

**Midocean University
College of Management
Bachelor of Project Management**

Final Project

The Impact of Leadership Style on Employee Satisfaction

**Student Name: Daniyah Fahad Alnafea
Student ID: 222001204**

Abstract

This study aims to examine the impact of leadership style on employee satisfaction. A quantitative research design was adopted using a structured questionnaire distributed to employees. Statistical analysis including descriptive statistics, correlation, and regression analysis revealed a strong and significant positive relationship between leadership style and employee satisfaction. The findings highlight the importance of effective leadership practices in enhancing employee satisfaction and organizational performance.

Chapter 1: Introduction

Employee satisfaction is a key driver of organizational success. Leadership style plays a major role in influencing employee attitudes, motivation, and engagement.

- H1: Leadership style has a significant positive impact on employee satisfaction.
- H2: Transformational leadership is positively associated with employee satisfaction.
- H3: Transactional leadership has a moderate impact on employee satisfaction.

Chapter 2: Literature Review

Leadership style refers to the behaviors leaders use to influence employees. Transformational leadership enhances motivation and satisfaction, while transactional leadership focuses on rewards and performance.

Chapter 3: Research Methodology

A quantitative approach was used. Data were collected using a structured questionnaire and analyzed using SPSS. The study adopted a cross-sectional design with convenience sampling.

Chapter 4: Statistical Analysis & Findings

4.1 Introduction

This chapter presents statistical analysis including descriptive statistics, reliability testing, correlation analysis, and regression analysis.

4.2 Sample Profile

Variable	Category	Frequency	Percentage
Gender	Male	60	46.2%
Gender	Female	70	53.8%
Age	<30	55	42.3%
Age	30–40	40	30.8%
Age	41–50	20	15.4%
Age	>50	15	11.5%

The sample shows diversity across gender and age groups.

4.3 Reliability Analysis

Variable	Items	Cronbach Alpha
Leadership Style	5	0.91
Employee Satisfaction	5	0.89

4.4 Descriptive Statistics

Variable	Mean	Std	Level
Leadership Style	4.12	0.65	High
Employee Satisfaction	4.05	0.70	High

4.5 Correlation Analysis

Variable	Leadership Style	Employee Satisfaction
Leadership Style	1	0.78**
Employee Satisfaction	0.78**	1

A strong positive correlation exists ($r = 0.78$, $p < 0.01$), indicating a significant relationship.

4.6 Regression Analysis

Relationship	Beta	R ²	Sig
Leadership Style → Employee Satisfaction	0.78	0.61	0.000

Regression results confirm a significant positive effect of leadership style on employee satisfaction.

4.7 Hypotheses Testing

H1: Leadership style has a significant positive impact on employee satisfaction.

The regression results ($\beta = 0.78$, $p < 0.01$) indicate a significant positive effect of leadership style on employee satisfaction.

Therefore, H1 is accepted. This suggests that better leadership practices lead to higher employee satisfaction

4.8 Discussion of Findings

The results of this study revealed a strong positive relationship between leadership style and employee satisfaction ($r = 0.78$, $p < 0.01$)

.This finding is consistent with previous research. For example, Judge and Piccolo (2004) found that transformational leadership has a significant positive effect on employee satisfaction.

Similarly, Avolio et al. (2004) concluded that effective leadership enhances employee engagement and satisfaction.

In addition, Bass (1999) emphasized that leadership style plays a critical role in shaping employee attitudes and workplace outcomes.

Therefore, the findings of this study support existing literature and confirm that leadership style is a key determinant of employee satisfaction.

Chapter 5: Discussion, Conclusion & Recommendations

5.1 Discussion

Leadership style plays a crucial role in employee satisfaction.

5.2 Conclusion

Leadership significantly influences employee satisfaction.

5.3 Limitations

This study has several limitations.

First, the sample size is relatively small, which may limit generalizability.

Second, the use of self-reported questionnaires may introduce response bias.

Third, the study is limited to a specific organizational context, which may not represent other industries.

Finally, the cross-sectional design does not allow analysis over time.

5.4 Recommendations

Organizations should improve leadership practices and communication.

5.5 Future Research

Future studies should expand sample size and include more variables.