

**THE IMPACT OF TRANSFORMATIONAL AND TRANSACTIONAL  
LEADERSHIP STYLES ON JOB SATISFACTION AMONG EMPLOYEES AT  
ECONOMIC PLANNING UNIT, PRIME MINISTER OFFICE PUTRAJAYA**

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## ABSTRACT

This study was conducted at Economic Planning Unit, Prime Minister Office, Putrajaya. The objective of this study is to find out which leadership styles the employees more prefer either Transactional leadership styles or Transformational leadership styles. Questionnaire were gives to 60 respondents to complete this survey. Data were analyzing by using SPSS and the result of the study will be used for the company in the future and they can know about leadership style that the choose. The major finding for this research is can identify which leadership styles that have a relationship on job satisfaction among employees and which leadership styles is most significant in the organization. Leadership is important in all organization because leader will guide the employees to achieve the company goals and also motivate and encourage employees to move and think forward.

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## CHAPTER 1

### INTRODUCTION

#### Background of the Study

In every company, leadership is the most important thing to a company which is a leader will lead the employees or followers in order to achieve the company objectives, mission and vision. Leadership is very important to employees because the leader will help and guide the employees, sharing the vision and also provide information to the employees. If there is a crisis occur in the company, leadership will play the important role to find the best solution to overcome the crisis and this will determine whether the leader is capable of solving problems in any kind of situations. There are several styles of leadership such as autocratic, bureaucratic, laissez-faire, charismatic, democratic, participative, situational, transactional, and transformational leadership (Mosadeghrad, 2004). From all of these 9 leadership styles, we will focus on researching based on “The impact transformational and transactional leadership style on job satisfaction among employees”. According to Robbins and Coulter (2007), a **transformational leader** is someone who can encourage or inspire people or followers to achieve extraordinary outcomes. They seek to support followers’ aspiration and needs with desired organizational outcome. In the book by Richard L.