

The Estimated Transformational Leadership Style between the Private and Public Banks' Managers and its Effect on Job Satisfaction in Iran

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Abstract:

The main objective of this paper is to investigate the Leadership style between Public and Private Bank and its impact on the job satisfaction in Iran. For this purpose, the relationship between transformation and transactional leadership and job satisfaction and the effect of managers' decision-making strategy and employee's job perception on it have been considered empirically. The overall findings of this research indicate that there is no significant difference between employees job satisfaction who works in Command and Queue unit in state-owned Iranian banks, but there is significant difference between employee's job satisfaction who works in Command and Queue unit in Iranian private banks. In addition, there is no significant difference in transformational leadership style between private and public Iranian banks.

Keywords: Transformational Leadership; Transactional Leadership; Job Satisfaction; Occupation Perception.

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1. Introduction

Employees do not work for living but for the job nowadays. Affected by economic, social and organizational determinants, job alienation is presently a threatening and destructive factor in the performance of an organization. Forms of alienation include feeling of lack of discipline and power, absurdity, and social isolation. When incorrect and compatible with the individual, the job and leadership style chosen will have adverse effects on the behavior and personality of the individual. If the job is regarded as something external by the individual who undertakes to do it, it will be an alienating job.

For a service industry employee, job satisfaction is a critical factor, because it is typically assumed that front-line employee attitude and behavior substantially affect customer perceptions of the service. Service firms must find ways to manage their employees effectively, and ensure that their attitudes and behaviors are conducive to the delivery of high quality service (Chan and Wan, 2012; Sarwar and Khalid, 2011). Job satisfaction is defined as the pleasurable emotional state of an employee, regarding his or her job duties, supervisor, working situations, and the organization as a whole (Sarwar and Khalid, 2011). Job satisfaction is defined in terms of all the characteristics of the job itself, and of the work environment in which employees may find rewards, fulfillment, and satisfaction, or conversely, frustration or dissatisfaction (Bussing et al., 1999). Service firms should communicate customer needs to their employees, provide continuous training, assist them to acquire both communication and recovery skills, and ensure that they feel comfortable and satisfied with their jobs (Pantouvakis, 2012). Employee commitment to the organization is a crucial indicator of the impacts on the firm's performance (Lum et al., 1998; Naumann et al., 2000). The primary reason for this is that employees with greater commitment tend to remain employed in the same organization for a longer period (Johnston et al., 1990). In addition, they are more efficient in their job performance (Mackenzia et al., 1998). Organizational commitment refers to how employees regard their organization's goals, and the value of

identification, acceptance, and loyalty toward the organization (Pillai and Williams, 2004). It also assumes that there is a relationship between an employee and the firm, which contributes not only to the firm, but also to wider society. Therefore, job satisfaction and organizational commitment comprise an employee's intentions to contribute their high degree of performance, and demonstrate loyalty to their organization's goals.

Job satisfaction refers to "a positive (or negative) evaluative judgment one makes about one's job or job situation" (Weiss, 2002). It is associated with numerous organizational variables like absenteeism, turnover, organizational commitment, and job performance (Judge, Thoresen, Bono, & Patton, 2001; Kammeyer-Mueller, Wanberg, Glomb, & Ahlburg, 2005). Being satisfied can be regarded as an element of personal well-being (Warr, 2007) and is associated with physical health (Faragher, Cass, & Cooper, 2005).

Since job satisfaction is an antecedent of many organizational outcomes it is an imperative to work towards educating organizations on the importance of job satisfaction and specific variables that can assist in leading the employees to a better job satisfaction (Kang, 2010; Pincus, Knipp, & Rayfield, 1990; Vukonjanski, Nikolić, Hadžić, Terek, & Nedeljković, 2012).

2. Review of Literature

2.1-Job Satisfaction

Employee satisfaction and organizational effectiveness and performance have been important issues for business organizations (Woodruffe, 1999). Union leaders and managers agreed that job dissatisfaction led to high turnover, tardiness, loafing on the job, disruptions, poor workmanship, and indifference to customers and clients (Katzell & Yankelovich, 1975). According to Maister's (2001) study using clustered survey statements, the top 20% of organizations that achieved the best on a financial performance index did better in categories such as listening, valuing input, trusting, coaching, communicating, practicing what management preaches, and treating others with respect. The statements were composed

of nine statistically related factors in (a) quality and client relationships, (b) training and development, (c) coaching, (d) commitment, enthusiasm, and respect, (e) high standards, (f) long-term orientation, (g) empowerment, (h) fair compensation, and (i) employee satisfaction. Overwhelmingly, the most financially successful organizations did better in 69 out of 74 survey items, with an average that was significantly higher than the balance of the organizations. In the successful organizations, the data showed that when employees agreed that management practiced excellence in performance, greater net worth was realized. These studies revealed that the strategic alignment of goals and job satisfaction is related and is an important consideration for organizations. Whereas employees must understand the strategic direction and goals of organizations, companies must provide adequate communication and planning, efficiency, and effective policies that improve productivity.

