

# The Effect of Leadership Style on Job Satisfaction Among HWI Lindeteves Shops, With Burnout as Mediating Variable

<sup>1</sup>Oey Hannes Widjaya, <sup>2\*</sup>Herlina Budiono, <sup>3</sup>Hendra Wiyanto

<sup>1,2,3</sup> Faculty of Economics dan Business, Universitas Tarumanagara, Jakarta

\*Corresponding author. Email: {hannesw@fe.untar.ac.id<sup>1</sup>; herlinab@fe.untar.ac.id<sup>2</sup>; hendraw@fe.untar.ac.id<sup>3</sup>

## ABSTRACT

The purpose of this research was to reveal the effect of leadership attitude on job satisfaction through burnout among HWI Lindeteves shops. This research used SEM-PLS in a descriptive research method that observed over 80 respondents. A positive effect of leadership style on burnout was found as the output of this research, while burnout had a significant effect on job satisfaction. Meanwhile, leadership style had a significant effect on job satisfaction mediated by burnout, while the mediating analysis on burnout resulted as partial mediating.

**Keywords:** Leadership Style, Job Satisfaction, Burnout.

## 1. INTRODUCTION

Retailers have evolved from the selling ritual to giving a pleasant shopping experience, which is described as integrated events that lead to a pleasuring, involving, relaxing, useful, and happy retail customer's experience in their life. This is also adopting the economic, psychological, and sociocultural approaches such as globalization, technological progress, human relations, also transformation of knowledge, which makes turbulence in the business environment. Thus, this requires managers to adopt a wise strategy to satisfy employees and increase the company's turnover.

Currently, retailers are facing market problems. [1] mentioned the expectations that the consumers will remain unfulfilled in embracing sustainability. Although consumers are widely more aware and concerned on social and environmental problems, skeptics claim that the expressions of consumer's good ethical intentions shouldn't be taken for anything more than that; good intention or good will [2].

The model of "new leadership" is the transformational and transactional leadership styles. The followers are given confidence by the transformational leadership style, so that a better future for the organization can be achieved. A continuous employee's physical and mental health problems come from stress and annual routines with factors that cause partial employee fatigue are important to be prevented. Social support was focused by the authors in this research, which is described as the part of an individual's network, which is relied on individual or instrumental. This research observed the effect of leadership style on job satisfaction through burnout among HWI Lindeteves shops.

## 2. THEORETICAL REVIEW

### Leadership Style

A leader usually uses leadership style to influence other people's behavior, which can also be defined as a behavioral norm, that is used by someone when he or she tries to influence the behavior of other people. The key to organizational success is the connection between leadership style, norms, and organizational culture. Leadership style is a way used by leaders to influence, arrange, encourage, and control people in achieving goals [3].

According to [4], there was some research on how leaders and their leadership styles drive changes and now it's believed that an individual's leadership style becomes very important in innovations. It is important to point out the overall leadership styles adopted in accordance with organizational beliefs, values, and assumptions. There are various types of leadership style, whereas each of them is effective depending on the circumstances, attitudes, beliefs, preferences, and values of the people involved in defining it as a stable way used by the leaders in their efforts to increase their influences, which becomes the core of leadership [5]. Many leadership styles for organizational leaders are proposed including: transactional, transformational, charismatic, democratic, servant, autocratic, consultative, laissez-faire, joint decision-making, authoritative, participative, tyrant, task-oriented, relationship-oriented, relationship-oriented, production-oriented, oriented employees, delegating, authority, management, and poor team management [6].

Leadership style also has a model, which is the transformational leadership defined by the leaders' influence on followers, in which the leaders get the employees' trust, admiration, loyalty, and respect [7]. Second is the transactional leadership that emphasizes exchanges which occur between colleagues and leaders, and between leaders and followers as defined by [8]. Leadership

goal path motivates employees by choosing behaviors that best suit for each situation (supportive, participatory, or achievement-oriented) and by providing all of their needs along with their path to reach the goal [9]. It requires certain talents such as the ability to influence and inspire others towards the ideological goals and moral values, whereas followers are willing to mitigate these values and go beyond their duties to become a charismatic leadership [9].

