THE RELATIONSHIP AMONG LEADERSHIP, ORGANIZATIONAL CULTURE AND EMPLOYEES' JOB SATISFACTION

Elvira NICA[1]
Ana-Mădălina POTCOVARU[2]

ABSTRACT
The increasing interest in employees satisfaction has heightened the need for analyzing the factors which contribute to this. The purpose of this paper is to evidence the influence of the style of leadership and the organizational culture on the employees satisfaction at work. In this study we analyze the influence of the bureaucratic leadership, the tranzactional leadership, the transformational leadership and the servant leadership. We can not afirm exactly which style of leadership is the most effective because no leadership style is guaranted to work in all situations. We made our research by analysing the style of leadership and the organizational culture at the Lagardère Travel Retail Romania. We attended several meetings to observe what style of leadersip predominates and we questioned the employees about the values of the organizational culture to establish it's type and it's role in motivating the employees.

KEYWORDS: *leadership, organizational culture, human resources, transformational leadership, corporate culture.*

JEL CLASSIFICATION: *015, M12, D23*

1. INTRODUCTION

The study of leadership and of the organizational culture has become an important aspect of the human resources management. The effectiveness of a leader depends on his qualities and his character and according to Mintzberg leaders share one personality trait in common, the passion to lead (Mintzberg, 1998, 140-148).
The companies fight to achieve efficiency and profitabiliy and, in our opinion, companies rely on leaders to motivate employees. It is very important for a leader to help subordinates achieve their own goals (Bryman, 1986), because achieving their goals will have an important impact on the organisation effectiveness.
On the other hand the relation between leadership and organizational culture enhance to the productivity of the organizations. But what is the organizational culture and how does it contribute to the employee's satisfaction? Does the syle of leadership influence the organizational culture or does the organizational culture influence the syle of leadership?

2. LITERATURE REVIEW

Nielsen correlated the leadership style and employees' satisfaction with organizational behaviour. Their studies conducted to the conclusion thet leadership style and employee's satisfaction depend on the organizational culture (Nielsen & al., 2008).

[1] Bucharest University of Economic Studies, Romania, popescu_elvira@yahoo.com
[2] Bucharest University of Economic Studies, Romania, madi_potcovaru@yahoo.com

A bureaucratic leader is a leader who depends on rules and regulations. This kind of leader is well organized and reports only to his supervizor. In bureaucracies the employees are promoted according to their capacity to conform to the rules. The leaders respect the strict hierarcy in the organizations. There are strict rules, regulations and laws and the employees have to respect them. The bureaucratic leadership is focused on the performance and not on the employees.

A transactional leader is a leader who gives importance to order and structure. This style of leadership depends on self-motivated employees. It is important for the employees to work in a structured, directed environment. A transactional leader is concentrated on obtaining the results. The system of rewards and penalties can lead to the succes of the employees motivation and performance. This type of leader has formal authority and a great responsability and his role is to monitorize individual performance. The individual performance can not be obtained without the group performance. For the employees the criterias are very well structured and the tranzactional leader manages to motivate employers to respect the criterias and obtaine performance. The employee's performance is analyzed throw the performance reviews. A tranzactional leader sets targets and monitorizes the performance of the employees and how they perform in a precized environment. These leaders are reactive and not proactive (a transformational leader is proactive). The tranzactional leadership request the self-centeredness of individuals.

A transformational leader motivates and inspires employees and is not the kind of leader who pilots them. This leader chooses to influence rather than direct. Also he prioritizes the group progress.

The most social leadership style is **servant leadership.** One relevant characteristic is that this leader puts the needs of others before anything else. The leaders are constructive, determined and very sociable. The servant leaders empathizes with the employees and with their needs, they intervene in different and complex situations and implement feasible solutions. They place the needs of others in the first place in every institution in which they operates.

