

PARTICIPATIVE LEADERSHIP STYLES AND EMPLOYEE JOB SATISFACTION OF SELECTED COMPANIES IN FCT ABUJA

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Abstract

The study investigated the effect of participative leadership style on employee job satisfaction using selected companies in Abuja the federal capital territory, Nigeria. This study adopted a quantitative research approach using a cross-sectional survey design. The population for this study was 535 registered employees in selected companies within the six-area council of FCT-Abuja. The sample size of 300 was determined for the study using Taro Yamane formulae and a multi-stage sampling technique was used to select the respondents for the study. The study utilized a questionnaire as the instrument for data collection. PLS-SEM was used to analyze the data gathered for this study. The study found that both transformational and democratic leadership's style have significant positive relationships between employee job satisfaction, providing valuable insights into the impact of these leadership approaches on organizational outcomes. The study thus, recommended that Organizational leaders and human resource professionals should consider implementing strategies and practices that align with the principles of transformational and democratic leadership skills that can enhance the effectiveness of organizational leaders and their ability to positively influence employee attitudes and behaviors.

Keywords: Participative Leadership Style, Employees Job Satisfaction.

INTRODUCTION

Leadership styles play a critical role in shaping the work environment, employee motivation, and overall job satisfaction within an organization. Among the various leadership approaches, participative leadership styles, such as transformational and democratic leadership, have garnered significant attention for their potential to enhance employee engagement, commitment, and job satisfaction. Participative leadership styles emphasize employee involvement in decision-making processes (Bass, 1990; Yukl, 2013).

Transformational leadership is characterized by inspirational motivation, intellectual stimulation, individualized consideration, and idealized influence (Bass, 1985). Transformational leaders motivate employees to exceed expected performance by appealing to their higher-order needs and values (Bass, 1985). They inspire followers to transcend their self-interests for the greater good of the organization (Bass & Avolio, 1994). Democratic leaders, on the other hand, encourage subordinates to participate in decision-making, share information, and express their opinions freely (Gastil, 1994). Democratic leaders foster a sense of ownership and commitment among employees by involving them in the decision-making process (Lewin et al., 1939). This participation enhances employee autonomy and empowerment, which are crucial for job satisfaction (Spector, 1986).

Transformational leadership focuses on inspiring and motivating employees to achieve organizational goals by fostering a shared vision, promoting intellectual stimulation, and considering individual needs and concerns (Bass & Riggio, 2006). Democratic leadership, on the other hand, encourages employee participation in decision-making processes, valuing their input and fostering a collaborative work environment (Gastil, 1994).

Both transformational and democratic leadership styles are rooted in the principles of empowerment, trust, and open communication, which can positively impact employee job satisfaction. When employees feel valued, supported, and involved in decision-making processes, they are more likely to experience a sense of ownership, motivation, and satisfaction with their work (Yukl, 2013).

Employee job satisfaction is a crucial determinant of organizational success, as it directly influences employee productivity, retention, and overall organizational performance (Judge et al., 2001). Employees who are satisfied with their jobs tend to exhibit higher levels of engagement, commitment, and motivation, leading to improved organizational outcomes (Ziegler et al., 2012). Conversely, low job satisfaction can

result in absenteeism, high turnover rates, and decreased productivity, ultimately affecting organizational profitability and sustainability.

By fostering an environment of trust, empowerment, and open communication, participative leadership styles like transformational and democratic leadership can contribute to increased employee job satisfaction. When employees feel valued, respected, and involved in decision-making processes, they are more likely to experience a sense of purpose, autonomy, and job satisfaction (Locke & Schweiger, 1979).

Despite the recognized importance of participative leadership styles and their potential impact on employee job satisfaction, empirical research in this area, particularly within the context of companies in the Federal Capital Territory (FCT), Abuja, is limited. This study aims to bridge this gap by investigating the relationship between participative leadership styles (transformational and democratic) and employee job satisfaction in selected companies within the FCT, Abuja.

Thus, the primary objectives of this study are:

1. To examine the relationship between transformational leadership and employee job satisfaction in selected companies in FCT, Abuja.
2. To investigate the relationship between democratic leadership and employee job satisfaction in selected companies in FCT, Abuja.

By achieving these objectives, this study aims to contribute to the existing body of knowledge and provide valued understandings for organizational leaders and human resource professionals in FCT, Abuja, and beyond.

LITERATURE REVIEW

Transformational Leadership

Transformational leadership is a leadership style that focuses on inspiring and motivating followers to achieve organizational goals by fostering a shared vision, promoting creativity and innovation, and considering individual needs and concerns (Bass & Riggio, 2006). Transformational leaders exhibit four key characteristics: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (Bass, 1985).