### **Burnout**

Burnout, in the beginning, was a concept that had no any standard definition about it, although there were various opinions about what it was and what could be done about the definition. Different people use the terms for different things, so there isn't always a basis for communication constructs about burnout problems and solutions. So, there is a consensus that defines the three-core dimension of exhaustion experience, and the next research on these issues will lead to developing a multi-dimensional theory of fatigue [10].

Burnout is a syndrome or a physical symptom, people's emotion, and mental exhaustion, as well as cynicism towards one's work in response to chronic organizational stressors. [12] found that exhaustion occurs because of the low organizational commitment. Based on the perspective of the organizational angle, it's clear that the results of exhaustion, either negative attitudes or negative behavioral aspects toward job performance – are expensive. [12] said that among so many burnout important antecedents, stressors role (such as the lack of open communication) is the main predictor of exhaustion. Burnout is reducing stress and has the shape in negative results like absence, turnover, unsatisfactory job, and the decrease of job performance quality [13].

[14] described burnout as a syndrome that consists of emotional exhaustion, depersonalization, and professional achievement, that have harmful effects both on individual employees and their organization.

This topic attracts the attention of experts who have explored the topic from various perspectives both in the retail industry (Leiter and Maslach, 1988). The first dimension of exhaustion, which is emotional exhaustion, is linked to some possible workload-related causes. [15] mentioned that those causes are the role conflict of unrealistic personal expectations, excessive interpersonal interactions, and the lack of effective stress management mechanisms [16].

There are three aspects of burnout: First, exhaustion which was mostly reported and analyzed thoroughly. [17] said that the strong identification of exhaustion has attracted some people's attention, so that the other two aspects of this syndrome become unnecessary. However, the fact that exhaustion needs criteria is not enough. If someone sees exhaustion out of context, and only focuses on the component of individual exhaustion, one will forget the phenomenon completely. Second, depersonalization is an attempt to make the distance between yourself and the service receiver by actively ignoring the qualities that make them unique and attractive. More demands can be managed when they are considered as an impersonal object of one's

work. Beyond human services, people use cognitive distance by developing indifference or cynicism when they feel tired and hopeless. Distance is a direct reaction to exhaustion because strong relationships (depersonalization) are found to be consistent in burnout research [18]. Third, reducing personal achievement with the other two aspects of exhaustion is more complex. In some cases, it appears to be a function, to some degree, either exhaustion, cynicism, or a combination of the two [18]. A chronicle work situation, extraordinary demands that contribute to the exhaustion or cynicism, tends to erode one's sense of effectiveness. Furthermore, fatigue or depersonalization disturbs.

### **Definition of Job Satisfaction**

The key that makes an organization profitable in many ways is job satisfaction. Research found that productivity and high performance are coming from employees that feel satisfied. Maintaining satisfied employees can help organizations reduce the cost of recruiting and training new employees [19].

The concept of job satisfaction is one result of an organization that is measured regularly about its most applied settings and has been extensively studied as part of organizational behavior and psychology [20]. A serious problem for the organization due to job satisfaction should be considered, because employees who feel satisfied enough are known for their high-quality performance [21], and they make their job-related capabilities to be more productive, loyal, efficient and committed to the work [22]. [23] argued if an organization can be run due to low employee job satisfaction, because usually a characteristic of a successful organization is described by the employees that feel satisfied. [22] firmly stated that "happy employees are productive employees".

There are various meanings of job satisfaction in the literature. [24] defined job satisfaction as a pleasant or positive emotional condition, outcomes from the assessment of one's work, and work experience. Job satisfaction is a common attitude of work, related to the difference between the benefits received by employees and the amount they believe they should receive, as defined by [25]. Job satisfaction much depends on the difference between what other people get from their work and what their expectations are [26]. [20] mentioned that job satisfaction is about the feelings of employees about work and other things in their work. And at the end [27], stated that composite satisfaction on one hand and satisfaction factor on the other hand are the job satisfaction contents.

