

## **SUBSTITUTES FOR LEADERSHIP AND JOB SATISFACTION REVISITED**

Edward Jernigan, Department of Management, Belk College of Business, UNC Charlotte  
Joyce Beggs, Department of Management, Belk College of Business, UNC Charlotte

### **ABSTRACT**

The purpose of this paper was to revisit the relationship between substitutes for leadership and job satisfaction. The results of our analysis indicate a significant relationship exists. Furthermore, our results indicate that five of the seven substitutes for leadership examined can have an influence on an individual's job satisfaction.

### **INTRODUCTION**

This paper examines the relationship between selected substitutes for leadership (Kerr & Jermier, 1978) and the concept of job satisfaction. Previous research on leadership substitutes focused on identifying and explaining the basic effects of substitutes for leadership on various forms of leadership (Keller, 2006; Fuller, Morrison, Jones, Bridger, & Brown, 1999). In this study, we extend the inquiry into substitutes for leadership by examining potential links between leadership substitutes and job satisfaction. In this preliminary analysis, the focus was only on the potential for a main effects model (a substitutes only model) of the relationship between substitutes for leadership and job satisfaction.

### **SUBSTITUTES FOR LEADERSHIP**

The path-goal theory of leadership argues that the role of a leader is to identify for subordinates those behaviors which are most likely to result in the attainment of desirable goals (e.g., high levels of performance and increased satisfaction). Having defined appropriate behaviors, the leader then engages in actions (behaviors) which will reduce or eliminate barriers to goal achievement. The relationship between leader behavior and subordinate motivation (path-goal instrumentality) can be moderated or influenced by the characteristics of subordinates and the structure of the environment. In a path-goal sense, the successful leader is the one who matches his or her behavior to the requirements of the situation and to the characteristics of his or her subordinates.

In general, the concept of substitutes for leadership represents an extension of the path-goal theory of leadership (Evans, 1970; House, 1971). The concept sought to identify specific factors or forces, which when present at high levels, act to interrupt the link between the behaviors of a leader and subordinate expectancies regarding desired outcomes. The central thesis of the substitutes for leadership construct is a belief that behaviors associated with traditional hierarchical leadership may not be important determinants of subordinate performance, commitment, and satisfaction in all cases.

Essentially, Kerr and Jermier (1978) argued that there are a series of characteristics which have the potential to either neutralize or substitute for the effects of leader behavior. The characteristics are three types: individual, task, and organizational characteristics. Individual characteristics suggested as potential substitutes included ability, experience, training and knowledge, need for independence, professionalism, and indifference towards rewards. Task characteristics identified as potential substitutes included unambiguous and routine tasks, methodologically invariant tasks, task provided feedback, and intrinsically satisfying tasks. Organizational characteristics proposed as potential substitutes included the level of formality, inflexibility,

highly active advisory and staff functions, closely knit and cohesive work groups, lack of leader control over rewards, and spatial distance between leader and subordinates (Kerr & Jermier, 1978).

The key difference between traditional theories of leadership such as path-goal theory and the concept of substitutes for leadership is the idea that in certain situations, leader behaviors may be unnecessary. Although the concept of substitutes for leadership could be enormously appealing from a management perspective, the research evidence indicates mixed support for the substitutes construct. The initial work of Kerr and Jermier (1978) reported that intrinsically satisfying work and task provided feedback were substitutes for supportive leader behavior when predicting organizational commitment. The authors also found that routine tasks, organizational formality, intrinsic satisfaction, and task feedback significantly reduced subordinate perceptions of role ambiguity. However, these potential substitutes did not significantly reduce the effectiveness of leader task and consideration behaviors that were intended to clarify subordinate roles. In addition, Howell and Dorfman (1981) reported that only the level of organizational formality could be considered a "strong" substitute for instrumental leader behavior when predicting subordinate job satisfaction and commitment.

The conceptualization, the operationalization, and the testing of the substitutes construct have been debated from the beginning. Dionne, Yammarino, Howell, and Villa (2005) provide a comprehensive review of the issues. Podsakoff, MacKenzie, and Bommer (1996) conducted a meta-analysis of the relationships between substitutes for leadership and employee attitudes (job satisfaction), role perceptions, and performance. Their findings showed that the combination of substitutes and leader behaviors account for the majority on the variance in employee attitudes. Despite the debate, the concept continues to attract scholarly interest. For example, Keller (2006) examined transformational leadership, initiating structure, and selected substitutes for leadership as predictors of performance. He found that subordinate ability and intrinsically satisfying task predicted speed to market in research and development projects.