Idealized influence refers to the leader's ability to serve as a role model, demonstrating high ethical standards and gaining the trust and respect of their followers. Inspirational motivation involves articulating a compelling vision and inspiring followers to achieve organizational goals. Intellectual stimulation encourages followers to challenge assumptions, think creatively, and find innovative solutions to problems. Finally, individualized consideration involves understanding and addressing the unique needs, abilities, and aspirations of each follower (Bass & Riggio, 2006).

Transformational leadership has been linked to various positive outcomes, including increased employee satisfaction, commitment, and organizational performance (Lowe et al., 1996; Judge & Piccolo, 2004). By fostering a shared vision, promoting creativity, and considering individual needs, transformational leaders create an environment that empowers and motivates employees, potentially leading to higher job satisfaction.

Democratic Leadership

Democratic leadership, also known as participative leadership, is a leadership style that encourages employee participation in decision-making processes and values their input and ideas (Gastil, 1994). Democratic leaders involve subordinates in setting goals, solving problems, and making decisions that affect their work (Yukl, 2013). This leadership style is characterized by open communication, shared responsibility, and a collaborative work environment. Democratic leaders seek input from team members, encourage dialogue, and consider diverse perspectives before making decisions. They also delegate authority and empower employees to take ownership of their work, fostering a sense of autonomy and responsibility (Bhatti et al., 2012).

Research has shown that democratic leadership can positively impact employee job satisfaction, organizational commitment, and job performance (Somech, 2005; Huang et al., 2010). By involving employees in decision-making processes, democratic leaders create a sense of ownership, trust, and respect, which can contribute to increased job satisfaction and motivation.

Employee Job Satisfaction

Job satisfaction is a widely studied concept in organizational behavior and human resource management. It refers to an individual's positive emotional state resulting from the appraisal of their job or job experiences (Locke, 1976). Job satisfaction encompasses various aspects of an individual's work, including the work itself, supervision, compensation, opportunities for advancement, and work environment (Spector, 1997).

Numerous studies have highlighted the importance of employee job satisfaction for organizational success. High levels of job satisfaction have been associated with increased productivity, organizational commitment, and employee retention (Judge et al., 2001; Ziegler et al., 2012). Conversely, low job satisfaction can lead to absenteeism, high turnover rates, and decreased organizational performance (Harter et al., 2002).

By fostering an environment of trust, empowerment, and open communication, participative leadership styles like transformational and democratic leadership have the potential to positively impact employee job satisfaction. When employees feel valued, respected, and involved in decision-making processes, they are more likely to experience a sense of purpose, autonomy, and job satisfaction (Locke & Schweiger, 1979).

Transformational Leadership and Employee Job Satisfaction

Numerous empirical studies have investigated the relationship between transformational leadership and employee job satisfaction across various contexts and industries. These studies have consistently demonstrated a positive association between transformational leadership behaviors and higher levels of employee job satisfaction.

In a meta-analytic study by Judge and Piccolo (2004), which examined data from 87 sources and 626 correlations, transformational leadership exhibited a strong positive relationship with job satisfaction. This finding was consistent across different organizational settings, leadership levels, and cultures. A study by Kara et al. (2013) in the healthcare sector found that transformational leadership had a significant positive impact on nurses' job satisfaction, particularly through the dimensions of idealized influence and individualized consideration. Similarly, Braun et al. (2013) reported that transformational leadership behaviors were positively related to job satisfaction among public sector employees in Switzerland.

In the context of higher education, Sayadi (2016) investigated the relationship between transformational leadership and job satisfaction among faculty members at universities in Iran. The results revealed a significant positive correlation between transformational leadership dimensions and job satisfaction, with idealized influence and inspirational motivation exhibiting the strongest associations.

Democratic Leadership and Employee Job Satisfaction

Empirical research has also explored the relationship between democratic leadership and employee job satisfaction, highlighting the potential benefits of involving employees in decision-making processes and fostering a collaborative work environment.

A study by Somech (2005) investigated the impact of participative leadership on job satisfaction and organizational commitment among faculty members in Israeli colleges. The findings indicated that participative leadership had a significant positive effect on job satisfaction, particularly when employees perceived their participation as instrumental in influencing organizational decisions.

In a study of manufacturing companies in Pakistan, Bhatti et al. (2012) found that democratic leadership was positively associated with employee job satisfaction and organizational commitment. The researchers attributed this relationship to the increased sense of autonomy, trust, and respect fostered by democratic leadership practices.

Huang et al. (2010) examined the relationship between participative leadership and job satisfaction among employees in the service industry in Taiwan. Their results showed that participative leadership had a direct positive effect on job satisfaction, as well as an indirect effect through the mediating role of perceived organizational support.