2.2-Culture and Leadership Behavior

In cross-cultural leadership research two theories play a central role: cultural theories and leadership theories. Cultural theories offer an explanation of why and how cultures influence organizational behavior. Leadership theories, on their part, try to provide an understanding of what leadership means and what kind of behaviorist includes. In the present study these two theories are applied in order to contrast the leadership styles of Finnish and CEE managers. Leadership literature offers various definitions of leadership (for reviews, see, e.g. Bass, 1990). In the present study leadership is defined as 'the behavior of an individual in a managerial position towards members of an organized group, when the individual concerned is directing the activities of the group toward the achievement of some specific goal or goals. Similarly, different aspects of leadership have been uncategorized starting with the classical consideration and initiating-structure aspects, and ending with the more recent discussion of transformational, visionary and charismatic leadership (for reviews see e.g. Yukl, 1994). In the present study a more specific categorization has been adopted (see Table 1). This is based on an extensive review of the literature and has already been used in comparative leadership research (see, e.g. Suutari, 1996a, b, 1998a). This

classification has been greatly influenced by the work of Yukl et al. in particular (see Yukl & Nemeroff, 1979; Yukl, 1994). Since the categorization is very specific, the comparison across countries is correspondingly detailed. This was regarded as necessary because research has shown that the very broad categories of leadership research such as consideration and initiating structure are very difficult to use in comparative research (see, e.g. Ayman & Chemers, 1983; Bass, 1990). Nonetheless, the chosen aspects were grouped into three categories here too, in order to indicate their connection with the main dimensions identified in leadership literature: consideration, initiating structure and transformational leadership.

Table 1. Aspects for Measuring Leadership

(A) Aspects related to the consideration dimension

1. Decision participation: a leader consults with subordinates and seeks the approval of the workgroup.
2. Autonomy-Delegation: a leader allows subordinates to determine how to do their work and to decide about the means by which they strive for their objectives.
3. Consideration: a leader behaves in a friendly, supportive, and considerate manner towards subordinates.
4. Interaction facilitation: a leader encourages teamwork and tries to get subordinates to co-operate with each other.
5. Recognition: leader shows recognition of subordinates who perform effectively or do a particularly good job.
6. Rewarding: a leader ensures it that a subordinate is rewarded for a job well done and tries to provide Supplementary rewards or benefits for effective subordinates.
7. Informing: a leader keeps subordinates informed about future plans and other matters that may affect their work.
8. Conflict management: a leader helps subordinates to resolve conflicts and quarrels among them.

(B) Aspects related to the initiating structure dimension

1. Role clarification: a leader clarifies roles by ensuring that the work group has detailed job descriptions and clearly defined functions.
2. Planning: a leader sees to it that the day's work is planned in advance.
3. Coordinating: a leader ensures that the work of subordinates is carefully co-ordinated.
4. Goal setting: a leader makes sure that there are clear and specific goals for subordinates.
5. Criticizing: a leader criticizes group members who put in a poor performance or who violate rules.
6. Production emphasis: a leader emphasizes and tries to improve productivity and efficiency.
7. Work Facilitation: a leader makes sure that subordinates have the necessary work equipment and other resources, as well as the skills and knowledge, needed for their work.

(C) Transformational aspects of leadership

1. Providing vision: a leader provides a vision of where the organization is going and what is important in the future.
2. Initiation: a leader stresses the need for new ideas and practices, and offers and tries out such ideas and practices in the work group.
3. Individualized consideration: a leader gives personal attention to each employee's needs and hopes.
4. Inspiration: a leader says things to inspire the subordinates' confidence in their own ability to attain group objectives, and gives them a sense that they are doing important work.

