



The Impact of Transformational and Transactional Leadership Style on Employee Job Satisfaction

Adi Skopak*

International Burch University,
Sarajevo, Bosnia, and Herzegovina

Nereida Hadzaihmetovic

International Burch University,
Sarajevo, Bosnia, and Herzegovina

Abstract: The purpose of this study is to research and examine the relationship between leadership styles and job satisfaction of employees in the food industry in Bosnia and Herzegovina. As a quantitative research study, the survey method is used with a developed questionnaire for the primary data collection. The questionnaire is adopted from valid sources, contributing to leadership and job satisfaction worldwide. Using the convenience sampling method, 210 valid responses are obtained and analyzed using the Software Package for Social Sciences (SPSS). Transformational and transactional leadership styles contribute to employees' job satisfaction in food industry companies in Bosnia and Herzegovina. The results showed that contingent reward contributes to job satisfaction when it comes to transactional leadership style, while idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration contribute to job satisfaction when the transformational leadership style is practiced. This research can be applied in any company, with particular benefits for human resource management. The practical implications of this research indicate that the answers to the questions asked fully supported the assumption of the importance of choosing leadership style as the company's essence. The findings of this research contribute to the overall image and information on the relationship between leadership styles and job satisfaction. This study also lays the groundwork and serves as a starting point for future research and examining the relationship between leadership styles and job satisfaction. This study's data is useful for Bosnia and Herzegovina's food industry, as there has previously been no data recorded.

Keywords: Leadership, leadership styles, transactional leadership, transformational leadership, job satisfaction, food industry, Bosnia and Herzegovina

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INTRODUCTION

According to Jones and George (2016), leadership is the practice whereby an individual pursues influence over others and empowers, stimulates, and supervises their tasks to help accomplish organizational or group goals. An individual who possesses such authority is referred to as a leader (Jones & George, 2016). Different "leaders behave in different ways. The second decade of the 21st century has been revolutionary in many aspects, requiring adaptation and new approaches to people and methods of doing business. Building a motivating environment can be one of the greatest challenges organizations can face as a motivated, satisfied and committed workforce is harder to find and create. This leaves managers with constant evaluations, experiments, and adaptations to different people, including their behavior, attitudes, personalities as well as cultures, traditions, habits, and experiences; hence there are many different approaches to leadership through types and styles of leading, which can be of crucial value and importance for

*Correspondence concerning this article should be addressed to Adi Skopak, International Burch University, Sarajevo, Bosnia, and Herzegovina. E-mail: adiskopak@gmail.com

employees' satisfaction and good work performance and outcome.

Previous leadership research has established multiple different leadership styles. They are best known for behavioral models, i.e., a division into authoritarian, democratic, and Laissez-faire styles of leadership, and into Likert systems, i.e., an exploitative-authoritative, benevolent-authoritative, consultative, and participatory system. Leadership styles can still be classified into a trait, situational, and contemporary leadership models. Different leadership styles are defined as the behaviors leaders exhibit while working with and through others (Fauzia, Farooq, & Farooq, 2012; Hersey & Blanchard, 1982), as a pattern of interactions between the leader and his subordinates. Based on Bryman (1992), many scientists, as well as practitioners, make it clear that leadership is one of the most important and least understood phenomena, if not the most important factor influencing employee ethics and integrity and the role of the leader as a role model for employees (Khan, Akbar, Jam, & Saeed, 2016; Madlock, 2006; Waheed & Kaur, 2019). Riaz and Haider (2010) expressed how leadership is crucial in improving organizational performance. According to Deschamps (2005), it is first necessary to investigate whether there is a specific, i.e., recognizable form of leadership that can influence the development of innovative ideas. Deschamps (2005) explains, comparing world-award-winning innovation leaders, that those who create and manage innovation processes, especially compared to other excellent but more traditional business leaders, note they have different human and managerial characteristics. The difference between a leader and a manager is explained by Myers and Mullet (2003): "Leaders are people who do the right thing, managers are people who do things the way they should be done."

