THE RELATIONSHIP AMONG CHARISMATIC LEADERSHIP, ETHICAL CLIMATE, JOB SATISFACTION AND ORGANIZATIONAL COMMITMENT IN COMPANIES

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ABSTRACT
The aim of this study is to survey the relationship between the ethical climate, leadership behavior in terms of charismatic leadership and organizational commitment regarding affective and continuance commitment. It is noted that this examine is based on a survey of 626 people who work in national and multinational companies in Turkey for comparing relationship between the factor analysis, reliability, correlations and regressions. As a consequent, all hypotheses are supported and positively related.

KEY WORDS: Charismatic Leadership, Job Satisfaction, Ethical Climate and Organizational Commitment

INTRODUCTION
The main purposes of this research are investigating: (i) the independent variables that influences on dependant variables as job satisfaction and organizational commitment; (ii) the effects of job satisfaction on organizational commitment; and (iii) the mediator effects of job satisfaction.

In addition, a positive relationship between job satisfaction and organizational commitment has been reported in several studies (Bartle, Dansby, Landis and McIntyre 2002; Redfern, Hannan and Norman 2002; Kim, Leong and Lee 2005).

The links between employees’ commitment to their organizations and satisfaction with their jobs have been the subject of a large amount of empirical research, and still there seems little agreement about the causal connections between these two important employee attitudes (Rayton, 2006). Job satisfaction is one of the most researched phenomena in organizational behavior literature, and it is defined as the extent to which a worker feels positively about his or her job (Odom, Boy and Dunn 1990).

The purpose of this paper is to examine the relationship between organization’s ethical climate, leadership behavior as charismatic leadership and job satisfaction and organizational commitment as it can be seen in Figure 1. If there is a significant relationship between job satisfaction and organizational commitment existing independent outcome variables, there may be a positive ethical climate through charismatic leadership that brings out satisfaction and commitment.

LITERATURE REVIEW AND RESEARCH HYPOTHESES
The paper begins with a theoretical background, followed by an explanation of the research design and continues with express research methods and results. Finally, results are discussed in the light of previous theory.

**Ethical Climate**

Climate refers to the ways organizations operationalize routine behaviors and the actions that are expected, supported and rewarded (Schneider and Rentsch, 1988). On the other hand, due to differences in individuals’ positions, work groups, and employment histories, perceptions of organizational climate may vary within the firm (Victor and Cullen, 1988). According to Schneider (1975) there is no single type of work climate depending on this statement; an organization, subunit and work group may consist of many different types of climates- including an ethical climate (Schneider, 1975). Furthermore, whereas such evidence suggests that unethical climates exist, it adversely implies that not all organizations’ climates are perceived as unethical (Schwepker, 2001).

The organizational ethical climate has also been defined as ‘the shared perceptions of what are ethically right behavior and how ethical issues should be handled’ by Victor and Cullen (1988), and there are two dimensions that explain employee perception of ethical events, practices and procedures. The first dimension is named as the ethical criteria including three possible levels of ethical decision making, which are, egoism (hedonism), benevolence (utilitarianism) and principled (deontology). The second dimension is named as the loci of analysis based on three diverse referents in ethical decisions. These three loci represent individual, local and cosmopolitan in decision-making. Lastly Victor and Cullen (1987) used the 3 x 3 matrix of nine theoretically possible ethical climate types. Each of these nine cells proposes an ethical criterion to the firms for helping on decision making.

Apart from the behavior of top management, ethical codes play a major role in clarifying ethical climate to organizational members in firms. The ethical codes have been suggested as a means for promoting an ethical climate within an organization (McDonald, 1999). Higher levels of ethical behavior have been found in firms where codes of ethics are in place and enforced (Ferrell and Skinner, 1988). When codes become an active part of an employee’s working knowledge, they are more likely to affect the individual’s ethical decision making (Hegarty and Sims, 1979). Additionally, codes that are effectively communicated (i.e., understood) are likely to result in greater ethical behavior (Weeks and Nantel, 1992). Company policy likewise affects an individual’s opportunity to behave unethically and impacts the organization’s ethical climate (Schwepker, 2001).