These empirical studies provide evidence for the positive relationships between transformational leadership, democratic leadership, and employee job satisfaction across various contexts and industries. However, it is important to note that the strength and specific mechanisms underlying these relationships may vary depending on factors such as organizational culture, industry, and individual characteristics of employees.

Theoretical Framework

This study is grounded in two prominent leadership theories: transformational leadership theory and path-goal theory of leadership, which encompasses the democratic or participative leadership style.

Transformational Leadership Theory

Transformational leadership theory, developed by James MacGregor Burns (1978) and later refined by Bernard M. Bass (1985), serves as a theoretical foundation for understanding the potential impact of transformational leadership on employee job satisfaction. Transformational leaders inspire and motivate followers to achieve organizational goals beyond their self-interests by exhibiting four key characteristics: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (Bass & Riggio, 2006).

According to this theory, transformational leaders can positively influence employee attitudes, behaviors, and performance by fostering a shared vision, promoting creativity and innovation, and considering individual needs and aspirations. By creating an environment of trust, empowerment, and open communication, transformational leaders can enhance employee job satisfaction by promoting a sense of purpose, autonomy, and personal growth (Locke & Schweiger, 1979; Yousef, 2000).

Path-Goal Theory of Leadership

The path-goal theory of leadership, developed by Robert House (1971, 1996), provides a framework for understanding the role of democratic or participative leadership in influencing employee job satisfaction. The theory suggests that effective leaders should adapt their leadership style to the situational factors and needs of their followers, with the goal of providing guidance, support, and resources to help followers achieve their goals and objectives (House & Mitchell, 1975).

One of the leadership styles proposed by the path-goal theory is the participative or democratic leadership style, which involves involving subordinates in decision-making processes, seeking their input and ideas, and fostering a collaborative work environment (Northouse, 2019). According to this theory, democratic leadership can enhance employee job satisfaction by creating a sense of ownership, trust, and respect, as well as promoting autonomy and shared responsibility (Somech, 2005; Huang et al., 2010). By involving employees in decision-making processes and valuing their contributions, democratic leaders can create a more positive and fulfilling work experience, leading to increased job satisfaction.

Together, these two theories provide a solid theoretical foundation for examining the relationships between transformational leadership, democratic leadership, and employee job satisfaction in the context of companies in FCT, Abuja. The transformational leadership theory highlights the potential impact of inspirational leadership and individualized consideration on employee attitudes and behaviors, while the path-goal theory emphasizes the importance of adapting leadership styles to situational factors and follower needs, including the use of participative or democratic leadership practices to foster employee engagement and satisfaction.

METHODOLOGY

This study adopts a quantitative research approach using a cross-sectional survey design. The survey method is appropriate for collecting data on participants' perceptions and attitudes regarding transformational leadership, democratic leadership, and employee job satisfaction within a specific period (Creswell, 2014). The target population for this study consist of 534 employees working in selected companies within the Federal Capital Territory (FCT), Abuja. A multi-stage sampling technique was employed to select the sample. In the first stage, a purposive sampling method was used to identify companies operating in different sectors (e.g., manufacturing, services, finance) within the FCT. In the second stage, a purposive sampling technique was employed to select individual employees from the chosen companies.

The sample size of 300 for this study was determined using Yamane formula the recommended minimum sample size for Partial Least Squares Structural Equation Modeling (PLS-SEM) analysis (Hair et al., 2017). The sample size should be at least ten times the maximum number of arrowheads pointing at a latent variable in the structural model. Based on the proposed research model, the maximum number of arrowheads pointing at a latent variable is expected to be three. Therefore, the minimum sample size required for this study was $30 \times 10 = 300$ respondents.

Data Collection Instrument

A structured questionnaire was developed and used to collect data from the respondents. The questionnaire consists of three main sections:

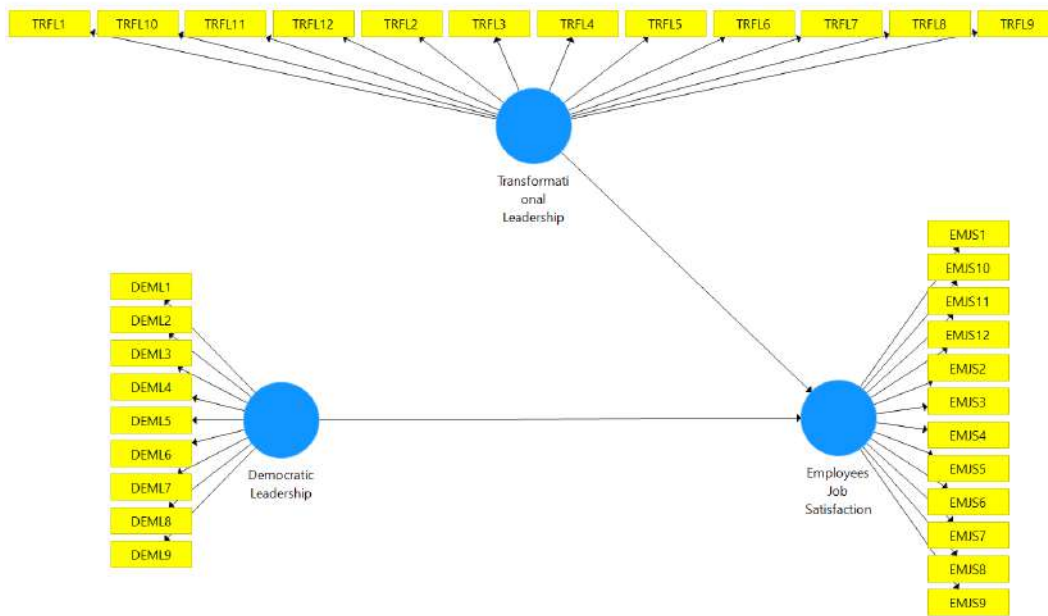
1. Demographic information: This section gathers information about the respondents' gender, education level, job position, and marital status within the organization.
2. Transformational and democratic leadership: This section includes items from validated scales of the Multifactor Leadership Questionnaire (MLQ) (Bass & Avolio, 1995) and the Participative Leadership Scale (Somech, 2005), to measure employees' perceptions of transformational and democratic leadership behaviors exhibited by their supervisors or managers.
3. Employee job satisfaction: This section employs a validated scale of the Job Satisfaction Survey (Spector, 1985) and the Job Descriptive Index (JDI) (Smith et al., 1969), to assess employees' levels of job satisfaction.

The questionnaire items were measured using a 5-point Likert scale, ranging from "strongly disagree" to "strongly agree."

The collected data was analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with the help of statistical software such as SmartPLS. PLS-SEM is a suitable technique for this study as it can simultaneously analyze the relationships between multiple independent and dependent variables, and it does not require stringent assumptions about the normality of data distribution (Hair et al., 2017).

The data analysis involves the following steps:

1. Data screening and preliminary analysis: The data were screened for missing values, outliers, and normality assumptions.
2. Measurement model evaluation: The reliability and validity of the measurement model were assessed using criteria such as indicator reliability, internal consistency reliability (Cronbach's alpha and composite reliability), convergent validity (average variance extracted), and discriminant validity (HTMT).
3. Structural model evaluation: The structural model was evaluated by examining the path coefficients, significance levels, R-squared values, and effect sizes to determine the relationships between transformational leadership, democratic leadership, and employee job satisfaction.



RESULTS AND DISCUSSIONS

From table 1, the table shows the distribution of respondents by gender. Out of the total respondents, 60 respondents (22.2%) were female, while 210 respondents (77.8%) were male. The results indicate that most of the respondents in the survey were male, representing over three-quarters (77.8%) of the total sample. In contrast, the female respondents accounted for slightly over one-fifth (22.2%) of the total sample.

Table 1: Gender

Gender	Counts	% of Total	Cumulative %
Female	60	22.2 %	22.2 %
Male	210	77.8 %	100.0 %

The cumulative percentage column shows that the female respondents represented 22.2% of the total sample, while the combined percentage of both female and male respondents accounted for 100% of the sample.

Table 2: Level of Education

Level of Education	Counts	% of Total	Cumulative %
Graduate	81	30.0 %	30.0 %
O' Level	6	2.2 %	32.2 %
Postgraduate	180	66.7 %	98.9 %
School leaving Certificate	3	1.1 %	100.0 %

Based on the frequency table 2 for the level of education, the results show that the majority of respondents in the survey had a postgraduate level of education, comprising 66.7% of the total sample. This indicates that a significant portion of the respondents had attained an advanced degree beyond their undergraduate studies. Furthermore, 30% of the respondents had a graduate or bachelor's degree level of education, representing the second-largest group in terms of educational attainment. The remaining respondents had lower levels of education, with 2.2% holding an O' Level certificate and 1.1% having a School Leaving Certificate. The cumulative percentages reveal that 98.9% of the respondents had a graduate or postgraduate level of education, indicating a highly educated sample. This educational profile suggests that the survey targeted individuals with higher levels of educational attainment, potentially reflecting the nature of the jobs or industries represented in the study. It is common for certain sectors or organizations to require advanced

degrees or specialized knowledge, which could explain the high proportion of respondents with postgraduate and graduate degrees.