[28] Kreitner and Kinicki defined job satisfaction as "affective or emotional response to various aspects of work" and on the other hand, [29] said that "job satisfaction is a set of employee feelings whether it is pleasant or unpleasant". Job satisfaction is "a general attitude towards the performance of a person's company that shows the difference between the number of awards received and the amount they believe they should receive", as stated by [30]. In general, individual job satisfaction is the amount of job satisfaction (every aspect of works) multiplied by the level of importance of the job. Satisfaction or dissatisfaction related to work is something that depends on how a conflict

between desires and the results is looked. So, it can be said that a good attitude from a workforce that includes feelings and attitudes through job assessment as respect in achieving an important value of work is called job satisfaction. Positive differences occur when expectations are smaller than achievements, so they would feel more satisfied. On the other hand, negative differences occur if the range is under the minimum standard of expectation, that can make the job dissatisfaction higher.

The total job satisfaction (from every aspect of works) multiplied by the degree of importance related to the aspect of work for the individual, is called the job satisfaction for an individual in a company. According to Locke, that an individual will feel satisfied or dissatisfied with his / her work, is something personal, which depends on how they perceive the suitability or conflict between the desires and the results of the output. There is no limitation of job satisfaction/work that is most appropriate, such as the limitation of Locke which concluded that there are two important elements in job satisfaction, which are job values and basic needs [24].

A leader with his / her leadership style will greatly affect job satisfaction, because generally a leader can to communicate well with employees, know what they want, and can motivate them to do every job that will produce something good for the company and prevent job rotation unnecessarily. In this research, the independent variable that will be discussed is the leadership style which is capable of influencing the dependent variable, which is job satisfaction, with burnout as a mediating variable.

Based on the description above, the conceptual framework, as well as the hypotheses of this research, can be developed as follows:

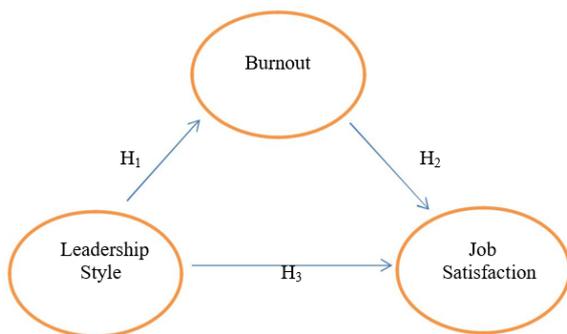


Figure 1. Conceptual Framework

Based on the conceptual framework, the hypotheses can be developed as follows:

- H<sub>1</sub> : There is a significant effect of Leadership Style on *Burnout*
- H<sub>2</sub> : There is a significant effect of *Burnout* on Job Satisfaction
- H<sub>3</sub> : There is a significant effect of Leadership Style on Job Satisfaction

### 3. METHODOLOGY

In this research, the population was HWI Lindeteves shop employees with a sample of 80 respondents. This research used SEM, in which the exogenous variable was leadership style, the endogenous variable was job satisfaction, while the mediating variable was burnout. The validity based on AVE [31] and the reliability based on Cronbach's Alpha [32] had been met. Data analysis techniques used SEM [33] along with outer model evaluation (AVE and VIF) and inner model evaluation (path coefficient test, R-Square test, f-Square test, and significance testing with the bootstrap method,) as well as mediation analysis (full mediation and partial mediation).

### 4. STATISTICS TEST RESULTS AND DISCUSSION

As the subject of this research, the respondents had their profile based on gender, age, marital status, and recent education. From the 80 samples taken, 46 were males and 34 were females. Among 80 respondents who filled in the sample, there were 28 respondents in the age of 16-20 years. Meanwhile, the employees who had got married were 44 out of 80 respondents. HWI Lindeteves Shop also recruited prospective employees who had fairly high education, which was a high school / vocational school with a total of 30 out of 80 samples.