Ethical climate and ethical attitudes are differing in content. Organizational ethical climate is defined as a composite of organizational members’ perception of the ethical attitudes and how to deal with an issue. Several studies have shown that there is a relationship between the organization’s ethical climate and employees’ ethical attitudes. If there is inappropriate behaviors shown on top management which affect employees’, the ethical attitudes are negatively affect the work groups’ ethical climate. The first step of minimizing unethical behavior in work group is to consider the data of ethical climate at that time (Zehir, et al., 2003).

Creating an ethical climate via ethical codes, ethical policies and reward/punishment should reduce the chance of unethical choices as defined by the organization (Schwepker, et al., 1997). They want to create an ethical climate which aimed to impact the organization’s climate.

**Organizational Commitment**

The studies about organizational commitment have been growing from 1970 and even its history started in 1950’s. Due to significantly increasing performance in Japanese companies, American researchers have being investigated the success depending on commitment. Organizational commitment had been described as a state resulting from ‘side-bets’ or investments that a person accrues over time while working for an organization such as non-vested retirement benefits, job security, accrued vacation (Becker, 1960). On the other hand organizational commitment is commonly defined as employees’ interest in, and connection to, an organization (Hunt et al., 1989; Meyer and Allen, 1997; Mowday et al., 1979).

Steers (1977) defined organizational commitment as the relative strength of an individual’s identification and involvement in a particular organization. According to Porter (1979) organizational commitment can be measured by: (1) a strong belief and acceptance of the organization’s goals and values, (2) the strong desire to belong to organization and (3) the willingness to display effort on behalf of the organization. At first Meyer and Allen (1984) initially proposed that a distinction be made between
affective and continuance commitment, with affective commitment denoting an emotional attachment to, identification with, and involvement in the organization and this employee commits to the organization because he/she "wants to" (Allen and Meyer, 1990) while with continuance commitment denoting the perceived costs associated with leaving the organization and this employee remains a member of the organization because he/she "need to" (Allen and Meyer, 1990). Later, Allen and Meyer (1990) later suggested a third distinguishable component of commitment, normative commitment, which reflects a perceived obligation to remain in the organization and this employee stays with the organization because he/she "ought to" (Allen and Meyer, 1990).

Job Satisfaction
Job satisfaction has been a topic of great interests for researchers; therefore it has been studied across several decades. Job satisfaction can be defined as the "pleasurable or positive emotional state resulting from the appraisal of one’s job and job experience” (Locke, 1976). On the other hand job satisfaction can be explained as individual’s feeling about their job and its related aspects. According to Schneider and Snyder (1975), job satisfaction is consisted of individual’s intrinsic responses that they develop as a result of their understanding of the job.

Smith, Kendall, and Hulin (1969), identify five variables of job satisfaction; the work itself, pay, and opportunity for promotion, supervision and coworkers while Churchill et al. (1969) developed seven components of job satisfaction with overall job, co-workers, supervision, company policy and support, pay, promotion and advancement and customers. In our study, one components of job satisfaction is chosen, which is the job itself.

According to Schwepker (2001), satisfaction is partially determined by policies and supervision and a firm’s ethical climate are affected by both of them. The top management decides the policies depending on what they view as appropriate or inappropriate behavior. Regardless, managers like leaders play a major role in determining the organization’s ethical climate and play a significant role in affecting employee’s ethical behavior (Ferrel and Gresham, 1985). Therefore, the ethical climate is formed by management and becomes an important force driving not only ethical behavior but also job-related outcomes.

Charismatic Leadership
The early theoretical models have been proposed since the late 1970’s (Bass, 1985; Conger and Kanungo, 1987; House, 1977; Roberts, 1985; Zaleznik and Kets de Vries, 1975). Charisma is simply one of several components of transformational leadership. Therefore, the terms of transformational and charismatic leadership became intertwined in the organizational literature (Conger and Kanungo, 1994).

