EFFECT OF MANAGER’S BASES OF POWER ON EMPLOYEE’S JOB SATISFACTION: AN EMPIRICAL STUDY OF SATISFACTION WITH SUPERVISION

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Abstract
This study is intended to examine the relationship of the type of power bases used by managers upon employee’s job satisfaction, in particular on satisfaction with supervision. Power is a prevalent component in an organization and both managers and non-managers use it extensively. Manager uses different power bases in dealing with their employees to achieve organizational goals. And, employee’s perception towards the manager is influenced by that. For this study, French and Raven’s 5 dimensions of power bases were taken as the independent variables and their effect on employee’s satisfaction with supervision as the dependent variable. Data was collected from 180 respondents who were working in organizations located in Penang, Malaysia. Pearson correlation coefficient analysis was used to analyze the hypotheses. The result indicated that reward, referent and expert powers were positively related to employee’s satisfaction with supervision. Both coercive and legitimate powers were seen to negatively influence satisfaction with supervision. At the last limitations and scope for future research were also discussed.

Keywords: Power, Satisfaction, Supervision, Reward Power, Coercive Power
INTRODUCTION

Power is involved when it comes to organizational changes and controls where managers use it to manage the employees and accomplish organizational goals. Power is also defined by Ivancevich et al. (2011) as the capability to get someone to do something and it involves a relationship between two people. Employee’s attitude is effected by the type of power bases chosen or demonstrated by the manager (Kelman, 1958), meaning that different types of power bases used by a manager will have different effects on the employees. The employee’s perceptions, attitudes, emotions and behaviors are in a way influence by the power bases used by the manager in dealing with the employee (Manz & Gioia, 1983).

Managers in an organization need to be alert of the presence of the numerous sources of power in the work place and how they directly impact the satisfaction on the employees. According to Faiz (2013), the main challenge for the manager is how to effectively utilize the correct type of power to ensure the employees’ satisfaction. Smith, Kendall & Hulin (1969) defined the five factors that have direct impact to job satisfactions are supervision, relationship with co-workers, present pay, nature of work, and opportunities for promotion. Thus, the relevancy of how supervision of the employees in the organization impacts the satisfaction of employee as well. Therefore the objectives for this study were:

- To investigate the effect of manager’s bases of power on employee’s satisfaction with supervision
- To investigate the bases of power that yield positive effect on employee’s satisfaction with supervision.
- To investigate the bases of power that yield negative effect on employee’s satisfaction with supervision.

The result of this study is to provide an insight and reference point for managers to understand the power that they yield, its implications and to identify the bases of power that has positive relationship and avoid the power that negatively relates to employee’s satisfaction with supervision.

LITERATURE REVIEW

The Bases of Power

There are a few classifications in terms of power bases in organizations. The most commonly applied are the five power bases suggested by French & Raven (1959) which are coercive, reward, referent, expert and legitimate powers. **Coercive Power:** The ability to influence using punishment (French & Raven, 1959). It involves the concept of influence based upon
“subordinates’ expectation of punishment for failure to conform to an influence attempt”. A manager may block a promotion or criticize a subordinate for poor performance (Ivancevich et al., 2011). **Reward Power**: The ability to influence by providing rewards (French & Raven, 1959) and the ability to reward a follower for compliance (Ivancevich et al., 2011). Managers with this power is highly seen as providing employees compliance with pay raises, promotions, recognitions and other form of rewards (Etzioni, 1965). **Referent Power**: The ability to influence by using one person’s identification with another (French & Raven, 1969). Manager with this power is seen as a model that employees would like to follow and identify with (Raven, 2008). Thomas (2002) defined it as the power that has the ability to influence subordinates through respect, loyalty and admiration. **Expert Power**: The ability to influence through knowledge or the perception of knowledge that one person possesses (French & Raven, 1959). Managers have expert power when they possess special expertise that is highly valued and the more difficult it is to replace the expertise, the greater degree of expert power they possess (Ivancevich et al., 2011). **Legitimate Power**: The ability to influence through the legitimated right that one has (French & Raven, 1959). According to Ivancevich et al. (2011), it is derived from the position that the person held in an organization where that individual has the authority to make demand from the other individuals and also to give order or direction to others.

