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RELATIONSHIP BETWEEN LEADERSHIP STYLES AND JOB SATISFACTION IN LUXURY RETAIL PROJECT

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PROGRAM: ISEM, PROJECT MANAGEMENT, LEARNING TECHNOLOGIES

PROPOSAL FOR MASTER THESIS OR APPLIED PROJECT

**TITLE: RELATIONSHIP BETWEEN LEADERSHIP STYLES AND JOB SATISFACTION IN
LUXURY RETAIL PROJECT**

CUIPING ZHANG

Date: Mar 26th 2018

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ABSTRACT

This is a study on the impact of leadership styles on the employee job satisfaction in the luxury retail project management industry. The purpose of conducting this research is to identify the impact of different types of leadership styles on the employee job satisfaction towards the organization. This research examines major leadership styles, which may be summarized as autocratic leadership, democratic leadership laissez-faire leadership, transactional leadership and transformative leadership styles. The proposed research solution for this study is a qualitative correlational study. In this study specially designed questionnaires will be used to collect the primary data from targeting population which is the people who work in the luxury retail industry in Shanghai China; Furthermore, the secondary data came from a comprehensive literature review. After the primary data and the secondary data analyzed, the study result will be addressed at the end of this research.

The result of the research shows that there is a significant relationship between the leadership styles and employee job satisfaction in the retail industry. Especially the transformational and democratic leadership style has a positive correlation in between; the finding suggests that the transformational and democratic leadership style may be the most appropriate style for leaders in the luxury retail project management.

KEYWORDS:

Few Keywords: Examples -- Retail Project Management, Leadership Styles, Job Satisfaction

1. INTRODUCTION

Every company's ultimate goal is to be successful, no matter how competitive the current environment is. Furthermore, irrespective of whether the size or market of the companies, they all strive to keep the best employees, recognizing their contributions and influence on organizational effectiveness. In order to overcome these obstacles, organizations should build a positive and healthy relationship with their staff and lead them to task fulfillment. In order to attain their goals and objectives, organizations develop strategies to compete in highly competitive markets and to increase their performance. In spite of that, not so many companies consider the human capital as their principal asset. If the employees are not satisfied with their jobs and not motivated to strive for the fulfillment of their tasks, the organization will never be successful (Dobre, 2013).

When people are competing with others, there are many needs required for continuously growing. Every individual has different combination and strength of needs like someone is driven by power while others' motivation comes from achievements. If their leader or manager capable of understanding, anticipating and controlling employees needs from the job. Their team is on the path to success. So that, it is critical for managers to know what is encouraging employee's motivations, not just a simple assumption.

Effective leadership and employee job satisfaction are two factors that have been regarded as fundamental for organizational success. A capable leader provides direction for the organization and lead followers towards achieving desired goals. In similar vein, employees with high job satisfaction are likely to exert more effort in their assigned tasks and pursue organizational interests. An organization that fosters high employee job satisfaction is also more capable of retaining and attracting employees with the skills that it needs (Mosadegh Rad, 2006)

The sustained profitability of an organization depends on its workforce job satisfaction and employee commitment. Erudite leadership management is necessary and key point to the success of an organization, which also promotes employee's commitment and productivity. Research has demonstrated, to some degree, statistical associations between leadership styles and employee job satisfaction levels (Loganathan, 2015). Several studies have also examined the relationship between the two factors and concurred that leadership has significant impacts on job satisfaction and organizational commitment (Voon, ..., & Ayob, 2011)

The author of this research was working for luxury retail industry in China for long and also had few years of management experiences in the field. However, there are limitations when the author wanted to learn which leadership style could help to improve staff job satisfaction in her own career domain. As (WARNER, 2012) pointed out: “it is critical to every leader to know what their main style preferences are so that they can evaluate the likely effectiveness of that style in a given set of circumstances or know how far they may need to change their style to get a better result.”

Luxury retail still belongs to retail which refers to all activities directly related to the selling of products and services to the ultimate consumers for their personal consumption or non-business use (Mohd-Said, 1990) - except that high priced luxury brands that give high-touch and personalized services compare with massive retail business.

According to Jing Daily, “Chinese shoppers make anywhere from 30 percent to half of the world’s luxury purchases. While Bain & Company estimated that their share of the global luxury market decreased by one percentage point in 2016, they’re still one of the most important blocs of shoppers worldwide for the global luxury industry, and will continue to be in the coming year as the upper-middle class rises across the country” (Liz, 2016). However, Chinese luxury travelers love to shop abroad; an estimation showed that more than 50% of their luxury goods purchased in

overseas. With the new changes in tariff policies for travelers in mainland China. The government wishes to bring back the consumption domestically to boost the local economy.

Although there have many case studies to exam the relationship between job satisfaction and leadership behavior in various settings such as healthcare, military, education and business organizations (Voon, ..., & Ayob, 2011). Find out which leadership style is most applicable in term of increasing employee's job satisfaction in retail project management sector is the primary pursuit of this research. That being said above is the causes and background which drive the author to explore leadership style impact on job satisfaction in retail project management in China.

To summarize, this research will explore the impact of leadership styles, which include autocratic leadership, democratic leadership laissez-faire leadership, transactional leadership and transformative leadership; on employee job satisfaction in the retail project management industry.

The five major leadership styles will be examined in order to answer the research questions and achieve the objectives of this research. This very first section is the introductory chapter which introduces the overall research project by presenting the research background and motivations;

The next chapter is Problem Statement and Justification, which states the problems that prompted for this research. Explaining the issues occurred in current circumstances that prompted for this study; The author will also set research objectives to be achieved, the research questions to be answered, and justifying the importance of this research.

The Literature review chapter includes the preliminary research through literature review lays foundation for finding relevant articles, journals, and books regards the picked subject and review of real world cases related with leadership style and job satisfaction in the retail project management will also provide insights to this research. Practitioners and researchers have already proved that the correlation between leadership style and job satisfaction. Based on these initial

researches, the author would like to continue detailed empirical research on this topic in retail project management.

In the session of proposed solution approach, it described the research solution methodology and research approaches. Data generated by means of self-administered questionnaires given to the target population. The questionnaire was designed to ascertain luxury retail employees' views of leadership styles and job satisfaction levels. This research study was descriptive, quantitative and explanatory in nature. The section of proposed solution approach is the guideline for the researcher to accomplish this research further. A detailed diagram illustrates the research methodology approach and procedures and a self-administered questionnaire will develop for the purposed of data collection in this part.

The next is conclusion chapter, the researcher will present the patterns of the results and analysis of the results which are relevant to the research questions. The research conclusion including what problems have answered and what issues have not solved yet, the limitation of this study as well as recommendations for other researchers to continue this topic in similar industries.

2. PROBLEM STATEMENT AND JUSTIFICATION

Job satisfaction is an essential objective of the organization for two particular reasons. First, every staff is worth to be treated respectfully and equally. Second, employees' job satisfaction will affect the company's success or not. Likewise, people pay same attention to leadership style as they want to be more efficient and productive when the managers adopted a proper leadership style and applied it to them (Dr. Al-Ababneh, Leadership Style of Managers in Five-Star Hotels and its Relationship with Employee's Job Satisfaction, 2013).