Leadership theories generally state that when leaders can lead successfully with the appropriate leadership style in the situation they find themselves in, they have high performance and their employees or subordinates are satisfied with their work. On the other hand, given that employees are a very important resource in the 21st century, Jones and George (2016) suggest that leaders must know and understand people. They must discover their abilities, strengths, and everything that motivates them. In short, they must acknowledge that everyone is different and deal with each employee as an individual in a comprehensive way (Jam, Donia, Raja, & Ling, 2017; Locke, 1976; Waheed & Hussain, 2010). To successfully achieve the research objective, further research is needed through which it is possible to link the way of running a company and employees and the level of employee satisfaction in the food industry, as well as to examine the significance of one variable for another. Therefore, this research will try to offer new insights into the mentioned connection. Leadership styles that will be examined throughout this research are transformational leadership style and transactional leadership style.

Work is typically defined as a planned and organized human activity to attain certain positive outcomes that meet various individual and social requirements (Ahmad & Waheed, 2015; Farooq, Akhtar, Hijazi, & Khan, 2010; Allen, Porter, & Angle, 2003; Waheed, Kaur, & Qazi, 2016). Work's relevance can be seen from various perspectives, including economic, social, psychological, and pedagogical. Work, first and foremost, ensures an individual's survival and that of others who rely on him or her. Work also allows an individual to interact socially with his coworkers and is undoubtedly a source of social status and prestige, as well as having intrinsic worth for the individual as a source of identity, self-respect, and self-actualization. As a result, work can also be regarded as a core human value. Labor values are general and long-term goals that individuals aspire for or attempt to achieve with their labor force (Jam, Khan, Zaidi, & Muzaffar, 2011; Haq, Ramay, Rehman, & Jam, 2010; Moore, 2007; Waheed, Kaur, & Qazi, 2016). These hypothetical constructs aid in behavior analysis but cannot be observed firsthand.

Furthermore, value orientations are a collection of extrinsic and intrinsic values that can be used to create organizational value. As a result, certain values take on an urgent shape, affecting the establishment of value orientations. For instance, a set of extrinsic working values reflected in material salary, material perks, and advancement preferences integrate the functional and logical connection of the utilitarian value orientation. In empirical research, this orientation is determined by answers where respondents favor various forms of benefits, including non-material ones, that is, in the preferences of these forms of extrinsic working values (Waheed & Kaur, 2016; Waheed, Kaur, & Kumar, 2016).

Objectives of the Study

This research aims to examine employee job satisfaction in the food industry in Bosnia and Herzegovina. The research attempts to expand and reinforce earlier studies by investigating the impact of transformational and transactional leadership styles on job satisfaction in the food industry. This research is also designed to expand on past studies by establishing a relationship between transformational and transactional leadership styles and job satisfaction. Furthermore, the purpose of this research is to cover the remaining literature gaps:

- Leadership styles and their influence on job satisfaction have not been researched sufficiently in the context of the food industry, especially in the region of Eastern European countries. This study will fill the literature gap concerning Bosnia and Herzegovina and the food industry.
- This study contributes to the literature by carefully analyzing transactional and transformational leadership styles and their application and effects in the food industry.
- It aims to find which characteristics and elements of leadership impact employees the most and how it influences their job satisfaction.

Research Problem/Novel Contribution

Exhaustion and frustration at work due to an absence of interest, engagement, responsibility, or authority lead to low quality of work and low productivity from the employer's perspective. An empirical study in Pakistan examined job productivity in toxic workplace environments and showed that ostracism, incivility, harassment and bullying have a direct negative effect on job productivity (Anjum, Ming, Siddiqi, & Rasool, 2018). Therefore, psychological distress on the part of the employee, along with the aforementioned elements, can result from a lack of an accurate leadership style that shapes both the employer and the employee. This is why Anjum et al. (2018) research suggested and encouraged managers to apply effective techniques of leadership styles and work on building a relationship with their employees. Furthermore, the findings of Roelofsen (2002) study imply that relationships are an important element and an aid regarding the increase in productivity in the workplace, which increases the importance of analysis of different leadership styles in the workplace and their impact on job satisfaction. Factors that could contribute to the quality of this research would be the division of food industry companies into branches that could give a clear vision of the practiced leadership styles in specific branches of the food industry. In addition, it would be interesting to analyze the variable relationship in different regions of Bosnia and Herzegovina, either by entity or canton. Future research could strengthen this study's findings, the proposed model's validity, and the relationship found in this research study.