Table 3: Marital Status

Marital Status	Counts	% of Total	Cumulative %
Married	240	88.9 %	88.9 %
Single	30	11.1 %	100.0 %

The table 3 for marital status show that most respondents in the survey were married, accounting for 88.9% of the total sample. In contrast, only 11.1% of the respondents reported being single. The cumulative percentage column confirms that the combined percentages of married and single respondents account for 100% of the sample. This distribution indicates that the survey sample was predominantly composed of married individuals, with a significant skew towards respondents who are married compared to those who are single.

Table 4: Position level

Position level	Counts	% of Total	Cumulative %
Junior Staff	15	5.6 %	5.6 %
Middle management staff	96	35.6 %	41.1 %
Others	21	7.8 %	48.9 %
Upper management staff	138	51.1 %	100.0 %

Finally, from the frequency table 4 for position level, the results show that the largest group of respondents (51.1%) were upper management staff. This indicates that over half of the sample consisted of individuals holding leadership or executive-level positions within their organizations. The second-largest group (35.6%) comprised middle management staff, representing over one-third of the respondents. A smaller proportion of respondents were classified as junior staff (5.6%) or in the "Others" category (7.8%), which may include non-managerial or support staff positions. The cumulative percentages reveal that 86.7% of the respondents held either upper management or middle management positions, suggesting a sample heavily weighted towards individuals in managerial or leadership roles. This distribution of position levels is important to consider when interpreting the results of the study, since the research focuses on leadership styles, job satisfaction, or other work-related variables that may be influenced by an individual's position or level of authority within the organization.

Assessment of Measurement Model

The measurement model was evaluated to assess the reliability and validity of the indicators used to measure the key constructs in the study: democratic leadership style, transformational leadership style, and employee job satisfaction. Outer loadings, which represent the correlations between the indicators and their respective latent constructs, were examined.

For the democratic leadership style construct, all nine indicators (DEML1 to DEML9) exhibited outer loadings above the recommended threshold of 0.7, ranging from 0.756 to 0.911. These values suggest that the indicators are reliable measures of the democratic leadership style construct.

Regarding the transformational leadership style construct, all twelve indicators (TRFL1 to TRFL12) demonstrated strong outer loadings, ranging from 0.804 to 0.919. These high outer loadings indicate a robust association between the indicators and the transformational leadership style construct, providing evidence of their reliability as measures.

Table 5: Indicators Loadings

Items	Loadings	Items	Loadings
DEML1	0.756	EMJS6	0.851
DEML2	0.875	EMJS7	0.761
DEML3	0.890	EMJS8	0.856
DEML4	0.905	EMJS9	0.890
DEML5	0.886	TRFL1	0.874
DEML6	0.890	TRFL10	0.888
DEML7	0.911	TRFL11	0.877
DEML8	0.884	TRFL12	0.919
DEML9	0.864	TRFL2	0.883
EMJS1	0.897	TRFL3	0.892
EMJS10	0.866	TRFL4	0.894
EMJS11	0.868	TRFL5	0.883
EMJS12	0.822	TRFL6	0.902
EMJS2	0.896	TRFL7	0.870
EMJS3	0.777	TRFL8	0.804
EMJS4	0.850	TRFL9	0.908
EMJS5	0.850		

For the employee job satisfaction construct, most indicators (EMJS1 to EMJS12) exhibited outer loadings above 0.8, with values ranging from 0.777 to 0.897. While the outer loadings for EMJS3 (0.777) and EMJS12 (0.822) were slightly lower, they still met the acceptable threshold of 0.7, suggesting their reliability as measures of the employee job satisfaction construct.

The outer loadings provide evidence of convergent validity, indicating that the indicators effectively measure their respective constructs. However, since the outer loadings alone do not provide a complete assessment of the measurement model's validity. Additional criteria, such as internal consistency reliability (composite reliability), discriminant validity, and average variance extracted (AVE), were also evaluated to establish the overall reliability and validity of the measurement model before proceeding to the structural model evaluation and hypothesis testing.

Validity and Reliability

The measurement models for the three key constructs in the study – democratic leadership, employee job satisfaction, and transformational leadership – were evaluated for reliability and validity. Reliability was assessed using Cronbach's Alpha and Composite Reliability, while convergent validity was examined through Average Variance Extracted (AVE) values.