Very little research in the literature is available on the links between managers' leadership style and employees' job satisfaction in luxury retail project management. All the available studies were mostly conducted in western countries and limited to healthcare organizations. This study aimed to overcome this gap by investigating these variables in a group of luxury retail employees in China to define which leadership style is more effective for organizational job satisfaction. This particular study will also highlight the impact of different leadership styles on employee job satisfaction in the luxury retail sector.

The luxury industry reported (Zhong Da Pu Xin, 2015) that 2014 was the turning point for the luxury industry in China after almost a decade straight up growth. Affected by factors as the economic downturn and domestic anti-corruption, the sales performance of many luxury brands in China experienced a decline in varying degrees, with unprecedented single-digit growth and even negative growth in performance. Luxury brands were withdrawn cabinets from shopping malls, shut down the stores in major cities, the entire industry was in the transition time. In the 2015 luxury industry status report pointed out the turnover rate continuously increase from 15.4% in 2011 up to 21.7% by 2015 (Zhong Da Pu Xin, 2015). As figure 1 illustrate here, the staff retention rates are increasing year by year.

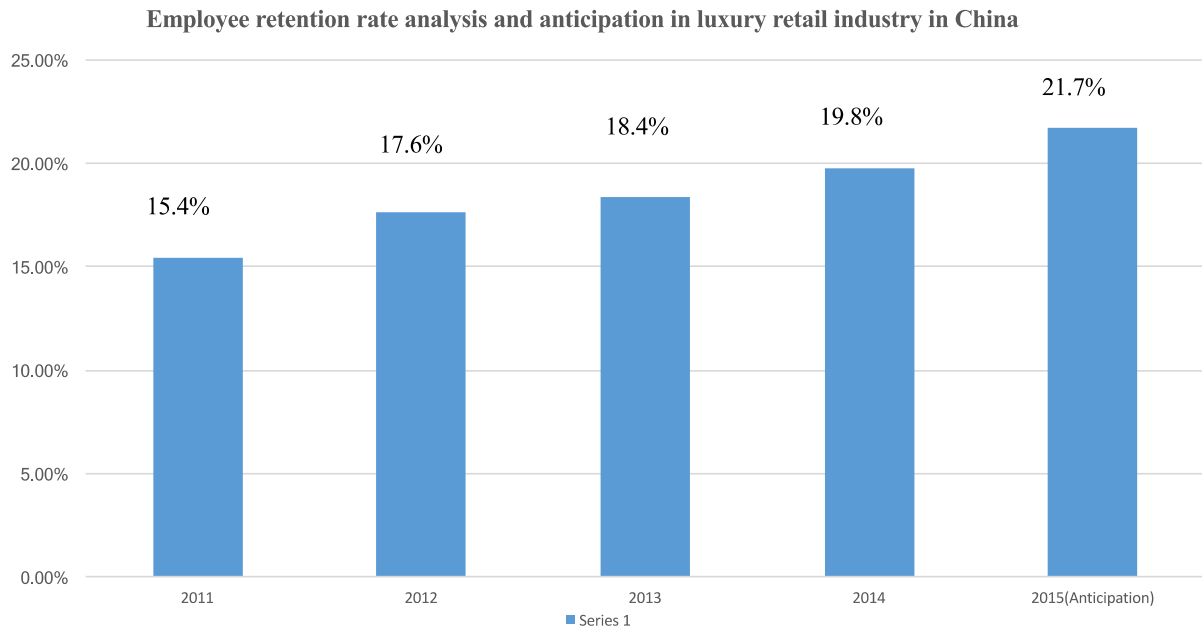


Figure 1. (Zhong Da Pu Xin, 2015)

One of the most threatening issue to a company is the high staff turnover rate in retail project management sector; There are no differences in the luxury retail industry. The author of this research was working for luxury retail project management also facing the same problem in her daily manager role as well. Higher staff turnover rates mean the organization need to bear a higher financial cost for consist candidate selecting, recruiting and training (CHAN, CHONG, & ... WONG, 2014). Replacing a full-time worker in private sector may prone to cost around 25% of the worker's yearly pay (Kenny, 2007). Even more, employee turnover may also affect the

company's productivity as well as performance, especially when it involves critical position in the organization.

Of all the industries in the global marketplace, retail certainly experiences some rough weather when it comes to employee retention. According to (Korn Ferry, 2016), the US employee turnover rate have reach to its highest since the great recession. A median turnover rate of 67 percent for part-time retail employees reported by Korn Ferry/Hay Group. "Higher employee turnover is a double-edged sword," commended by Maryam Morse, national reward practice leader of Hay Group's Retail practice. Despite the fact that it is a sign of an enhancing economy, there is a critical test for retailers who should invest more cost and time to recruit and keep labors. (Hay Group, 2012).

Employees are the most important resources of an organization in achieving organizational without employee's efforts. In order to advantageously utilize this asset, leadership style is considered being the most important determinant to increase job satisfaction and maintain good staff turnover rate (Flynn, 2009). "Committed workforce is less likely to leave the organization and is important for the organizations to achieve their desired goals. Besides, the employees "commitment, performance and productivity should definitely increase if they are treated with good leadership style" (CHAN, CHONG, & ... WONG, 2014).

The efficient solution to keep employee retention is to increase staff job satisfaction, which have been studied by both practitioners and academicians. For instance, (Robins, Organizational behaviour: Concept controversy and application,, 2005) study showcased that employees with high job satisfaction behave differently from employees with low job satisfaction. Similarly, job satisfaction is also related to many job outcomes such as job performance (Spector, 2000) and organizational commitment (WARNER, 2012). According to (Spector, 2000), the employee's

positive outcome reply on the impact between manager leadership style and employee's job satisfaction. Therefore, adopting a leadership style that works best for an organization and its employees remains one of the most effective and efficient means by which organizations achieve their objectives and that of employees' satisfaction (Babalola, 2016).

Job satisfaction is one of the most important organizational concepts that have widely been examined in the managerial literature due to its significance for organizational performance and effectiveness. (Mester, Visser, & Roodt, 2009) broadly defined job satisfaction as "the extent to which employees are content with their jobs." According to Locke, "job satisfaction as a positive emotional feeling, a result of one's evaluation towards his or her job experience by comparing between what he or she expects from his or her job and what he or she actually gets from it " (A.Locke, 1996). Employees' job satisfaction enhances their motivation, performance and reduces absenteeism and turnover (Lok & Crawford, 2004). A noteworthy achievement of into understanding job satisfaction through the Hawthorne study conducted by (Bendix & Wickstrom, 2000) found out that great working conditions upgraded work fulfillment levels at workplace. Finding also proved the people are working for purpose rather than pays. (Loganathan, 2015) stressed in his study, "Employ mood and mind are core building blocks that form the effective element of job satisfaction. Job satisfied staff show a higher level of commitment to their job and organization. This could result in increased efficiency level and low turnover with an overall positive effect on the success of the organization."