LITERATURE REVIEW

The literature review presented in this paper is examined chronologically and in tabular form (Table 1).

Table 1 *RESEARCH INTO RELATIONSHIPS AMONG TRANSFORMATIONAL LEADERSHIP STYLE, TRANSACTIONAL LEADERSHIP STYLE, AND JOB SATISFACTION*

Researchers	Themes	Findings
Chen (2004)	This research discusses the impact of organizational culture and leadership practices on organizational commitment, job satisfaction, and ability to do the job in Taiwanese small and medium enterprises. The research looked at particular employee habits linked with transactional and transformational leadership and how they control and mediate the impacts of business culture and ethics.	According to the study's key conclusions, followers were satisfied with the contingent reward characteristic of transactional leaders and promoted reflection on transformational leaders.
Riaz and Haider (2010)	This research aimed to study the effect of transformational and transactional leadership styles on job and career satisfaction in private companies in Islamabad, Pakistan.	Results of this research suggest that all factors have significant tendencies, with a notable association between transactional leadership and job success, while transformational leadership and job satisfaction are highly related to career fulfillment.
Hamidifar (2010)	This research intended to find how different leadership styles affect employee job satisfaction at the 16 campuses of Islamic Azad University in Tehran, Iran.	According to the research survey, the most common leadership styles were transformational and transactional, and workers were fairly content with their jobs.

TABLE 1 CONTINUE....

Researchers	Themes	Findings
Voon, Lo, Ngui, and Ayob (2011)	The research explored the influence of transformational and transactional leadership styles on job satisfaction in Malaysian government enterprises.	This study's findings suggest that transformational leadership style and job satisfaction have a greater association than transactional leadership style and job satisfaction.
Shi, Chen, Xu, and Jones (2012)	The research examined the impact of transformational and transactional leadership in China's higher learning institutions.	According to the study's results, there is a strong correlation between transformational leadership and leadership efficacy, which incorporates job satisfaction, and some strong relations between transactional leadership and leadership efficiency. The study compares two leadership styles, revealing that transformational leadership might provide significant variance in anticipating job satisfaction.
Spitzbart (2013)	The research examined how transactional vs. transformational leadership influences job satisfaction in the hotel business.	The analysis revealed that both transactional and transformational leadership had a significant beneficial influence on work satisfaction. Further findings showed that leaders should be conscious of their leadership style and workforce needs.
Sakiru, D'Silva, Othman, DaudSilong, and Busayo (2013)	The research examines leadership styles and job satisfaction in Nigerian small and medium-sized businesses.	According to the research findings, the mixture of transformational and transactional leadership styles is the most beneficial in employee job satisfaction, though the analysis also showed that transformational leadership style is more typically implemented in Nigerian small and medium firms.
Pourshahid, Johari, Richards, Amyot, and Akhigbe (2014)	The study aimed to examine the influence of transactional leadership style on job satisfaction in the banking sector of Nigeria.	According to the findings of this study, the transactional leadership style boosts employee job satisfaction; however, contingent reward and active management by exemption often don't.
Alonderiene and Majauskaite (2016)	This study aimed to investigate the influence of leadership style on faculty job satisfaction in Lithuanian higher education institutions.	According to the results of a study, leadership styles at Lithuanian universities influence work satisfaction. Furthermore, it has been discovered that servant leadership has the greatest influence on work satisfaction, whereas authoritarian leadership has the least impact.
Puspa et al. (2019)	This study aimed to look at the impact of transformational leadership style on job satisfaction and organizational commitment.	The research reveals a positive correlation between organizational commitment and transformational leadership and also a positive correlation between transformational leadership and job satisfaction.
Abelha, Carneiro, and Cavazotte (2018)	They have researched the impact of organizational contextual factors and individual characteristics on the relationship between transformational leadership and job satisfaction.	The study's results indicate that the relationship between transformational leadership style and job satisfaction is moderated by the followers' gender, which is stronger for female followers. At the same time, it is not affected by the followers' area of professional training or type of organization.
Kouni, Koutsoukos, and Panta (2018)	This study investigates the effect and contribution of transformational leadership style on the job satisfaction of secondary education teachers in Greece.	The study results imply that the teachers' job satisfaction is higher when their supervisor acts as a transformational leader.
Lan, Chang, Ma, Zhang, and Chuang (2019)	The research focuses on the effects of transformational leadership, transactional leadership, and authoritarian leadership on job satisfaction among Cram School academic staff in New Taipei City, Taiwan.	According to the study, people who work under transformational leadership have a greater favorable effect on their overall job happiness.