2.3- Leadership Styles in Strategic Alliance

There are early studies about leadership behaviors (Politis, 2001; Ribiere & Sitar, 2003) in service firms that have formed strategic alliances (Chen and Barnes, 2006) in the literature. Leadership is important, particularly in terms of providing information sharing, developing trust, ensuring adaptation to culture and creating commitment to the organization (Bolinger and Smith, 2001). The leadership styles are considered as an

important factor in the achievements of strategic alliances. Whiple and Frankle also indicate in their study that leadership is a factor that creates an impact on the success or failure of alliance (Whipple and Frankel, 2000). Various researchers who study alliances claim that leadership is a success factor for alliances. On the other hand, researchers who study leadership do not need to address this issue as a research subject. There are insufficient methods and instruments in this research field (Osborn and Marion, 2009). If there is no external support and backup, leadership must be more important for the results of the alliance.

Leaders must initiate the commitment to be created in the alliance by encouraging information sharing, trust, reciprocity and cooperation for success (Liu, et al., 2003). The alliance leaders should have the ability to inspire to be able to fulfill these tasks to create true partnership and launch in joint operations. A common vision of the followers and enabling them to accept central values requires a kind of transformational and visionary leadership, and demonstration of a comparatively strong impact (Liu et al., 2003). Management will support organizational learning in these cases for the development of their employees' vision, as defined partly in theories of transformational leadership (Hallin and Mamburg, 2008). Effective transformational leaders direct the employees to provide self-realization, are dominant in instilling confidence, and in determining high expectations and goals. As stated previously by Bass (1999), collaboration with the vision of the leader is based on individuation, reconciliation, and inspiration of transformational leaders. Because of the capabilities of the transformational leadership type, transformational leaders convince alliance partners that it is not simply having a stake in the partnership, but also emphasizing the value of a common purpose and mission. Transformational leaders have the capacity to control conflict between groups and create impact. They curtail disputes between different interests of parties in alliance. They also infuse the values of employees to the organization to achieve common goals and utilize the talents of each other rather than focusing on their own interests. Transformational leadership is one of the success factors of an alliance that provides motivation about how to transfer and share knowledge, and

also how to meet the expectations of employee's vision, trust and partnership (Liu, et al., 2003). Various studies indicate that, one of the factors affecting the knowledge sharing in between cross-border cooperation is regarded as effective leadership, which is defined as one of the key variables encouraging these initiatives (Eglene, et al., 2007).

2.4- Work Processes Enable Transformation

In general, there are three broad ways to approach value deficiencies, all of which involve consideration of the work of the enterprise:

- Improve how work is currently performed, e.g., reduce variability.
- Perform current work differently, e.g., web-enable customer service.
- Perform different work, e.g., outsource manufacturing and focus on service.

The first choice is basically business process improvement. As discussed in the Introduction, this choice is less likely to be transformative than the other two choices. The second choice often involves operational changes that can be transformative depending on the scope of changes. The third choice is most likely to result in transforming the enterprise. This depends, however, on how resources are redeployed. Liquidation, in itself, is not necessarily transformative.

The need to focus on work processes are well recognized, e.g., (Hammer & Champy, 1993; Womack & Jones, 1996; Kessler, 2002). Reengineered and lean processes have been goals in many transformative initiatives. Indeed, a focus on processes may, at least initially, require transformation of management's thinking about an enterprise. The extent to which this subsequently transforms the enterprise depends on the extent of changes and success in their implementation.

Transformation can also involve relationships among processes, not just individual work processes in and of themselves. These relationships are often framed in terms of "architecture." It is common to express architectures in terms of multiple "views." The operational view is a description of the activities, operational elements, and information flows

required to support enterprise operations. The technical view is a set of rules defining the interactions and interdependencies of system elements to assure compatibility and satisfaction of requirements. The system view describes the physical connections, locations, key nodes, etc., needed to support enterprise functions (Sage & Lynch, 1998).

Transformation of work processes inherently must affect the operational view of the architecture. Changes of this view are likely to affect the technical and systems views. In contrast, changes of system and/or technical views that do not change operational views do not, by definition, change work processes. Hence, these types of changes may improve processes but do not transform the enterprise.

Bailey and Barley (2004) have argued for a renaissance in the study of work. They chronicle the substantial changes in work - from production workers to knowledge workers - while industrial engineering was abandoning the study of work practices and design. In the context of the theory outlined here, engineering will have to re-embrace work studies to play a central role in enterprise systems research (Rouse, 2004).

