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The Role of Situational Leadership Style in Employee Satisfaction in an Iranian Oil Company

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Abstract

The purpose of this quantitative correlation study was to determine the extent to which the role of leadership style preferences correlate with employee satisfaction with supervision among employees and leaders of an Iranian oil company. This study measured preferences for each of five common leadership styles and examined correlations with measures of employee satisfaction. The styles studied were transactional leadership, transformational leadership, autocratic leadership, charismatic leadership, and situational leadership. Results indicated that each of the five leadership styles has a positive correlation with employee satisfaction, suggesting that the situational leadership style may be the most appropriate style for leaders in an Iranian oil company.

Introduction

The global geopolitical situation in the twenty-first century is changing and requiring businesses to engage in creating new organizational leadership styles to meet and thrive with changing circumstances, technology, and globalization (Glaser, 2012). To succeed, businesses must design dramatically different organizational leadership styles from styles used in the past (Murray, 2014). Businesses in smaller countries must look to innovative leadership styles that will increase employee morale to remain competitive in the emerging global community and global markets to attract investors (Moore, 2013). Dynamic leadership boosts productivity and generates better services and products to global consumers. With globalization, a country's

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success is no longer linked exclusively to itself and its own internal resources. Instead, the world marketplace affects each country.

There have been limited studies in the past to demonstrate the effect of transactional, transformational, autocratic, charismatic, and situational leadership styles on the effectiveness of Iranian organizational leadership. Lack of researches in the past, made some organizations unable to realize that there is a meaningful relation and positive correlation between probable award, job satisfaction, entrustment of power, and way of control and management and the managers' effectiveness. Researches did not show that exchange leadership style has a direct relation with the managers' effectiveness while each of the five leadership styles has a reversal relation with the managers' effectiveness.

The major contribution of this study, however, is to investigate that each of the five leadership styles has a positive correlation with employee satisfaction, suggesting that the situational leadership style may be the most appropriate style for leaders in an Iranian oil company. There are not effective studies in 2014 that developed for Iranian companies to improve their performances. Therefore, this study will intend to improve and complete the subject that if managers use more situational style, job satisfaction to organization will be increased. And also paying more rewards to managers and employees will increase effectiveness.

The general problem confronted by some Iranian businesses aspiring to integrate into the global marketplace is their business hierarchy (Alavi, Yasin, & Zimmerer, 2004). The predominant dictatorial style of leadership combined with a pyramidal-organizational structure of authority in some Iranian businesses, leaves a prevailing a lack of control sense about destiny among employees (Karimi & Nouri, 2009). Leaders at the top of the hierarchy are regarded as the primary decision-makers for the company with little to no regard for the majority of employees (Brady, 2008). Employee satisfaction is impacted detrimentally by dictatorial leadership styles (Yeganeh & Su, 2014). The specific problem proposed for this research study was an examination of the role of situational leadership style in employee satisfaction in an Iranian oil company.

Background

The most common structure in some companies is based on a pyramid-shaped hierarchy in which various entities within the organization communicate in a top-down fashion. Businesses must consider creative leadership styles, specifically regard to meeting the demands of the global market. For companies to flourish, they must adopt a more global outlook,

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specifically in terms of leadership styles. Global investors look for companies that not only have resources but also foster a healthy community in and among their employees (Houghton & Yoho, 2012). Outside investors spark increased productivity, vitality, and improvement in local economies. Corporations have always confronted the challenges of integrating both new technologies and changes in the marketplace.

Power, responsibility, and the ability to make changes are often concentrated at the top of the corporate pyramid with decision-making power flowing from the top to the bottom (Brady, 2014). Generally, in such structures staff members communicate chiefly with their superiors rather than top-level decision makers. The hierarchical structure of successful companies in addition to companies confronting obstacles to make the leap into the world marketplace are of special interest, because research can reveal how to foster success and make the changes necessary to bridge the gap (Hasgall & Shoham, 2008). Companies must examine their corporate culture to determine which structures currently in place are helpful and which are detrimental to moving effectively from the local to the global marketplace.