The results of validity test that had been investigated using the loading factor by SmartPLS indicate that all the variables were valid because data analysis had been measured in the right way according to [34], whereas the value of outer loadings was greater than 0.7 and the results of the Average Variance Extracted (AVE) value from all variables tested in this research was also greater than 0.5. Meanwhile, the results of the reliability test also showed that all variables tested in this research were reliable, because the analysis had been measured in the right way according to [35], which said that the composite reliability with a value greater than 0.6 is considered reliable.

The result of the first hypothesis test (H<sub>1</sub>) explained that leadership style had a significant effect on burnout, with the slope of 0.812 (positive) and the t-statistics was 18.540 (greater than 1.645). This result was supported by the research conducted by [36], which revealed how leadership together along with organizational culture bring a positive and significant effect on job satisfaction.

The result of the second hypothesis test (H<sub>2</sub>) explained that burnout had a significant effect on job satisfaction. with the slope of 0.367 (positive) and the t-statistics was 3.036 (greater than 1.645). Low organizational commitment is related to burnout. From the perspective of the organization, it is certain that the results from exhaustion - either negative attitude or negative behavior - had a significant effect on job performance as found by [12].

The result of the third hypothesis test (H<sub>3</sub>) explained that leadership style had a significant effect on job satisfaction, with the slope of 0.503 (positive) and the t-statistics was

3.842 (greater than 1.645). This result was supported by the research conducted by [37] about further exploration of leadership style as a potential protective factor for burnout as an aspect of the work environment that can be adjusted. The result on mediating analysis indicated a specific indirect of 3.701, which means that there was partial mediation. Thus, the independent variable could affect the dependent variable with or without the mediating variable.

## 5. CONCLUSIONS AND RECOMMENDATIONS

Based on the results of data analysis, it can be concluded that leadership style has a positive and significant effect on burnout, burnout had a significant effect on job satisfaction, leadership style had a significant effect on job satisfaction, and burnout also mediated the effect of leadership style on job satisfaction. Some implications that appeared are as follows:

Employees feel burdened, either mentally or physically, that had been tested with dissatisfaction results. In this case, superiors can invite employees to help identify and overcome the burnout through group discussions between employees and managers. The interruption of communication between colleagues and superiors also has created dissatisfaction results which need to be solved in a more relaxed and positive environment that allows employees to engage in social interaction and form networks among colleagues who support each other and have the opportunity to participate in decision-making according in their portions. Superiors need to know the personality of their employees who may be sensitive to criticism, scepticism, perfectionism, and high achievers, so that appropriate strategies can be used to deal with those personalities. Dialogue is needed to open a two-way communication. The readiness to face overtime without orders has got dissatisfaction results. So, it is recommended for superiors to provide an opportunity for employees to participate in decision-making or compensation that can be feedback to make them willing to work overtime. On the other hand, some other satisfying things include employees who are satisfied with what is done, superiors who have become role models, have a conducive and friendly work environment to obtain satisfactory results from the employee as samples, as well as the conditions in which superiors prioritize the needs of groups rather than those of individuals, superiors provide a positive atmosphere in the work environment, superiors describe the work in details and can be easily understood, superiors believe that employees have their potentials and try to develop them, superiors motivate employees, superiors interact with incentives only, all had acquired satisfactory results based on the sample taken from employees. In addition, it was also found that superiors accepting criticisms and suggestions submitted by employees, superiors being creative in facing problems in the field, have dissatisfaction results. In further research, it is suggested to use variables outside of burnout and leadership style along with the examples of gender, age,

education, and culture, in order to obtain more variety of results that can describe anything which finally can affect job satisfaction.