In recent times, Conger and Kanungo (1987, 1988, 1992) developed a model that based on several behavioral dimension of charismatic leadership within organizations. Due to the model, charismatic leadership is an attribution relies on followers’ perception of their leader’s behavior. Because of their ability, they may have difference from other leaders such as formulation and articulation of inspirational vision, behaviors and actions that foster an impression. The Conger-Kanungo model proposed several distinguishing behavioral components in three diverse stages of the leadership process. The stage one (environmental assessment stage) explains environmental opportunities, constraints and followers’ needs via the status quo while the stage two explains vision formulation stage. In stage three (implementation stage), managers who perceived as charismatic are tended to lead as an example to subordinates.

Ethical Climate and Job Satisfaction
As can be seen in many studies, ethics and satisfaction at the workplace are positively related (Victor and Cullen, 1987, 1988; Vitell and Davis, 1990; Deshpande, 1996; Joseph and Deshpande, 1997; Viswesvaran and Deshpande, 1996, 1998; Babin et al., 2000; Koh and Boo, 2001; Schwepker, 2001; Schwepker and Hartline, 2005; Valentine and Barnett, 2003; Weeks et al. 2004; Woodwine, 2006). Although these evidence support the positive relationship between job satisfaction and ethical climate, Schwepker(2001) found that there is no relationship between the rules of dimension and ethical climate which depends on and, did not particularly measure ethical policies while the study revealed that there is a positive association between a professional standards and job satisfaction. According to these findings the following hypothesis is offered:
H1: There is a positive relationship between ethical climate and job satisfaction for employee perception of organizations.

Charismatic Leadership and Job Satisfaction

Empirical evidence has demonstrated that charismatic leaders are viewed by their bosses as higher performers than less charismatic leaders (Hater and Bass, 1988). Bateman and Crant (2000), found that self-reported proactive personality is positively associated with supervisors’ independent ratings of charismatic leadership and are positively related to participants’ most significant personal achievements. Leaders are largely responsible for communicating direction and meaning among employees (Schein, 2004). Especially, transformational and charismatic leadership behaviors have been shown to have a significant effect on a work unit’s collective attitudes and behavior (Judge and Piccolo, 2004). A recent study has shown that the strength of this relationship—though always positive—depended a great deal on how criteria were conceptualized, aligned and constructed (Whitman et al., 2010). So according to research in this area leads to the following hypothesis:

H2: There is a positive relationship between charismatic leadership and job satisfaction for employee perception of organizations.

Organizational Commitment and Job Satisfaction

Although there are ambiguous findings, and strong evidence exists, the organizational commitment is positively affected by job satisfaction (Dubinsky and Hartley, 1986; Johnston et al., 1990; Brown and Peterson, 1993). In addition to this outcome, another study examined the role of job satisfaction in employees’ reactions to any troubles in the organization (Hagedoorn et al., 1999).

While Schwepker (2001), looked at the seven dimensions of satisfaction related to organizational commitment, but did not provide a detailed look at which dimensions individually impact organizational commitment. In addition to this study Rutherford et al. (2009), research those individual dimensions of job satisfaction influence organizational commitment. According to results; three dimensions of job satisfaction were related positively to organizational commitment, and only one dimension of job satisfaction with overall job is related to both organizational commitment. Based on these findings as well as other supporting literature, the following hypothesis is formulated:

H3: There is a positive relationship between job satisfaction and organizational commitment for employee perception of organizations.

Organizational Commitment and Ethical Climate

Research generally suggest that low levels of organizational commitment may be dysfunctional to both the organization and the individual, while high levels may be positive effects (Mathieu and Za- jac, 1990) and for that reason, organizational commitment’s antecedents must be identified at first if managers want to create an positive impact (Morris and Sherman, 1981; Randal, 1987).