Purpose of The Study

The purpose of this study was to examine the role of situational leadership style (independent variable) in employee satisfaction (dependent variable) in an Iranian oil company. The independent variables in this study were different leadership style preferences. The independent variables were transactional, transformational, charismatic, autocratic, and situational leadership styles. These independent variables were significant because Iranian businesses need to adapt to innovative business models that will make them competitive in the global market. The dependent variable in this study was employee satisfaction in an Iranian oil company. Since indication of all anticipated relationships was necessary, a research question that included several variables was necessary either. The hypotheses were determined in explanation of relationships among variables or comparisons to be studied.

The quantitative research study has potential value to the organization, because the findings may provide insight into employees' motivation to produce and may provide the organization information on how to improve employee motivation. One advantage of the quantitative approach is its unbiased structure and empirical model. This study was not concerned with employees' personal preferences regarding specific leadership styles; therefore, qualitative methods were not appropriate.

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This quantitative research design consisted of surveys which determine the leadership preferences of leaders in addition to employee satisfaction with supervision through the following indicators: (a) time with the company, (b) employees' indication of satisfaction with supervision, (c) quality of the employees' personal and social lives, (d) employees' rating of leadership and what characteristics in leadership are valued, (e) employees' rating of their understanding of the company and their faith in the future of the company, and (f) employees' rating of their preparedness for retirement. Oil company leaders at six levels were surveyed to determine their answers with regard to leadership style. The leaders stated how they believed their employees would respond, and if they planned to implement any new models of leadership. Leaders were surveyed to determine (a) how leaders are selected, (b) what qualifications and skills are considered by the company to be ideal in a leader, and (c) how training and assessment of leaders are administered after hiring.

Reseach Questions And Hypotheses

The research questions provided an understanding of the relationship between the leadership styles of supervisors and employee satisfaction with supervision in an Iranian oil company. The research questions proposed an investigation of the leadership styles (independent variable) of an Iranian oil company and the relationship of leadership style to employee satisfaction (dependent variable) with supervision. There were five research questions, five null hypotheses, and five alternative hypotheses in this research study:

RQ 1: What is the relationship between transactional leadership style of supervisors and employee satisfaction with supervision in an Iranian oil company?

RQ 2: What is the relationship between transformational leadership style of supervisors and employee satisfaction in an Iranian oil company?

RQ 3: What is the relationship between autocratic leadership style of supervisors and employee satisfaction in an Iranian oil company?

RQ 4: What is the relationship between charismatic leadership style of supervisors and employee satisfaction in an Iranian oil company?

RQ 5: What is the relationship between situational leadership style of supervisors and employee satisfaction in an Iranian oil company?

The rationale for these hypotheses will provide an Iranian oil company with information about how leadership styles (independent variable) relate to employee satisfaction (dependent variable) with supervision. Five research questions were created for the research study. A corresponding null

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hypothesis and alternative hypothesis were created for each of the five research questions, which contain quantitative components.

$H_0$1: Transactional leadership style of an Iranian oil company is not significantly correlated with employee satisfaction with supervision.

H_A1: Transactional leadership style of an Iranian oil company is significantly correlated with employee satisfaction with supervision.

$H_0$2: Transformational leadership style of an Iranian oil company is not significantly correlated with employee satisfaction with supervision.

H_A2: Transformational leadership style is significantly correlated with employee satisfaction with supervision.

$H_0$3: Autocratic leadership style of an Iranian oil company is not significantly correlated with employee satisfaction with supervision.

H_A3: Autocratic leadership style of an Iranian oil company is significantly correlated with employee satisfaction with supervision.

$H_0$4: Charismatic leadership style of an Iranian oil company is not significantly correlated with employee satisfaction with supervision.

H_A4: Charismatic leadership style of an Iranian oil company is significantly correlated with employee satisfaction with supervision.

$H_0$5: Situational leadership style of an Iranian oil company is not significantly correlated with employee satisfaction with supervision.