## REFERENCES

- [1] Peattie, K. (2001). Towards Sustainability: The Third Age of Green Marketing. *The Marketing Review*. Vol. 2, pp. 129-146.
- [2] Thøgersen, J. (2010). Country differences in Sustainable Consumption: The Case of Organic Food. *Journal of Macromarketing*. Vol. 30 No. 2, pp. 171-185.
- [3] Kristanti & Harahap, P. (2012). Pengaruh Gaya Kepemimpinan, Komunikasi dan Motivasi Kerja terhadap Kinerja Karyawan (Studi pada PT. Bank Tabungan Pensiunan Nasional Cabang Semarang). *Dinamika Manajemen USM*. Vol. 1 No. 1:16-28.
- [4] Fiedler, F.E. (1967). A theory of leadership effectiveness. New York: McGraw-Hill.
- [5] Nicolaou-Smokoviti. (2004). Business Leaders' Work Environment and Leadership Styles. Vol. 52, issue 3, pp.407-427. <http://doi.org/10.1177/0011392104043085>.
- [6] Toor, S.R. and Ofori, G. (2006). An Antecedental Model of Leadership Development. *Proceedings of Joint International Symposium of CIB Working Commissions W55/W65/W86*, October, Rome, Italy.
- [7] Liden, R.C., Wayne, S.J., Liao, Chen Wei, Meuser, J.D. (2014). Servant leadership and serving culture: Influence on Individual and unit performance. Vol. 57, No. 5, pp. 1434-1452. <https://dx.doi.org/10.5465/amj.2013.0034>.
- [8] Piccolo, R. F., Bono, J.E., Heinitz, K., Rowold, J., Duehr, E., Judge, T.A. (2012). The relative impact of complementary leader behaviors: which matter most? *The Leadership Quarterly*. Vol. 23, pp. 567-581.
- [9] Fry, L.W. (2003). Toward a theory of spiritual leadership. *Leadership Quarterly*. Vol. 14, pp. 693-727.
- [10] Maslach, C. (1998). *Theory of Organizational Stress*. Chapter: A Multidimensional Theory of Burnout. Oxford University Press.
- [11] Maslach, C. and Leiter, M.P. (1997). *The Truth About Burnout: How Organization Cause Personal Stress and What to Do About It*. Jossey-Bass. John Wiley & Sons, Inc. California.

