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## Article

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*Suggested Citation:* Escortell, Raquel; Baquero, Asier; Delgado, Beatriz (2020) : The impact of transformational leadership on the job satisfaction of internal employees and outsourced workers, Cogent Business & Management, ISSN 2331-1975, Taylor & Francis, Abingdon, Vol. 7, Iss. 1, pp. 1-15,  
<https://doi.org/10.1080/23311975.2020.1837460>

This Version is available at:

<https://hdl.handle.net/10419/244990>

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To cite this article: Raquel Escortell, Asier Baquero & Beatriz Delgado | (2020) The impact of transformational leadership on the job satisfaction of internal employees and outsourced workers, Cogent Business & Management, 7:1, 1837460, DOI: [10.1080/23311975.2020.1837460](https://doi.org/10.1080/23311975.2020.1837460)

To link to this article: <https://doi.org/10.1080/23311975.2020.1837460>



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Received: 09 July 2020  
Accepted: 11 October 2020

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Reviewing editor:  
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## MANAGEMENT | RESEARCH ARTICLE

# The impact of transformational leadership on the job satisfaction of internal employees and outsourced workers

Raquel Escortell<sup>1</sup>, Asier Baquero<sup>2\*</sup> and Beatriz Delgado<sup>3</sup>

**Abstract:** Transformational leadership has become a successful management tool for managers in the hotel industry. The primary aim of this study is to investigate the relationship between leadership and job satisfaction, as well as any differences between internal employees and outsourced workers. A novel method was adopted using fuzzy-set qualitative comparative analysis (fsQCA). A questionnaire-based survey was conducted to collect responses from 60 members of staff at four- and five-star hotels in Spain. Across the sample, a high level of leadership in three of the four dimensions of transformational leadership was observed to be sufficient to increase job satisfaction. The three optimal combinations of dimensions are: individualized consideration, intellectual stimulation, and idealized influence; individualized consideration, inspirational motivation, and idealized influence; and intellectual stimulation, inspirational motivation, and idealized influence. The findings suggest that there are differences between outsourced workers and internal employees. Outsourced workers need all four dimensions to achieve high job

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Beatriz Delgado holds a PhD in Psychology from the Miguel Hernandez University of Elche, Spain. Dr. Delgado is the Vice-Dean of the Faculty of Education at the University of Alicante. Her research focuses on various fields of psychology and education, and she participates in research projects related to leadership in the workplace.

### PUBLIC INTEREST STATEMENT

The hotel business is strongly focused on people, employees, and customers. To achieve optimal performance for their business, employees must have job satisfaction. Leadership is an important tool in this sector. The more guidelines managers have on how to lead their teams, the better the results they can achieve. Transformational leadership consists of specific focal areas. This study reveals that focusing on three of the four dimensions of transformational leadership can improve job satisfaction. If managers have to manage outsourced workers (in the case of the present study, the housekeeping and entertainment departments) they should focus on all four dimensions of transformational leadership, since individualized consideration is important for these workers.

satisfaction, whereas internal employees can achieve high job satisfaction without individualized consideration.

**Subjects: Hospitality Management; Work & Organizational Psychology; Leadership; Human Resource Management; International Business**

**Keywords: transformational leadership; job satisfaction; fsQCA; outsourcing; hotels; tourism**

## 1. Introduction

In recent years, business organizations have been forced to deal with changes that have still not been made. Global competition, rapid technological development, and the emergence of new markets have led to new, fast, and targeted responses to ensure survival (Blanch et al., 2016). These modifications involve substantial changes in both the values and behaviors of individuals and the structures, strategies, and systems that organizations use to deal with this new reality (Senge, 2014). It is important for leaders and managers to have the right leadership style and handle the necessary transformations in their organizations (Khuwaja et al., 2020).