Despite having limits, a research about marketing managers shows that the firm’s ethical climate is equally related to organizational commitment. Similarly, a study done with executives found that a positive relationship between a rules-based dimension of ethical climate and organizational commitment (Schwepker, 2001). As a result, if employees perceive that their organizations are ethical, they will be more committed and research in this area leads to the following hypothesis:

H4: There is a positive relationship between ethical climate and organizational commitment for employee perception of organizations.

Organizational Commitment and Charismatic Leadership

Charismatic features of both charismatic and transformational leadership have been defined as highly associated with positive work outcomes (Avolio & Bass, 1988, 1995; Avolio, Waldman, & Einstein, 1988), i.e., level of performance (e.g., Bass, 1985, 1999; Bass et al., 2003; Kon, Steers, & Terborg, 1995), job satisfaction (e.g., Hater & Bass, 1988; Shamir et al., 1993), and organizational commitment (e.g., Pilis & Williams, 2004). Possibly the most outstanding consequence of charismatic leadership is the highest level of commitment on behalf of the leader and the followers to a common vision, mission and goal (Bennis and Nannus, 1985; House et al., 1991). According to Degroot, Kiker and Cross (2000), when the leader becomes the model of behavior to follow (Bass and Stogdill, 1990), the inspired employee should become more committed to their organization.
Commitment to change has been identified as an important aspect of behavioral intention to support change (Herscovitch and Meyer, 2002; Fedor et al., 2006). Recent studies examined the effects of charismatic leadership and trust in top management on employees’ commitment to actual changes and their innovation implementation behavior and the study indicates that trust in top management is stronger related to affective commitment to change than charismatic leadership (Michaelis et al., 2009). According to these findings the following hypothesis is offered:

**H5:** There is a positive relationship between leadership behavior (Charismatic leadership) and organizational commitment for employee perception of organizations.

**RESEARCH METHODOLOGY**

**Data Gathering and Analysis**

This study is performed in Turkey for comparing the relationship between leadership behavior and ethical climate, which incorporates job satisfaction and organizational commitment. In this study, all the data gathered by interviewing and face to face, from 626 people who work both national and multinational companies.

A majority of the participants are males (%59.7) and the average age is about 30-45 and slightly over one third (%37.1). Just over half (%52.7) have at least university graduate. More than half (%52.4) have 5 years working experience while almost one third (%29.8) have less than 10-year experiences. The fair of respondents are mid-level manager (%42.7).

The collected data were analyzed by the Statistical Package for the Social Sciences (SPSS) computer program and version 16.00 for the evaluation of our data. Factor analysis, correlation analysis, reliability tests, the means of the variables and regression analysis are used to analyze the relationship between variables of the research model. First of all the frequencies of demographic variables were analyzed then the average and standard deviations were calculated.

**Measures**

This study is developed by measurement scales, which were taken from prior studies. Five-point Likert scales has been used during the measurement which have 1 (strongly agree) to 5 (strongly disagree)

Ethical climate was ranked for 6 items with a five-point Likert scale, which developed by Qualls and Puto (1989) and used by Schwepker et al (1977).

Job Satisfaction can be defined as how the employees feel about their job and various theories have been developed for measuring job satisfaction. The Job Descriptive Index and The Job in General Index are commonly accepted also Minnesota Satisfaction Questionnaire can be found in literature. However, in our study job satisfaction was measured with the 3-item of the scale that developed by Churchill et al (1974) and Comer et al (1989) and even though the scale assesses the job itself, promotion, supervisor, payment, company policy and fellow workers, in our study the job itself used.

Although Allen and Meyer declared three dimension of commitment as affective, continuance and normative, in our study Commitment was measured with the 12-items of Allen and Meyer’s (1990) model of commitment and the terms of affective and continuance commitment items were taken for the study.