- [12] Leiter, M.P. and Maslach, C. (1988). The impact of interpersonal environment on burnout and organizational commitment. *Journal of Organizational Behavior*. Vol. 9, pp. 297-308.
- [13] Firth, H. and Britton, P. (1989). Burnout, Absence and Turnover amongst British nursing staff. *Journal of Occupational and Organizational Psychology*. Vol. 62, pp. 55-59. Doi:10.1111/j.2044-8325.1989.tb00477.
- [14] Maslach, C., Schaufeli, W.B., & Leiter, M.P. (2001). Job burnout. In S.T. Fiske, D.L. Schacter, & C. Zahn-Waxler (Eds.). *Annual Review of Psychology*. Vol 52, pp. 397-422.
- [15] Murray-Gibbons, R. & Gibbons, C. (2007). Occupational Stress in the Chef Profession. *International Journal of Contemporary Hospitality Management*. Vol. 1 No.1., pp. 32-42.
- [16] Erera-Weatherley, P.I. (1996). Coping with stress: public welfare supervisors doing their best. *Human Relations*, Vol. 49 No. 2, pp. 157-70.
- [17] Shirom, A. (1989). Burnout in work organizations, in Cooper, C.L. and Robertson, I. (Eds). *International Review of Industrial and Organizational Psychology*. Wiley. New York, NY. Pp. 25-48.
- [18] Byrne, B.M. (1994). Burnout: Testing for the Validity, replication, and invariance of causal structure across elementary, intermediate, and secondary teachers. *American Educational Research Journal*. Vol. 31, pp. 645-673.
- [19] Grissom, J.A., Nicholson-Crotty, J. and Keiser, L. (2012). Does my boss's gender matter? Explaining job satisfaction and employee turnover in the public sector. *Journal of Public Administration Research and Theory*. Vol. 22 No. 4, pp. 649-673.
- [20] Spector, P.E. (1997). *Job satisfaction: Application, assessment, causes, and consequences*. Thousand Oaks, CA: Sage.
- [21] Sattar, A.A., Nawaz, A. and Khan, S. (2012). The contextual impacts on job satisfaction of employees in the developing states like Pakistan. *Universal Journal of Education and General Studies*. Vol. 1 No. 5, pp. 136-145.
- [22] Syptak, J.M., Marsland, D.W. and Ulmer, D. (1999). Job satisfaction: putting theory into practice. *Family Practice Management*. Vol. 6 No. 9, pp. 26-30.
- [23] Galup, S.D., Klein, G. and Jiang, J.J. (2008). The impact of job characteristics on is employee satisfaction: a comparison between permanent and temporary employees. *Journal of Computer Information Systems*. Vol. 48 No. 4, pp. 58-68.
- [24] Locke, E.A. (1976). The nature and causes of job satisfaction in Dunnette, M.D. (Ed.). *Handbook of Industrial and Organizational Psychology*. Rand McNally, Chicago, IL, pp. 1293-1349.
- [25] Rocca, A.D. and Kostanski, M. (2001). Burnout and job satisfaction amongst Victorian secondary school teachers: a comparative look at contract and permanent employment. Discussion paper ATEA Conference. *Teacher Education: Change of Heart, Mind and Action*, Melbourne.
- [26] Castle, N., Engberg, J., & Anderson, R. (2007). Job satisfaction of nursing home administrators and turnover. *Medical Care Research & Review*. Vol. 62 No. 2, pp. 191-211. Retrieved from <http://mcr.sagepub.com/>
- [27] Voon, M.L., Lo, M.C., Ngui, K.S., Ayob, N.B. (2011). The influence of leadership styles on employees' job satisfaction in public sector organizations in Malaysia. *International Journal of Business, Management and Social Sciences*. Vol. 2 No. 1, pp. 24-32.
- [28] Kreitner, R. & Kinicki, A. (2008). *Organizational Behavior*. 8<sup>th</sup> Edition. Boston: McGraw-Hill.
- [29] Davis, K. & Newstrom, J.W. (1985). *Human Behaviour at Work: Organizational Behaviour*. Mc Graw-Hill Inc. New York.
- [30] Robbins, S.P. (2003). *Perilaku Organisasi*. Jakarta: PT. Indeks Kelompok Gramedia.
- [31] Gotz, O., Krafft, M., Liehr-Gobbers. (2010). *Handbook of Partial Least Squares: Concepts, Methods and Applications*. Pp 691-711. Doi:10.1007/978-3-540-32827-8-30.
- [32] Hariyanto, Agus. (2015). *Membuat Aplikasi Computer Based Test dengan PHP MySQL dan Bootstrap*. Penerbit Andi. Yogyakarta.
- [33] Hair, J.F., Ringle, C.M., and Sarstedt, M. (2011). PLS-SEM: indeed a silver bullet. *The Journal of Marketing Theory and Practice*. Vol. 19 No. 2, pp. 139-152.
- [34] Henseler, J., Ringle, C.M., and Sinkovics, R.R. (2009). The use of partial least squares path modelling in

International Marketing. In *Advances in International Marketing|Adv.Int.Mark.* Vol. 20, pp. 277-319.  
Doi:10.1108/51474-7979(2009)0000020014.

[35] Malhotra, N.K. (2010). *Marketing Research: An Applied Orientation*. 6<sup>th</sup> Edition. Georgia Institute of Technology.

[36] Chang, S.C. and Lee, M.S. (2007). A study on relationship among leadership, organizational culture, the operation of learning organization and employees' job satisfaction. *The Learning Organization*. Vol. 14 No. 2, pp. 155-185.  
<https://doi.org/10.1108/09696470710727014>.

[37] Raup, G. (2008). The Impact of ED Nurse Manager Leadership Style on Staff Nurse Turnover and Patient Satisfaction in Academic Health Center Hospitals. *Journal of Emergency Nursing*. Vol 34 No. 5, pp. 403-9.  
Doi:10.1016/j.jen.2007.08.020.