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The Relationship Between Leadership, Span of Control and The Mediating Effect of Attitude Toward Switching Agency and Job Satisfaction: A Case of Unit Trust Agents in Johor Bahru

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Abstract: The unit trust industry in Malaysia is facing the issue of job satisfaction among its agents. This is followed by concerns of unit trust supervisors’ preference for good leadership and supervisor-subordinate relationship problems. Past studies have shown that job satisfaction can be influenced by a variety of factors. Therefore, this study choose to investigate the association between leadership, span of control, job satisfaction, and the mediating effect of attitude towards switching to another agency. A total of five hypotheses were developed, and regression analysis was performed to analyse the mediation effect. The sample consisted of 303 respondents who are unit trust agents from various organisations in Johor Bahru, a city in southern Peninsular Malaysia. All five hypotheses were supported, and the results showed leadership and span of control had a significant relationship with job satisfaction. Attitude towards switching also had a significant relationship with job satisfaction and significantly mediated the relationship between the independent variables and job satisfaction. The findings of this study, while contributing to the body of knowledge, may also provide assistance to policy makers, practitioners and marketers in their sustainability and growth efforts.

Key words: Leadership, span of control, attitude toward switching, job satisfaction.

JEL classification: D23 & J28

1. INTRODUCTION

Job satisfaction is an issue that affects the lives of all workers (Sansgiry & Ngo, 2003; Yami, Hamza, Hassen, Jira, & Sudhakar, 2011), and unit trust agents are no exception. As salesperson turnover and job satisfaction are crucial issues, substantial

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research to examine the sales force turnover problem is therefore needed (Wotruba, 1990). Studies done by Muchinsky (1993), Spector (1997), McCulloch (2003), and Javed, Balouch, and Hassan (2014), has clearly shown that salesperson turnover is significantly correlated with job satisfaction. In the service sector, for example in banking, efficient rendition of services mainly depends on a satisfied workforce (Fitzgerald, Johnson, Brignall, Silvestro & Ross, 1994). Also, several job satisfying factors and the warranted desires of employees of leading banks were found to play significant roles in job satisfaction affecting service quality (Lew & Liew, 2006).

The pace of growth in the unit trust industry in Malaysia has been quite phenomenal since the last decade (Zumbo, 2014). Even though the Malaysian unit trust industry has grown to be the fastest sector within the finance industry in the last 20 years, it nevertheless still lacks critical attention in research (Choong, 2005). Despite this growth, it has encountered various challenges and problems, such as high growth and high turnover rate. For instance, the frequent breakdown of service quality due to trustworthiness and high service charges has affected the profession’s reputation, customers’ confidence level, repeat sales and referrals (Wagner, 2011).

Job satisfaction not only affects unit trust company agents alone but affects other organisational groups of unit trust agents as well. These groups of unit trust agents play similar organisational roles but take different risks and functions, which are also very significant to the economy. Unit trust salespeople are agents who market unit trusts to investors in conventional and Islamic unit trusts. There exist three main groups of agents (“Corporate unit trust advisors,” 2007): 1) unit trust company agents, 2) corporate unit trust agents or capital markets services agents, and 3) bank agents, who specialise in various types of trusts. Thus, it is necessary to investigate these groups since they have different roles in the industry.

