectives include examining the relationship between transformational leadership and job satisfaction, analyzing the independent effects of each dimension, determining which dimension has the most significant impact, and offering practical recommendations for leadership enhancement in educational institutions.

LITERATURE REVIEW

Transformational leadership

In the field of organisational behaviour and leadership studies, transformational leadership has been widely recognised for its profound impact on employee attitudes and organisational outcomes. Broadly, leadership styles are categorised into transactional, laissez-faire, and transformational leadership (Bass & Riggio, 2005). Among these, transformational leadership stands out as it emphasises intrinsic motivation, personal development, and a shared vision that fosters organisational commitment.

Transformational leaders inspire their followers by articulating a compelling vision, instilling a deep sense of organisational purpose, and prioritising collective goals over individual interests (Avolio & Bass, 2001; Bass & Riggio, 2005). According to Burns (1978, p.141), a transformational leader is *“one who raises the followers' level of consciousness*

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about the importance and value of desired outcomes and the methods of reaching those outcomes.” This leadership style has gained significant scholarly attention due to its strong correlation with improved job performance, employee satisfaction, and organisational effectiveness.

Transformational leadership in higher education

The role of transformational leadership in educational institutions has been extensively studied, particularly in the context of enhancing institutional effectiveness, fostering innovation, and improving job satisfaction among faculty and staff (Chin, 2007). Given the rapid advancements and evolving demands in the education sector, transformational leadership has emerged as a critical factor in shaping a positive work environment. Research suggests that educational leaders who adopt transformational leadership practices have a positive influence on faculty motivation, institutional culture, and overall job satisfaction (Leithwood & Jantzi, 1997). Furthermore, transformational leadership has been linked to improved teacher commitment, student outcomes, and institutional adaptability in dynamic educational environments (Chin, 2007). These findings underscore the crucial role of leadership in driving institutional success and cultivating a supportive work environment for educators.

Transformational leadership and Job satisfaction

Job satisfaction is influenced by multiple factors, including salary, fringe benefits, recognition, work-life balance, and job security. However, leadership style plays a particularly pivotal role in shaping job satisfaction, as it directly impacts organisational climate, employee motivation, and interpersonal relationships (Ibraheem et al., 2011). Research consistently supports a positive correlation between transformational leadership and job satisfaction, with transformational leaders fostering an environment that promotes engagement, trust, and professional growth (Alrowwad et al., 2020).

Transformational leaders motivate their teams by enhancing their sense of purpose, promoting autonomy, and recognising individual contributions (Hickman, 2010). As job satisfaction reflects an individual’s perception of their job experience, monitoring and improving job satisfaction becomes crucial in reducing absenteeism, turnover rates, and employee dissatisfaction (Riaz & Haider, 2010; Puni et al., 2018; Alamir et al., 2019; Mickson et al., 2020).

Among the various theoretical models of transformational leadership, Bass’s (1985) Four I’s Framework is widely acknowledged as a crucial determinant of job satisfaction (Figure 1). These four dimensions- Individualized Consideration, Idealized Influence, Inspirational Motivation, and Intellectual Stimulation, significantly enhance employees' job satisfaction and commitment.

Idealized Influence

Idealized influence reflects a leader’s role as an ethical role model who inspires trust, respect, and admiration from followers. Leaders with strong idealized influence demonstrate consistency, integrity, and a commitment to organisational values, fostering employee loyalty and engagement (Bass & Riggio, 2014). Research has established a positive relationship between idealized influence and job satisfaction, as employees feel more secure and motivated when working under visionary leaders who lead by example (Gitoho et al., 2016; Emu & Umeh, 2014). Thus, it can be hypothesised that:

H1: Idealized Influence is positively related to Job Satisfaction.

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Inspirational Motivation

Inspirational motivation involves a leader's ability to articulate a compelling vision and inspire enthusiasm and commitment among followers. Leaders who practice inspirational motivation enhance employee morale by instilling a sense of purpose and shared vision (Antonakis et al., 2003). This motivational aspect of leadership fosters higher job satisfaction, as employees feel valued, driven, and connected to organisational objectives (Rajan, 2015).

Thus, it can be hypothesised that:

H2: Inspirational Motivation is positively related to Job Satisfaction.

Individualized Consideration

Individualized consideration refers to a leader's ability to provide personalised attention, mentorship, and support to each follower. Leaders who exhibit this trait recognise the unique needs and aspirations of their employees, fostering a culture of professional growth and development (Mgaiwa, 2023). Through active engagement in advising, coaching, and addressing individual concerns, transformational leaders enhance employees' sense of belonging and job satisfaction (Bruch & Walter, 2007). Thus, it can be hypothesised that:

H3: Individualized Consideration is positively related to Job Satisfaction.