**Job Satisfaction**

Job satisfaction can be defined as an employee’s overall evaluation of his or her job as favorable or unfavorable (Locke, 1976). It is the positive response and feelings that employees have on their job (Roelen et al., 2008). Lee & Low (2010) described job satisfaction as the positive feelings that one gathered from a job situation. According to Pushpakumari (2008), job satisfaction is an expression used to describe the attitude an employee has towards the job and associated roles & responsibilities, where a highly satisfied employee will have a positive attitude towards the job and vice versa.

There are 2 approaches to conceptualizing job satisfaction, the global approach and the facet approach. The global approach considered overall job satisfaction whereas the facet approach considered job satisfaction to be composed of feelings and attitudes about a number of different facets of the job (Riggio, 2007). The facet approach considered each of the facets individually, assuming that a particular worker might be quite satisfied with some facet but unsatisfied with others (Riggio, 2007).
Bases of Power and Satisfaction with Supervision
Different bases of power yield different reactions from employees and as the manager employed a range of powers, a perception on the manager's behavior is formed. Lee & Low (2012), suggested that the "style" that managers employed in managing their employees has an extensive impact on the employees' overall feelings and attitudes towards work and also on their relationship with their managers. According to Berry (1998), a subordinate’s satisfaction with the supervisor may depend on the supervisor’s power bases and the power of the supervisor swayed subordinate’s satisfaction.

Non Coercive Power (Reward, Referent, Expert and Legitimate) and Satisfaction with Supervision
"Personal" power such as referent and expert power in general have a positive effect on the manager/employee relationship whereas "position" power such as legitimate and coercive power are less effective (Etzioni, 1965). Employee’s satisfaction from his job and supervision increases if he receive more recognition or reward from his supervisor (Faiz, 2013). Raven (2008) found that reward power was more inclined to lead better satisfaction from employees. Hinkin & Schriesheim (1994) and Afza (2005) suggested that there is a positive relationship between the reward behavior of supervision and employee’s satisfaction and performance.

Manager should emphasize more on both referent and expert powers in order to obtain subordinate’s acceptance on supervision (Lee & Low, 2012). These powers can result in a positive leader-subordinate relationship thus can assist in increasing job satisfaction (Rahim & Afza, 1993). Yi, Jia & Luo (2014) also found that referent, expert and reward powers used by managers have positive relationship with satisfaction with supervision. Nedaee et al. (2012) also indicated that referent power is an accurate predictor for both job performance and job satisfaction.

Legitimate power was found to have low significant relationship in influencing subordinate’s behavior and did not have any direct relationship with employee’s satisfaction with supervision (Lee & Low, 2012). It demonstrated a moderately low relationship with satisfaction with supervision (Lee & Low, 2008). Whereas there is a positive relationship between reward, legitimate and referent powers according to both Elangovan & Xie (2000).

Coercive Power and Satisfaction with Supervision
Coercive power negatively influence job satisfaction (Podsakoff & Schriesheim, 1985) and it generates slightest employee’s satisfaction (Burke & Wilcox, 1971). Zameni, Enayati, Palar
& Jamkhaneh (2012) found that employees are less committed and satisfied with their job when their managers use coercive power increasingly. Frequent usage of this power would yield negative feelings such as fear, discouragement, dissatisfaction, resentment and turnover among employees (Elangovan & Xie, 2000). This power may be effective in influencing subordinates who endanger the organization or threatened the authority of the leader but it will lead to resentment (Raven, 2008). Studies from Afza (2005) also showed that coercive power was negatively related to job satisfaction. According to Lee & Low (2012, 2008), there is no association between coercive power and satisfaction with supervision.

**Theoretical Framework**

The theoretical framework of this study that showed the propose relationship of between the bases of power and satisfaction with supervision is shown in Figure 1.

Figure 1: Theoretical Framework

**Hypotheses to be tested**

The following hypotheses were developed from the findings of past studies.

H1: Manager’s bases of power has a significant influence on employee’s satisfaction with supervision

H2: Manager’s base of reward power is positively related to employee’s satisfaction with supervision
H3 : Manager’s base of referent power is positively related to employees’ satisfaction with supervision
H4 : Manager’s base of expert power is positively related to employees’ satisfaction with supervision
H5 : Manager’s base of legitimate power is positively related to employees’ satisfaction with supervision
H6 : Manager’s base of coercive power is negatively related to employee’s satisfaction with supervision

METHODOLOGY

Research Design
It is a correlation study to examine the relative importance of the independent variables as factors in influencing employees’ satisfaction with supervision. The method used in this study was a quantitative research method.