Despite its positive outlook and bright future, the unit trust industry still faces severe problems, which have affected the job satisfaction of its sales agents. One of these is leadership. According to R. Tiah (Unit Trust General Manager, personal communication, March 1, 2012), leadership has become a major concern in the unit trust industry because it affects sales agents’ job satisfaction the most and also because it has not been able to manage problems with customers who have differentiated demand requirements and needs. As job satisfaction relates significantly to the overall performance of any direct selling industry, the success of its sales and agent turnover greatly depend on it (Md Isa, Cheng, & Mohd Yunus, 2011). Thus, leadership should therefore change according to the current situation whereby all leaders must understand their subordinates’ behavior, motivation, characteristics, skill levels, and roles (Anawalt, 2011; Den Hartog & Kooiman, 2001). In many cases, when salespersons find their work more demanding than anticipated, this results in high turnover and job switching (Brodie, Stanworth, & Wotruba, 2002; Hennicks, 2014; Wotruba & Tyagi, 1991). These problems continue to fester in the unit trust industry.
The next problem is the span of control that exists between the unit trust leaders and their sales agents. As anyone can become an agent, this will eventually create a problem of control as new recruits are hired without a quota and specific requirements which leads to the ineffectiveness of control and power of the unit trust leaders over the subordinates' behavior and work activities (R. Tiah, Unit Trust General Manager, personal communication, March 1, 2012). Hence, too many agents or agents with different age cohorts and diverse characteristics with different personal objectives and intentions, have worsened such problems. Such weaknesses could result in leaving supervisors little time to nurture and enhance good leader-follower relationships (Jamal, 2014; Warrick, 2011).

This study is important not only for salespeople but also the unit trust industry. It is also of concern for public awareness and interest because of the importance of product risks, public trust, and the impact that this work has on job satisfaction in the industry. Therefore, the question of the role of unit trust agents in the development of attitudes and behaviors is fundamental to understanding job satisfaction. It is therefore anticipated that this study would generate some interest, not only among practitioners but also among academicians.

2. LITERATURE REVIEW

2.1 Relationship between Supervisor Leadership and Agents’ Job Satisfaction

Research in the industry has shown that leadership is critical in affecting employees’ job satisfaction (Bartolo & Furlonger, 2000). Robbins (2003) argued that leadership is mainly used to control employee behavior in the efforts to forecast employee productivity, resignation rates, and job satisfaction. He indicated that leadership needs to meet the aims of the organisation, as well as those of the employees through their job involvement and commitment. Leadership also guides an organisation to success by taking up the role of either a transformational or transactional leadership behavior (Laohavichien, Fredendall, & Cantrell, 2009). Bennett (2009) reported that both leadership types help to forecast workers’ satisfaction with their leaders. These findings were supported by Berson and Linton (2005), and Wiratmadja, Govindaraju, and Rahyuda (2008), who discovered that transformational leadership positively affect job and overall satisfaction.

Thus, from the above discussion, it is hypothesized that leadership has a significant relationship with agents’ job satisfaction and the following hypothesis is therefore formulated:

**H1: The leadership of the supervisor significantly influences agents’ job satisfaction.**
2.2 Relationship between Supervisor’s Span of Control and Agents’ Job Satisfaction

Meier and Bohte (2000) indicated span of control as a variable between managers and subordinates. They theorised that there is a certain maximum size for a span of control to be effective. Rizzo, House and Lirtzman (1970) commented that it did not matter how many employees are involved, but it is the degree of role conflict and role ambiguity that exist in individuals that counts the most. Walker, Churchill, and Ford (1972, 1977) added that particular features of the sales job make sales representatives especially vulnerable to role conflict and role ambiguity. Thus, by reducing role conflict, the amount of job satisfaction could also be reduced, resulting in more organisational commitment (Lankau, Carlson & Nielson, 2006).

Therefore, it is postulated that span of control has a significant relationship with agents’ job satisfaction, and the following hypothesis is formulated as:

**H2: The supervisor’s span of control significantly influences agents’ job satisfaction.**

2.3 Relationship between Supervisor Leadership and the Mediator Agents’ Attitude towards Switching

Despite many factors that can affect employee attitudes, research to date suggests that these are influenced to some degree by the type of leadership exhibited (Mester, Visser & Roodt, 2003). In trying to comprehend leadership effectiveness, two main aspects of the leadership theory are examined by researchers. Often effective leaders initiate a transformation process change in the basic beliefs, values, and attitudes of workers, so that these individuals will become more receptive and create the capacity for changes, which will lead to the required organisational change. Since the affective commitment aspect of organisational commitment is important, many past studies have focused on this (Castro, Periñan, & Bueno, 2008).