Rasmussen and his colleagues (1986, 1994) have pioneered the use of work domain analysis to characterize human roles, jobs, and tasks in complex systems. Building on this foundation, we can characterize the work of the enterprise in terms of the hierarchy of purpose, objectives, functions, tasks, and activities. Transformation of work can be pursued at all levels of this hierarchy. Changing the tasks and activities of the enterprise, by themselves, relates to business process improvement. In contrast, changing the purpose, objectives, and/or functions of the enterprise is more likely to be transformational. Such changes may, of course, cause tasks and activities to then change. Thus, change at any level in the hierarchy is likely to cause changes at lower levels.

It seems reasonable to hypothesize that the higher the level of transformation, the more difficult, costly, time consuming and risky the changes will be. For instance, changing the purpose of the enterprise is likely to encounter considerable difficulties, particularly if the extent of

the change is substantial. In many cases, e.g., defense conversion, such change has only succeeded when almost all of the employees were replaced (Rouse, 1996). Ultimately, one could liquidate the enterprise and redeploy its financial and perhaps physical assets in other ventures. However, it is difficult to characterize this as transformation. Thus, there is a point at which the change is sufficiently substantial to conclude that the enterprise has been eliminated rather than transformed.

2.5-Value Deficiencies Drive Transformation

Elaborating earlier value-centered arguments, there are basically four alternative perspectives that tend to drive needs for transformation:

- **Value Opportunities:** The lure of greater success via market and or technology opportunities prompts transformation initiatives.
- **Value Threats:** The danger of anticipated failure due to market and/or technology threats prompts transformation initiatives.
- **Value Competition:** Other players' transformation initiatives prompt recognition that transformation is necessary to continued success
- **Value Crises:** Steadily declining market performance, cash flow problems, etc. Prompt recognition that transformation is necessary to survive.

The perspectives driven by external opportunities and threats often allow transformation long before it is forced on management, increasing the chances of having resources to invest in these pursuits, leveraging internal strengths and mitigating internal weaknesses. In contrast, the perspectives driven by external competitors' initiatives and internally-caused crises typically lead to the need for transformation being recognized much later and, consequently, often forced on management by corporate parents, equity markets, or other investors.

Such reactive perspectives on transformation often lead to failures.

2.6-Transformation as a Full Stream Process

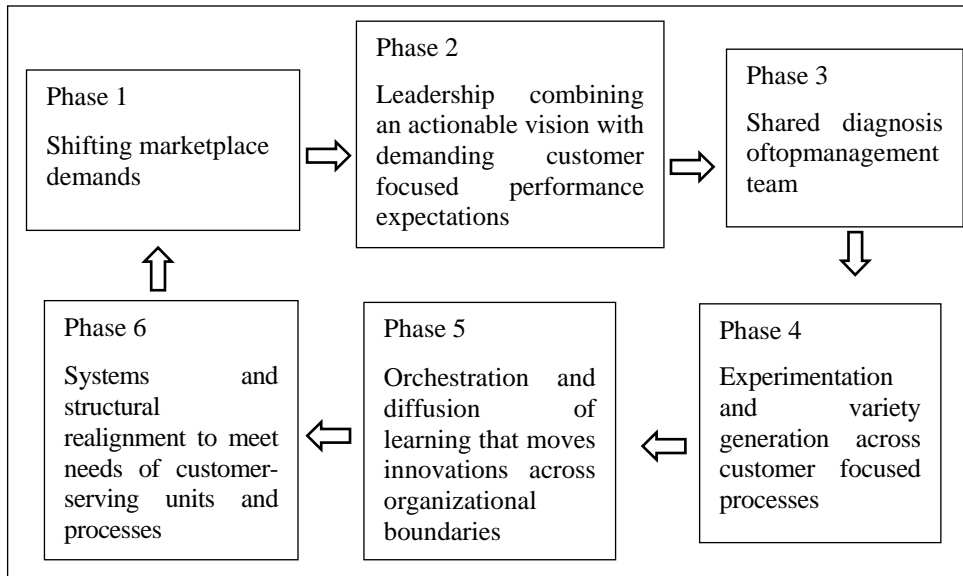
Transformation, as a continuous process, has an upstream component, a midstream component, and a downstream component, all of which need to be designed and led consciously for the transformation to succeed. The

upstream stage is oriented to planning and setting the foundations for success. The *midstream* stage is focused on designing the desired state, while the *downstream* stage is about implementation. All change process models that are not full stream neglect at least one of these critical stages, causing the transformation to fall short of expectations. We will describe what is in each stage, as perceived through the eyes of the facilitative change leadership style, and highlight some of the common challenges that occur within them. Keep in mind that controlling or self-organizing change leaders would treat the process differently.

