



Mediation Analysis of Job Satisfaction in the Relationship between Transformational Leadership and Organizational Commitment

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Abstract

Purpose: This study investigates the mechanisms through which leadership influences employee retention in the burgeoning IT hub of Tiruchirappalli (Trichy), Tamil Nadu. Specifically, it examines the mediating role of Job Satisfaction in the relationship between Transformational Leadership and Organizational Commitment, Adopting a descriptive and analytical research design, primary data were collected from 164 IT professionals in Trichy using a structured questionnaire and convenience sampling. The conceptual model was tested using path analysis to evaluate the direct and indirect relationships between the variables. The statistical results confirm that Transformational Leadership has a significant positive impact on Job Satisfaction ($\beta = 0.09, p = 0.02$) and Organizational Commitment ($\beta = 0.422, p < 0.001$). Furthermore, Job Satisfaction was found to be a significant predictor of Commitment ($\beta = 0.191, p < 0.001$). Crucially, the direct path from Transformational Leadership to Organizational Commitment became non-significant ($\beta = 0.049, p = 0.124$) when Job Satisfaction was introduced, indicating a Full Mediation effect. The findings suggest that leadership vision and inspiration do not directly translate into employee loyalty. Instead, leadership must first foster a high level of job satisfaction to successfully secure long-term commitment. This highlights the "satisfaction bridge" as a mandatory requirement for organizational stability. This research contributes to the literature by providing empirical evidence from a Tier-2 Indian city, a context often overlooked in mainstream HR studies. It offers a clear roadmap for IT managers in Trichy, proving that the path to a committed workforce is essentially routed through the daily professional fulfilment of the employee.

Keywords: Transformational Leadership, Job Satisfaction, Organizational Commitment, Mediation Analysis, IT Industry, Tiruchirappalli.

1.Introduction

Competent human resources are widely recognized as the most vital strategic asset for an organization striving to achieve its vision (Tessema et al., 2025). Effective Human Resource Management (HRM) is therefore essential to recruit, develop, and retain these talented individuals (Khan et al., 2023). A primary goal of HRM is to foster organizational commitment, which occurs when employees feel a deep sense of pride, loyalty, and a desire to contribute to the company's long-term success (Chen et al., 2015). Research suggests that organizational justice—the subjective perception of fairness in workplace treatment—is a fundamental driver of this commitment (Wiseman, 2022). This justice is typically evaluated through three primary dimensions: Distributive Justice: Fairness in the allocation of rewards and outcomes. Procedural Justice: Fairness in the processes used to make decisions. Interactional Justice: Fairness in the interpersonal treatment and information provided by leadership. While many studies demonstrate that high levels of perceived justice lead to stronger commitment and trust (Chen et al., 2015; Wiseman, 2022), academic findings are not always uniform. Some research highlights a "gap" where the expected positive relationship does not occur, suggesting that other factors, such as transformational leadership, may be necessary to

bridge this inconsistency (Jiatong et al., 2022; Khan et al., 2023). Transformational leaders who prioritize employee needs and inspire a shared vision can significantly enhance justice perceptions, thereby securing the high levels of loyalty and motivation required for organizational achievement (Khan et al., 2023; Sharma & Yadav, 2018).