Transformational leadership has been linked to effectiveness in transformational teams and organizations (Wang et al., 2011). Similarly, it has been associated with aspects related to employees' engagement with the organization (Tyssen et al., 2014), job satisfaction, and leader satisfaction (Amankwaa & Anku-Tsede, 2015). Transformational leaders convey a clear vision, inspire commitment to that vision, and build trust and motivation among followers (Hermosilla et al., 2016). Accordingly, followers tend to exceed their own expectations because of the leader's promotion of organizational effectiveness (Tyssen et al., 2014; Wang et al., 2011). García-Guiu et al. (2016) considered 247 Spanish military personnel, finding that transformational leadership is related to group power, group identification, and cohesion.

Job satisfaction is currently one of the most important issues in the field of work and organizational psychology. Therefore, there is great interest in understanding this phenomenon (Gonzalez et al., 2011). The level of employee satisfaction determines the commitment of employees to the organization where they work. Thus, satisfied workers who feel that their contributions are taken on board and who work as a team will tend to show greater diligence in their work (Gonzalez et al., 2011). According to the research on job satisfaction, tourism organizations are known to be labor intensive. They require a large number of staff to offer their services and need their active cooperation to satisfy customers. In addition to the need for collaboration between them, it is also necessary to manage individuals and groups. Therefore, hotel managers must be familiar with the people who work for them. The human factor is the key part of the product that directly performs the service provided by these companies. Thus, the staff who provide the intangible value best characterize the tourist experience.

Researchers have expressed an interest in analyzing the causes of job satisfaction or dissatisfaction. For example, Lee and Way (2010) postulated that hotel managers must evaluate and be familiar with the factors that play an important role in providing what workers expect from employment. Therefore, it is important for hotel managers and researchers to know effective ways to measure the factors that relate to employee job satisfaction. Hotel executives and managers should pay attention to their employees' thoughts and concerns (Chiang et al., 2010).

This study presents a model that describes the influence of transformational leadership and each of its four dimensions on the job satisfaction of hotel workers in the Canary Islands, Spain. The four dimensions of transformational leadership are idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. These dimensions act as antecedent conditions leading to the outcome of job satisfaction. Idealized influence, or charisma, helps leaders be recognized as such. Inspirational motivation is based on whether leaders set new

challenges for followers. Intellectual stimulation is based on motivating followers to share ideas, innovation, and creativity. Finally, individualized consideration involves two-way communication and delegating when followers improve their skills.

Empirical analysis was conducted to compare the relationships of internal hotel employees with those of workers from an outsourced company. Outsourced workers were responsible for the housekeeping and entertainment departments. Internal hotel employees ran the reception, kitchen, and bar-restaurant departments.

The analysis was performed using fuzzy-set qualitative comparative analysis (fsQCA), which is suitable for small or medium-sized samples (Fiss, 2011). This methodological approach contributes to the hotel leadership literature. The fsQCA model is shown to be a valid way of explaining higher job satisfaction in three of the four transformational leadership dimensions proposed by Bass and Avolio (1994). The optimal combinations of dimensions are as follows: individualized consideration, intellectual stimulation, and idealized influence; individualized consideration, inspirational motivation, and idealized influence; and intellectual stimulation, inspirational motivation, and idealized influence. There are differences between outsourced workers and internal employees. Outsourced workers need all four subscales to have high job satisfaction. In contrast, internal employees can achieve high job satisfaction without individualized consideration.

Valuable contributions are made through the analysis method and the research context of Spanish hotels. These two characteristics of the study provide valuable insight into leadership and job satisfaction. The study also contributes to the literature on hotel service outsourcing. Finally, this study is of empirical value to service industry companies and hotel business managers.

## **2. Theoretical framework and development of propositions**

### **2.1. Transformational leadership and job satisfaction**

In the 1980s, Bass (1985) started building on the model proposed by Burns (1978) and the discussion of charisma in organizations presented by Weber (1964). Bass focused on the needs of collaborators rather than on the needs of leaders. Bass proposed a more detailed theory to describe transformational processes in organizations. This theory recognizes that the same leader can use both transactional processes and transformational processes depending on the situation. The vast majority of previous leadership theories focused on transactional processes in the form of transactions between leaders and followers to reach previous statements. Although transactional leaders acknowledge that they need their followers, they are rewarded depending on their performance (Rothfelder et al., 2012).