TABLE 1 CONTINUE....

Researchers	Themes	Findings
Bolyen et al. (2019)	The influence of transactional and transformational leadership styles on employee satisfaction in multinational corporations was explored in this research.	According to the outcomes of the study, transformational and transactional leadership are significantly positively and significantly associated with employee job satisfaction. Consequently, people who are satisfied with their jobs are likely to perform better when transformational and transactional leadership are involved. The researchers emphasized the necessity of both leadership styles as crucial to employee job satisfaction, which can contribute to organizational effectiveness.
Widodo, Silitonga, and Azahra (2019)	The research examined the impact of transactional leadership on employee work motivation and satisfaction at the Jakarta Stock Exchange.	According to the findings of this study, transactional leadership can boost employees' job satisfaction.
Mwesigwa, Tusiime, and Ssekiziyivu (2020)	They researched Leadership styles, job satisfaction, and organizational commitment among academic staff in public universities.	This research has shown a strong correlation between job satisfaction, leadership styles, and organizational commitment showing that job satisfaction partially mediates the relationship between leadership style and organizational commitment.
Abd Rahman (2021)	This research aimed to evaluate the correlation between leadership styles and job satisfaction among Malaysian private-sector employees. The transformational and transactional leadership styles were applied for analysis.	According to the results of a study, transformational and transactional leadership are highly correlated with job satisfaction. It was proven to have a beneficial influence on forecasting job satisfaction.
Mahmood, Arshad Ali, Nazam, and Nazim (2021)	The research explored college professors' transformational and transactional leadership styles and their job satisfaction.	According to the research results, there is a link between transformational and transactional leadership styles and job satisfaction. However, there is a strong link between transformational leadership style and job satisfaction.
Belias, Rossidis, Papademetriou, and Mantas (2022)	This study investigates how job satisfaction is affected by transformational leadership style in the Greek Tourism sector.	The study findings showed a positive relationship between the implementation of leadership styles and job satisfaction, where employees recognized their managers' striving for effective cooperation within their workplace by applying a transformational leadership style.
Sunarsi, Paramarta, Munawaroh, Bagaskoro, and Evalina (2021)	Sunarsi et al. (2021) examined the effect of leadership style, where they choose transformational and transactional leadership, on job satisfaction in information technology industries.	This research showed a positive effect of transformational leadership style on job satisfaction, while transactional leadership was proved to have no significant effect on employee satisfaction.
(Allozi, Alshurideh, AlHamad, & Al Kurdi, 2022)	This study investigated the impact of transformational leadership on job satisfaction, where moderating role taken into account was organizational commitment. The study was conducted in UAE and considered Jordan manufacturing companies.	Study findings show that transformational leadership has a significant and positive impact on job satisfaction, whilst organizational commitment as moderating role had no significance.
Aras and Jufri (2022)	This study explored the effects of Leadership Style on Employees' Job Satisfaction aiming to understand various leadership styles in the organizational leadership hierarchy.	The results of this study show that the transformational style contributes the most to employees' job satisfaction.

Conceptual Framework and Hypotheses Development

The purpose of this research was to prove practically and theoretically the impact of transformational and transactional leadership styles on employee job satisfaction in the food industry in Bosnia and Herzegovina. According to previous research, genuine leaders have the power to boost staff motivation, participation, job satisfaction, loyalty, and engagement, all of which promote better outcomes (Avolio, Zhu, Koh, & Bhatia, 2004).

Some previous studies have investigated the impact of different leadership styles on job satisfaction. Most previously conducted studies show a strong relationship and correlation between transactional and transformational leadership styles and job satisfaction. The difference in research results mostly depends on the environment and research target groups that affect the level of correlation between distinctive leadership styles and the level of job satisfaction.