Being said all, the problem for this particular thesis is according to (Zhong Da Pu Xin, 2015) that that the job satisfaction of luxury retail industry in China declined for past 10 years, which lead to failure of meet the key performance index. (Zhong Da Pu Xin, 2015) believes that the declined job satisfaction is the key reason for high staff turnover reta, the employee retention rate dropped

almost 100% in the retail luxury industry in china. And according to (Dr. Al-Ababneh, 2013) he found that leadership behaviour was positively related to job satisfaction and therefore managers need to adopt appropriate leadership behaviour in order to improve employees' job satisfaction.

3. LITERATURE REVIEW -- ANALYSIS OF RELATED WORK

This chapter consist of a comprehensive review of the published and unpublished information from secondary sources of data that are available on the topics of interest. The secondary data refers to other researcher's publications, such as books, magazines, and journals from online database. Information that is related to the research topic will be studied and will serve as a reference to create the research framework. The empirical study of other researchers will also demonstrate the relationship between job satisfaction and five different leadership styles that including Autocratic, Democratic and Laissez-faire leadership.

There are little researches on each of these leadership styles and their relation to managers' effectiveness available in the luxury retail industry. And most research in this area led to the relationship between other factors are discussed. Results from this study will review in the results and findings chapter after a complete data analyze. By the mean of a specially designed questionnaire to collect data for this particular topic.

The definition of leadership is a process by which an individual attempt to influence other team members to achieve team goals. It also viewed as a process which people use to bring out the best in themselves and others (Loganathan, 2015). Or Leadership styles can be defined as a person's way of governing, directing, and motivating followers (Cherry K. , 2017). There is no universal definition of leadership because leadership is complex, and because leadership is studied in different ways that require different definition. As (Loganathan, 2015) summarized in his work "the concept of leadership has evolved through the years with current leadership styles adopting one or more traits of their predecessors."

Productivity in leadership sets a good example. Honesty and integrity are highly valued in a leader, and honest, forthright leaders set a standard for others (Kouzes & Posner, 2013) Various experts

have proposed identifying several different leadership styles and theories. As Mind Tools stated, “There are four core leadership theories categorized based on traits, behavioral, contingency and power influence theories (Mind Tools Content Team, 2014).” But Daniel Goleman in his article "Leadership that Gets Results" talks about six styles of leadership (Goleman, 2016).

As (Cherry K. , 2017) stated in her recent article that “over the last 50 or so years, researchers have proposed a number of different leadership styles characterized by those in business, politics, technology, and other major fields.” She summarized the five primary leadership styles which identified by different researchers at various times. Those five major leadership styles include authoritarian leadership, Democratic Leadership, Laissez-faire leadership, Transactional Leadership and Transformative leadership (Cherry K. , 2017).

The Authoritarian Leadership Style

Authoritarian leaders also called autocratic leaders, they tend to offer clear expectations about companies or organizational goals to their subordinate, including provide how to reach it and when to finish. This style of leadership is strongly focused on both command by the leader and control of the followers (Cherry, The Authoritarian Leadership Style & Others You Should Know, 2017).

As (Amanchukwu R.Z., 2015) explained, “autocratic leadership is an extreme form of transactional leadership, where leaders have complete power over staff. Staff and team members have little opportunity to make suggestions, even if these are in the best interest of the team or organization. The benefit of autocratic leadership is that it is incredibly efficient. Decisions are made quickly, and the work to implement those decisions can begin immediately. In terms of disadvantages, most staff resent being dealt with in this way. Autocratic leadership is often best used in crises situation, when decisions must be made quickly and without dissent.”

The Democratic Leadership Style

“Democratic leadership known as shared leadership or participative leadership (Cherry, What Is Democratic Leadership?, 2017).” Democratic leaders like to include their team members in the process of decision making. They encourage creativity, sharing thoughts within team and team members are usually highly engaged in their common objectives. This type of leadership is suitable for any kinds of organizations, from private companies to large non-government organizations. The benefits of democratic leadership have already proved by many researches. “Team members tend to have high job satisfaction and are productive because they are more involved. This style also helps develop employees’ skills. Team members feel a part of something larger and meaningful and so are motivated to by more than just a financial reward. The danger of democratic leadership is that it can falter in situations where speed or efficiency is essential. During a crisis, for instance, a team can waste valuable time gathering input. Another potential danger is team members without the knowledge or expertise to provide high quality input (Amanchukwu R.Z., 2015).”

The Laissez-faire Leadership

According to (Cherry, What Is Laissez-Faire Leadership?, 2017), “Laissez-faire leadership, also known as delegative leadership, is a type of leadership style in which leaders are hands-off and allow group members to make the decisions. Researchers have found that this is generally the leadership style that leads to the lowest productivity among group members.”

Laissez-faire is a French phrase means “let it be”, when such leadership appears in an organization It will bring the worst impact on their team achievement. The laisses-faire leaders offer completely freedom to his or her subordinates, they give guidance and supports only when asked, normally no

feedback provided. Such leadership creates small or even no commitment within the team, because of the team members have little sense of accomplishment.

The Transactional Leadership

(Amanchukwu R.Z., 2015) stated, “This leadership style starts with the idea that team members agree to obey their leader when they accept a job. The transaction usually involves the organization paying team members in return for their effort and compliance. The leader has a right to punish team members if their work doesn't meet an appropriate standard.” Transactional leadership, also known as managerial leadership, is all about managing others using rewards and punishments. People with this leadership style tend to prefer a great deal of structure with clearly defined roles and expectations (Cherry K. , 2017). The traits of transactional leaders are those who value order and structure, likely to command military operation, manage a larger scale of teams or groups that need the assistance of rules and regulations to achieve organizational goals on time or move people and supplies in an organized way. However, the organization values the concept of creativity and innovation might found transactional leaders hardly to meet their requirements (Spahr, 2016).

The Transformational Leadership

(Cherry K. , 2017) suggested that “the characteristics of the transformational leaders promote high levels of motivation, inspiration, and commitment. People embrace this leadership style often have a better vision of the outcome, demonstrate a great deal of passion for the work. And assist team members felt inspired and committed to the goals.” “Transformational leadership inspires people to achieve unexpected or remarkable results. It gives workers autonomy over specific jobs, as well as the authority to make decisions once they have been trained (Spahr, 2016)”.

“According to Bass, the aim of transformational leadership would be to “transform” people and organizations inside a literal sense - to alter them in the mind and heart enlarge vision, insight and

understanding clarify reasons make behavior congruous with values, concepts and brings about changes which are permanent, self-perpetuating and momentum building (Nanjundeswaraswamy & Swamy, 2014).”