2.Theoretical background

Udin (2023) explore the relationship between transformational leadership and organizational commitment and to verify the mediating effect of job satisfaction on their relationship. The authors find the following conclusions through quantitative research. First, spiritual inspiration and idealization have significant positive effect on value commitment; second, intellectual inspiration, idealization and individualized consideration have significant positive effects on commitment to effort; third, individualized consideration had a significant positive effect on retention commitment; fourth, internal satisfaction and external satisfaction have a mediating effect on the relationship between spiritual inspiration and value commitment; fifth, internal satisfaction and external satisfaction have mediating effects in the relationship between intellectual inspiration and idealization and commitment to effort; sixth, internal satisfaction and external satisfaction have mediating effect on the relationship between individualized consideration and retention commitment. Lasiny, Astuti and Utami (2021). The Organizational commitment is a reflection of the desires and responsibilities of employees to remain an organization. The organizational commitment is to express the detained feelings by employees which gives an image as a form of desires and responsibilities for employees towards their organization. The purpose of this study was to analyze the role of job satisfaction in mediating the effect of transformational leadership on organizational commitment at PT. Mahaputra Engineering with 80 respondents. The Data was collected by using an observation and interview approach, with the research instrument used was a questionnaire. Data the analyzed using path analysis and Sobel test. The results of the study found that transformational leadership has a positive and significant effect on organizational commitment, The Transformational leadership has a positive and significant effect on job satisfaction, The Job satisfaction has a positive effect on organizational commitment, and Job satisfaction partially mediates the effect of transformational leadership on organizational commitment. The results of this research analysis have found that transformational leadership has a positive effect on organizational commitment and employee performance. And job satisfaction is able to mediate transformational leadership on organizational commitment and employee performance. Muniba and Tehreem (2024) indicate that transformational leadership can increase organizational commitment, control job stress, and increase job satisfaction. The leader of companies needs to improve transformational leadership. It performs an essential role in increasing employee commitment. The results of this study also found that the mediation of job stress and job satisfaction was a partial mediation between transformational leadership and organizational commitment. Bakke (2015) findings show that trans-formational leadership has a beneficial effect on job satisfaction, organizational commitment, job satisfaction, and employee performance. It was discovered, however, that neither transformational leadership nor organizational commitment had any effect on employee performance as measured by job satisfaction or organizational commitment. Hayat, Hayat and Sattar (2025). The results of this research analysis have found that transformational leadership has a positive effect on organizational commitment and employee performance. And job satisfaction is able to mediate transformational leadership on organizational commitment and employee performance. Research Implications: Overall, transformational leadership not only increases employee commitment to the organization, but also encourages them to achieve better performance. This relationship is mutually beneficial, where high commitment can improve performance, and good performance can strengthen commitment to the organization. Job satisfaction acts as a bridge connecting transformational leadership with increased organizational commitment and employee performance.

2.1 Research Objectives

- To evaluate the influence of transformational leadership on organizational commitment among IT employees in Tiruchirappalli.
- To assess the impact of transformational leadership on job satisfaction within the selected IT companies.
- To examine the relationship between job satisfaction and organizational commitment among the sampled professionals.
- To analyse the mediating role of job satisfaction in the relationship between transformational leadership and organizational commitment.
- To identify which specific dimensions of transformational leadership (such as idealized influence or intellectual stimulation) contribute most significantly to employee retention and loyalty.

2.2 Research Problem

In the highly competitive IT sector of Tiruchirappalli, organizations face significant challenges regarding employee turnover and "brain drain" to larger metros. While many firms have implemented standardized HR policies, they often struggle to foster deep organizational commitment among their workforce. The core problem lies in the disconnect between leadership styles and employee needs; traditional management often fails to inspire the loyalty required for long-term institutional stability. There is an urgent need to determine whether transformational leadership can move beyond simple supervision to create a workforce that is not only committed but also genuinely satisfied with their professional roles.

2.3 Research Gap

While extensive literature exists on leadership and commitment, several critical gaps remain that this study seeks to address: **Geographical Specificity:** Most Indian IT leadership studies focus on Tier-1 cities like Bangalore or Hyderabad. There is a significant lack of empirical data regarding Tier-2 cities like Tiruchirappalli, which have unique sociocultural dynamics and different employee expectations. **The Mediation Mechanism:** Although the link between leadership and commitment is established, the "how" remains under-researched in this specific context. This study addresses the gap by testing Job Satisfaction as a crucial mediator to see if leadership only works when it first improves the employee's daily work experience. **Inconsistent Results in Justice and Commitment:** As noted in your theoretical background, previous studies show inconsistent results regarding whether fair treatment alone (Organizational Justice) ensures commitment. This study fills that gap by exploring if Transformational Leadership acts as the necessary catalyst to bridge that inconsistency.

3.1 Research Methodology

The present study adopts a descriptive and analytical research design to evaluate the mediating role of job satisfaction in the relationship between transformational leadership and organizational commitment. This design is appropriate as it allows for the systematic description of existing leadership dynamics and the quantitative measurement of how leadership behaviors influence employee attitudes without experimental manipulation. The study is grounded in both primary and secondary data: primary data were collected through a structured questionnaire administered to the target respondents, while secondary data were gathered from scholarly databases such as Scopus, Emerald, Elsevier, and Google Scholar to ensure theoretical rigor and conceptual clarity.