Transformational leadership has proved to be an important tool for managers. Hermosilla et al. (2016) studied data on 47 managers and 107 subordinates in different organizations in Spain. They found that transformational leadership is positively correlated with the perceived effectiveness of the manager, efforts by subordinates who are willing to complete tasks set by their managers, and satisfaction with work. Jauhari et al. (2016) studied a sample of 225 service sector workers in India, showing that affective commitment and psychological empowerment mediate the relationship between transformational leadership and proactive service. After evaluating 300 employees of a “Contact Center” in Kuala Lumpur (Malaysia), Aghashahi et al. (2013) revealed that transformational leadership is correlated with organizational commitment.

In the search to ensure employees' job satisfaction, managing human resources in organizations is becoming increasingly complex and challenging. Currently, management of these areas requires major innovation, especially considering that the hallmark of today's world is competitiveness and globalization. It has been shown that as companies abandon bureaucratic and hierarchical organizational structures and adopt more organic and flexible ones, the essential skills for employee job performance change (Oliva Abusleme & Molina Fuentes, 2016).

Romero-Fernández and Chávez-Yepez (2015) highlighted that the factors that Ecuadorian workers value most in relation to their job satisfaction are salary, personal relations, working conditions, communication, and leadership. These findings have been confirmed by other studies. For example, after evaluating the satisfaction of 45 employees of the Aquamare Beach Hotel in Italy, Masouras (2015) found that satisfaction is mediated by the leadership orientation of workers.

Proposition 1: High levels of transformational leadership increase job satisfaction.

### **2.2. Idealized influence, inspirational motivation, intellectual stimulation, individualized consideration, and job satisfaction**

Bass and Avolio (1994) established the foundations for improving organizational effectiveness through transformational leadership, which they defined in terms of four dimensions: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. The Multifactor Leadership Questionnaire (MLQ) consists of Likert-type response items that identify the characteristics of a transformational leader. It was developed by Bass and Avolio (1994) but was later modified (Bass & Avolio, 1997) to create the model that has been widely used for many years. This version consists of 45 items. It is referred to as the MLQ-5X. It is presented in two formats: one aimed at employees, who evaluate their leaders, and another for self-evaluation by leaders, who evaluate their own style of leadership (Molero et al., 2010). The most recent model is the MLQ-6S, proposed by Northouse (2010) based on the work of Bass and Avolio (1994, 1997).

The questionnaire has been tested by Vinger and Cilliers (2006) with a sample of 190 human resources department workers in South Africa. Likewise, Bagheri et al. (2015) validated the questionnaire with 210 Iranian workers, demonstrating the suitability of the questionnaire. In these two studies, the consistency scores ranged from 0.62 to 0.90.

In relation to job satisfaction, Párraga-Zambrano et al. (2017) reported that it is advisable to provide workers with fair, ethical, and decent treatment; motivate them to improve their skills; and promote an organizational culture and environment that encourages effective communication, general well-being, synergy, empathy, teamwork, and productivity. According to those authors, this approach is the best strategy to achieve a positive effect on hotel performance and strengthen organizational development over time.

The Minnesota Satisfaction Questionnaire (MSQ) was developed by Weiss et al. (1967) to measure job satisfaction. It evaluates intrinsic, extrinsic, and overall satisfaction. Intrinsic job satisfaction stems from the opportunity to assist or instruct colleagues, the pride of doing a good job, and the opportunity to perform different tasks. Extrinsic job satisfaction comes from opportunities for promotion, a better salary, and recognition. It also refers to the competence of superiors. Overall evaluation refers to the entire set of items. Initially, the questionnaire had 100 items across different five-item scales. However, the same authors later developed an abbreviated version with 20 items.

Proposition 2: High levels of the dimensions of transformational leadership (idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration) increase employee job satisfaction.