## **JOB SATISFACTION**

Job satisfaction has been defined as "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences (Locke, 1976, p. 1300)." Job satisfaction is a global attitude that individuals maintain about their jobs based on perceptions of their jobs (Reilly, Chatham, & Caldwell, 1991). Studying job satisfaction aids in the understanding of those perceptions and their ultimate consequences. These investigations may help managers understand how employees form the attitudes that affect their job satisfaction (DeBats, 1982; Smith, Kendall, & Hulin, 1969; Weiss, Dawis, England, & Lofquist, 1967).

Substantial attention has been given to the relationship between organizational commitment and job satisfaction. There have been several studies that questioned the causal ordering of these variables (e.g., Bateman & Strasser, 1984; Williams & Hazer, 1986; Curry, Wakefield, Price, & Mueller, 1986; Glisson & Durick, 1988; Huang & Hsiao, 2007). In a meta-analysis, Tett and Meyer (1993) reported that satisfaction and commitment contribute uniquely to turnover. Kacmar, Carlson, and Brymer (1999) found that the relationship between job satisfaction and organizational commitment was positive and statistically significant. However, Kacmar et al. (1999) reported that the links for affiliation, exchange, and identification commitment with job satisfaction were not significant. Whereas, Huang and Hsiao (2007) suggest that a reciprocal model explains the relationship. In an examination of performance of virtual workers, Golden and Veiga (2008) found that high quality superior subordinate relationships lead to higher levels of commitment and job satisfaction and performance for those who worked extensively in a virtual mode. In another study of the relationship between job attitudes and performance, Riketta (2008) confirms the existence of a small but significant effect for attitudes (such as job satisfaction) on performance. Previous research has reported a positive relationship between substitutes for leadership and job satisfaction (e.g., Pool, 1997; Jernigan, 1990).

## METHOD

The sample for this study consisted of employees working in a large southern city. Respondents included the following groups: employees of the headquarters staff of a division of a multinational company, employees of regional production plants from two national consumer products corporations, employees of a multinational chemical firm, and employees of a regional financial services company. Questionnaires along with cover letters and addressed, postage-paid return envelopes were distributed through company mail to 640 potential study participants. Completed questionnaires were mailed directly to the researchers. Usable responses were received from 354 individuals for a response rate of 55 percent.

Demographic characteristics of the research subjects are summarized in Table 1. The mean age for the sample was 36 years, with 66 percent being male, 77 percent being white, and 22 percent being non-white. The education levels were as follows: (40 percent) college graduates, (11 percent) graduate degrees, (29 percent) completed some college, and (19 percent) high school graduates or less. The mean tenure with the current employer was 8 years, in the current job was 4.5 years, and with the supervisor was 2.3 years.

Table 1  
Sample Characteristics

Total number of usable responses	354
Non-managers	252
Managers	102
Gender:	
Male	234
Female	117
Education:	
High School or less	69
Some College	104
College Graduate	141
Graduate Degree	40
Race/Ethnicity	
Non-white	79
White	272
Mean Age	36
Mean Job Tenure (years)	4.5
Mean Length of Employment (years)	8
Mean Tenure with Supervisor (years)	2.3

### Measures, Variables, and Methodology

The following are the variables whose relationship was studied.

Dependent Variable: Job Satisfaction

Independent Variables: Substitutes for Leadership

#### Individual Characteristics

1. Ability, Experience, Training & Knowledge
2. Professional Orientation

### Task Characteristics

3. Unambiguous, Routine, Methodologically Invariant Task
4. Task Provided Feedback
5. Intrinsically Satisfying Task

### Organizational Characteristics

6. Organizational Formality
7. Close-knit, Cohesive Work Group

Substitutes for leadership were measured with the Leadership Substitutes Scale by Kerr and Jermier (1978). Thirty-two items were selected from the scale. Seven point scales ranging from 1 strongly disagree to 7 strongly agree was used. Data were collected for seven potential substitutes. Two individual characteristics were measured: ability, experience, training, and knowledge (3 items, alpha; .75) and professional orientation (3 items, alpha; .60). Three task characteristics were measured: unambiguous, routine, methodologically invariant task (6 items, alpha; .67), task provided feedback (3 items, alpha; .57), and intrinsically satisfying task (3 items, alpha; .51). Two organizational characteristics were measured: organizational formality (9 items, alpha; .83) and close-knit, cohesive work group (5 items, alpha; .70). An item for an individual characteristic was: "Because of my ability, experience, training, or job knowledge, I have the competence to act independently of my immediate supervisor." An item for a task characteristic was: "There is really only one correct way to perform most of my tasks." An item for an organizational characteristic was: "In this organization, performance appraisals are based on written standards."