H_A5: Situational leadership style of an Iranian oil company is significantly correlated with employee satisfaction with supervision.

Theoretical Framework

A quantitative research study dealt with the broad theoretical area of leadership styles. Other researchers in the field discussed leadership styles in terms of motivating people, implementing plans, and providing direction both on an individual and company-wide level (Bass, 1990). Leaders guide, direct, and encourage employees to reach the company's goals. Diligent leaders create positive outcomes (Glaser, 2012). 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). Kouzes and Posner suggested leaders highlight their successes when they feel they have reached a personal best, which usually occurs when a new opportunity arises, coupled with their ability to make changes effectively and seamlessly. A diligent leader is willing to accept suggestions from both outside and within the company (Glaser, 2012). An effective leader is proactive about seeking out counsel and views mistakes or shortcomings as an opportunity to change for the better situation. Leadership theory includes five different leadership styles.

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Transactional Leadership

Transactional leadership theories proposed an exchange of wants between leaders and followers (Avolio, 2007). Exchange theories as seen in the vertical-dyad linkage model and the multiple screen model show the behavior of the leader and follower as bargaining between the power to accomplish goals rather than the power over another individual (Bass, 1990). Transactions may be tangible or psychic; however, these relationships do not last long. Transactional leadership concerns itself with granting, rather than exerting, power.

Transformational Leadership

Burns first presented transformational leadership as a concept in 1978. Bass expanded Burns' notions and principles (Northouse, 2004). Studies on transformational leadership show leadership style enables followers to rise to a higher level of performance than normally possible. Transformational leaders are best at inspiring and communicating the organizational vision (Houghton & Yoho, 2012). Avolio (2007) provided a commonly held definition: *transformational leadership helps people to achieve their mission and to renew their commitment to specified goals*. Transformational leadership helps people to achieve their mission and to renew their commitment to specified goals. To be a successful transformational leader, an individual must be well versed in effecting positive change through skills, which generate good leadership in others.

Autocratic Leadership

Autocratic leadership asserts absolute power and influence over followers and demands absolute submission from them. Autocratic leaders have been nurtured by communities and cultures that have naturally accepted hierarchical structures in leadership which legitimizes unequal relationships between subordinates and superiors. These communities often demand dutiful fulfillment of assigned roles, tendencies toward deference, and compliance with authority tending to produce autocratic leaders. Autocratic leadership has fallen from commonplace to lowest in popularity, possibly a result of comparatively low levels of job satisfaction under autocratic leaders (Kerfoot, 2013).

Charismatic Leadership

Charismatic leaders promise better opportunities. Charismatic leaders are agents of change and articulate an idealized future for the organization. They are successful when they can project a vision that resonates with employees. Charismatic leaders inspire followers to focus on broader organizational interests beyond their self-interests. Followers must trust their perception of the charismatic leader's credibility. This determines the extent of the

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followers' identification with the leader and their commitment to the vision (Choi, 2011).

Situational Leadership

Situational leadership, according to Farmer (2012), can be used appropriately by leaders as a development and training leadership style. Situational leadership allows leaders to communicate openly and honestly with employees while simultaneously developing a sense of competence and independence in employees. Farmer believed that a core competency of the situational style is the ability of leaders to diagnose employees' characteristics in order to use the appropriate leadership style. Situational leaders give guidance and direction to subordinates to complete tasks or objectives. Situational leadership is challenging because this style requires leaders to be able to respond quickly and innovatively when confronted with various scenarios. Situational leaders consider adopting different leadership styles depending on a whole host of factors, including circumstances, resources, and people involved, in order to cultivate consumer and employee satisfaction in addition to company profits (Long & Spurlock, 2013). A leader engaging in situational leadership is flexible, malleable, and able to change styles depending on conditions.

According to Rubenstein (2014), situational leaders give guidance and direction to subordinates to complete tasks or objectives. Situational leadership is challenging because this style requires leaders to be able to respond quickly and innovatively when confronted with various scenarios (Canaff & Wright, 2014).