Population & Sample
The unit of analysis was individual employees in organizations located in Penang, Bayan Lepas who reports to a manager or supervisor. We are trying to understand their satisfaction with their manager or supervisor based on the type of bases of power used by their manager or supervisor. Hence, the researcher has employed the random sampling method for the collection of data.

This study is about the effect of manager’s bases of power on employee’s job satisfaction: satisfaction with supervision in organizations located in Bayan Lepas, Penang, therefore the population that we have selected is of those who are working in organizations in Bayan Lepas, Penang. As this study is to measure the effects of manager’s bases of power hence the population who are responding to the survey must be reporting to a manager or supervisor in their nature of work. Bayan Lepas is selected 30 because it has one of the biggest industrial areas in the north of Malaysia and is known as the silicon island.

There are a few complex formulas for determining the sample size, however the general rule of thumb is no less than 50 (Van Voorhis & Morgan, 2007) meanwhile according to Roscoe (1975) the minimum size should be at least 30 and less than 500. Creswell (2005) suggested that larger sample size is better with less potential for error. Green (1991) presented a complete overview of the procedures where he suggested using the following formula in estimating the
minimum sample size. For this study we are referring to Green’s formula in determining the minimum sample size needed.

Green suggested, \( N > 50 + 8 (m) \)

The ‘N’ is the sample size and the ‘m’ is the number of IVs (independent variables). There are five independent variables in this study, which are coercive power, reward power, referent power, expert power and legitimate power hence the ‘m’ is 5. Using the suggested formula by Green, the minimum required sample size is at least 90 respondents.

A total of 300 sets of questionnaire were distributed to individuals working in Bayan Lepas, Penang. Only 213 responded and 180 responses were valid for purpose of analysis which gave a response rate of 60%.

Measurement of Variables

All instruments to measure the variables were adopted from previous studies. Scale used was 5-point Likert scale.

**Bases of Power:** The 5 bases of power (independent variables) were measured using Rahim Leader Power Inventory (RLPI) (Rahim, 1988) which was adopted from Lee & Low (2012). There were 5 items on coercive power, 6 items on reward power, 6 items on referent power, 6 items on expert power and 6 items on legitimate power, thus a total of 29 items.

**Satisfaction With Supervision:** Job Descriptive Index (JDI) by Smith et al. (1969) which was adopted from Lee & Low (2012) was used as the instrument to measure employee’s satisfaction with supervision (dependent variable). The JDI has a total of 72 items measuring the facets of job satisfaction – satisfaction with the work, co-workers, promotion, opportunities and pay, however only 18 items from the supervision were adopted as it is relevant to the study.

Data Analysis Procedure

Principal Component Analysis was used to check the consistency and dimensionality of the scale items. Internal consistency and stability was measured with Cronbach’s Alpha. Pearson Correlation Coefficient was used to measure the associations between bases of power and satisfaction with supervision.
FINDINGS & DISCUSSION

Profile of Respondents
The responses received were evenly distributed between both male (51.1%) and females (48.9%). Majority were from the age groups between 25 to 33 years old (37.8%) and 34 to 41 years old (35.6%). The overall education level of the respondents were high where 67.2% of them having Bachelor Degree and 18.3% with Master.

Reliability of Scales
The lowest mean was at 2.32 for referent power and the highest mean was at 3.57 for expert power. The standard deviation value ranges at the lowest 0.77 to highest 1.11. It is considered to be reliable and adequate if the Cronbach’s Alpha coefficient exceeds 0.50 (Sekaran, 2003). All the scales indicated coefficient more than 0.80. The result is summarized in Table 1.