Transformational leadership is more effective than other leadership types only when it could impact work attitudes and behaviors of followers, making it possible to elicit some positive change-oriented behavior and attitude using change implementers (Bommer, Rich & Rubin, 2005). For instance, there exist significant associations between transformational leadership and subordinate creativity in several Korean research and development departments (Shin & Zhou, 2007). Bommer et al. (2005) also pointed out that literature is rife with studies of attitudes, performance and citizenship behavior of change recipients and their role in change, with transformational leadership providing the main changing force. Therefore, it is deduced that the next hypothesis would be:

**H3: The leadership of the supervisor significantly influences agents’ attitude towards switching.**
2.4 Relationship between Supervisor’s Span of Control and Mediator Agents’ Attitude towards Switching.

Several studies have shown that they have been very reliable when reporting the results of the effects of steeper or taller hierarchy on members’ attitudes, i.e. steeper hierarchies tend to predict inferior attitudes (Anderson & Brown, 2010). For instance, not only attitude-related outcomes become worse as hierarchical structures get taller or steeper, groups and organisations with steeper hierarchies are more inclined to have employees who seem less motivated and satisfied, and are more likely to resign (Anderson & Brown, 2010). However, when employee empowerment was typically suggested as a method to enhance the attitudes of performance and employees, employees given such power became very self-assured in their beliefs, and hence less probable to include new information that might alter their pre-existing attitudes (Briñol, Petty, Valle, Rucker, & Becerra, 2007; Eaton, Visser, Krosnick, & Anand, 2009; Kirkman & Rosen, 1999). Therefore, it is deduced that the following hypotheses would be:

**H4:** Supervisor’s span of control significantly influences agents’ attitude towards switching.

**H5:** Agents’ attitude towards switching significantly influences agents’ job satisfaction.

3. THEORETICAL FRAMEWORK

Figure 1 shows the possible relationships between leadership, span of control, attitude towards switching, and job satisfaction.

![Figure 1. Theoretical framework](image-url)
4. EMPIRICAL ANALYSIS

4.1 Preliminary Description

In this study, where quantitative and qualitative methods were used, the sampling design consisted of a deductive approach to draw inferences about a population that contained a sample of unit trust agents, who are licensed to sell unit trusts in Johor Bahru. To collect vital information about the population in Johor Bahru, banks and their affiliated branches, unit trust management companies and wealth creation companies were targeted. A reliable and valid questionnaire was used to measure and acquire data.

Using purposive sampling, the present researchers used their judgement to decide who could give the best information to achieve the objectives of his study. This method involved going to those people who, in the researchers’ opinion, were most likely to have the required information and would be willing to share with them. This resulted in a selection of a predetermined number of people who were best positioned to offer the needed information for the study.

Henceforth, this present study used unit trust agents as the appropriate unit analysis to investigate job satisfaction in the unit trust service sector in banks and their affiliated branches, unit trust management companies and wealth creation companies. The total number of respondents surveyed is shown in Table 1.

<table>
<thead>
<tr>
<th>Area</th>
<th>Agents</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Johor Bahru</td>
<td>303</td>
<td>100</td>
</tr>
</tbody>
</table>

Johor Bahru was chosen for three reasons. First, it is the second largest cosmopolitan city and the largest urban area in the country, with Malays forming 47.5%, Chinese (34.2%), and Indians (0.9%) and other minorities (0.6%) from of a total of 1,386,569 inhabitants (“Taburan dan Ciri-ciri Asas Demografi,” 2010). Second, it is also close to Singapore and receives more than 60% of the country’s annual 16 million foreign tourists and is also an important tourism, commercial, and industrial hub for southern Malaysia (“Demographics of Malaysia,” 2012). Third, according to Director-General of Labour Department, Datuk Sheikh Yahya Sheikh Mohamed, there are about 300,000 Malaysians working in the Republic (“Fewer Malaysians working in Singapore now,” 2010) commuting to and from it, and the number is growing.