### **2.3. Outsourced services**

According to Promsivapallop et al. (2015) outsourcing is when independent providers perform all or some of a company's internal activities that were or could have been previously performed by the company. Outsourcing services has changed attitudes toward work and employment, giving flexibility to service industries such as the hotel industry (Allen & Chandrashekar, 2000). The

hotel industry has to deal with high and low seasons in resorts and high occupancy on weekdays but low occupancy on weekends in business hotels. Therefore, outsourcing can provide the flexibility needed to deal with this volatility (Lamminmaki, 2009).

Outsourced staff work for a service company that is contracted out by a hotel. Therefore, outsourced staff are not hired directly by the hotel. Outsourcing has generated a debate over whether workers may feel a low level of involvement and organizational commitment to the hotel where they work because of their relationships with their direct superiors at the service company and because of differences with non-outsourced employees at their place of work (Baquero et al., 2019).

Hodari et al. (2014) reported that the managers of outsourced spas at hotels are more stressed than colleagues who are employed directly by these hotels. The main reason is the existence of conflicting interests between hotel managers, external companies, and the hotel. The situation was somewhat different in the case of the sample used for this study. Here, the managers of the outsourced departments (housekeeping and entertainment) reported directly to the hotel general manager. They received the same daily operational briefing, chaired by the hotel general manager, as the rest of the hotel middle management. Therefore, the job satisfaction of these workers may be affected by the hotel manager's leadership in the same way as the job satisfaction of internal employees.

Proposition 3: High levels of transformational leadership in outsourced departments increases job satisfaction in the same way as in internally staffed departments.

### 3. Method

The data for this study came from a sample of 60 staff at 12 hotels in the Canary Islands, Spain. The hotels are located on four islands: Lanzarote, Fuerteventura, Gran Canaria, and Tenerife. The hotels have either a four- or a five-star rating. They are part of a Spanish hotel chain that operates on a global scale. The sample comprises five heads of department (HODs) at each of the 12 hotels. These HODs are the reception manager, director of food and beverages (restaurant and bar), chef, housekeeping manager, and entertainment manager. They have daily contact with the hotel general manager. The data were gathered in January 2019. The HODs completed two questionnaires: for job satisfaction, they completed the MSQ, and for transformational leadership, they completed the MLQ. They completed the questionnaires individually. One member of the research team was responsible for visiting the 12 hotels and giving the members of the sample the necessary background and instructions to complete the questionnaires.

Transformational leadership ratings were obtained using the MLQ-6S (Bass & Avolio, 1997). This instrument consists of four Likert-type items for each of the four subscales. They were rated on a five-point scale ranging from 0 (*totally disagree*) to 4 (*totally agree*). Sample items are "My manager makes me feel good to be around him/her," "My manager helps me to find meaning in my work," "My manager enables me to think about old problems in new ways," and "My manager helps me to develop."

Job satisfaction scores were obtained using the MSQ (Weiss et al., 1967). The version used in this study had 20 Likert-type items scored on a five-point scale ranging from 1 (*very dissatisfied*) to 5 (*very satisfied*). This instrument assesses intrinsic, extrinsic, and overall satisfaction based on several characteristics. A sample item is "In my present job, this is how I feel about the way my boss handles his or her workers."

The MLQ-6S (Bass & Avolio, 1997) is available online for a fee. The MSQ (Weiss et al., 1967) is accessible online free of charge. Of the 60 completed questionnaires, two were discarded.



Therefore, the final sample consisted of 58 HODs (96.7% of the initial sample). Of these respondents, 53.4% were men and 46.6% were women. Regarding age, 63.8% were aged from 35 to 49 years, 22.4% were aged from 50 to 64 years, and 13.8% were aged from 25 to 34 years. In terms of direct employment versus outsourcing, 58.6% were internal, and 41.4% were outsourced.

#### 4. Results

FsQCA was used to analyze the data. FsQCA is based on Boolean algebra. It is a useful method for small or medium-sized samples (Fiss, 2011). It is used to perform configurational analysis of the causal relationships that link several antecedent conditions to an outcome of interest (Ragin, 1989, 2000). Qualitative comparative analysis (QCA) methods have been successfully employed in numerous social science studies (Lassala et al., 2017; Lückenbach et al., 2019; Ribes-Giner et al., 2018). It is not necessary for the measurement scales to have been specifically designed for fsQCA. Calibration of the original variables allows any continuous variable to be transformed into another continuous variable ranging from 0 to 1. Each calibrated value then represents the degree of set membership. A value of 0 indicates full non-membership, whereas 1 denotes full membership.