Silins and Mulford (2002) found that the transformational leadership style is better suited for the educational environment as it positively influences teachers whose job satisfaction level is exemplary. This research supported Rossmiller (1992) conclusion that teachers' perception of principals' transformational leadership skills strongly influences teachers' job satisfaction. Rossmiller (1992) has discovered that school principals who practice transformational leadership are more able to develop and increase job satisfaction among professors than those who do not (Long & Thean, 2011). Hamidifar (2010) explored how leadership styles influence employee job satisfaction at the 16 Islamic Azad Universities in Iran and found that the dominant leadership styles were transformational and transactional, where employees were satisfied with their job. Shi et al. (2012) conducted another study in the academic sector. Their research showed a highly significant relationship between transformational leadership and leadership effectiveness, which takes into account job satisfaction and a strong link between transactional leadership and leadership effectiveness.

Furthermore, the study compares the two leadership styles, revealing that transformational leadership might explain the additional variance in forecasting job satisfaction. Alonderiene and Majauskaite (2016) investigated the influence of leadership style on faculty job satisfaction in Lithuanian higher education institutions. According to the study's findings, leadership styles at Lithuanian universities have an impact on job satisfaction. Additionally, it has been established that servant leadership has the greatest influence on job satisfaction, whereas autocratic leadership has the slightest influence.

Voon et al. (2011) research studied the impact of transactional and transformational leadership styles on job satisfaction in public sector organizations in Malaysia, where transformational leadership style has a stronger connection with job satisfaction. This study implies that the transformational leadership style is deemed applicable in the management processes of governmental organizations. On the other hand, a study by Pourshahid et al. (2014) regarding transactional leadership style and its impact on employee satisfaction showed that transactional leadership style positively contributes to employee job satisfaction. The findings presented include a conclusion that contingent reward and active management by exemption enhance employee satisfaction while passive management by exemption does not (Pourshahid et al., 2014). Riaz and Haider (2010) also investigated the role of transformational and transactional leadership styles on job satisfaction and career satisfaction. Their findings show positive trends in all variables, with a significant relationship between transactional leadership and job success, while transformational leadership and job success are highly related to career satisfaction (Riaz & Haider, 2010). One of the latest studies considering specifically transformational and transactional leadership styles which impact job satisfaction was conducted by Mahmood et al. (2021), whose findings are that even though there is a relationship between the three variables, a significant connection was found between transformational leadership style and job satisfaction. Despite most research showing a relationship between the aforementioned leadership styles and job satisfaction, a study conducted in Slough, United Kingdom, has shown different findings where transformational leadership style has a positive effect on job satisfaction.

In contrast, the transactional leadership style does not significantly affect job satisfaction in the retail sector (Asgar & Oino, 2018). So far, research that showed a strong relationship between all three variables, transformational leadership style, transactional leadership, and job satisfaction, was conducted by Spitzbart (2013), who examined the relationship in the hotel industry, and Sakiru et al. (2013) who examined the relationship between variables in small and medium enterprises in Nigeria. Both studies showed the strong positive impact of both leadership styles and that the combination of the two has proved to have the best influence on the job satisfaction of employees (Sakiru et al., 2013; Spitzbart, 2013).

Hypotheses

H1: *Transformational Leadership has a positive impact on Employee Job Satisfaction*

H1a: *Contingent reward has a positive impact on Employee Job Satisfaction.*

H1b: *Active management by exception positively impacts Employee Job Satisfaction.*

H1c: *Passive management by expectation positively impacts Employee Job Satisfaction.*

H2: *Transactional Leadership has a positive impact on Employee Job Satisfaction*

H2a: *Idealised influence has a positive impact on Employee Job Satisfaction*

H2b: *Inspirational motivation has a positive impact on Employee Job Satisfaction*

H2c: *Intellectual stimulation has a positive impact on Employee Job Satisfaction*

H2d: *Individualised consideration has a positive impact on Employee Job Satisfaction*

METHODOLOGY

Samples and Procedures

Employees in the food industry are the research's target population. Survey respondents are hired and under the observation of a leader. Chosen companies are located in Bosnia and Herzegovina. The survey instrument was developed and distributed to all sample members via telephone and email. 547 people were contacted, and 216 valid responses were collected.

The survey was composed of 51 questions, where 8 questions were related to the demographic information of participants. To assess survey questions, a five-point Likert scale was used. In the Likert scale, 1 was used for the label "Strongly Disagree," while 5 was used for "Strongly Agree."