Table 6: Factor Loadings

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Democratic Leadership	0.961	0.965	0.967	0.765
Employees Job Satisfaction	0.965	0.966	0.969	0.722
Transformational leadership	0.974	0.976	0.977	0.780

Regarding reliability, the results demonstrated excellent internal consistency for all three constructs. The democratic leadership construct exhibited a Cronbach's Alpha value of 0.961 and a Composite Reliability value of 0.967, both well above the recommended threshold of 0.7. Similarly, the employee job satisfaction construct showed a Cronbach's Alpha of 0.965 and a Composite Reliability of 0.969, indicating high

reliability. The transformational leadership construct also displayed outstanding reliability, with a Cronbach's Alpha of 0.974 and a Composite Reliability of 0.977.

In terms of convergent validity, the AVE values for all three constructs exceeded the recommended threshold of 0.5, providing evidence that the indicators effectively measured their respective constructs. Specifically, the democratic leadership construct had an AVE value of 0.765, the employee job satisfaction construct exhibited an AVE of 0.722, and the transformational leadership construct demonstrated an AVE of 0.780. These values suggest that the constructs explained a substantial portion of the variance in their respective indicators, demonstrating adequate convergent validity.

The strong reliability and convergent validity measures instill confidence in the quality of the measurement instruments used to assess democratic leadership, employee job satisfaction, and transformational leadership in this study. The results indicate that the indicators effectively captured the essence of their respective constructs, and the measurement models can be considered reliable and valid for further analysis in the structural model evaluation and hypothesis testing.

Discriminant Validity

From table 7, the HTMT value for Democratic Leadership and Employee Job Satisfaction is 0.820 which is slightly below the conservative threshold of 0.85, suggesting that discriminant validity between the democratic leadership and employee job satisfaction constructs is established. The HTMT value of 0.820 for the transformational leadership and employee job satisfaction constructs is also below the 0.85 threshold, indicating discriminant validity between these two constructs. The HTMT value of 0.678 between the democratic leadership and transformational leadership constructs is well below the 0.85 threshold, providing strong evidence of discriminant validity between these two constructs.

Table 7: HTMT

	Democratic Leadership	Employees Job Satisfaction
Employees Job Satisfaction	0.820	
Transformational Leadership	0.678	0.820

The general rule of thumb for HTMT values is that values below 0.85 or 0.90 are considered acceptable for establishing discriminant validity. In this case, all HTMT values are below the conservative threshold of 0.85, suggesting that the three constructs (democratic leadership, transformational leadership, and employee job satisfaction) are distinct and measure different phenomena.

Assessment of Structural Model

Coefficient of Determination

The table 8 presents the R-squared and adjusted R-squared values for the employee job satisfaction construct in the structural model. R-squared (R^2) is a statistical measure that represents the proportion of variance in the dependent variable (employee job satisfaction) that is explained by the independent variables (leadership styles) in the model.

The R-squared value of 0.764 indicates that approximately 76.4% of the variance in employee job satisfaction is explained by the independent variables (leadership styles) included in the structural model. An R-squared value of 0.764 is considered a relatively high value, suggesting that the independent variables (leadership styles) have a strong explanatory power for the dependent variable (employee job satisfaction).

Table 8: R square

	R Square	R Square Adjusted
Employees Job Satisfaction	0.764	0.762

Adjusted R-squared is a modification of the R-squared value that accounts for the number of predictors in the model and the sample size. It provides a more conservative estimate of the model's explanatory power.

The adjusted R-squared value of 0.762 is very close to the R-squared value, indicating that the adjustment for the number of predictors and sample size did not significantly decrease the explanatory power of the model.

The high R-squared and adjusted R-squared values suggest that the structural model effectively explains a substantial portion of the variance in employee job satisfaction based on the included leadership styles (e.g., democratic leadership, transformational leadership). These values indicate that the independent variables (leadership styles) have a strong predictive power for employee job satisfaction, and the model has a good fit in explaining the variation in the dependent variable.

Effect size

The provided values in table 9 represent the f-squared effect sizes for the independent variables (democratic leadership and transformational leadership) on the dependent variable (employee job satisfaction) in the structural model. The f-squared effect size is a measure of the substantive impact or practical significance of an independent variable on the dependent variable. It evaluates the degree to which an independent variable contributes to explaining the variance in the dependent variable.

The f-squared value of 0.530 for the effect of democratic leadership on employee job satisfaction indicates a large effect size. According to the guidelines for interpreting f-squared values: f-squared values of 0.02, 0.15, and 0.35 represent small, medium, and large effect sizes, respectively. Therefore, an f-squared value of 0.530 suggests that democratic leadership has a substantial and practically significant impact on employee job satisfaction in the structural model.

Table 9: F square

	Employees Job Satisfaction
Democratic Leadership	0.530
Transformational Leadership	0.547

The f-squared value of 0.547 for the effect of transformational leadership on employee job satisfaction also indicates a large effect size. An f-squared value of 0.547 suggests that transformational leadership has a substantial and practically significant impact on employee job satisfaction in the structural model, similar to the impact of democratic leadership.