FS/QCA 3.0 software was used for the analysis. The model describes the influence of the conditions (four dimensions of transformational leadership) on the outcome (job satisfaction) for a sample of hotel workers in Spain. The aim was to ascertain whether leaders (in this case, managers) should center on all four dimensions or whether any individual dimension is particularly relevant. To help understand the method, the descriptive statistics for the initial data for the four conditions and the outcome are displayed in Table 1. These values are based on the scores that respondents assigned on the original five-point Likert-type scale (i.e., 0–4 or 1–5).

Empirical analysis was conducted to assess the effectiveness of the model for the subsample of outsourced workers (housekeeping and entertainment) and the subsample of internal employees (reception, bar-restaurant, and kitchen). The empirical results are valuable to hotel business managers and companies in this sector. Before the fsQCA model was developed, the scales and dimensions used in this study were validated. First, Cronbach's alpha was used to measure the internal consistency and thus verify the reliability of each of the scale's dimensions. Cronbach's alpha was used to confirm that the reflective indicators of the scale were homogeneous. It therefore indicated whether these indicators measured the same latent variable. Acceptable values were greater than or equal to 0.7 (Nunnally, 1978). Exploratory factor analysis (EFA) was then conducted to check the unidimensionality of the dimensions. Finally, the variables were calibrated to define the extent to which each case belonged to the condition and outcome sets. This degree of membership varies according to the level of job satisfaction and each dimension of transformational leadership. Five factors were analyzed in this study. The four dimensions of transformational leadership (idealized influence, inspirational motivation, intellectual stimulation,

**Table 1. Descriptive data for the conditions and outcome**

Outcome or condition	Valid N	Mean	Standard deviation	Minimum	Maximum
Job satisfaction	58	3.94	0.72	1.30	5.00
Idealized influence	58	3.11	0.77	1.25	4.00
Inspirational motivation	58	3.05	0.72	0.75	4.00
Intellectual stimulation	58	3.11	0.66	1.00	4.00
Individualized consideration	58	3.04	0.84	1.00	4.00



and individualized consideration) were used as antecedent conditions, and job satisfaction was used as the outcome (Table 2).

Next, each variable was calibrated to define the extent of membership to the condition and outcome sets. The key conceptual dimensions were defined. They were then interpreted as sets in which each case has a certain degree of membership. In fsQCA, continuous variables are calibrated into categorical variables to indicate the degree of membership to that set for each case. Membership to a set is denoted as a score ranging from 0 (full non-membership) to 1 (full membership). In calibration, researchers can also set membership scores based on the existing theory. The sets are shown in Table 3.

Analysis of sufficiency was conducted. The first step was to calibrate the outcome and conditions. The suffix “fz” indicates calibration of the outcome and conditions. Next, the truth table was produced. This table lists all logically possible configurations. The truth table has  $2^k$  rows, where  $k$  is the number of conditions (Ragin & Sonnett, 2004). In this study, there were four conditions. Therefore, the truth table had 16 rows, each showing a different possible configuration of conditions. Following the approach described by Ragin and Sonnett (2004), a value of 1 indicates that the score of the calibrated configuration is greater than or equal to 0.5, whereas 0 indicates that the score of the calibrated configuration is lower than 0.5. The number of real empirical cases for

**Table 2. Definitions of conditions and outcome**

Condition/outcome		Code	Items
Outcome	Job satisfaction	EmplJobSat	Positive emotional state derived from the evaluation of one’s own work
Antecedent condition	Idealized influence	idea_infl	The leader inspires employee loyalty
Antecedent condition	Inspirational motivation	insp_mot	The leader engages in ways that inspire the integration and mobilization of teams
Antecedent condition	Intellectual stimulation	intel_stim	The leader enables employees to think about old problems in new ways
Antecedent condition	Individualized consideration	indiv_cons	The leader takes into account the feelings of subordinates before acting