Intellectual Stimulation

Intellectual stimulation encourages employees to think creatively, challenge existing norms, and propose innovative solutions. Transformational leaders stimulate innovation by promoting a culture of critical thinking, open dialogue, and continuous learning (Bass et al., 2003; Deinert et al., 2015). Research highlights a strong correlation between intellectual stimulation and job satisfaction, as employees experience higher engagement, empowerment, and professional fulfilment when encouraged to think independently (Thuan, 2020). Furthermore, leaders who encourage creativity and problem-solving foster a positive work environment that enhances job satisfaction (Khalil et al., 2018). Thus, it can be hypothesised that:

H4: Intellectual Stimulation is positively related to Job Satisfaction.

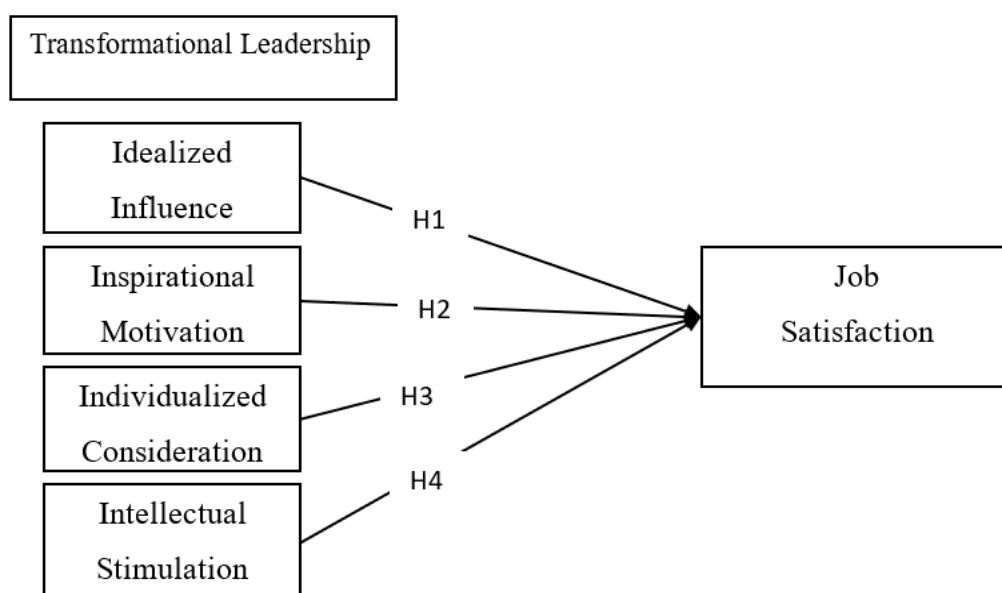


Figure 1: Conceptual Framework

RESEARCH METHODOLOGY

The study population comprised teachers from the Haryana region. A total of 220 questionnaires were distributed, of which 170 were returned, yielding a response rate of 77.27%. After screening, 160 responses were deemed usable for analysis. Moreover, in line with Reinartz et al., (2009) recommendation of a minimum of 100 samples for structural equation modeling using partial least squares (PLS-SEM). This sample size seems suitable. The study employed a Likert scale ranging from "Strongly Agree" to "Strongly Disagree." Transformational leadership traits were assessed using the Multifactor Leadership Questionnaire developed by Avolio and Bass (1995), encompassing four dimensions: Inspirational Motivation, Intellectual Stimulation, Idealized Influence, and Individualized Consideration. The scale comprised 16 items. Job satisfaction was measured using the Brayfield and Rothe (1951) scale, which included six items. Among the 160 usable responses, 67 respondents (41.9%) were male, while 93 (58.1%) were female.

Following data collection, Structural Equation Modelling (SEM) was conducted using the Partial Least Squares (PLS) approach in SmartPLS 4. PLS-SEM is preferred for predictive modelling and theory development (Reinartz et al., 2009). The analysis was carried out in two stages: first, the measurement model was assessed for reliability and validity; second, the structural model was analysed to test the proposed hypotheses.

RESULT AND DISCUSSION

Reliability and Validity Analysis

The measurement model was evaluated to establish the reliability and validity of the constructs (see Table 1). First, factor loadings for all items exceeded the minimum acceptable threshold of 0.50 (Hair et al., 2010). However, items JS4 and JS5 were removed as their loadings fell below this threshold. Reliability was assessed using Cronbach's alpha, rho_A, and composite reliability, all of which exceeded the recommended threshold of 0.70 (Wasko & Faraj, 2005). The rho_A values were found to be between Cronbach's alpha and composite reliability, as suggested by Sarstedt et al. (2017). Convergent validity was confirmed, as the average variance extracted (AVE) exceeded 0.50. Discriminant validity was assessed using the Heterotrait-Monotrait (HTMT) ratio of correlations (Hensele et al., 2015), with all values below the conservative threshold of 0.85, thereby establishing discriminant validity (see Table 2).