Based on the author’s finding, there are several studies to examine the effectiveness of increasing job satisfaction between transactional and transformational leadership styles; Or between autocratic, democratic and laissez-faire leadership style but there are no found on all the five major leadership styles cross-checking; Especially no such study discovered in luxury retail project management. To examine the relationship between these major studied leadership styles and job satisfaction in the retail project management sector will foster the adoption of appropriate leadership style influence subordinates to develop trust in management and commitment. (CHAN, CHONG, & ... WONG, 2014) stated: “An enterprise without leadership is not able to transmute input resources into their own competitive advantage. One reason to examine the leadership style is that effective leadership can be the key success for many organizations and research can help in identifying the critical skills needed by leaders in today’s world.” The company success is dependent upon the quality and performance of its leaders.

Key points from the overall literature review, according to (CHAN, CHONG, & ... WONG, 2014) they found out that the democratic leadership style has a moderate positive relationship with the employee job satisfaction in the retail industry. That means democratic leaders tends to enhance the job satisfaction in certain extends. A moderately negative relationship between autocratic leadership and job satisfaction has been proved by (CHAN, CHONG, & ... WONG, 2014) in their study. (Cherry K. , 2017) pointed out that “The authoritarian leadership style can be problematic when overused because it can come off as domineering and tyrannical. Team members may feel unappreciated, unmotivated, and uncommitted to the group because their input is never requested.”

The employee job satisfaction with the weakest relationship is from the laissez-faire management style. The laissez-faire style can have both advantages and disadvantages, depending upon the characteristics of the situation and the group. When the members of the group are highly skilled and knowledgeable, letting them guide themselves can be a great strategy. In such cases, the leader can still offer support and advice when needed, but followers are mostly able to make their own choices.”

However, (Saleem, 2015) stated in his study that Transformational leadership has a positive association with job satisfaction which means that transformational managers through their inspiring and motivating behavior can introduce changes in psychological states of members of the organization. On the other hand, a negative association between transactional leadership and job satisfaction is found which means that transactional leaders are more worried about accomplishing organizational objectives through giving prizes or disciplines and have less concern with the inspiration of the organizational individuals.

4. METHODOLOGY

Data was collected by means of self-administered questionnaires given to the target population. The questionnaire was designed to ascertain employees' views of leadership styles and job satisfaction levels (Loganathan, 2015). This research study was descriptive, quantitative, explanatory and cross-sectional in nature.

1. Please select your department
A. Sales B. Marketing C. General Administration D. Customer Service
2. What is your gender?
A. Male B. Female
3. How long have you worked for luxury retail industry?
A. Less than 3 months B. 3 months – 1+ year C. 1 year – 3 + year D. 3 years – 10 years +
4. What category best describes your job title?
A. Officer/director/manager/supervisor
B. Sale representative
C. General administration
D. Customer service
5. To which extent do you think your supervisor/manager fits the following descriptions
A. He / She supervise employees closely; because they think otherwise the employees are not likely to do their work.
1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree
B. He / She aware of employees want to be a part of the decision-making process.
1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree
C. He / She tend to let yourself alone to solving complex problems

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

D. He / She believe that most employees in the general population are lazy.

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

E. He / She can provide guidance to your team without pressure

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

6. To which extent do you think your supervisor/manager fits the following descriptions

A. There is no intervention from your supervisor/manager when you are working on your own.

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

B. He / She use rewards or punishments for motivating the team to achieve company objectives.

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

C. He /She provides frequent and supportive communication to your team.

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

D. He / She is happy about employees to appraise their own work performance.

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

E. He / She trust all team members are competent and if given a task will do a good job.

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

7. To which extent you think the following descriptions can improve job satisfaction?

A. Your supervisor / manager helping you to accept responsibility for completing the work.

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

B. Employees should be given complete freedom to solve problems on their own

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

C. The leader is the chief judge of the achievements of the members of the group.

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

D. Effective leaders give orders and clarify procedures.

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

E. Effective leader's help subordinates find their "passion."

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

8. To which extent the following statements describe your feeling at work?

A. I feel encouraged to come up with new and better ways of doing things.

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

B. My work gives me a feeling of personal accomplishment.

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

C. I have the tools and resources to do my job well.

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

D. On my job, I have clearly defined quality goals.

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

E. My job makes good use of my skills and abilities.

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

9. To which extent that you are satisfied with ...

A. The information you receive from management on what is going on in your division/company

1. Not satisfied at all 2. Dissatisfied 3. Neutral 4. Satisfied 5. Highly satisfied

B. Your involvement in decisions that affect your work

1. Not satisfied at all 2. Dissatisfied 3. Neutral 4. Satisfied 5. Highly satisfied

C. The information you receive from management on what's going on in the company?

1. Not satisfied at all 2. Dissatisfied 3. Neutral 4. Satisfied 5. Highly satisfied

D. You are confident to get promoted in the next 2 years.

1. Not satisfied at all 2. Dissatisfied 3. Neutral 4. Satisfied 5. Highly satisfied

E. My company / managers does an excellent job of keeping employees informed about matters affecting us.

1. Not satisfied at all 2. Dissatisfied 3. Neutral 4. Satisfied 5. Highly satisfied

10. To which extent that you agree with the following descriptions

A. I experience personal growth such as updating skills and learning different jobs

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

B. Management looks to me for suggestions and leadership

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

C. I am valued by my supervisor

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

D. My supervisor's/ senior managers visibly demonstrates a commitment to quality.

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

E. Overall, I am satisfied with my job.

1. Strongly disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

5. PROPOSED SOLUTION APPROACH

Proposed Solution Approach

The research on the relationship between leadership styles and job satisfaction in the retail project management is quantitative research. The researcher quantifies data and generalizes results from a sample to the population of interest by distributing structured questionnaires to some respondents. Figure 2 illustrated the research methodology setting plan after the researcher had identified the research problem, research objectives and reviewed the published and unpublished information, and finalized the research methodology, in order to collect accurate data for findings and results. Methodology serves as a guideline and to be carried out in this research project to answer the research questions.