Relationship to Employyee Satisfaction with Supervision

Every manager has his or her own style. Some managers are classified as hard or autocratic, meaning they are characterized by having important values such as high-level ambition, achievement, and risk taking. Other managers use the soft approach characterized by loyalty, trust, compassion, and a high regard for relationships. Employees will perform much better and be more loyal to a manager who uses the soft approach. Courtesy, humor, and moral integrity are other qualities that are important for a good manager (Ghosh, 2008).

What skills will be required of the twenty-first century managers and leaders to be effective (Smith, Bergey, Cantwell, & Doran, 2012)? Conceptually, these skills have changed little since Katz (2011) introduced his model of management skills some years ago. Katz divided an effective manager's skills into three basic categories of technical skills, human skills, and conceptual skills. Although modern managers are certainly required to possess a much higher degree of human skills than in the past, these basic

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categories still accurately classify the skills necessary to be an effective manager in the twenty-first century.

According to Akehurst, Comeche, and Galindo (2013), job satisfaction comes from a positive experience with a job which results in a pleasurable emotion. Spjut (2004) believed job satisfaction is an individual measure of an employee's work-related values and whether or not they have been achieved. Some identify a *flow* of job satisfaction. This flow refers to a state of effortless absorption and enjoyment of the work activity in itself (Duserick, Huang, & Dai, 2007). When an employee's skill fits the work activity, the flow increases, so that it is also higher at work than in leisure. Job satisfaction is also impacted by the work environment.

Population And Sample

A study's population is the total entity from which the research seeks a specified type of knowledge (Creswell, 2013). Based upon personal interactions and communications with employees, the total population of leaders at an oil company exceeds the 210 leader surveys distributed; 140 leaders returned surveys. Among approximately 25,000 employees, 500 employees received surveys and 329 employees returned surveys. The Cochran's formula used to determine the sample size. The majority of the employees were English speakers with relatively high educational backgrounds. The leaders and employees were employed in one oil company in Tehran, Iran. The leaders and employees were invited twice to participate on a volunteer basis. The surveys were completed during work hours as an incentive to participate. The groups of leaders and employees included females and males, who had different levels of education, worked in different departments, worked on different production shifts, and had different lengths of employment in the oil company. The estimated length of employment ranged from 1 to 20 years in the organization.

Validity

The validity or "truthfulness" (Neuman, 2006, p. 164) of a study refers to the measurement tool for which studies find significance in academia. Quantitative research studies primarily draw on internal validity and external validity. The ability to measure what a study intends to measure is the internal validity of a study while the ability to generalize findings of other studies or phenomenon in various settings and times is external validity (Cooper & Schindler, 2006). Internal validity is described as the credibility of a study while external validity is transferability of conclusions in terms of quantitative correlation studies (Richards, 2005).

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Internal Validity and Credibility

The main threat to the internal validity of a research study is associated with selection. To secure the validity of a research study, the sample must be appropriate, consisting of participants who best represent or have knowledge of the research topic (Creswell, 20013; Leedy & Ormrod, 2005). This study's population consisted of leaders and employees in an Iranian oil company. The sample consisted of individuals who met the criteria for the study. They worked for the oil company. Selection threats are practically eliminated by using systematic sampling to select for leadership style. Systematic sampling was used to obtain a representative sample population for this study and ensure internal validity (Ehrman, 2004).

External Validity and Transferability

External validity is the interaction between selection and treatment. Creswell (2013) described this interaction as the selection that involves "the inability to generalize beyond the groups in this experiment, such as other racial, social, geographical, age, gender, or personality groups" (p. 327). The interaction between selection and treatment does not threaten to destroy external validity because the research study will be conducted using survey designs not considered experimental. No pilot study was used because accessing to the population was limited to narrow time constraints. Copies of the survey were sent to supervisors at the oil company before presenting them to the population. Supervisors supplied with the surveys were asked for comments and opinions.