Both democratic leadership and transformational leadership have large effect sizes on employee job satisfaction, with transformational leadership having a slightly larger effect size (0.547) compared to democratic leadership (0.530). These effect sizes suggest that the independent variables (leadership styles) have a substantial and practically significant impact on the dependent variable (employee job satisfaction) in the structural model.

Multicollinearity Test

The table 10 represent the Inner VIF (Variance Inflation Factor) values for the independent variables (democratic leadership and transformational leadership) in the structural model. The Inner VIF is a measure used to assess multicollinearity among the independent variables in the structural model. Multicollinearity occurs when independent variables are highly correlated with each other, which can lead to unstable and unreliable estimates of the path coefficients and their significance levels. The generally accepted threshold for Inner VIF values is 5 or less. Values above 5 indicate potential multicollinearity issues among the independent variables.

Table 10: Inner VIF

	Employees Job Satisfaction
Democratic Leadership	1.802
Transformational Leadership	1.802

In this case, both democratic leadership and transformational leadership have Inner VIF values of 1.802, which are well below the threshold of 5. The Inner VIF values of 1.802 for both democratic leadership and transformational leadership indicate that these independent variables are not highly correlated with each

other, and multicollinearity is not a concern in the structural model. The absence of multicollinearity among the independent variables is desirable because it ensures that the path coefficients and their significance levels are reliable and not distorted by high correlations among the independent variables.

Model Fit

The values in the table 11 represent various fit indices evaluating the model fit in the structural equation modeling analysis. SRMR (Standardized Root Mean Square Residual): SRMR = 0.067 (Saturated Model) = 0.067 (Estimated Model) The SRMR value of 0.067 is below the recommended threshold of 0.08, indicating a good fit based on the mean residual correlation. NFI (Normed Fit Index): NFI = 0.923 The NFI value of 0.923 indicates a good incremental fit index. RMSEA (Root Mean Square Error of Approximation): Saturated Model: RMSEA = 0.069 (Good fit if < 0.08) Estimated Model: RMSEA = 0.069 (Good fit if < 0.08). Overall, the fit indices suggest a good model fit, with adequate SRMR, GFI, AGFI, and RMSEA values indicating the model's ability to reproduce the sample covariance matrix.

Table 11: Fit summary

	Saturated Model	Estimated Model
SRMR	0.067	0.067
d_ULS	2.535	2.535
d_G	2.858	2.858
Chi-Square	3526.715	3526.715
NFI	0.732	0.732

Test of Hypotheses

Democratic Leadership and Employee Job Satisfaction

The path coefficients in table 12 presents the statistical significance (t-statistics and p-values), and other relevant measures for the relationships in the structural model. The path coefficient of 0.475 represents a positive relationship between democratic leadership and employee job satisfaction. The t-statistic value of 7.559 is greater than the critical value (typically 1.96 or 2.58, depending on the chosen significance level), and the p-value of 0.000 is less than the commonly used significance levels of 0.05. These results indicate that the positive relationship between democratic leadership and employee job satisfaction is statistically significant. Higher levels of democratic leadership practices are associated with higher levels of employee job satisfaction.

Table 12: Path Coefficient

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Democratic Leadership -> Employees Job Satisfaction	0.475	0.471	0.063	7.559	0.000
Transformational Leadership -> Employees Job Satisfaction	0.483	0.485	0.060	7.982	0.000

Transformational Leadership -> Employees Job Satisfaction

The path coefficient of 0.483 represents a positive relationship between transformational leadership and employee job satisfaction. The t-statistic value of 7.982 is greater than the critical value, and the p-value of 0.000 is less than the commonly used significance levels of 5%. These results indicate that the positive relationship between transformational leadership and employee job satisfaction is also statistically significant. Higher levels of transformational leadership practices are associated with higher levels of employee job satisfaction.

Predictive Relevance

Table 13 values relate to the construct cross-validated redundancy and Stone-Geisser's Q² for the democratic leadership, employees job satisfaction, and transformational leadership constructs. SSO (Sum of Squared Observations) represents the sum of the squared observations or the sum of the squared path

coefficients from the structural model. SSE (Sum of Squared Prediction Errors) represents the sum of squared prediction errors or the sum of squared differences between the actual and predicted values. Q^2 (Construct Cross-validated Redundancy) is calculated as $1 - (SSE/SSO)$ and provides a measure of predictive relevance.