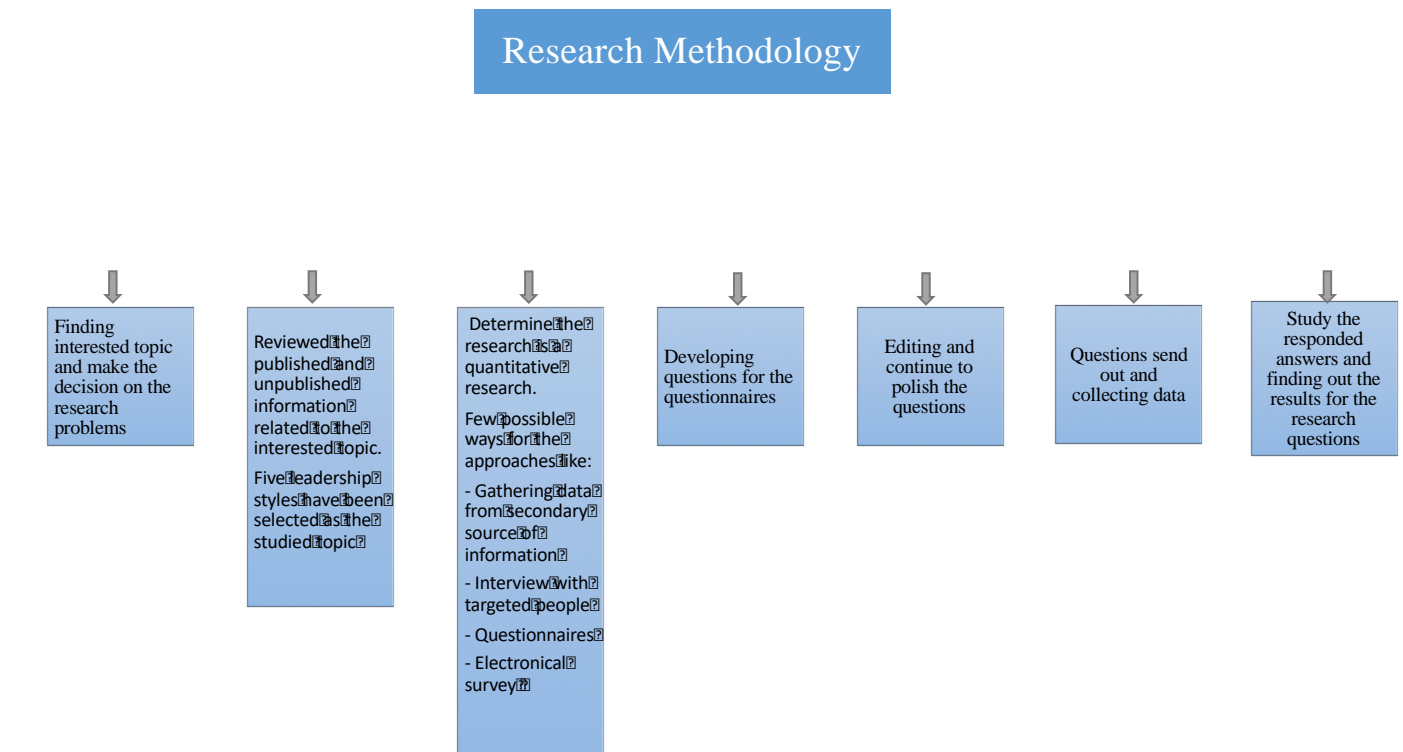


Figure 2. Research Methodology (Lallo, 2013)

Data Sources and Collection Methods

Data sources and collection are the essential aspects of any research study. Inaccurate data gathering can lead to false results of the study. This research aimed to examine the relationship between the leadership styles and the employee job satisfaction in the luxury retail industry of China. Therefore, the targeted population of this study is all Chinese who are currently working as an employee in the luxury retail industry in China. However, based on Chinese government statistic, there are about 100,000 people working in the luxury retail industry (National Bureau of Statistics of China , 2017). Looking at the large pool of possible participants, this research will narrow down to target population whom are currently located in Shanghai only. This is to reduce the time and cost involve for the research, and at the meanwhile, increase the credibility of data collected. The researcher instrument used designed questionnaire for the research. The questionnaires consist of fixed-alternative questions whereby the questions are provided with multiple or limited choices to answer for the respondents. fixed-alternative questions limit the possible answers in order to avoid bias that introduced by respondents. It requires less interviewer's skill, less time consuming and easier for the respondents to answer as well as provides comparability of answers. A five-point Likert scale to obtain the respondent's opinion based on attitude measurement. The author of this research distributed 30 copies of questionnaires through Survey Monkey to the targeted people who working in the luxury retail industry Shanghai, followed by an email to each respondent to explain the purpose of this research and questionnaires. At the end, 22 responses were collected for data analyzing.

Expected results

Key points from the overall literature review, according to (CHAN, CHONG, & ... WONG, 2014) they found out that the democratic leadership style has a moderate positive relationship with the

employee job satisfaction in the retail industry. That means democratic leaders tends to enhance the job satisfaction in certain extends. A moderately negative relationship between autocratic leadership and job satisfaction has been proved by (CHAN, CHONG, & ... WONG, 2014) in their study. However, (Saleem, 2015) stated in his study that Transformational leadership has a positive association with job satisfaction which means that transformational managers through their inspiring and motivating behavior can introduce changes in psychological states of members of the organization. On the other hand, a negative association between transactional leadership and job satisfaction is found which means that transactional leaders are more worried about accomplishing organizational objectives through giving prizes or disciplines and have less concern with the inspiration of the organizational individuals.

Finding & Results

Respondents' demographic profile

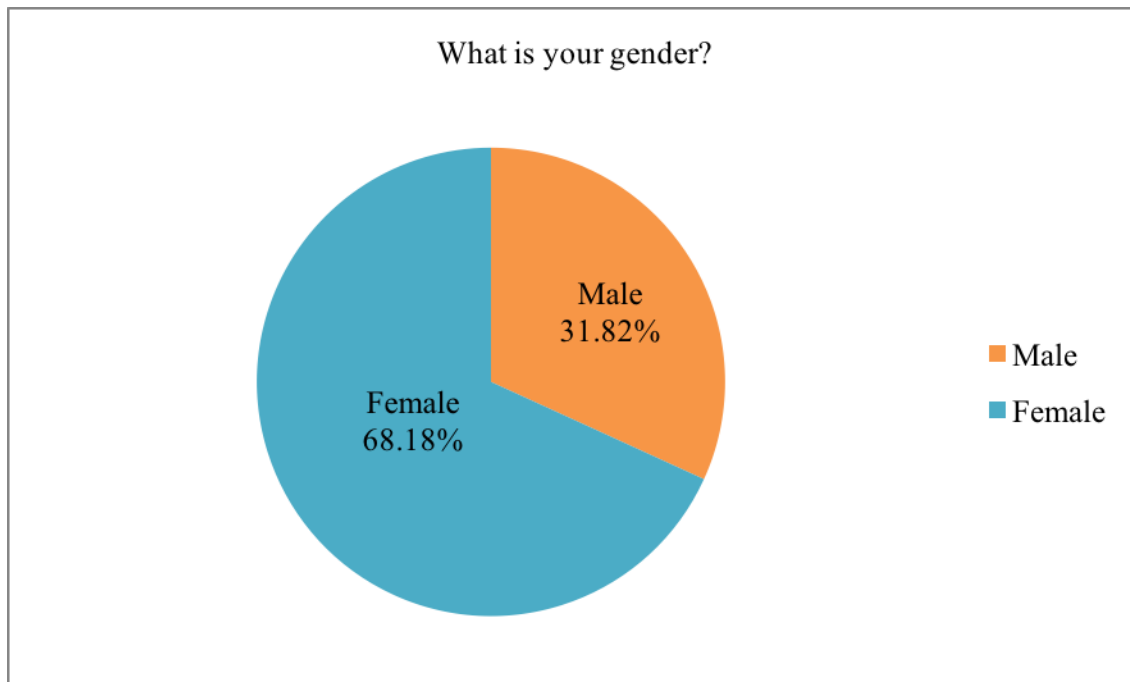


Figure 3. gender

Answer Choices	Responses	
Male	31.82%	7
Female	68.18%	15
	Answered	22

There are a total of 22 respondents participated in the research study. As shown in Figure 3, majority, which is 68% of our respondents are female while 31% of the respondents are male.