Instrument Reliability

Similar to validity, reliability is central to the measurement of hypotheses (Neuman, 2006). If an instrument is dependable and consistent in measurement or outcomes, it is reliable. To increase reliability, the surveys were given multiple indicators for how each variable would be measured independently and using multiple-choice questions (Neuman). Participants had adequate time to answer questions or complete the surveys in order to ensure a reliable response (Creswell, 2013). Participants completed the surveys voluntarily and with no time constraints; therefore, the data should be reliable.

The perception of supervisor expertise by subordinates has been linked to employees' job satisfaction level; therefore such expertise perception was measured using Generalized Expertise Measure (GEM) (Germain, 2009). The scale included 16 items measuring objective and subjective expertise. Objective expertise refers to items that can be officially measured, such as training or education received. Subjective expertise refers to more intangible characteristics, such as someone's charisma, extraversion, or self-confidence. The GEM measure has shown very high reliability in large

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samples. For example, with a sample of N=307, the 16-item scale's reliability (internal consistency, Cronbach Alpha coefficient) was high (.91 for the five Evidence-Based items and .92 for the eleven Self-Enhancement items) (Germain, 2006). Questions use Likert-type scales ranging from 1 (strongly disagree) to 5 (strongly agree). Examples of expertise questions include: "My supervisor has the qualifications required to be an expert in his/her field" or "My supervisor is able to judge what things are important in his/her job".

Data Analysis and Collections

The study participants consisted of 329 employees and 140 leaders. Of the leaders, 90 (64%) were male and 45 (32%) were female with five not reporting gender (see Table 1). Of the employees, 230 (69%) were male and 80 (24%) were female. Table 2 provides the distribution of the leaders and employees by age. Of the employees, 12% ranged from age 20 to 30, 62% ranged from 31 to 40, 27% ranged from 40 to 50, and 40% were older than age 50 (see Table 2). Among the leaders, 13% ranged from 20 to 30, 26% ranged from 31 to 40, 34% ranged from 40 to 50, and 23% were older than age 50. One survey was disregarded because more than 30% of the questions were left unanswered.

Table 1 Participants by gender and type

	Female	Male	Not Reported	Total
Leaders	45	90	5	140
Employees	80	230	19	329
Total	125	320	24	469

Table 2 Participants by age and type

	Age 20-30	Age 31-40	Age 41-50	Age 51	Not Reported	Total
Leaders	27	30	46	37	0	140
Employees	40	59	92	128	1	329
Total	59	91	135	165	1	469

The leader survey in this study assessed leader perceptions of their personal leadership style; this section presents leadership style preferences overall and also based on age, gender, and education. Because the indication of a leadership style preference was not mutually exclusive, leaders could express a preference for more than one style of leadership (see Table 3), resulting combinations of preferences (see Table

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Table 3 Leader perceptions of preferred leadership style

Preferred Style	Number	Percent
Autocratic	4	2.9
Charismatic	137	97.9
Situational	76	54.3
Transactional	0	0.0
Transformational	98	70.0
No Preference	3	2.1

Table 4). Table 5 presents the leadership style preferences indicated by the leaders responding to the survey by gender.

Table 4 Leader perceptions of combined leadership style preferences

Preferred Style	Number	Percent
Charismatic	36	25.7
Charismatic-Situational	1	0.7
Transformational-Charismatic	24	17.1
Transformational-Charismatic-Situational	72	51.4
Transformational-Autocratic-Charismatic-Situational	3	2.1
No Preference	3	2.1
Total	140	100.0

Table 5 Leader leadership style preferences by gender

	Females		Males		Unknown
Preferred Style	Number	%	Number	%	
Charismatic	17	38.6	17	18.9	
Autocratic-Charismatic	1		0	0.0	
Charismatic-Situational	0	0.0	1	1.1	
Transformational-Charismatic	11	25.0	12	13.3	
Transformational-Charismatic-Situational	15	34.1	55	16.7	
Transformational-Autocratic-Charismatic-Situational	1	2.3	2	2.2	
No Preference	0	0.0	3	3.3	5

P-value measures the likelihood that shows the results and the differences in responses between one or more populations could have been random. A p-value of 0.05 says that the probability that the results were due to random variation is 5%. A p-value of 0.05 is common in statistical analysis. The p-value provides confidence that the possibility of concluding that the data supports the null hypothesis that the variance between two or more data sets is not random when it was actually random, is 95% and that the chances of concluding that the data does not support the null hypothesis because the variance was random, when in fact the variance was not random, is 5% (Gravetter & Wallnau, 2006).