2.7- Transformational Leadership

Kelly's perennial paradox confronts all those responsible for making, and transforming, a system, whether we are talking about biologists, economists, or corporate general managers. Faced with rapidly and dramatically shifting environmental demands, the challenge for general managers becomes especially acute. Piecemeal and incremental transitional steps will not provide the organization with the full set of capacities required to excel in the new environment. Everything must be changed, and that change, seemingly, must occur at once.

But, as Kelly suggests, there is a rub. It is simply impossible to transform every aspect of an organizational system at the same time. Made up as they are of a multitude of highly interdependent elements - strategies, shared values, systems, structures, styles, skills, and staff in the model suggested by Waterman et al. (1980) - systems are far too complex to address all at once. Such complexity exists in any organization, but becomes especially acute in large, multi-unit, multi-national corporations. Furthermore, even if such an all-at-once transformation were possible, it would still be undesirable.



Phase 1. Organization change requires alterations in patterns of behavior. Dozens, hundreds, even thousands of individuals must adopt new ways of working, of interacting, and of judging their effectiveness. Just as individual behavior change follows personal dissatisfaction, so too does organizational transformation require dissatisfaction with the current state in which the organization finds itself.

Phase 2. External competitive pressure fuels the momentum for change; but it is the vision of the leadership that begins moving the organization toward Option B. I mean by vision placing a stake in the ground a long way ahead of where you currently stand, then exciting people about the possibility of reaching that stake. Effective envisioning is a top-down effort, emanating from the leadership of the organization while energizing multiple organizational levels, units, and functions.

Vision fulfills two purposes: translation and enablement. It translates competitive pressures from the external context into an explicit demand for the fundamental internal realignment implicit in Option B. That translation of external forces into the need for internal realignment, in

turn, enables innovation and experimentation focused on enhancing value from the perspective of the customer.

Proclaiming the broad parameters of a future state for the organization requires, in some sense, a leap of faith. It is impossible to predict in any real way all the details of the complex pattern of interactions that will be required of the organization in the future. And the more volatile the competitive environment is, the more likely it is that these patterns and relationships will need to exist in a state of constant flux. Judging the accuracy of a vision, then, would be an exercise in futility, not to mention irrelevance. It is the energy prompted by the vision, the mobilization of the organization's resources behind a transformational effort, that determines its effectiveness.

Phase 3. At this stage of the transformation, top management engages in an analytic and diagnostic process that provides the more particular set of directional expectations for the organization. That analytic process, itself, unfolds in a sequential manner that starts with the marketplace, identifies a value-adding relationship with customers, and then develops a shared understanding of the internal alignments required to deliver that value. The key concept here is shared. Failing to evolve shared commitment on the part of top management, the threat is that the organization will continue to splinter into multiple, even competing independent fiefdoms. Interdependencies will continue to atrophy and effectiveness continues to suffer with performance sub optimized.

Phase 4. The initial three phases of transformation involve activities largely bounded at the upper levels of the organization. The requirement for customer responsive innovation, however, must expand to involve those levels most directly engaged in activities which produce value for customers. In single-operation organizations, phase 4 experimentation unfolds around cross- organizational processes. Working directly with the customer of that process, representatives of multiple functions identify specific, measurable deliverables as well as the key activities and interactions required to meet customer expectations.

For organizations that are composed of multiple units, primary transformation needs to occur within the operating units where the organization interacts directly and daily with its customers. Operational units experiment with innovative customer alignments through experimentation in technology, in patterns of management and ways of working, and in redefined measurement and information systems. They recreate themselves by redefining their relationship with existing and new customers.

Phase 5. The goal of phase 5 is not consistency; rather, it is the spread of learning. Top management needs to create mechanisms that encourage, even demand, the cross-fertilization of innovation. Site visits, conferences, and educational and training opportunities facilitate such learning. Moving and promoting innovative managers signals, in a powerful way, the organization's core commitment to transformation.

Phase 6. The learning that evolves through the first five phases of transformation needs to become anchored during phase 6. Formal information and measurement systems, in particular, serve to reinforce new patterns of behavior and interaction by providing a more permanent foundation for the transforming organization.

Realigned processes, note Porter and Miller (1985), require both new types of information and new channels of information that seamlessly follow the pattern of interaction across the organization. Information on performance needs to be built into a new set of performance measurement systems as the organization takes a more formal step toward customer responsiveness. Measurement systems that define effectiveness 'within the box'-the performance of a function or even of an individual unit-replaced by cross-organizational 'pulse points' that track process responsiveness from the customer perspective.