Area of the Study – The research is geographically confined to selected IT companies located in Tiruchirappalli (Trichy), Tamil Nadu. As a significant regional hub for IT-enabled services and digital transformation, Trichy provides a pertinent setting for examining how leadership styles impact workforce stability and satisfaction in a competitive technological environment.

Population, Sampling Technique, and Sample Size – The target population consists of professionals working across various organizational levels in Trichy-based IT firms. Using a convenience sampling method, chosen for its practical feasibility and accessibility, primary data were successfully collected from a sample of 164 IT employees. This sample size is sufficient to perform a robust mediation analysis, allowing for the verification of how internal and external job satisfaction serves as a bridge between transformational leadership behaviors and the long-term organizational commitment of the workforce.

H1 Transformational leadership has a positive and significant effect on job satisfaction among IT employees.

H2 Transformational leadership has a positive and significant effect on organizational commitment among IT employees.

H3 Job satisfaction has a positive and significant effect on organizational commitment among IT employees.

H4 Transformational leadership has a positive and significant indirect effect on organizational commitment through job satisfaction.

job satisfaction	<—	Transformational leadership	0.09	0.034	2.157	0.02**	H1- supported
organizational commitment	<—	Transformational leadership	0.422	0.06	7.012	<0.00**	H2-Supported
organizational commitment	<—	Job satisfaction	0.191	0.04	3.817	<0.000**	H3- Supported
organizational commitment	<—	Transformational leadership	0.049	0.035	1.393	0.124	H3-Not supported

Results of SEM Model

Impact of Leadership (H1 & H2): Transformational leadership has a significant positive influence on both Job Satisfaction ($\beta = 0.09$, $p = 0.02$) and Organizational Commitment ($\beta = 0.422$, $p < 0.001$). The relationship with commitment is particularly strong.

The Mediator (H3): Job satisfaction significantly predicts organizational commitment ($\beta = 0.191$, $p < 0.001$), confirming its role as a potential bridge in the model.

The Mediation Effect (The "Not Supported" Path): Interestingly, your final path (the direct effect of Leadership on Commitment when the mediator is present) is 0.049 with a non-significant p -value (0.124). Because the direct path became non-significant ($p > 0.05$) while the indirect paths remained significant, your results indicate Full Mediation. This means Transformational Leadership increases Organizational Commitment entirely through the improvement of Job Satisfaction.

4.1 Discussion of Findings

The statistical analysis of the 164 respondents from Tiruchirappalli's IT sector reveals a critical insight into the mechanics of employee retention. The most striking finding is the Full Mediation effect of Job Satisfaction.

The Potency of Transformational Leadership, The results for H1 and H2 confirm that transformational leaders in Trichy—those who provide intellectual stimulation and individualized consideration—significantly elevate both satisfaction and commitment levels. With a high beta coefficient of 0.422, leadership is the strongest driver in the model. This suggests that in Tier-2 cities, where personal professional relationships are often more tightly knit than in massive metros, the "human touch" of a transformational leader carries immense weight.

The "Full Mediation" Phenomenon

The non-significance of the direct path ($\beta = 0.049$, $p = 0.124$) in the presence of the mediator is a landmark finding for this study. It implies that transformational leadership does not automatically result in loyalty. Instead, leadership only translates into organizational commitment if and only if it first succeeds in making the employee satisfied with their job. If a leader is inspiring but the job remains stressful or unrewarding, the employee's commitment will not increase. Satisfaction acts as the essential "emotional gateway."

Conclusion

This study concludes that for IT companies in Tiruchirappalli to achieve their long-term vision, they must move beyond traditional transactional management. The path to a committed workforce is a two-step process: Leadership Transformation: Managers must be trained in transformational traits to inspire and support their teams. Satisfaction Optimization: Leadership efforts must be focused on improving the internal and external job satisfaction of the employees. The evidence suggests that a satisfied employee is a committed employee, and a transformational leader is the most effective tool to achieve job satisfaction.

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