Most importantly, the perceptions of unit trust agents who work in Johor Bahru could differ significantly from other agents who live and work in other areas of the country, as they tend to be easily influenced by external factors, such as those from Singapore and the perception of Malaysian workers, who travel to Singapore to
work. Hence, the sample consisted of unit trust agents from unit trust management companies, institutional unit trust as well as wealth unit trust organisations.

In this study, a non-probabilistic purposive-cum-convenience sampling technique was used based on the judgment to select the unit of analysis on the subjects’ convenient ease of access, closeness to the researcher, and perception, which might differ at that time more than that of the other agents in other parts of Malaysia. Thus, only banks, unit trust management companies and wealth advisor organisations in Johor Bahru were identified.

The list of these organisations was obtained from FIMM’s Annual Report (2013). The list comprising unit trust agents, who worked in Johor Bahru, were identified as sampling elements. In this current study, the questionnaire was designed based on the chosen variables of this study. It was divided into two (2) parts. Part 1 of the questionnaire collected personal information that includes gender, company name, age group, marital status, race, education, and other related information about the respondents. The other sections in part 2 consisted of questions on job satisfaction, attitude towards switching, multifactor leadership, and span of control based on a five-point scale ranking. Respondents were requested to rate their level of satisfaction, and Likert ratings were given as a score out of five (5) where 1 is equated to “strongly disagree” and 5 being “strongly agree” (Norman, 2010).

5. FINDINGS

First, the results of the hypotheses testing on H1 and H2 revealed that leadership has a positive relationship, whilst span of control has a negative one with job satisfaction, resulting in Betas between 15.4% and 23.6%, respectively. Overall, the results explained 28.2% of the portion of the variance in the dependent variable. This conclusion is made at the significant level, \( \alpha = .05 \) (5%) or confidence level (95%). The results showed that only leadership has the most influence on Job satisfaction. Table 2 shows the results.

Table 2. Job satisfaction (Y) regressed on leadership and span of control

<table>
<thead>
<tr>
<th>Variable</th>
<th>Standard Coefficient</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership</td>
<td>.236</td>
<td>.000</td>
</tr>
<tr>
<td>Span of control</td>
<td>-.154</td>
<td>.008</td>
</tr>
<tr>
<td>( R^2 )</td>
<td>.282</td>
<td></td>
</tr>
<tr>
<td>( R^2 ) Change</td>
<td>.282</td>
<td></td>
</tr>
<tr>
<td>( F ) Change</td>
<td>9.324</td>
<td></td>
</tr>
<tr>
<td>( \text{Sig. } F ) Change</td>
<td>.000</td>
<td></td>
</tr>
</tbody>
</table>
Second, on testing the mediating effect, Shrout and Bolger (2002) argued that mediation should be tested using this step because of the $X_1 \rightarrow MV$ and $MV \rightarrow Y$ associations being proximal in the mediation process. However, they also said that if $X_1 \rightarrow Y$ association did not result in a significant outcome, the researcher might still proceed to test $X_1 \rightarrow MV$ association. However, to perform this regression, it was first necessary to ensure there was data normality in the relationship between the independent variables and the mediator via a normal probability plot (P – P) analysis of the residuals.

Based on the regression analysis of Attitude towards Switching on Leadership and the Supervisor’s Span of Control, Leadership resulted in a $\beta = -0.338$, which indicated a negative relationship with Attitude towards switching. With a $p$ value = .000 which is <.05, Leadership was found to be a significant predictor in estimating the agents’ attitude towards switching. Therefore, one of the most important conditions for mediation is supported, which indicates that Leadership had a significantly negative relationship with the agents’ attitude towards switching, explaining 33.8% ($\beta = -0.338$) of the variance in attitude towards switching agency.