Table 1. The difference between servant leaders and bureaucratic leaders

The servant leaders	The bureaucratic leaders
Serve employees and help them to grow	Ensure a relationship of authority with employees
Value the less fortunate members of the organizations	The structure of the organization is hierarchical
Facilitate activities throw commitment	Monitorize employees who do repetitive tasks

Source: adapted from https://online.stu.edu/servant-leadership/

Table 2. The difference between transactional leaders and transformational leaders

The tranzactional leaders	The transformational leaders
Is a „telling" leadership style	Is a „selling" leadership style
Emphasizes positive and negative reinforcement	Emphasizes motivation and inspiration
Is reactive	Is proactive
Prioritize self-interest individuals	Prioritize group progress

Source: adapted from https://online.stu.edu/servant-leadership/

According to Hersey and Blanchard there are four leadership style (Table 3).
As can be seen from table 3, Style 1 and Style 2 are high on task orientation, while Syle 2 and Style 3 are concentrated on relationship orientation. It can been seen that Style 2 is concentrated both on task orientation and relationship orientation, while Style 4 is low both on relationship and task orientation. Style 1 is focusing on task orientation and Syle 3 on relationship orientation.

Table 3. Leadership styles based on Task orientation behaviour and Relationship orientation behaviour

Leadership styles	The relationship between Task orientation behaviour and Relationship orientation behaviour
S1	High on Task orientation and low on relationship orientation
S2	High on both task orientation and relationship orientation
S3	High on Relationship orientation and low on task orientation
S4	Low on both relationship and task orientation.

Source: adapted from Hersey & Blanchard, (1999)

We can coclude that the first style is a transactional leader, the second style is a transformational leader, the third style is a servant leader, and the last one is a bureaucratic leader.

After studying the literature review on this domain we found that one of the factors that really contribute to the success of an organization is the **organizational culture**. The organizational culture influences the effectiveness and performance of the whole organization. The organizational culture represents a set of assumptions which determines how the company reacts to its various environments" (Schein, 1996).

The existence of a strong organizational culture is an indispensable condition for the survival and development of any organization because it allows the implementation of appropriate strategies, a good decision-making process, where the style of leadership participates in achieving the objectives.

2.1. Leadership and employees satisfaction

The leadership actions have to be aligned strategically for the long term profitability and employess satisfaction. Strategic leadership works with the vision, culture and values in an organization. What contributes to the employess satisfaction? Maintaining a cohesive team, gaining the employee suport, creating a transparent system and a strong organizational culture are essential characteristics of the leaders.

There are studies that indicate that the employees satisfaction is a result of the superior's use of Sullivan's Motivating language theory (Rowley & Mayfield, 1998). According to the literature collectivists prefer transformational and the individualists prefer transactional leaders. The collectivist prefers transformational leaders because the members of the groups are creative, supportive. The transformational leaders are considered charismatic, friendly and sociable. When the employees have clear objective and criteria, they prefer a transactional leader because he focuses on obtaining the results.

2.2. Organizational culture and employees satisfaction

The employees are feeling valued in a strong organizational culture. It's important that the employees to share the values and the beliefs of the company. In a strong company culture the employees have the opportunity to grow, they are motivated and they can develop their career.

As Hofstede (1991) has noted, the employees' behavior is influenced by the organizational culture. (Hofstede, 1991).