Respondents' department

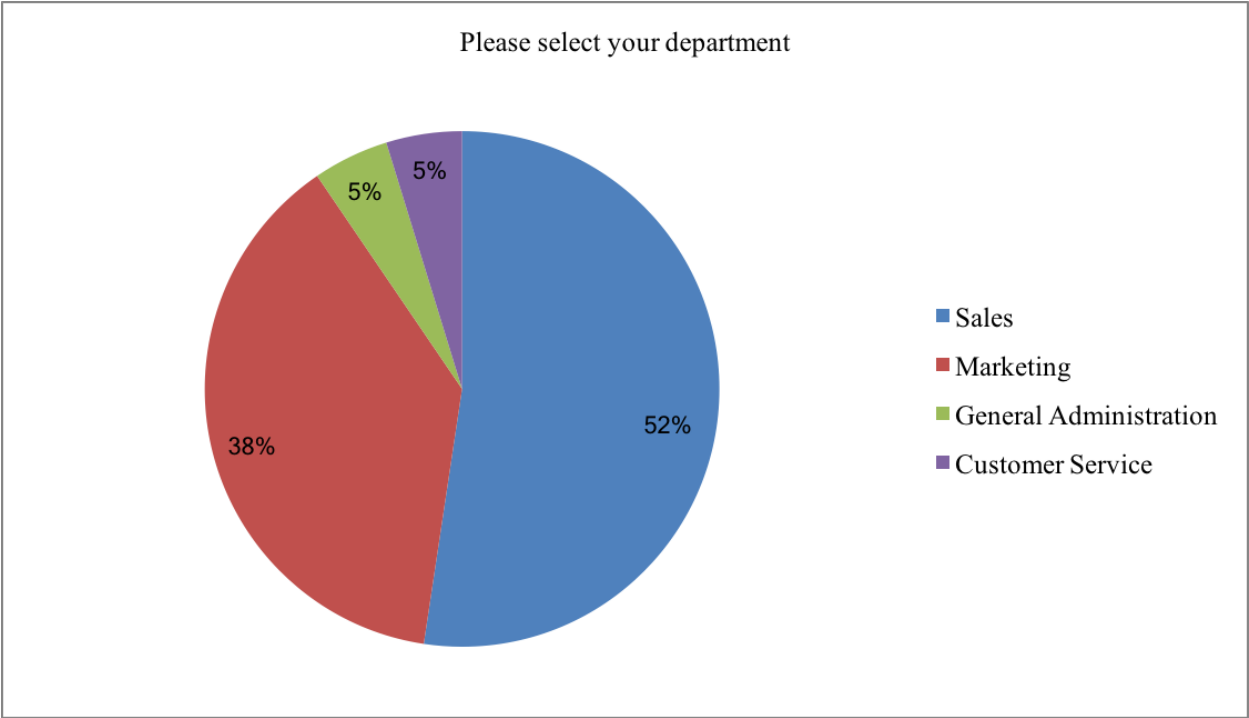


Figure 4. Respondents' department

Answer Choices	Responses	
Sales	50.00%	11
Marketing	36.36%	8
General Administration	9.09%	2
Customer Service	4.55%	1
	Answered	22

As shown in figure 4, 50% of the total respondents are sales representatives, 36% are from marketing department, the rest are 9% general administration and 5% customer service departments.

Respondents' job categories

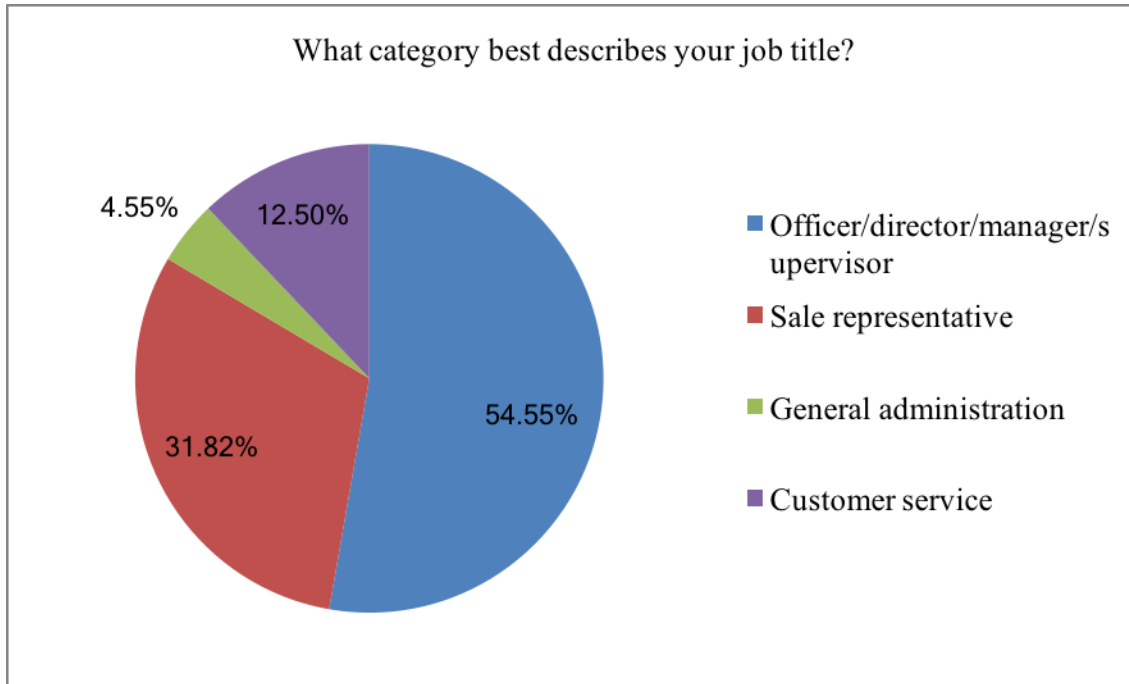


Figure 5. Respondents' job categories

Answer Choices	Responses	
Officer/director/manager/supervisor	54.55%	12
Sale representative	31.82%	7
General administration	4.55%	1
Customer service	12.50%	2
	Answered	22

As shown in figure 5, more than 50% of the respondents are from managerial level, 32% are sale representatives, followed by 12% customer service and 5% are working as general administration.

Years of working in the asked industry.