The Multifactor Leadership Questionnaire evaluates the leader's alliance with the transformational leadership style (Snodgrass & Shachar, 2008). The MLQ uses a scale of measurement derived from a Likert-type scale with answers from 1 to 5 and 1 to 7 for each question. This study asked

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participants to answer honestly and descriptively in reference to their own feelings and experiences working at the oil company. Certain questions were specifically directed toward revealing the participants feelings about each of the five different leadership styles. Some questions used rating scales from 1 to 5, where 1 = *rarely*, 2 = *seldom*, 3 = *occasionally*, 4 = *often*, 5 = *always*. Other scales included 1 to 5 scales where 1 = *strongly disagree*, 2 = *disagree*, 3 = *neutral*, 4 = *agree*, 5 = *strongly agree*; and 1 = *never*, 2 = *hardly*, 3 = *seldom*, 4 = *occasionally*, 5 = *often*, 6 = *usually*, 7 = *always*.

Situational leadership preference and job satisfaction

A preference for a situational leadership style (r^2 = 63.6%, p<0.001; F (1,327) = 571.2, p < 0.001; emerged with a corresponding significant relationship based on the aggregate rather than mean score on the situational preference items F (146,182) = 5.06, p < 0.001 (see Figure 1). The mean rating for the 329 employee responses to the 30 questions related to situational leadership preference ranged from 1.43 to 4.67 with a total of 147 separate values for the mean response. The mean rating for the 329 employee responses to the 20 MSQ questions indicating job satisfaction ranged from 1.25 to 4.6 with a total of 117 separate values for the mean response. Analysis of the correlation between mean response on the situational leadership items and mean response on the job satisfaction items shows a positive and significant correlation.

One-way ANOVA: Job Satisfaction (Mean MSQ) versus mean score, Situational Leadership preference questions (S_2)

Source	DF	SS	MS	F	P
S_2	146	52.2612	0.3580	5.06	0.000
Error	182	12.8865	0.0708		
Total	328	65.1478			

S = 0.2661 R-Sq = 80.22% R-Sq(adj) = 64.35%

Figure 1: One-way ANOVA, job satisfaction versus Situational Leadership preference (mean basis)

To measure job satisfaction, the 20-item Minnesota Satisfaction Questionnaire (MSQ) scale was used (Zurmehly, 2008). The MSQ measures employee job satisfaction. The 20-item, MSQ requires the participants to respond to a 5-point Likert-type scale, and measures intrinsic, extrinsic, and general job satisfaction. Zurmehly noted that reliability coefficients range from 0.84 to 0.91 for intrinsic satisfaction, from 0.77 to 0.82 for extrinsic satisfaction, and for general satisfaction the reliability coefficient range from 0.87 to 0.92. The MSQ has been included in over 1,000 research publications examining job satisfaction, and been validated with numerous occupational groups.

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Job satisfaction appears to have a non-random relationship with situational leadership style. It does not appear that a preference for situational leadership style is a better indicator of job satisfaction than a preference for any of the other leadership styles. No correlation emerged for the relationship between a preference for transactional leadership, employees actively searching for a new position (r^2 = 0.0%, p = 0.955).

Hypothesis-Situational leadership style and employee satisfaction

Leaders in this study were surveyed to determine their leadership style. Employees were also surveyed to determine specific leadership characteristics they preferred. These answers and characteristics were compared to current leadership literature and theories to generalize the answers and determine preference of leadership styles and the leadership style that would bring about the highest amount of job satisfaction.