Job satisfaction was measured using the Index of Job Satisfaction developed by Brayfield and Rothe (Cook, Hepworth, Wall, & Warr, 1981). The index consists of eighteen items of which half are reverse scored (alpha = .87). Originally formulated with a 5 point agree-disagree scale, the index was modified to a 7-point (very strongly agree to very strongly disagree) scale in order to make it consistent with the other measures employed in this study. Sample items from the index include: "My job is like a hobby to me," "I am often bored with my job (R)," and "I find real enjoyment in my work."

The research question was tested using multiple regression analysis. Some of the alphas reported for the Substitutes for Leadership Scale are problematic. However, since this was a pilot study, all items were retained in the analysis.

## Results and Discussion

The results of the analysis of the data are included in Table 2. Five of the seven leadership substitutes included in the analysis were significant. Only the two substitutes classified as individual characteristics were not significant. As suggested by previous research, our results indicate a mostly positive relationship between leadership substitutes and job satisfaction. This study suggest that individuals who perceive their work as intrinsically satisfying are significantly more satisfied with their jobs (beta = .466,  $p = .000$ ) than individuals who do not express such a belief. Similarly, individuals who perceive their organizational work environment as comparatively high in formality also express higher job satisfaction (beta = .141,  $p = .008$ ). Individuals who characterize their jobs as routine and those who characterize their immediate work group as close-knit and cohesive express significantly less satisfaction with their job (beta = -.157,  $p = .004$ ; beta = -.224,  $p = .000$ ) than other respondents. In the context of the substitutes for leadership concept, an intrinsically satisfying task and organizational formality could be categorized as leadership "enhancers" in that they act to increase satisfaction with the supervisor. Conversely, a routine task and a close knit, cohesive work group would be characterized as leadership neutralizers in that the perceived existence of such substitutes could act to decrease satisfaction with the job.

Table 2  
Regression Results  
Selected Substitutes for Leadership Regressed on Job Satisfaction

	Standardized Coefficients		
	Beta	t	Sig.
Dependent Variable: Job Satisfaction			
Individual Characteristics:			
Ability, Experience, Training and Knowledge	-.013	-.279	.781
Professional Orientation	-.001	-.025	.980
Task Characteristics:			
Unambiguous, Routine, Methodologically Invariant Task	-.157	-2.865	.004
Task Provided Feedback	.181	3.587	.000
Intrinsically Satisfying Task	.466	9.100	.000
Organizational Characteristics:			
Organizational Formality	.141	2.680	.008
Close-knit, Cohesive Work Group	-.106	-2.236	.026

The effect found for intrinsically satisfying task was predicted by the long stream of work in the area of satisfaction and motivation such as Herzberg. Likewise, organizational formality creates a stronger sense of consistency between what the individual may hear from their supervisor and the information provided by the organization such as through policies and procedures. In the case of the close-knit, cohesive work group, research on the strength of group norms provides a possible explanation. For example, in a cohesive group or team, the group could provide the support subordinates may expect leaders to provide in other settings.

The results of this preliminary study suggest that substitutes for leadership may impact both the potential for leader effectiveness as well as subordinates' satisfaction with the job. Furthermore, in today's environment of continuing emphasis on empowerment, and the emergence of autonomous work groups and teams, managers may want to use the existence of substitutes for leadership to their advantage. Effectively manipulating the environment in order to take advantage of leadership substitutes can free up the manager to do other things. While it might be acceptable to take advantage of positive leadership substitutes and enhancers, leaders should minimize or avoid situations involving leadership neutralizers. The result reported here for close-knit, cohesive work group is an example of such a situation. It is widely understood and accepted that group norms can at times run contrary to the interests of the organization. In this study, the existence of a close-knit, cohesive work group reduced employees' satisfaction with their supervisor. This result could act as a barrier to leader communication with the group that translates into increased expressions of dissatisfaction with the organization. Managers and leaders may be obligated to act to reduce group cohesion in order to avoid such potential problems.

The limitations of this study include the cross sectional design and common method variance issues. We also did not examine the impact of leadership style on the relationships examined in this pilot study. Future research could include an examination of leadership variables.

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