Most of the respondents, particularly 30%, were between 20-25 years old, whilst 21% were 30-35 years old. Other age groups took 18.6%, 18.1%, and 11.4% in particular 26-29, 36-40, and above 40 respectively.

More respondents were male, in particular 132 of them taking up 62.9% of the respondents' group. The majority of the respondents have obtained their Bachelor's degree, particularly 121 of them taking up 57.6%, while the next biggest group were individuals who obtained a Master's degree, in particular 67 of them taking up a total of 31.9%.

The work experience of the respondents is mostly less than 5 years, counting for 41.4%, whereas experience at the current company is between 5 and 10 years, counting for 42.4% of the total respondents. Table 2 summarizes the sociodemographic characteristics of the respondents.

Table 2 *SOCIODEMOGRAPHIC PROFILE OF RESPONDENTS*

Variable	Demographics	Count	Percentage
Age	20-25	63	30.0%
	26-29	39	18.6%
	30-35	46	21.9%
	36-40	38	18.1%
	Above 40	24	11.4%
Gender	Male	132	62.9%
	Female	78	37.1%
Education Level	Doctorate Degree	5	2.4%
	Master's Degree	67	31.9%
	Bachelor's Degree	121	57.6%
	High School	17	8.1%
Total Work Experience	Less than 5 years	87	41.4%
	5-10 years	55	26.2%
	10-15 years	41	19.5%
	More than 15 years	27	12.9%

Measures

All survey questions were gathered from the relevant and reviewed literature. The validity and quality of the selected questions were tested in existing research. Questions were originally developed in the English language and were translated into the Bosnian language.

The survey consisted of four sections. Questions in the first section investigated the demographic background of the participants. Questions in the second section were related to the transactional leadership style, and the third section

of questions was related to the transformational leadership style. The fourth section was designed to assess information regarding the job satisfaction of participants in companies they are currently employed.

Scales developed from the Multifactor Leadership Questionnaire (MLQ) published by Bass (1990) and applied in Rothfelder, Ottenbacher, and Harrington (2012) scientific research was used to evaluate leadership behavior. Job satisfaction was measured using an eight-item scale developed by Rothfelder et al. (2012) and based on scales established by Brown and Peterson (1993) and Clark, Hartline, and Jones (2009).

RESULTS/FINDINGS

A total of 210 people answered the 53-item questionnaire, which included demographic questions. Before conducting the analysis, the questionnaire's reverse questions were reversed.

A quantitative analysis of collected data was performed using descriptive analysis, where mean, minimum and maximum value, standard deviation, and variance were included. According to the data, the responses were consistent throughout the questionnaire. Table 3 shows descriptive statistics containing the number of responses, measurement scale, mean, standard deviation, and variance. All valid and completed questions were selected and imported into the statistical software IBM's SPSS.

Reliability analysis of this research was performed before deriving conclusions and hypothesis testing from the obtained data. Reliability analysis is related to the survey evaluation as a pre-condition of the data analysis process. Cronbach's Alpha for the instrument used in this research is shown in Table 4 for each variable and is .991 for Transactional Leadership Style, .991 for Transformational Leadership Style, and .982 for Employee Job Satisfaction. The results of Cronbach's Alpha for the variables imply consistency and reliability, indicating how reliable the research instrument is. Since the results of Cronbach's Alpha for all study variables are closer to 1, the measurement scale is more reliable.

Table 3 *DESCRIPTIVE ANALYSIS*

Variable	Dimension	Cronbach's Alpha
Transactional Leadership Style	Contingent reward	.976
	Active management by exception	.982
	Passive management by exception	.960
Transformational Leadership Style	Idealized influence	.974
	Inspirational motivation	.980
	Intellectual stimulation	.978
Employee Job Satisfaction	Individualized consideration	.977
	Employee Job Satisfaction	.982

Linear Regression Analysis was performed to analyze the study results, showing the interconnection between observed variables, expressed in the form of collected data. As a result, the analysis produces a regression equation where results can provide information on the variables and their surroundings. Tables 5 and 6 show the Model Summary of the Regression Analysis performed for this research study.