Transformational leaders have the capacity to lead the complete transformation of the enterprise for the long-term. Their focus is on building for the future, with a clear sense of the mission and values of the organization, a vision of what the enterprise can become, and a sound

strategy to transform and lead their markets (George, 2003). They are organization builders, willing to make the investments required to build a sustainable organization that will create lasting value for all its stakeholders. Finally, they produce results - for the short-term and the long-term - because they have the discipline and performance drive to realize their lofty goals.

For transformational leaders, everything starts with their purpose and the organization's mission and values. They have a clear sense of where they want to go and what they want to accomplish. It is not a modest purpose, nor one of gradual improvement. They are bold in seeing what is possible and passionate about rallying people to their cause.

Transformational leaders have a clear sense of their own values, and are diligent and dedicated to practicing them without deviation. They seek out organizations to lead where there is a high degree of congruence between their purpose and values and those of the organization. Over time, their purpose and values becomes fused with those of the organization, and both grow together in a process called homology.

Transformational leaders call upon the desires of their employees to embrace the company's mission and use it to make a difference through their work. They are inspiring in communicating this sense of purpose throughout the organization and are able to weld the organization into a single unit with a common purpose through their leadership. This sense of mission provides the "glue" that holds the organization together and enables it to absorb difficult and even painful decisions in the long-term pursuit of the mission.

2.8-Context of Transformation

Enterprise transformation occurs in - and is at least partially driven by - the external context of the economy and markets. As shown in Figure 2, the economy affects markets that, in turn, affect enterprises. Of course, it is not quite as crisply hierarchical as indicated in that the economy can directly affect enterprises, e.g., via regulation and taxation. The key point is that the nature and extent of transformation are context dependent.

For public sector enterprises, the term “constituency” can replace the term “market.” The financially oriented metrics shown in Figure 2 also have to be changed to reflect battles won, diseases cured, etc.

There is also an internal context of transformation - the “intraprise” in Figure 2. Work assignments are pursued via work processes and yield work products, incurring costs. Values and culture (Davenport, 1999), reward and recognition systems (Flannery, et al., 1996; Weiss & Hartle, 1997), individual and team competencies (Katzenbach & Smith, 1993), and leadership (Kouzes & Posner, 1987; George, 2003) are woven throughout the intraprise. These factors usually have strong impacts on an enterprise’s inclinations and abilities to pursue transformation.

