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Is job satisfaction a moderator or mediator on the relationship between change leadership and commitment to change?

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Abstract

The purpose of this paper is to investigate the mediating effects of job satisfaction on the relationship between change leadership and commitment to change in the Indonesia's State Owned Companies setting. Data were gathered from 539 State-Owned Enterprise employees. Data were collected using questionnaires about job satisfaction, change leadership, commitment to change. Descriptive analysis reported by factor analysis, reliability analysis, pearson correlation with additional hypothesis testing using hierarchical multiple regression. The results shows as follows: Job Satisfaction can be regarded as mediation variable between Change Leadership and Commitment to Change.

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Keywords: Job satisfaction, change leadership, commitment to change, factor analysis, hierarchical multiple regression

1. Introduction

Commitment to change has positive impact to the organizational effectiveness, such as improved performance Parish et al., 2008); and the success of change implementation (Parish et al., 2008, Herold et al. (2007). Other issue is the issue of leadership behavior and job satisfaction has received a great deal of attention in many organizational behavior studies, including during organizational change. (Pool, 1997; Savery, 1994).

The impact of change leadership as well as job satisfaction to commitment to change is important to be studied upon. Previous study conducted by Mangundjaya (2013) showed that Change Leadership alone has no significant

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impact to Commitment to Change. In this regard, the question arises about the role of Job Satisfaction between Change Leadership and Commitment to Change. The purpose of this paper is to investigate the impact of Job Satisfaction on the relationship between Change Leadership and Commitment to Change in the State Owned Companies in Indonesia setting that undergone organizational change.

2. Job Satisfaction, Change Leadership and Commitment to Change

- Job Satisfaction

Job satisfaction is the degree to which people like (satisfaction) or dislike (dissatisfaction) their jobs (Spector, 2006). In other words, job satisfaction is defined as an emotional response to individual's task similar to the social and physical conditions of the workplace. Another definition of job satisfaction and job dissatisfaction is that job satisfaction is a pleasurable emotional state resulting from the appraisal of one's job as achieving or facilitating one's job values while job dissatisfaction is the un-pleasurable emotional state resulting from the appraisal of one's job as frustrating or blocking the attainment of one's values.

Dubrin (1992) stated that job satisfaction has positive relation with loyalty, low turnover and good mental health. Furthermore, Jewell (1990) introduced the facet concept of job satisfaction. According to Jewell (1990), job satisfaction is employee satisfaction consists of many aspects in their works, which can be measured totally or partly. The facets of job satisfaction according to Spector (2002) are as follows: Pay, Promotion, Fringe Benefit, Supervision, Co-worker, Operating Conditions, Nature of the Work, Communication and Reward. In this research, researchers will use the concept of job satisfaction by Spector (1995).

- Change Leadership

The terminology of change leadership has been discussed by Herold (2008) and Liu (2010). Change leadership defined as the behavior that target at the specific change consist of visioning, enlisting, empowering, monitoring, and helping with individual adaptation (Herold, 2008; Liu, 2010). Furthermore, Liu (2010) also mentioned that there are two factors in Change Leadership namely, a) Leaders' Change Selling Behaviour, action that attempts to promote the change during the unfreezing stage, make it clear why the change was necessary, b) Leaders Change Implementing Behavior, action to push a change forward and consolidate success throughout the implementation.

- Commitment to Change

Herscovitch & Meyer (2002) defined commitment to change as a force (mindset) that binds an individual to a course of action deemed necessary for the successful implementation of a change initiative. This mind-set can be reflected to varying degree in three dimensions: a) desire to provide support for the change based on a belief in its inherent benefits to change (affective commitment); b) a recognition that there are costs associated with failure to provide support for the change (continuance commitment to change); and c) sense of obligation to provide support for the change (normative commitment to change).

Methodology

This part consists of four sections. The first section presents the research strategy that is conducted in this research. The second part will discuss the sampling methods. The third section will discuss tools of data collection and the fourth section will elaborate methods to analyze the data. The research strategies consist of: 1) In-depth literature review, A literature review discusses published information in a particular subject area, and information in a particular subject area within a certain time. 2) Conduct Reliability and Validity testing of the measurement tools. 3) Conducting survey. Data were collected using Convenience sampling at State-Owned Organization which conduct organizational changes, with the characteristics of respondents are as follows, permanent employees, have been working at least two years in the company, and at least Senior High School graduates. In this study, the researcher will use various scale (questionnaires) as follows: 1) Change Commitment Inventory (Herscovicth & Meyer, 2002), 2) Change Leadership and 3) Job Satisfaction, which has already translated in Indonesian language, and has been tested its reliability and validity. Based on model that authors has been built, Data will be analyzed using descriptive analysis and regression analysis and SEM (Lisrel) to know interrelationship between variables.