**Table 3. Definitions of sets**

Condition/outcome		Set membership
Outcome	Job satisfaction	Workers with high job satisfaction
Antecedent condition	Idealized influence	Workers whose managers have high charisma when relating to others
Antecedent condition	Inspirational motivation	Workers whose managers engage with and motivate others
Antecedent condition	Intellectual stimulation	Workers whose managers enable other ways of thinking and provide intellectual stimulation
Antecedent condition	Individualized consideration	Workers whose managers consider their employees on an individual level

each configuration is shown in the “Number” column, with the cumulative percentage shown in parentheses. The consistency of each configuration is based on the subset relation with the outcome (Table 4).

Configurations that are not reflected by any empirical cases are known as *remainders*. These remainders were eliminated. Because the sample was small, configurations reflected by only one case were also eliminated. The remaining configurations had to have a coverage of at least 75% or 80% of cases (in this case, the coverage was 93%). Next, a consistency threshold was established to identify causal configurations that were subsets of the outcome as opposed to those that were not. According to Ragin (2008), consistency values of less than 0.75 generally indicate inconsistency. The consistency threshold was set at 0.867. A value of 1 was assigned to the outcome (job satisfaction) if the consistency of a given configuration was greater than 0.867. Otherwise, the value 0 was assigned (Table 5).

## 5. Discussion

The resulting intermediate solution consists of two combinations that are sufficient to increase employee job satisfaction. The complex and parsimonious solutions may be thought of as the two extremes of a complexity–parsimony continuum (Ragin & Sonnett, 2004). “An optimal intermediate solution can be obtained by removing individual causal conditions that are inconsistent with existing knowledge from combinations in the complex solution, while maintaining the subset relation with the most parsimonious solution” (Ragin & Sonnett, 2004). These intermediate solutions use only a subset of the simplifying assumptions that are used in the most parsimonious solution (Table 6).

The final solution can be expressed as follows:

$$\begin{aligned} & \text{ind\_consfz} * \text{intel\_stimfz} * \text{idea\_inflfz} + \\ & \text{ind\_consfz} * \text{insp\_motfz} * \text{idea\_inflfz} + \\ & \text{intel\_stimfz} * \text{insp\_motfz} * \text{idea\_inflfz} \end{aligned}$$

The three combinations shown in Table 6 are sufficient to increase job satisfaction in 83.9% of cases and cover 73.1% of cases. The combination of high individualized consideration, high intellectual stimulation, and high idealized influence leads to increased job satisfaction. Similarly, the combination of high individualized consideration, high inspirational motivation, and high idealized influence also leads to increased job satisfaction. Finally, the combination of high intellectual stimulation, high inspirational motivation and high idealized influence also leads to increased job satisfaction. Idealized influence is present in all three combinations, suggesting that this dimension is a necessary condition to improve job satisfaction. Each combination has a degree of coverage of 65% to 70%.

The scatter plot of the outcome against the solution (Figure 1) depicts the coverage and consistency of the solution. A combination (set) where the scores of the outcome systematically exceed all calibrated scores (upper triangle) is said to be a highly consistent subset of the outcome. The cases (departments in specific hotels) that lie above the diagonal are consistent with the outcome. Those that lie below the diagonal are inconsistent. The entertainment and housekeeping departments lie below the diagonal in some cases, suggesting that their behavior as outsourced departments might differ from the rest of the internally hired departments. This result is consistent with those of Hodari et al. (2014) regarding the heads of outsourced hotel spas.