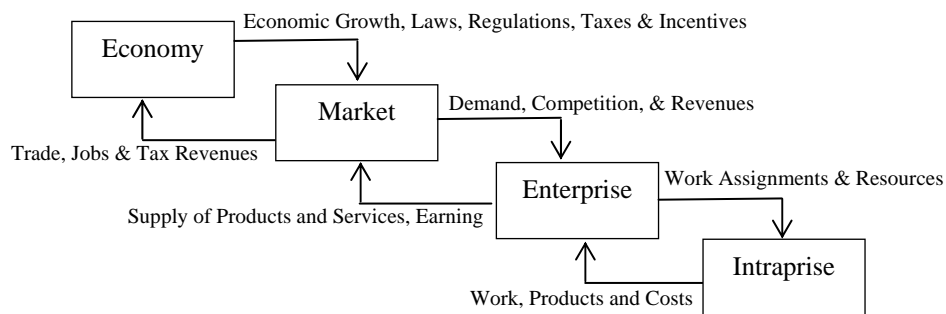


Figure 2. Context of Enterprise Transformation

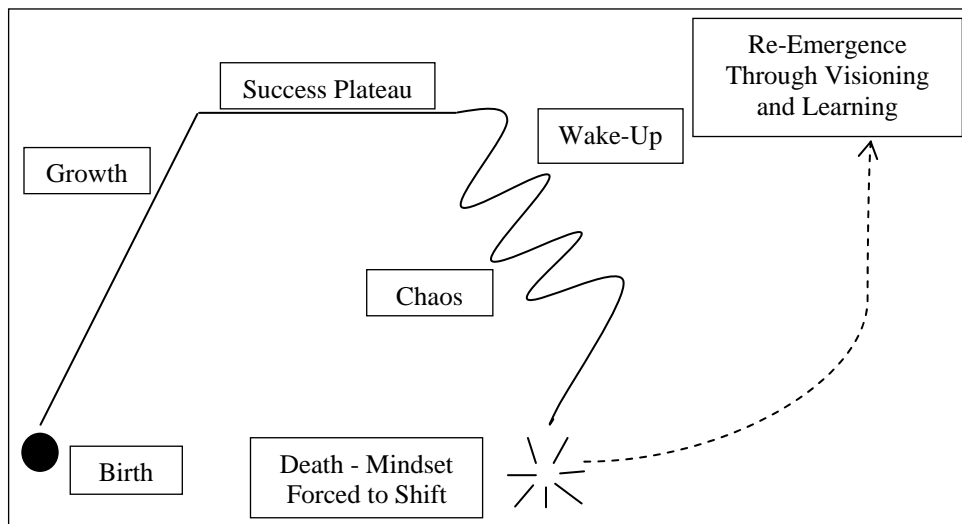
2.9-Transformation Strategies

To make the vision and the mission of the enterprise a reality, transformational leaders develop bold strategies to transform their industries and attain leadership within their markets. They know that the greatest opportunities to achieve market leadership occur during periods of rapid technology or market change, and they consciously set out to create those changes in their markets. This is accomplished by technological breakthroughs, or the recognition of unique market opportunities, heretofore unrecognized by other competitors in the marketplace.

To introduce this strategy to its organization, Medtronic management devised a bold concept of “Reinventing Medtronic.” It communicated to its employees that the company’s strategy and business mix would change dramatically every five years as the company literally reinvented itself. This was highly successful in getting the organization to accept change as a way of life.

2.10-Transformational Change

Transformational change (Figure 3) is the least understood and most complex type of change facing organizations today. Simply said, transformation is the radical shift from one state of being to another, so significant that it requires a shift of culture, behavior, and mindset to implement successfully and sustain over time. In other words, transformation demands a shift in human awareness that completely alters the way the organization and its people see the world, their customers, their work, and themselves. In addition, the new state that results from the transformation, from a content perspective, is largely uncertain at the beginning of the change process and emerges as a product of the change effort itself.



As we saw in the Drivers of Change Model, organization change stems from changes in the environment or market place, coupled with the organization's inability to perform adequately using its existing strategy, organizational design, culture, behavior, and mindset. The pain of the mismatch between the organization (including its human capability) and the needs of its environment creates a wake-up call for the organization. Ultimately, if the leaders of the organization does not hear or heed the wake-up call, and the organization does not change to meet the new demands, the organization will struggle. To thrive, the leaders must hear the wakeup call, understand its implications, and initiate a transformation process that attends to all the drivers of change.

In developmental change, simply improving current operations is adequate. In transitional change, replacing current operations with new, clearly defined practices suffices. But in transformational change, the environmental and market place changes are so significant that a profound breakthrough in people's worldview is required to even *discover* the new state with which they must replace current operations.

In developmental and transitional change, leaders can manage the change process with some semblance of order and control. They know where they are going and they can plan with greater certainty how to get there. In transformation, the change process has a life of its own and, at best, leaders can influence and facilitate it. If they attempt to control it, they will stifle creativity and progress. The "order" of the future state emerges out of the "chaos" of the transformational effort itself. Transformation, in fact, is the emergence of a new order out of existing chaos. Chaos, as used here, refers to the increasingly unstable dynamics of the organization as its current form disintegrates and is no longer as functional as it once was. The resulting new state is the product of both this chaos and the process that ensues to create a better future.

3. Methodology of Research

In this research, the descriptive method is used. The descriptive method includes collecting data for the hypothesis or answering the questions related to the current situation being studied. Questionnaire or five point Likert a spectrum is used to collect data. The scale used in the questionnaire is the rating scale. The data are analyzed in two parts (descriptive and inferential statistics). A. descriptive statistics: it includes presenting the table of frequency, the frequency percent, the column and circle graphs. B. inferential statistics: in this research, the statistical test of the hypotheses and the averages comparison tests are used.

First at a limited level and at the time interval of 7 days, the questionnaires were distributed among ten tastes and then, they were collected. Spearman correlation coefficient was used to calculate the reliability and the correlation of the questionnaire obtained was 95%.

A test is valid when its questions introduce all skills, capabilities, concept perceptions and other behaviors. Evidently, the validity of a test is analyzed by the domain experts. If a domain expert confirms the validity after analysis, the test can be used. We gave the questionnaire of the research to some human resource management professors and experts to determine the validity. The reliability of a test is related to the accuracy of measurement and its proof and it has two different meanings. One meaning is the constancy of the test's scores over the time. It means that if a test is taken several times on a tested, its score is the same in all cases. In the second meaning, the reliability implies its internal consistency. It means that how much inter correlation exists between the questions of the test.