As can be seen from Figure 1 the organizational culture (the supportive culture) and the leadership influence each other very strongly. Also they exert a strong and a medium influence on work engagement and the employee's trust in organization, which in their turn attract a strong influence on job satisfaction (employee's satisfaction).
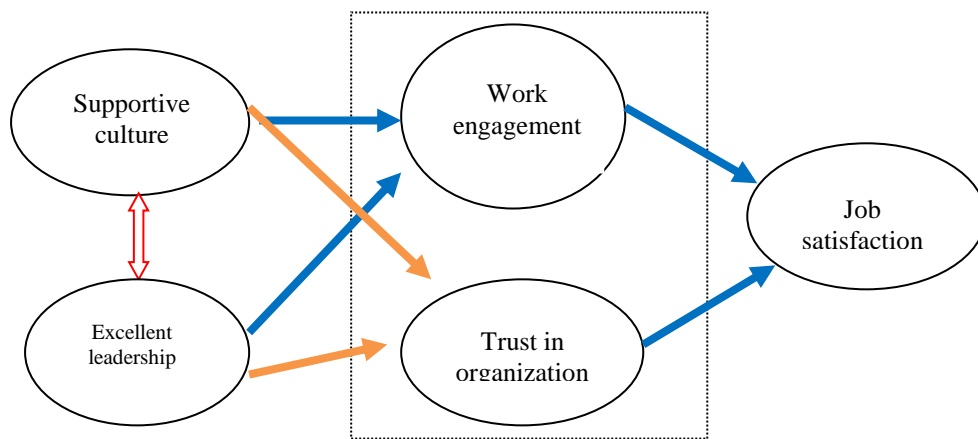
Figure 1. Organizational culture and leadership performance predict job satisfaction
Source: adapted from http://plankcenter.ua.edu/resources/research/plank-center-report-card-reveals-wide-gap-between-performance-grades-of-pr-leaders-and-their-employees/

3. THE PRESENTATION OF THE COMPANY

3. 1. History and evolution of Lagardère Group
Louis Hachette's 1826 acquisition of the Parisian bookstore Brédif can be considered as the starting point for what would later be the Lagardère Group. Hachette published magazines for public entertainment (Le Journal pour Tous, 1855), and took part in publishing the Dictionnaire de la Langue française. In 1953, Hachette launched the collection Le Livre de poche with Henri Filipacchi.
Founder of the group, Jean-Luc Lagardère (10 February 1928 – 14 March 2003) was a major French businessman. As a young engineer, he began his career in Dassault Aviation. CEO of Matra in the 1960s, he became famous in Formula One and the Le Mans Race. He later built one of France's biggest business conglomerates with media and defense activities.
Since Arnaud Lagardère arrival at the head of the group in 2003, after the death of his father, Lagardère Group gradually refocused into a pure media group, one of the world leaders in the sector.
Today, the group is working to expand its business digitally, especially in publishing and media.

3.2. The business model of Lagardère Group
The Lagardère Group is a world leader in the fields of publishing, production, broadcasting and distribution. Doing business in almost 40 countries, its business model is based on the creation of an exclusive and lasting relationship between the content that is offered and its customers. Lagardère is structured around 4 business divisions:
1. **Lagardère Publishing**
The world's third largest private owned publisher, Lagardère Publishing is a federation of publishing companies with a large degree of editorial independence. The division includes the well-known Hachette Livre imprint. Common management rules, the desire to expand in digital activities, a coordinated strategy and high standards unite all the companies.
2. **Lagardère Travel Retail**
The Travel Retail division is operating in 32 countries on four continents, being one of the leading companies in this sector worldwide. It operates in all the three segments of travel retail (Travel Essentials, Duty Free & Fashion and Foodservice). Lagardère Travel Retail operates international brands (Relay and Aelia Duty Free), restaurants and selective distribution brands directly operated or under license.

3. **Lagardère Active**

A major player in television and radio, Lagardère Active is operating 26 radio stations worldwide, 17 TV channels and the biggest audiovisual production companies in France and Spain. Lagardère Active plays a central role in French media, with iconic premium brands such as Elle, Paris Match, Europe 1, Gulli and Doctissimo. It is also one of France's biggest mainstream magazine publishers.

4. **Lagardère Sports and Entertainment**

A leading Sports and Entertainment Agency, operating a global network of experts, specialized to delivering innovative solutions to its clients.