Tables 7 and 8 show the results for the subsamples of outsourced staff (housekeeping and entertainment) and internally hired staff (reception, bar-restaurant, and kitchen). This study also reveals the leadership style configurations that lead to high job satisfaction in outsourced departments and internally staffed departments. Analysis was conducted to check for differences between these two types of departments and differences with the general solution. There is a notable difference in the final set of solutions for each type of department with respect to the

**Table 4. Truth table**

Idea_inflz	Insp_motfz	Intel_stimfz	Ind_consfz	Number	Employ jobsatzfz	Raw consist.	PRI consist.	SYM consist.
1	1	1	1	22 (37%)		0.867701	0.776552	0.838421
0	0	0	0	22 (75%)		0.09780	0.312661	0.338304
1	1	0	1	4 (82%)		0.875285	0.651064	0.651064
1	1	1	0	3 (87%)		0.889167	0.677966	0.677966
1	0	1	1	3 (93%)		0.900215	0.735238	0.749515
1	0	0	1	1 (94%)		0.869992	0.607407	0.607407
0	1	1	1	1 (96%)		0.877897	0.579755	0.579755
0	1	0	0	1 (98%)		0.814057	0.454308	0.454308
0	0	1	0	1 (100%)		0.846366	0.511696	0.511696
1	1	0	0	0 (100%)				
1	0	1	0	0 (100%)				

Note: PRI = proportional reduction in consistency; SYM = symmetric consistency.

**Table 5. fsQCA output**

Idea_inflz	Insp_motfz	Intel_stimfz	Ind_consfz	Number	employ_jobsatzfz	Raw consist.	PRI consist.	SYM consist.
1	1	1	1	22	1	0.87	0.78	0.83
0	0	0	0	22	0	0.61	0.31	0.33
1	1	0	1	4	1	0.87	0.65	0.65
1	1	1	0	3	1	0.90	0.68	0.68
1	0	1	1	3	1	0.90	0.73	0.75

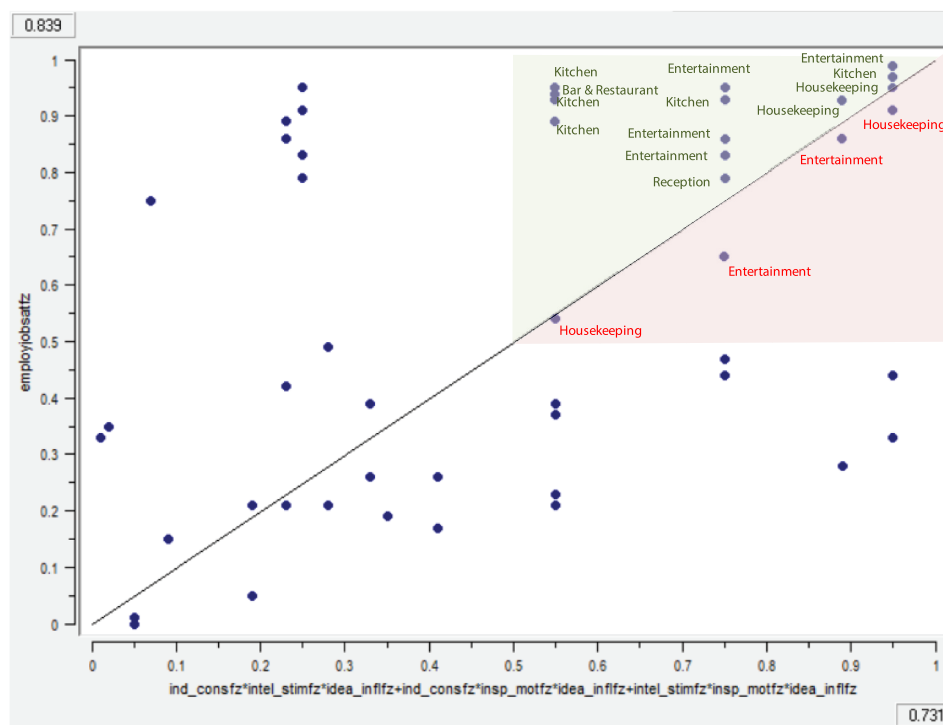
Note: PRI = proportional reduction in consistency; SYM = symmetric consistency.