3.1- Population and Sample

The population of the research includes the managers and employees of public and private bank in Iran. The sampling was done using the targeted non-probabilistic method (the elimination method).

It should be noted that the first part of this data analysis associated managers and employees who works of the public bank in Iran and the second part of this data analysis associated the managers and employees

of the private bank in Iran. We examined and analysis internal and external organizational environment.

3.2- Research Hypothesis

H1: The public banks' manager's leadership style is close to transactional style.

H2: The private banks' manager's leadership style is close to transactional style.

H3: There is a meaningful difference between job satisfaction of private and public banks' employees.

H4: The estimated transformation leadership style between the private banks' employees and managers has a meaningful relationship.

H5: The estimated transformation leadership style between the public banks' employees and managers has a meaningful relationship.

4. Findings and Results

In this section, the empirical results of model have been reported. In table 1, the results of testing first hypothesis have been showed.

Table 1. The Results of Testing First Hypothesis

H1	Variable				
		Mean of Rating	Priority	Sig	df
1	Transformation Style	1.86	Transactional Style	.000	2
2	Transactional Style	2.61	Transformation style		
3	Open style	1.52	Open style		

According to table 1.1, the level of significance is 0.000 that is less than 5% and indicate that at the level of confidence 95%, H_0 is rejected and the public banks' manager's leadership style haven't the same rank.

Table 2.The Results of Friedman Test

Statistical Indicators	Calculated Values
Number	187
X ²	117.008
df	2
Sig	0.000

According to table 2.1, the best rank related to transactional leadership style and the lower rank related to open leadership style. It should be noted the public banks’ manager’s leadership style is closer to transactional leadership style.

Table 3. The Results of Testing Second Hypothesis

H2	Variable	Mean of Rating	Priority	Sig	df
1	Transformation Style	1.96	Transactional Style	.000	2
2	Transactional Style	2.56	Transformation style		
3	Open style	1.48	Open style		

According to table 1.2, the level of significance is 0.000 that is less than 5% and indicate that at the level of confidence 95%, H₀ is rejected and the private banks’ manager’s leadership style haven’t the same rank.

Table 4. The Results of Friedman Test

Statistical Indicators	Calculated Values
Number	156
X ²	91.100
df	2
Sig	0.000

According to table 2.2, the best rank related to transactional leadership style and the lower rank related to open leadership style. It should be noted the private banks’ manager’s leadership style is closer to transactional leadership style.

Table 5. The Results of Testing Third Hypothesis

	Independent Variable	Level					
			Mean	Standard Deviation	t	df	Sig
H3	Bank	Public	2.82	0.97	1.41	222.539	0.159
		Private	2.67	0.64			

According to table 1.3, the level of significance is 0.159 that is less than 5% and indicate that at the level of confidence 95%, H_0 is rejected and there is a meaningful difference between job satisfaction of private and public banks' employees.

Table6. The Results of Testing Fourth Hypothesis

	Independent Variable	Level					
			Mean	Standard Deviation	t	df	Sig
H4	Bank Members	Employees	2.57	1.12	-14.082	62.090	0.000
		Managers	4.26	0.39			

According to table 1.4, the level of significance is 0.000 that is less than 5% and indicate that at the level of confidence 95%, H_0 is rejected and the estimated transformation leadership style between the private banks' employees and managers has a meaningful relationship.

Table 7. The Results of Testing Fifth Hypothesis

	Independent Variable	Level					
			Mean	Standard Deviation	t	df	Sig
H5	Bank Members	Employees	2.42	0.88	12.157	28.015	0.000
		Managers	4.00	0.42			

According to table 1.5, the level of significance is 0.000 that is less than 5% and indicate that at the level of confidence 95%, H_0 is rejected and the estimated transformation leadership style between the public banks' employees and managers has a meaningful relationship.

5. Conclusion

The results of this paper indicate that there is significant difference between estimated leadership styles by private Iranian banks managers and employees who work there. It should be noted there is no significant difference between employees job satisfaction who works in Command and Queue unit in state-owned Iranian banks but there is significant difference between employee's job satisfaction who works in Command and Queue unit in Iranian private banks.

In addition, there is no significant difference in transformational leadership style between private and public Iranian banks. Transformational leadership style in public banks in Iran affected on job satisfaction. It also the decision making strategy affected on job understanding and job understanding causes to improve the job satisfaction in public Iranian banks.

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