3.3. The Group Values

Information circulates at a very fast rate in today's society and events quickly disappear. It's not always easy to remember that the business world needs to aim on the long term towards consistency. A company's success is founded on sustainable viability. This approach goes beyond simple economic concerns and draws its strength from identity. A company differentiates itself by its own set of values. Lagardère's values, its **corporate culture**, rest on two pillars - its history and the commitment of the people who embody it.

3.3.1. Boldness

The Lagardère Group has always boldly expanded its horizons by investing in new business sectors. From the emergence of the European Aeronautic Defence and Space Company with its satellites, to the digital revolution and its expansion into sports and entertainment, the group has always proven its aptitude for entrepreneurship and diversification. Boldness is also expressed by the group's capacity to anticipate strategic challenges for its business segments and flagship brands.

3.3.2. Creativity

In the changing media world, the ability for self-renewal through the creation of alternatives is a decisive competitive advantage. Creativity at Lagardère is a daily way of life for the group's employees.

Lagardère's brands and products have often been true forerunners:

- Lagardère Publishing publishes more than 15,000 new products a year and solidly invests in e-books.
- Lagardère Travel Retail regularly launches innovative concepts and services targeted at travelers at transport terminals.
- Lagardère Active is constantly reinventing its offer, to keep up with the latest trends in press, broadcasting and digital.
- Lagardère Sports and Entertainment develops innovative sports and entertainment solutions in fields such as marketing, events management and consulting.

3.3.3. Independence

Being a diversified media group, Lagardère was always managed from a long-term perspective. This approach, combined with its capital structure, made independence a key value for the Group. For the employees, independence means freedom of expression and creation - a fundamental principle for the fields of information and communication -, a solid foundation for their professional lives.

4. METHODOLOGY AND FINDINGS OF THE RESEARCH

Lagardère Travel Retail Romania, the local branch of Lagardère Travel Retail, is operating on the Romanian market since 1996. With a 108 M EUR turnover (2016), 1700 employees and more than 220 stores, Lagardere Travel Retail Romania is operating in multiple sectors and channels of retail.

The first assumption we made is that in this multinational company the style of management that prevail is transactional leadership.

The second assumption we made is that if the organizational culture is a corporate one, the employees are determinate to achieve their objectives.

The third assumption we made is that if the leadership is correlated with organizational culture the employee's satisfaction is greater.

For the making of this analysis we had several meetings with the employees and managers of the company at the Bucharest headquarter. We also talked to the managers of different departments and especially to the Human Resources manager.

We found a very strong and creative team, motivated to innovate and to develop their activity. They see themselves as one of the most dynamic and creative teams in the Group, demonstrating their statement with healthy constant growth and excellent financial results.

On their track to efficiency and profitability the Romanian team is led by its management team. It is a young (aged between 35 and 45) yet very experienced team that has been working together for several years. They are strong, dynamic, creative and confident.

Even if we can find all the types of leaders in the team, the most of them have the **characteristics of transformational leaders**. They inspire and motivate their teams and encourage them to innovate, to be creative and to work together. The first assumption was rejected because we considered that the style of management that predominates is a transactional one, but talking with the employees we observed that the transformational type of leader predominates.

The second assumption has been confirmed because the three main values of the Group: **boldness**, **creativity** and **independence** influence the daily activity of Lagardère Travel Retail Romania and these values are essential in a corporate culture. The Group structure that brings clear objectives, criteria and professional working instruments is an advantage for obtaining the results.

Also the third assumption has been confirmed because the results testify that the mix between the organizational culture and the predominant leadership style creates a healthy and pleasant working environment with friendly, sociable and charismatic leaders and happy employees.

5. CONCLUSIONS

Leadership was correlated with employee's satisfaction and with organizational culture. The conclusion is that leadership and the organizational culture influence, in this case positively, the employee's satisfaction.

It is also very important to mention that today leaders, as did those who led before, influence through their methods, their style, and the way in which they motivate the employees the organizational culture of the company.

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