Table 13: Construct Cross validated Redundancy

	SSO	SSE	$Q^2 (=1-SSE/SSO)$
Democratic Leadership	2430.000	2430.000	
Employees Job Satisfaction	3240.000	1473.296	0.545
Transformational Leadership	3240.000	3240.000	

Q^2 values greater than 0 indicate that the construct has predictive relevance or predictive validity. Q^2 values of 0.35 or higher are generally considered favorable. Q^2 values around 0.15 or lower indicate a lack of predictive relevance. In this case, the Q^2 value of 0.545 for the employees' job satisfaction construct suggests that the construct has predictive relevance or predictive validity.

Discussion of Findings

The primary objective of this study was to examine the relationship between participative leadership styles, specifically transformational and democratic leadership, and employee job satisfaction in selected companies within the Federal Capital Territory (FCT), Abuja. The findings revealed significant positive relationships between both transformational and democratic leadership styles and employee job satisfaction, providing valuable insights into the impact of these leadership approaches on organizational outcomes.

The results for Transformational Leadership and Employee Job Satisfaction demonstrated a strong and statistically significant positive relationship between transformational leadership and employee job satisfaction. This finding is consistent with previous research of Kara et al. (2013) and Braun et al. (2013) that has highlighted the positive influence of transformational leadership on employee attitudes and organizational outcomes, including job satisfaction.

Transformational leaders inspire and motivate their followers by fostering a shared vision, promoting intellectual stimulation, and considering individual needs and concerns (Bass & Riggio, 2006). By creating an environment that empowers and motivates employees, transformational leaders can enhance employee job satisfaction by promoting a sense of purpose, autonomy, and personal growth (Locke & Schweiger, 1979; Yousef, 2000).

The results of this study suggest that organizations in FCT, Abuja, that foster transformational leadership practices can positively impact employee job satisfaction, which in turn can lead to improved organizational outcomes, such as increased productivity, organizational commitment, and employee retention (Judge et al., 2001; Ziegler et al., 2012).

The findings for Democratic Leadership and Employee Job Satisfaction also revealed a strong positive relationship between democratic leadership and employee job satisfaction, aligning with previous research (Somech, 2005; Bhatti et al., 2012) that has highlighted the benefits of involving employees in decision-making processes and fostering a collaborative work environment.

Democratic leaders encourage employee participation, value their input and ideas, and promote open communication and shared responsibility (Gastil, 1994; Yukl, 2013). By involving employees in decision-making processes and creating a sense of ownership and trust, democratic leaders can contribute to increased job satisfaction and motivation (Locke & Schweiger, 1979).

The positive relationship between democratic leadership and employee job satisfaction observed in this study suggests that companies in FCT, Abuja, that adopt democratic leadership practices can potentially enhance employee job satisfaction levels. This, in turn, can lead to improved organizational outcomes, such

as increased organizational commitment, job performance, and employee retention (Somech, 2005; Huang et al., 2010; Bhatti et al., 2012).

CONCLUSION AND RECOMMENDATIONS

In conclusion, this study contributes to the existing body of knowledge by providing empirical evidence of the positive relationships between participative leadership styles (transformational and democratic) and employee job satisfaction in the context of selected companies in FCT, Abuja. The findings highlight the importance of fostering transformational and democratic leadership practices within organizations to enhance employee job satisfaction, which can subsequently lead to improved organizational outcomes and overall success.

The findings of this study have practical implications for organizations and leaders in FCT, Abuja, and potentially broader applications in other regions or industries. By emphasizing the importance of participative leadership styles, such as transformational and democratic leadership, organizations can foster an environment that promotes employee empowerment, involvement, and job satisfaction.

Organizational leaders and human resource professionals should consider implementing strategies and practices that align with the principles of transformational and democratic leadership. This may include encouraging open communication, involving employees in decision-making processes, promoting shared vision and intellectual stimulation, and considering individual needs and aspirations.

Furthermore, leadership development programs and training initiatives focused on cultivating transformational and democratic leadership skills can be beneficial for enhancing the effectiveness of organizational leaders and their ability to positively influence employee attitudes and behaviors.

Limitations and Future Research

While this study provides valuable insights into the relationships between participative leadership styles and employee job satisfaction, it is important to acknowledge its limitations and potential areas for future research.

First, the study was conducted within the context of selected companies in FCT, Abuja, and the findings may not be generalizable to other regions or industries. Future research could replicate the study in different geographic locations or sectors to validate and extend the findings.

Second, the study employed a cross-sectional research design, which limits the ability to establish causal relationships between the variables. Longitudinal or experimental studies could provide more robust evidence of causality and the directional influence of leadership styles on employee job satisfaction over time.

Additionally, future research could explore potential mediating or moderating variables that may influence the relationships between participative leadership styles and employee job satisfaction, such as organizational culture, employee characteristics (e.g., tenure, age, gender), or industry-specific factors.

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