Span of control resulted in a $\beta = 0.267$, which indicated a positive relationship with Attitude towards switching. With a $p$ value = .000 which is <.05, it is not only a significant but a positive predictor in estimating the agents’ attitude towards switching. Thus, the condition for mediation is also supported. The span of control was found to be significantly related to the agents’ attitude towards switching, explaining 26.7% ($\beta = 0.267$) of the variance in attitude towards switching. These conclusions are made at the significant level, $\alpha = .05$ (5%) or confidence level (95%). Consequently, 1 unit fall in the perception of Leadership will result in 33.8 units of an increase in the positive Attitude towards Switching Agency. Whereas, 1 unit fall in the Span of Control will result in 26.7 units of an increase in the negative Attitude towards Switching Agency. Table 3 presents the results of the regression.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Standard Coefficient</th>
<th>$p$-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership</td>
<td>-0.338</td>
<td>.000</td>
</tr>
<tr>
<td>Span of control</td>
<td>0.267</td>
<td>.000</td>
</tr>
<tr>
<td>$R^2$</td>
<td>.594</td>
<td></td>
</tr>
<tr>
<td>$R^2$ Change</td>
<td>.594</td>
<td></td>
</tr>
<tr>
<td>$F$ Change</td>
<td>109.027</td>
<td></td>
</tr>
<tr>
<td>Sig. $F$ Change</td>
<td>.000</td>
<td></td>
</tr>
</tbody>
</table>

Third, to ensure the existence of a mediating effect, another regression was conducted on mediator i.e. the agents’ attitude towards switching and the agents’ job
satisfaction. Attitude towards switching was entered into the regression equation, and it resulted in a $\beta = -.568$, which showed a negative relationship with Job satisfaction. The result indicates that with a $p$ value = .000 which is <.05, Attitude towards switching is a significant predictor of job satisfaction. Therefore, another important condition for mediation to take place is supported. It shows that Attitude towards switching has a significantly negative relationship with the agents’ job satisfaction, explaining 56.8 % ($\beta = -.568$), of the variance in the agents’ job satisfaction. This conclusion is made at the significant level, $\alpha = .05$ (5%) or confidence level (95%). Thus, 1 unit fall in the Attitude towards switching will result in 56.8 units of an increase in the agents’ job satisfaction. Table 4 summarises the results.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Standard Coefficient</th>
<th>$p$-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitude towards switching</td>
<td>-.568</td>
<td>.000</td>
</tr>
<tr>
<td>$R^2$</td>
<td>.323</td>
<td></td>
</tr>
<tr>
<td>$R^2$ Change</td>
<td>.323</td>
<td></td>
</tr>
<tr>
<td>$F$ Change</td>
<td>143.673</td>
<td></td>
</tr>
<tr>
<td>Sig. $F$ Change</td>
<td>.000</td>
<td></td>
</tr>
</tbody>
</table>

### 6. DISCUSSION AND CONCLUSION

#### 6.1 Supervisor Leadership

One of the proposed relationships in the theoretical model is whether there is an influence of leadership on the job satisfaction outcome. The results of this study showed Leadership has a significant impact on the agents’ Job Satisfaction. This is because most sales agents come from a direct sales industry, like the unit trust industry, and could have preferred leadership as a better option to solve their problems, learning or engaging with others to reduce their job dissatisfaction (Hall, 2001; Pool, 2000). They discovered that during the process of encouraging employees to want to learn, it becomes essential for leaders to create an organisational culture to support any organisational learning so that it easier to obtain, improve and transfer the required knowledge. Having a job that is closely related to personal selling or sales, motivation from leaders is very critical in encouraging and inspiring salespeople to accomplish their goals (Mason, 2012). According to Fishbein’s Expectancy-Value theory (EVT), people have control over their choices and they make their choices based on quality information presented to them. Underlying this theory, is a person’s fundamental motivation that will depend on how much he/she values the goal and whether he/she expects to succeed, and this motivation could be spurred on further.
by highly motivated leaders. And if he/she expects to succeed, he/she will go all out to obtain the goal. Hence, the existence of inspiring motivated leaders can therefore enhance such individuals and team spirit to continue employment and attain greater inspiration and performance (Draft, 2001; Naile, & Selesho, 2014). By integrating the daily activities of employees to reach the planned goals, this can also help organisations adapt well with the external environment for rapid and appropriate response (Draft, 2012). Due to the individuality of the salesperson who most of the time work independently and individually (Lai, Chan, Ko, & Boey, 2000), individual consideration leaders are, therefore, most desired. These gestures could certainly provide solid support and satisfaction to their sales agents in developing their full potential (J. Lee, Agency Supervisor, personal communication, March 1, 2012).