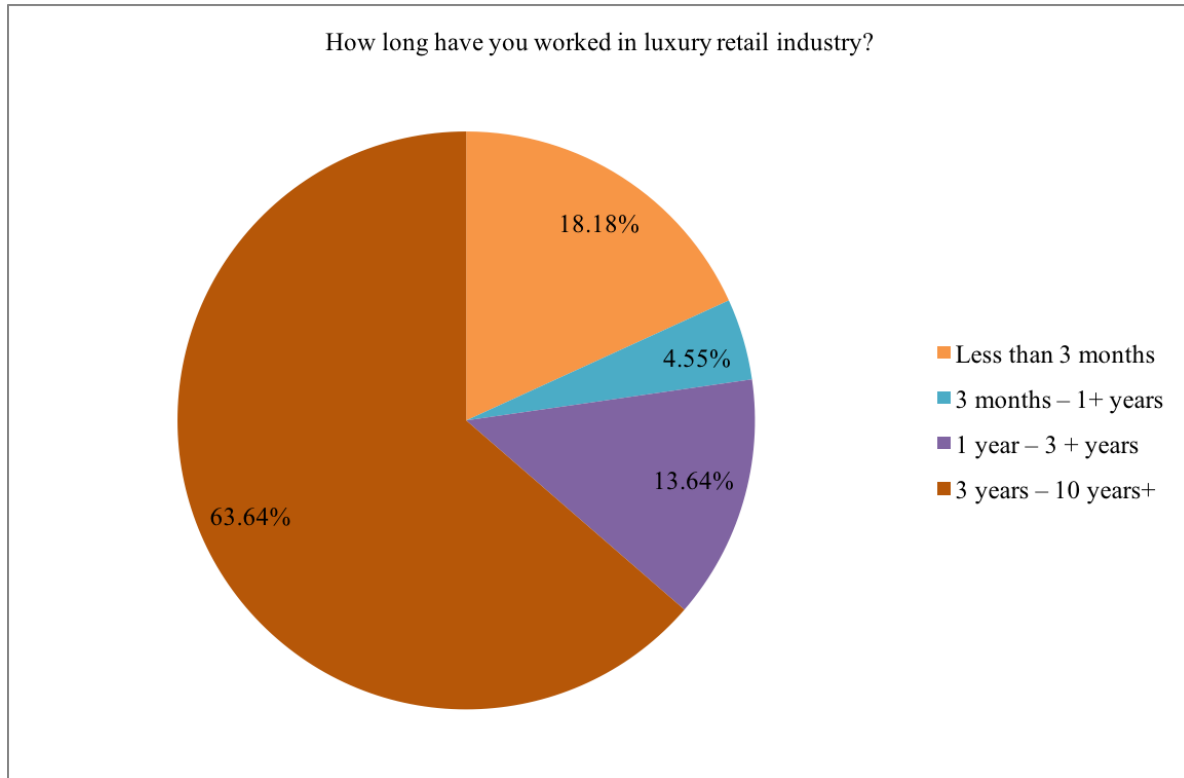


Figure 6. Years of working in the asked industry

Years of working in the asked industry

Answer Choices	Responses	
Less than 3 months	18.18%	4
3 months – 1+ years	4.55%	1
1 year – 3 + years	13.64%	3
3 years – 10 years+	63.64%	14
	Answered	22

Figure 6. shows the respondents' years of working in the asked industry. The majority of the respondents have been working in the organization for 3 to 10 years, which is a total of 64% respondents. There are 14% of the respondents have been working with their organization for one to three years. 18% of them worked for the industry less than three months and 5% worked more than one year but less than three years.

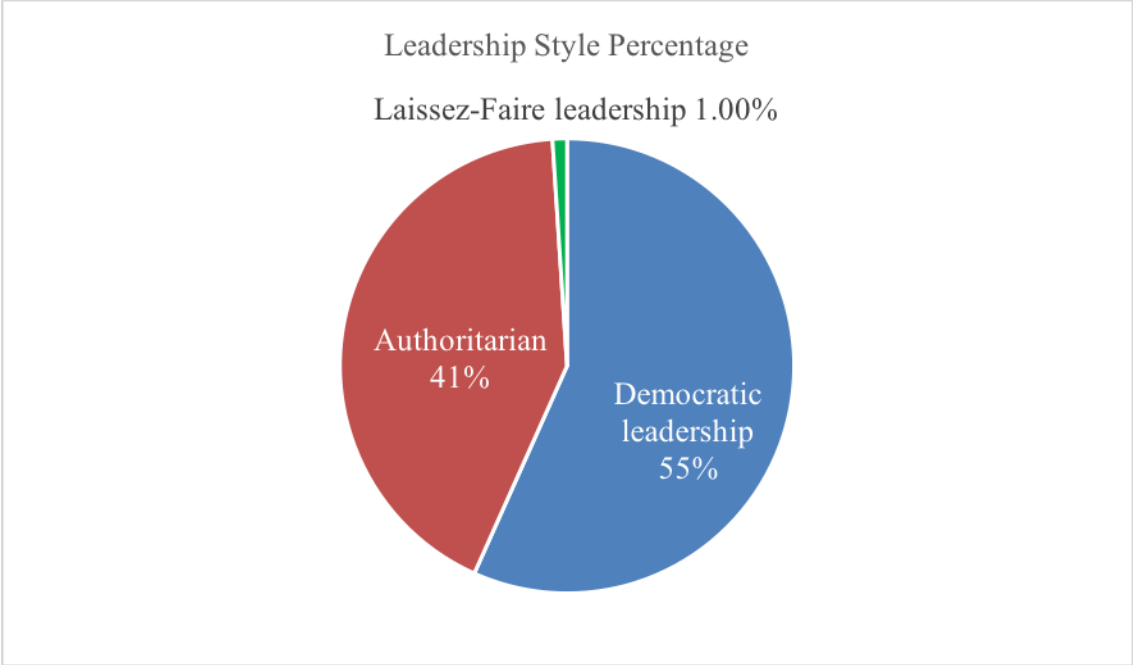


Figure 7 leadership styles percentage

Leadership styles	Number of People	Total Percentage	Job Satisfaction Weight
Democratic	12	55%	3.41
Authoritarian	9	41%	3.00
Laissez-Faire	1	1.00%	1.00

As shown in figure 7, the democratic leadership style is in dominated among the three leadership styles, which has 55% of the total respondents. 41% are authoritarian leadership, and only 1% are laissez-faire leadership. Among the three leadership styles, the Democratic leadership shows the highest job satisfaction weight score according to the data analyzing, which rating is 3.41. Compare with the authoritarian score weight 3.00; the job satisfaction weight score has increased 15%. However, the job satisfaction weight score for laissez-faire leadership is only at 1.00, which means compare with democratic leadership, the job satisfaction for the laissez-faire leadership has decreased 80% significantly.