Table 1: Reliability and Validity of Construct

Constructs	Items	Loadings	α	rho a	CR	AVE
Individualized Consideration (IC)	IC1	0.803	0.702	0.759	0.81	0.52
	IC2	0.614				
	IC3	0.627				
	IC4	0.816				
Idealized Influence (II)	II1	0.772	0.73	0.74	0.829	0.549
	II2	0.726				
	II3	0.751				
	II4	0.714				
Inspirational Motivation (IM)	IM1	0.709	0.703	0.72	0.816	0.527
	IM2	0.765				
	IM3	0.777				
	IM4	0.645				
Intellectual Stimulation (IS)	IS1	0.684	0.713	0.72	0.823	0.538

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	IS2	0.774				
	IS3	0.772				
	IS4	0.698				
Job Satisfaction (JS)	JS1	0.667	0.755	0.784	0.842	0.573
	JS2	0.82				
	JS3	0.809				
	JS6	0.721				

Table 2: Output of HTMT analysis

	II	IC	IM	IS	JS
II					
IC	0.714				
IM	0.711	0.556			
IS	0.575	0.474	0.611		
JS	0.543	0.522	0.701	0.495	

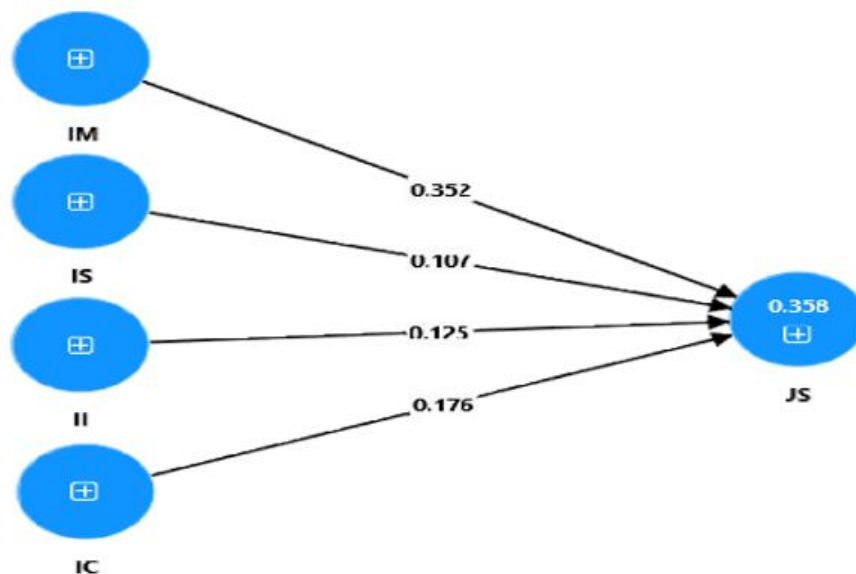
Structural Model

The structural model represents the hypothesised relationships within the research framework. Its assessment is based on the coefficient of determination (R^2) and the significance of the path coefficients. The model's explanatory power is evaluated through R^2 , which should meet or exceed the threshold of 0.10 (Falk & Miller, 1992). As shown in Figure 2, all R^2 values surpass this minimum requirement, indicating an acceptable model fit.

Table 3: Path Coefficient

		Path Coefficient	SD	t value	P values	Remarks
H1	IC -> JS	0.176	0.096	1.831	0.034	Supported
H2	II -> JS	0.125	0.097	1.296	0.098	Not Supported
H3	IM -> JS	0.352	0.097	3.629	0.000	Supported
H4	IS -> JS	0.107	0.091	1.177	0.12	Not Supported

Figure 2: Result of SEM analysis



CONCLUSION

The findings of this study reveal that Individualized Consideration (IC) and Inspirational Motivation (IM) have a significant positive impact on Job Satisfaction, while Idealized Influence (II) and Intellectual Stimulation (IS) do not demonstrate a direct effect. Specifically, Individualized Consideration (coefficient: 0.176, $p < 0.05$) and Inspirational Motivation (coefficient: 0.352, $p < 0.05$) were found to significantly enhance job satisfaction, thus supporting H1 and H3. However, Idealized Influence (coefficient: 0.125, $p = 0.098$) and Intellectual Stimulation (coefficient: 0.107, $p = 0.12$) did not show a statistically significant relationship with job satisfaction, leading to the rejection of H2 and H4.

These findings contribute to the growing body of research on transformational leadership and job satisfaction, particularly in the context of higher education institutions. They suggest that leaders who provide personalised support, mentorship, and inspiration significantly enhance employee satisfaction. However, while serving as a role model (II) and encouraging creativity and innovation (IS) are essential leadership qualities, they may not directly translate into job satisfaction among educators in the context of this study. This result contrasts with findings from Torlak & Kuzey (2019), who reported that all four dimensions of transformational leadership positively influence job satisfaction in private educational institutions in Pakistan. The differences in educational structures, institutional policies, and cultural contexts may explain these variations.

Overall, the study emphasises the importance of transformational leadership in enhancing job satisfaction among educators. Leaders in educational institutions should focus on mentoring, providing individualised support, and articulating a compelling vision to inspire faculty commitment and motivation. By leveraging these leadership qualities, institutions can create a positive work environment that fosters engagement, productivity, and overall job satisfaction. These findings offer valuable insights for educational leaders and policymakers seeking to enhance faculty well-being and institutional effectiveness.

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Conflict of Interest

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