6.2 Span of Control of Supervisors

Another proposed relationship in the theoretical model is whether there is an influence of span of control on the job satisfaction outcome. The findings of this study revealed that Supervisor’s Span of Control and the agents’ Job Satisfaction are significantly related. One probable reason for this significant relationship between the supervisor’s Span of Control and the agents’ Job Satisfaction could be the preference for hierarchy (Anderson & Brown, 2010). In Malaysia, there exists a strong status orientation among the racial groups, and relationships are hierarchically organised into levels of superiors and subordinates (Abdullah, 1996). Since Malaysians are Asians, they have Asian values. Hence, younger ones are expected to respect and obey seniors (position of superiors or elders). He further added that, as seniors are the decision makers, subordinates are expected to follow and implement. Sometimes, societal norms further suggest that juniors may not always agree with seniors, due to some Western influence (Anderson & Willer, 2014). Consequently, hostility and anger of subordinates against a superior could be intentionally suppressed and displaced to pacify the superior, and thus traditional values would conflict with the international outlook among Malaysians (Kennedy, 2002).

So, if there is a narrow span, managers would have fewer followers because they would want to have a steeper hierarchy (Anderson & Willer, 2014). This would mean less commission, interactions, activities, and opportunities, but may result in more intense dealings and dissatisfaction. If the span of control is wider however, the supervisor would have a greater number of followers. This may allow some supervisors or caretakers who may prefer to take in a certain group of people because of their religious beliefs, racial preferences or customs (Wiener, McConnell, Latella, & Ludi, 2013).

Small and medium-sized organisations in Malaysia usually have a narrow span that offers closer supervision, whereas tighter “superior-oriented” reins create a tall, hierarchical structure (Lee, 2009). Malaysians should be able to find comfort that small spans of control could result in more time for a superior to work alongside
any given followers. They could have afford greater probabilities for building mutual objectives as well as training and feedback. However, this may not always be the case. Businesses in Malaysia are home-grown, hence they tend to be very focused on costs and not employee welfare (Lee, 2009).

6.3 The relationship between Supervisor Leadership and the agents’ attitude towards switching

Another proposed relationship in the theoretical model is the influence of supervisor leadership on the agents’ attitude towards switching. The results of this study showed that Leadership was found to have a negative relationship with Attitude towards Switching agency. The significant relationship finding can be attributed to basic beliefs, values and attitudes of the sales agents that are apt to change, and this change may be the result of the type of leadership shown. Green, Anderson, and Shivers (1996) and Mester, Visser and Roodt (2003) believed that individuals will become more receptive and create capacity for changes, leading to the required organisational change if leaders began a transformation process change in the belief system leading to a change in attitude.

Leadership is more effective when it can transform others as it is able to impact work attitudes and behaviors of followers and create some positive change-oriented behavior and attitude by using change implementers (Bommer et al., 2005). This is similarly true in the unit trust industry, where the agents’ attitude towards switching will become more negative (i.e. they do not want to switch) if their basic changed beliefs and values meet their desired objectives. Leaders, who propose monetary benefits, will meet their objectives by promising them higher rewards and inducing changes in their belief system so that they can act to attain their targets (Akar, 2010).