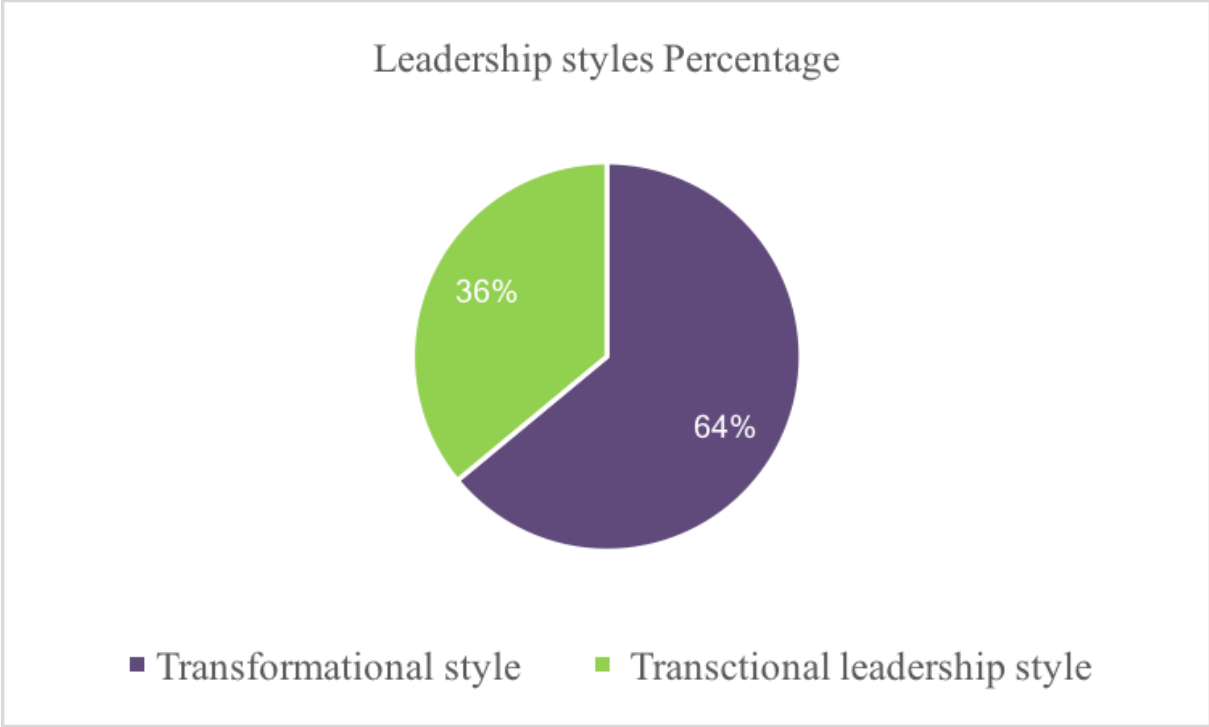


Figure 8 leadership style percentages

Leadership styles	Percentage	Weight
Transformational leadership style	64%	3.35
Transactional leadership style	36%	2.9

Figure 8 demonstrated that transformational leadership much more preferred over the transactional leadership, which are 64% for transformational leadership and 36% for transactional leadership. The job satisfaction for transformational leadership also weighted much higher, when compare 3.35 for transformational leadership with 2.9 for transactional leadership.

Studies conducted by (Loganathan R. , 2013) support previous findings that a positive relationship exists between transformational leadership style and job satisfaction. He quoted that effective and clear communication of vision and goals results in acceptance and higher satisfaction levels among followers. The leader reinforces high moral and ethical values with a view to impart a sense of

mission among followers. Through Idealized influence, followers tend to identify with the leader's moral and ethical values, thereby gaining deeper respect.

On the other hand, transactional leadership might be a little bit discouraged to their subordinates regarding the job satisfaction. As (Loganathan R. , 2015) explained that the transactional leader displays behaviors intended to prevent potential problems before they arise, provide direct feedback to employees, distribute a particular task provide employees with knowledge of results. Although the follower may fear reprimand for noncompliance, satisfaction could be gained from knowing that tasks are over inspected in order to prevent potential failures proactively.

6. CONCLUSION (1-2 PAGES)

From the results shown in the finding and results chapter, transformational and democratic leadership has the highest impact on the variation of continuance commitment; it indicates that when the leader performs democratic leadership style, there will be a positive impact toward continuance commitment. This result is supported by the study of (CHAN, CHONG, & ... WONG, 2014).

Autocratic leaders tend to provide direction, tactfully, but without leaving any doubt as to what is expected or who has the authority and makes the final decisions. The leaders rarely allowed them to participate in the decision making. It was also reported that workers who were under stress also reported harsh supervision and control on the part of their leaders.

From the results shown in the previous section that autocratic leadership has the second highest impact on the employees' job satisfaction in the retail project environment, it indicates that when the leader performs autocratic leadership style, there will be an adverse impact toward affective commitment.

According to (Cherry K. , What Is Laissez-Faire Leadership?, 2017), "Laissez-faire leadership, also known as delegative leadership, is a type of leadership style in which leaders are hands-off and allow group members to make the decisions. Researchers have found that this is generally the leadership style that leads to the lowest productivity among group members." The results from findings & results has proved this opinion. The job satisfaction of this particular leadership style only score weighted at 1.00, which is extremely low value compare with both democratic and authoritarian leadership style. Other researchers have support my finding as well. According to (CHAN, CHONG, & ... WONG, 2014) they revealed that there is a weak but significant and negative correlation between laissez-faire leadership behavior and normative commitment.

7. RECOMMENDATION

As noted during the research, there are many researchers have examined the relationship between leadership style and job satisfaction. The researchers pointed out that job satisfaction is influenced by many organizational relevant components, ranging from salaries, job autonomy, job security, workplace flexibility, to leadership. In particular, leaders within organizations can adopt appropriate leadership styles to affect employee job satisfaction, commitment, and productivity (Voon, ..., & Ayob, The influence of leadership styles on employees' job satisfaction in public sector organizations in Malaysia, 2011). After the author conducted a comprehensive literature review among the five prominent leadership styles, which are autocratic leadership, democratic leadership, laissez-faire leadership, transactional leadership and transformative leadership; The Burns' transformational leadership styles have been proved it more effective to boots job satisfaction than the other leadership styles. According to (Voon, ..., & Ayob, The influence of leadership styles on employees' job satisfaction in public sector organizations in Malaysia, 2011), "transformational leaders emphasize followers' intrinsic motivation and personal development. They seek to align followers' aspirations and needs" with desired organizational outcomes. In so doing, transformational leaders are able to foster followers' commitment to the organizations and inspire them to exceed their expected performance."

Although there are other researchers asserted transactional leadership style is more effective than transformative leadership style. For example (CHAN, CHONG, & ... WONG, 2014), stressed in their study that paying more rewards to managers and employees will increase effectiveness. But given the targeted population that they were interviewed and where the data collected, the author of this research thinks the resources of their study was not valid and subjective.

However, the major limitations of this study revolve around target populations as this study does not focus on a large number of target group and the questionnaires were only able to be distributed randomize to the employees of luxury retail project management sector in Shanghai. As a result, it may have affected the current results.

For the future research, the researchers should focus on other industries either in private or government sectors in other provinces and a larger targeting group to get more accurate data collection. By doing so, the results obtained can be used to do the comparison of findings between Shanghai and other places in China. Also, the future research also should include both questionnaires and interview session together in this study as it will provide a more comprehensive outcome.

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