Testing of Hypothesis

H1: Manager’s bases of power has a significant influence on employee’s satisfaction with supervision

The correlation result shown in Table 2 offered a support for H1. All the five bases of power have significant relationships with employee’s satisfaction with supervision where all the correlations showed significant at p-value < 0.01. This concurs with past studies which suggested that the “style” applied by managers has impact on the employee’s feelings and attitudes towards their relationship with their managers (Lee & Low, 2012). Berry (1998) also indicated that, a subordinate’s satisfaction with the supervisor may depend on the supervisor’s style and the power of the supervisor swayed the subordinate’s satisfaction. This implies that the type of power yield by the manager’s should not be ignored as it has implication on the employee’s satisfaction with supervision.
H2: Manager’s base of reward power is positively related to employee’s satisfaction with supervision

Reward power has the greatest effect on employee’s satisfaction with supervision where the correlation result at $r = 0.85$, $p$-value $<0.01$ thus a support for H2. This signifies that reward base power applied by the manager go hand in hand with employee’s satisfaction with supervision. This result is similar to past studies which found reward power be positively related to employee’s satisfaction with supervision. Manager’s rewarding behavior was found to lead better satisfaction from employees (Raven, 2008). Faiz (2013) indicated that the more reward or recognition received from the supervisor, the more satisfied is the employee on his job and satisfaction.

Both Szilagyi (1980) and Afza (2005) suggested that reward power used by managers has positive effect and contributed to subordinate performance and work satisfaction. Managers need to understand this implication as they can use this to their advantage by getting the results and the performance they expect from employees and also gain the employee’s satisfaction with their supervision. While the use of reward power is effective to reap short term benefits, it is however not recommended for extended period of time as employees may feel influenced or used and may end up disgruntled instead (Lunenburg, 2012). Employee may link the task-reward as a form of “manipulation” to gain their compliance and this may end up negatively from what was originally intended. Reward power can be a strong motivator as it is used as an attraction to get employees to perform and achieve goals. However if this is being relied upon heavily it could backfire as employees may work unethically in order to attain the rewards.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Coercive</th>
<th>Reward</th>
<th>Referent</th>
<th>Expert</th>
<th>Legitimate</th>
<th>Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coercive</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reward</td>
<td>-.558**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Referent</td>
<td>.243**</td>
<td>.288**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expert</td>
<td>-.199**</td>
<td>.373**</td>
<td>.109</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legitimate</td>
<td>.147*</td>
<td>-.321**</td>
<td>-.337**</td>
<td>-.074</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Satisfaction</td>
<td>-.634**</td>
<td>.847**</td>
<td>.232**</td>
<td>.262**</td>
<td>-.286**</td>
<td>1</td>
</tr>
</tbody>
</table>

Note: *p-value <0.05, **p-value <0.01
*Correlation is significant at the 0.01 level (1-tailed).
*Correlation is significant at the 0.05 level (1-tailed)
H3: Manager's base of referent power is positively related to employees’ satisfaction with supervision

Referent power and employee’s satisfaction with supervision showed a correlation result at \( r = 0.23 \), p-value <0.01 thus a support for H3. This concurred with previous studies where referent power is found to have a positive leader-subordinate relationship thus increase job satisfaction (Rahim & Afza, 1993). Yi et al. (2012); Lee & Low (2012); Nedaee e. al. (2012) also indicated that referent base power has a direct relation to employee’s satisfaction with supervision.

Referent power of a manager comes from their leadership skills and management abilities. An effective and charismatic manager will be able to gain their employees’ trust and respect, as well as having their employees wanting to associate or emulate them. With referent as the base of power, the manager needs time to build his or her influence, from both the perspective of experience as well as reputation. However, this will be ineffective in an environment where the employee turnover rate is high.

H4: Manager’s base of expert power is positively related to employees’ satisfaction with supervision

Expert power and employee’s satisfaction with supervision showed correlation result at \( r = 0.26 \), p-value <0.01 thus a support for H4. Previous studies such as Lee and Low (2012) proposed for more emphasis on this power to gain employee’s acceptance on supervision. Rahim & Afza (1993) and Yi et al. (2014) found expert power to be positively related to satisfaction with supervision and thought to be able to lead to job satisfaction.

Employee perceived the manager to possess expert power when the manager is seen to have a high level of knowledge or skills compared to them. Employees turned to their managers for advice and if their managers are not able to assist them in anyway, the manager is perceived to have low expert power. A manager has the opportunity to demonstrate his expertise or skills by sharing them with his or her employees and this may also help in increasing the employee satisfaction with supervision.

H5: Manager’s base of legitimate power is positively related to employees’ satisfaction with supervision

Legitimate power was found to be negatively related to employee’s satisfaction with supervision where the correlation result was at \( r = -0.29 \), p-value <0.01 thus H5 was rejected. This result contradict with past studies where Elangovan & Xie (2000) found a positive relationship with job satisfaction. However, Lee & Low (2012) found a low significant relationship in influencing
subordinate’s behavior \((r = 0.15)\). The result implicates that legitimate power does not lead to satisfaction with supervision.