Table 4 MEAN, STANDARD DEVIATION, AND CORRELATIONS BETWEEN DEPENDENT VARIABLE AND THE TRANSFORMATIONAL AND TRANSACTIONAL LEADERSHIP STYLE

Variables	M	SD	CR	AME	PME	II	IS	INS	IDS	ES
Contingent reward	3.73	1.062	1							
Active management by exception	3.802	1.022	.983**	1						
Passive management by exception	3.218	1.039	.969**	.969**	1					
Idealized influence	3.434	0.945	.964**	.956**	.985**	1				
Inspirational stimulation	3.956	0.891	.974**	.975**	.963**	.946**	1			
Intellectual stimulation	3.88	0.823	.970**	.961**	.969**	.963**	.981**	1		
Individualized stimulation	3.694	0.885	.974**	.965**	.977**	.980**	.960**	.980**	1	
Employee satisfaction	3.833	0.887	.979**	.986**	.980**	.971**	.982**	.979**	.980**	1

CR = Contingent reward, AME = Active management by exception, PME = Passive management by exception, II = Idealized influence, IS = Inspirational stimulation, INS = Intellectual stimulation, IDS = Individualized stimulation, ES = Employee satisfaction

Table 5 REGRESSION ANALYSIS FOR TRANSACTIONAL LEADERSHIP STYLE WITH EMPLOYEE JOB SATISFACTION AS THE OUTCOME VARIABLE

Predictors	Beta	t	p	F	df	p	R ²
Overall model				3826.47	3	<.001	0.986
Contingent reward	0.128	2.395	0.018				
Active management by exception	0.496	9.245	<.001				
Passive management by exception	0.375	9.273	<.001				

Table 6 REGRESSION ANALYSIS FOR TRANSFORMATIONAL LEADERSHIP STYLE WITH EMPLOYEE JOB SATISFACTION AS THE OUTCOME VARIABLE

Predictors	Beta	t	p	F	df	p	R ²
Overall model				3237.470	4	<.001	0.984
Idealized influence	0.189	4.284	<.001				
Inspirational motivation	0.582	12.772	<.001				
Intellectual stimulation	-0.137	-2.157	0.032				
Individual consideration	0.371	6.165	<.001				

Referring to the Model Summary, the coefficient of correlation is strong ($R = .991$), meaning that the correlation between Transactional Leadership Style and Job Satisfaction is strong, as well as between the Transformational Leadership Style and Job Satisfaction. Since this model implies two independent variables, we will concentrate on the result of Adjusted R Square (.982), which implies that 98.2% of the variability in the level of job satisfaction is explained by the model itself or by Transformational Leadership Style and Transactional Leadership Style. Furthermore, the ANOVA F value (3826.474) shows the research model's high significance, indicating p at $<.001$.

The unstandardized beta coefficient for Transformational Leadership Style (1.004) indicates that an increase or improvement in Transformational Leadership Style will contribute to an increase in Job Satisfaction. p -Value (Sig. column) $<.001$ indicates supportive results for Transformational Leadership Style with Job Satisfaction concluding that $H1$ is supported.

Unstandardized beta coefficients for Transactional Leadership Style (.852) indicate that increase or improvement in Transactional Leadership Style will contribute to the increase in Job Satisfaction by 85.2%. p -Value (Sig. column)

<.001 indicates supportive results for Transactional Leadership style concerning Job satisfaction, concluding that H2 is supported.

DISCUSSION/ANALYSIS

This study examined the impact of leadership styles, in particular transactional leadership style and transformational leadership style, on job satisfaction in food industry companies in Bosnia and Herzegovina. According to the study's results, transformational and transactional leadership styles contribute to employees' job satisfaction in food industry companies in Bosnia and Herzegovina. The results showed that contingent reward contributes to job satisfaction when it comes to transactional leadership style, while idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration contribute to job satisfaction when the transformational leadership style is practiced. The results support various research that has been previously done on similar topics, especially considering transformational leadership style and its strong positive connection with job satisfaction such as [Allozi et al. \(2022\)](#); [Aras and Jufri \(2022\)](#); [Mahmood et al. \(2021\)](#); [Sunarsi et al. \(2021\)](#); [Widodo et al. \(2019\)](#). [Aras and Jufri \(2022\)](#) research also proved the positive relationship between transformational leadership style and job satisfaction, where employees felt significantly satisfied when their supervisor practiced characteristics of transformational leadership style. In addition, [Allozi et al. \(2022\)](#) had similar results where in UAE and Jordan manufacturing companies, employees show higher job satisfaction when they are working under a manager who is acting as a transformational leader; this study, however, showed that organizational commitment as the moderating role had no significance concerning job satisfaction. [Sunarsi et al. \(2021\)](#) conducted a study that showed a positive effect of transformational leadership style on job satisfaction, while transactional leadership style was proved to have no significant effect on employee job satisfaction. [Mahmood et al. \(2021\)](#) also confirm a strong positive relationship between transformational leadership style and job satisfaction in their study, analysing college professors' leadership styles and job satisfaction.