**Table 6. fsQCA output: Intermediate solution (reduced final set) leading to high job satisfaction**

Sets	Raw coverage	Unique coverage	Consistency
ind_consfz*intel_stimfz*idea_inflfz	0.687	0.052	0.859
ind_consfz*insp_motfz*idea_inflfz	0.661	0.027	0.852
intel_stimfz*insp_motfz*idea_inflfz	0.652	0.018	0.861
Solution coverage: 0.731			
Solution consistency: 0.839			

Note: \* denotes logical AND.

**Figure 1.** Plot of “employjob-satfz” against “ind\_consfz\*intel\_stimfz\*idea\_inflfz” + “ind\_consfz\*insp\_motfz\*idea\_inflfz” + “intel\_stimfz\*insp\_motfz\*idea\_inflfz”.



general solution. This difference is the need for individualized consideration in the case of outsourced departments in order to achieve high job satisfaction.

### 6. Conclusions

The final solution reveals three combinations that are sufficient to increase job satisfaction in 84% of cases with 73% coverage. Specifically, the combination of high individualized consideration, intellectual stimulation, and idealized influence is sufficient to increase employee job satisfaction. The same outcome is achieved with high individualized consideration, inspirational motivation, and idealized influence or with high intellectual stimulation, inspirational motivation, and idealized influence. These findings are consistent with previous research showing the relationship between leadership and job satisfaction (Araslı & Baradarani, 2014; Bodenhausen & Curtis, 2016; Onyeonoro & Nwokorie, 2014; Salem & Kattara, 2015; Tahernejad et al., 2015; Tromp & Blomme, 2014).

**Table 7. fsQCA output: Intermediate solution (reduced final set) leading to high job satisfaction in internally staffed departments**

Sets	Raw coverage	Unique coverage	Consistency
intel_stimfz*insp_motfz*idea_inflfz	0.603	0.603	0.823
Solution coverage: 0.603			
Solution consistency: 0.823			

**Table 8. fsQCA output: Intermediate solution (reduced final set) leading to high job satisfaction in outsourced departments**

Sets	Raw coverage	Unique coverage	Consistency
ind_consfz*intel_stimfz*insp_motfz*idea_inflfz	0.702	0.702	0.912
Solution coverage: 0.702			
Solution consistency: 0.912			

We also analyzed the subsample of outsourced workers in the entertainment and housekeeping departments. The main difference with respect to the sample of internal employees (reception, bar-restaurant, and kitchen departments) is that outsourced workers need all four dimensions to have high job satisfaction. In contrast, internal employees do not require the dimension of individualized consideration to achieve high job satisfaction. These findings are consistent with those of Hodari et al. (2014), who reported that the heads of outsourced hotel spas had higher levels of stress than their counterparts who were hired by the hotel due to the conflicting interests of their service company and the hotel. This finding would explain why the dimension of individualized consideration is so important to achieve job satisfaction because it could be an effective way of reducing the distance between workers and hotel managers.

This study has some limitations that must be addressed by future research. The leadership questionnaires were completed only by followers and not by their leaders. This approach can lead to bias in the interpretation of results. Future studies should examine the same model using leader self-assessment along with employee evaluations. Also, the 12 hotels belonged to the same hotel company, which can also lead to bias. Future studies should include different hotel companies in the sample. With regards to job satisfaction, it would be of interest to analyze whether extrinsic, intrinsic, or general satisfaction is most influenced by leadership. This effect was not considered in this study because it was outside the scope of the research.

Despite these limitations, this study offers hotel managers some interesting evidence to reflect upon and describes a novel research approach in this area. Specifically, the study offers a source of insight into the effectiveness of transformational leadership-based management models. Although this effect has been reported generically in the scientific literature, scant attention has been paid to the leadership dimensions or specific traits of leaders who influence their followers. As outsourcing of services in the hospitality industry grows, understanding the implications for managers and the differences in job satisfaction between internal hotel employees and outsourced workers will become increasingly important.

**Funding**

The authors received no direct funding for this research.

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#### Citation information

Cite this article as: The impact of transformational leadership on the job satisfaction of internal employees and outsourced workers, Raquel Escortell, Asier Baquero & Beatriz Delgado, *Cogent Business & Management* (2020), 7: 1837460.

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