6.4 The relationship between span of control of supervisor and agents’ attitude towards switching

Another proposed relationship in the theoretical model is the influence of span of control on agents’ attitude towards switching. The findings of this study showed that Span of control was found to have a positive relationship with Attitude towards Switching agency, and is not only a significant but a positive predictor in estimating Agents’ Attitude towards Switching. Thus, the condition for mediation is also supported. One probable reason for this significant relationship finding can be attributed to the effects of a steeper or taller hierarchy on the agents’ attitudes, i.e. steeper hierarchies could have predicted their inferior attitudes. According to the expectancy-value theory, if a person is outweighed by negative information about a particular matter, it affects the probability of doing that action. Some people tend to give more weight to bad experiences than good ones (Ito & Cacioppo, 2005). This finding can help agents to examine and report problems relating to hierarchical
structures that can get taller or steeper. As this happens, not only can attitude-related outcomes become worse, groups and organisations that have steeper hierarchies are more inclined to have employees who may seem less motivated and satisfied and are more likely to resign (Anderson & Brown, 2010). However, taller hierarchies, under the right conditions, could end up in more positive attitude-related consequences too, such as encouraging others to perform. When employees are empowered to do things on their own, they could improve their attitude of performance or other employees (Briñol et al., 2007; Kirkman & Rosen, 1999). Eventually, they will become very self-assured in their beliefs, and hence less likely to embrace new information that might modify their pre-existing attitudes (Eaton et al., 2009).

6.5 Relationship between Mediator Agents’ Attitude towards Switching and Agents’ Job Satisfaction

Another proposed relationship in the theoretical model is the influence of the mediator agents’ attitude towards switching on the agents’ job satisfaction. The findings of this study showed that Attitude Towards Switching has a negative relationship with Job Satisfaction, and is a significant predictor of job satisfaction. The significant relationship finding could have been influenced by the unstable attitudes of some of the agents. Attitudes may at times incite an action with little or no thought (Bagozzi et al., 1989). For a unit trust sales agent who is young, he/she starts to learn, model others and experience things directly with people and situations around. This affects how his/her attitude is readily formed as he/she is more likely to make interpretation of any stimuli into something that will give complete meaning to him or her, based on his or her prior experiences. Thus, the finding can aid agents in using the EVT theory to predict the result of their attitude change. It will also help them cultivate a good attitude which could assist them in succeeding with customers. In many ways, the finding can also help agents cope more easily with the daily affairs or stress of life. It can bring optimism into their life, and make it easier to avoid worries and negative thinking whether by increasing the plausibility of beliefs, changing the negative or positive value of information or supplying information that add to the new beliefs.

Adsit, London, Crom and Jones (1996) discovered that attitudes are able to forecast customer satisfaction and unit performance directly. Hagger, Chatzisarantis and Biddle (2002) also concluded that there was evidence of a moderate relationship between attitudes and physical activity behavior. Thus, this may also be true of the unit trust industry. When the agents’ attitude towards switching becomes negative (do not want to switch) due to good leadership and a favourable span of control, they find that staying on their job would bring them a lot of advantages to continue earning more commission. In doing so, they are very satisfied of their job. Thus, these factors could have caused a significant relationship between the mediator
agents’ attitude towards switching and agents’ job satisfaction. As a conclusion, the study suggests that job satisfaction can be enhanced not only by providing good leadership and narrower span of control but also, by lowering the positive effects of the mediator attitude towards switching agency. This shows that the sub-components of the instrumental /cognitive and the experimental /affective beliefs of a sales agent’s attitudinal structure are critical issues to supervisors and leaders. Only when these conditions are looked into, can unit trust agents begin to improve and be satisfied.

Future studies could also take another route by including other mediating variables linking leadership, span of control, and job satisfaction. The proposed model of this study can also be widened to other service industries or other types of service settings. In this respect, in terms of measurement matters, future research may utilise more of multiple items to improve the reliability of satisfaction construct, and more constructs may also be included in this model, based on the literature to be analysed empirically. This approach is recommended because there are useful face-to-face interactions between service providers and customers in many service environments where social bonds are constantly being fostered.

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