Many previously conducted studies confirm this study results as a general analysis of the relationship between leadership styles and job satisfaction in management, such as [Abelha et al. \(2018\)](#); [Abd Rahman \(2021\)](#); [Bolyen et al. \(2019\)](#); [Lan et al. \(2019\)](#); [Mwesigwa et al. \(2020\)](#); [Puspa et al. \(2019\)](#). The mentioned studies have shown a positive relationship between applying leadership styles in organizations and their positive contribution to job satisfaction, with mediators such as organizational commitment, business culture, and ethics. When it comes to the measurement of job satisfaction, many studies have been done worldwide. However, a very low number of studies are done for Eastern Europe, especially Bosnia and Herzegovina. Despite the popularity of job satisfaction and leadership as management topics, there have not been many studies considering the food industry. In addition, Bosnia and Herzegovina has an interesting country profile considerably for examining the relationship between the set variables and poses an interesting case; therefore, the obtained data and results will certainly contribute to the academic research on the business and management situation of Bosnia and Herzegovina.

THEORETICAL IMPLICATIONS

The application of the Transactional Leadership style or Transformational Leadership style has significant theoretical implications. One theoretical implication of using the Transactional Leadership or Transformational Leadership style is that these particular leadership styles will provide employee satisfaction, as proven by research. When it comes to transactional leadership style, the results show that contingent reward contributes to job satisfaction, whereas when transformational leadership style is used, idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration contribute to job satisfaction.

PRACTICAL IMPLICATIONS

The term "practical" literally means "real outcomes." The reality that would occur if certain circumstances were met is a practical implication. For example, when analysts perform behavioral studies, the accuracy with which they gather data has practical ramifications for determining the efficacy of various behavioral therapies. Considering the practical ramifications of a variety of alternatives might assist in determining which ones generate the desired outcomes.

CONCLUSION

This study's objective was to show a positive relationship between leadership styles and job satisfaction in the food industry in Bosnia and Herzegovina, which was successfully confirmed. The positive relationship could pose

an interesting case for further research and examination due to the lack of data and information on food industry management in Bosnia and Herzegovina. Another interesting element of this research is the country profile of Bosnia and Herzegovina, as it is a country in transition. This research also has confirmed prior research that showed a positive relationship between leadership styles and job satisfaction, both for transactional and transformational leadership styles. Research findings also contribute to the overall image and information on leadership styles and job satisfaction relationships in Bosnia and Herzegovina, which still lacks this type and form of research in terms of topic and data. This study also sets good grounds and starting point for further research and examination of the relationship between leadership styles and job satisfaction in the future. Data obtained in this research also provide valuable information for Bosnia and Herzegovina's food industry since no data was recorded earlier. As we can see from the results collected in this scientific paper, the practical implications of this research indicate that the answers to the questions asked fully supported the assumption of the importance of choosing a leadership style as the essence of the company. The assumed results, the practical implications, suggest that the rest of the company will behave the way management takes a stand, that is, through the company's pyramidal structure.

LIMITATIONS AND STUDY FORWARD

Limitations of this research study include primarily the number of responses which should be greater for the reliability of the results and conclusion. Also another limitation would be the number of companies in the food industry in Bosnia and Herzegovina as well as their availability which could significantly contribute to and enrich the results and conclusions of this research. Another element that could contribute to the quality of this research would be the division of food industry companies into branches that could give a clear vision of the practiced leadership styles in specific branches of the food industry. In addition, it would be interesting to analyze the variable relationship in different regions of Bosnia and Herzegovina, either by entity or canton. Future research could strengthen this study's findings, the proposed model's validity, and the relationship found in this research study.

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