Legitimate power emitted from a person’s position and job title in the organization hence employees may acknowledged the title but not the person. In order to gain employee’s respect, the title or position may give the manager that but for a short period only. Employees usually comply to a manager due to the position but they may not have the full commitment or satisfaction. Managers need to understand that the position that they hold may give them the instantaneous authority to make demand yet it is up to the employees to determine their value.

**H6 : Manager’s base of coercive power is negatively related to employee’s satisfaction with supervision**

Coercive power was found to have a strong negative relationship with employee’s satisfaction with supervision which is consistent with H6. The correlation result was at \(r = -0.63\), \(p\)-value < 0.01. This showed that the amount of coercive power yield by a manager is not in favor of employee’s satisfaction with supervision. This concurs with previous studies which found coercive power to have negative influence on job satisfaction (Burke & Wilcox, 1971; Podsakoff & Schriesheim, 1985; Elangovan & Xie, 2000). Both Yukl (1981) and Lunenburg (2012) also made the same conclusion on the effectiveness of coercive power. However Lee & Low (2012, 2008) found no association between coercive power and satisfaction with supervision.

Generally employees do not like to be threatened or coerced into doing something. Coercive power may be the preference of many managers as it yield faster result in obtaining employee’s compliance however in the long run the result is not desirable and lead to employee’s job dissatisfaction. Our workforce today comprises of a large percentage of members from Generation Y which concurs with the respondents for this study where they made up of 40.6% of the total respondents. According to Martin (2005), members of Generation Y are those who love freedom, flexibility and dislike micromanagement. Thus coercive base power is not suggested to be used when dealing with them.

**CONCLUSION**

This study has discovered interesting relationships between manager’s bases of power and employee’s satisfaction on supervision. First, different bases of power yielded by the managers relate to employee’s satisfaction with supervision differently. Both coercive power and legitimate power were found to be negatively related to satisfaction with supervision. Managers who are seen as exercising coercive power do not correlate well with employee’s satisfaction with
supervision. Employee’s fear of punitive actions from their managers may prompt them to improve on performance but this may result in resentment towards their managers.

The three other bases of power were found to be positively related to satisfaction with supervision, where reward power has the greatest correlation, followed by expert power and referent power. Managers perceived to having reward, expert and referent base powers are seen to be establishing a positive relationship with their employees. Managers who apply reward power are more prone to increase employee’s satisfaction with supervision while coercive power is apt to work the other way. Both referent and expert powers are also becoming important as leadership is concerning collaboration and influence rather than command and control. Hopefully, these findings will provide some useful information for managers in organization as to the implications and consequences of the power that they use when dealing with their employees.

Implications of the Study
Managers who are conscious about the bases of power that they apply can help to make a significant behavioral change in their employees towards them. A leader that is able to exemplify his skills to utilize the necessary power bases at the right time will be able to have employees with higher compliance and job satisfaction.

Limitations
This study only reviewed the independent and dependent variables, whereas the other variables were disregarded, specifically gender and age of the leader. Another significant factor that may have impact are the characteristic of the respondents as the differing personalities of each respondent may give a different outcome on the perceived power base against employee’s satisfaction with supervision. The data collection methodology used self-report measure where the drawback is that it may not reflect an actual manager – employee relationship. For instance, if the employee favors the manager, he or she will look upon the manager with high regards despite the manager’s actual behavior. On the other hand, if the employee does not favor the manager, no matter how knowledgeable or influential the manager is, the manager will be viewed negatively.

Suggestions for Future Research
Future research is much needed to search for a fuller understanding on how the perceived power bases of a manager influence employee’s response. From the data analysis, we could see some correlations between these bases of power. A manager does not apply a single base
of power alone. There is a main power base that the manager uses and it is accompanied by secondary power bases. A manager may also use different bases of power on different occasions or on different employees. Future research to understand the relationship between the bases of power will help us to further understand this better. In this study, gender, age and personality variables were disregarded as they were not part of the scope of the study. These variables however also need further research as the impact of gender, age and differing personality traits of the employee could result in the manager using a different base of power for each variable or even the multiple combinations of the different variables. Future studies could also look at incorporating these additional variables.

REFERENCES