The MLQ indicates a significant, positive relationship between situational leadership and employee satisfaction with supervision. Correlation analysis between the mean responses on the MSQ and autocratic style preference items (r^2 = 63.6%, p<0.001) indicated a correlation and an apparent relationship between preference for the autocratic leadership style and job satisfaction (see Table 6). One-way ANOVA on the aggregate situational leadership style index and the responses to the job satisfaction questions indicated a correlation and an apparent relationship between preference for the situational leadership style and job satisfaction (F (146,182) = 5.06, p < 0.001. Null Hypothesis 5 is therefore rejected and Hypothesis 5 is supported.

Table 6. Summary of Correlations between job satisfaction and leadership style preference.

Preferred Style	Correlation with Job Satisfaction (r^2)	P Value	Hypothesis
Transactional	6.0%	< 0.001	1
Transformational	34.4%	< 0.001	2
Autocratic	24.3%	< 0.001	3
Charismatic	1.2%	0.048	4
Situational	63.6%	< 0.001	5

A similar study could be implemented to emphasize correlations between leadership styles and leadership change. The findings of this study call for action to increase employee productivity by increasing employee satisfaction with supervision. This study concludes that effective leadership has a positive correlation with employee satisfaction.

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Conclusions and Recommendations

There are little researches on each of five leadership styles, their roles and relations with managers' effectiveness, and most research in this area led to the relationship between other factors are discussed.

The results of this study indicated that each of five leadership styles has a positive correlation with employee satisfaction with supervision. An analysis of variance found no significant differences in employee satisfaction based on gender or age and a significant difference in employee satisfaction based on age. The results of this research shows that there is a significant relationship between each of five leadership styles and management effectiveness. If managers use more situational style, job satisfaction in organization will be increased. Also paying more rewards to managers and employees will increase effectiveness. Results from this study also showed that situational leadership style and effectiveness of subordinates are related.

Executive leaders in an oil company should develop programs to develop effective current and future leaders as a demonstration of commitment to driving improved performance management and talent planning. Effective Iranian executive leaders in the oil company should provide effective, ongoing leadership coaching and mentoring, with a near-term emphasis on situational leadership and the advantages and disadvantages of each of the five examined leadership styles. Coaching and mentoring may help ineffective leaders become culturally competent in communicating and understanding the needs of their employees while they are engaged in new and challenging organizational behaviors. As ineffective leaders transform their leadership behaviors, they may discover and appreciate the racial, ethnic, and cultural backgrounds and talents of their workers (Bass, 1990).

Regression analysis and analyses of variance (ANOVA) for leadership styles and job satisfaction as a function of or related to various variables were implemented using Statistical Package for the Social Sciences (SPSS). ANOVA is an inferential statistical method used when measuring the differences among group means. When investigating the effect of an independent variable (leadership styles) on continuous dependent variables (employee satisfaction), this method helps to further analyze results (Gall, Gall, & Borg, 2010). One-way ANOVAs were performed to answer the study's research questions and to determine correlations between employee job satisfaction and both leadership style preference and employee demographic variables. Three criteria of the variables must be met for the ANOVA to be valid: (a) the variables must be mutually exclusive; (b) variances among the groups should be equivalent (homogeneity of variance); and (c) there must be normal distribution among the dependent variable.

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Longitudinal studies are also recommended for future research of leadership styles and employee satisfaction. Future studies should examine a range of other industry organizations across several years of operations. This study should examine organizations with a range of organizational tenure and maturity, from organizations in the start-up phase to well-established enterprises. Researchers can use those findings to determine the extent that changes in top leadership personnel, changes in the organizational culture, and changes in the external environment might influence the leadership styles used in the organization and employee satisfaction (Yeganeh & Su, 2014). Further research should be conducted to determine whether the use of one or more specific leadership styles by leaders in different organizations increases leadership effectiveness, employee commitment, and employee conformity to the organizational culture.

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