A number of theoretical models have been proposed about Charismatic Leadership (e.g. Zaleznik and Kets de Vries, 1975; House,1977; Roberts,1985; Bass,1985;Conger and Kanungo,1987;). Conger and Kanungo(1987,1988,1992) developed a charismatic leadership model that focuses on several behavioral dimensions that depends on organization and followers’ perceptions in our study we use the model of Conger-Kanungo (C-K) ‘s Charismatic Leadership Scale, including 23-item of environmental sensitivity, sensitivity to member needs, vision and articulation, personal risk, unconventional behavior and status quo.

**Reliability and Factor Analysis**

Descriptive statistics were used to summarize the variables while alpha coefficients were computed to assess the reliability of the scales. Single and multiple regressions were the analytical technique to test the hypotheses. Correlation analysis was used to generate the correlation matrix to understand the relationship among the variables.
**Table 1: Coefficient Alfa, Means, Standard Deviations and Correlations**

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.Ethical Climate</td>
<td>3.5430</td>
<td>.88366</td>
<td>(0,808)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.Unconventional Behavior</td>
<td>3.5691</td>
<td>.85690</td>
<td>.162***</td>
<td>(0,783)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.Status Quo</td>
<td>3.6182</td>
<td>.90050</td>
<td>.166**</td>
<td>.156**</td>
<td>(0,715)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.Personal Risk</td>
<td>3.3291</td>
<td>.84719</td>
<td>.189**</td>
<td>.482**</td>
<td>.332**</td>
<td>(0,703)</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>5.Sensitivity to Member Needs</td>
<td>3.7062</td>
<td>.76854</td>
<td>.222**</td>
<td>.338**</td>
<td>.423**</td>
<td>.531**</td>
<td>(0,843)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.Vision and Articulation</td>
<td>3.9754</td>
<td>.6708</td>
<td>.253***</td>
<td>.430**</td>
<td>.246**</td>
<td>.399**</td>
<td>.533**</td>
<td>(0,915)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.Job Satisfaction</td>
<td>3.8999</td>
<td>.82812</td>
<td>.262**</td>
<td>.149**</td>
<td>.208**</td>
<td>.261**</td>
<td>.247**</td>
<td>.290**</td>
<td>(0,761)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.Continuance Commitment</td>
<td>3.2716</td>
<td>.90930</td>
<td>.211**</td>
<td>.190**</td>
<td>.302**</td>
<td>.229**</td>
<td>.238**</td>
<td>.163**</td>
<td>.125**</td>
<td>(0,764)</td>
<td></td>
</tr>
<tr>
<td>9.Affective Commitment</td>
<td>3.6834</td>
<td>.82145</td>
<td>.352**</td>
<td>.197**</td>
<td>.263**</td>
<td>.281**</td>
<td>.372**</td>
<td>.395**</td>
<td>.532**</td>
<td>.286**</td>
<td>(0,896)</td>
</tr>
</tbody>
</table>

Correlation is significant at the 0.01 level (2-tailed); Values in parenthesis are Cronbach’s Alfa

**Results and Findings**

Table 1 shows the reliabilities, means, standard deviations and correlations for the variables in the study. Hence, as can be seen along the diagonal of the correlation matrix, each scale have satisfactory reliability with Cronbach alfa above 0.70. The correlation matrix of the variables in the regression model is also given in Table 1 and all the variables are significant and positively correlated among themselves.

**Table 2: Regression Analysis Results**

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Dependant Variables</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Job Satisfaction</td>
</tr>
<tr>
<td>Ethical Climate</td>
<td>.262***</td>
</tr>
<tr>
<td>Vision and Articulation</td>
<td>.209***</td>
</tr>
<tr>
<td>Unconventional Behavior</td>
<td>-.036</td>
</tr>
<tr>
<td>Charismatic Leadership</td>
<td></td>
</tr>
<tr>
<td>Sensitivity to Member Needs</td>
<td>.023</td>
</tr>
<tr>
<td>Personal Risk</td>
<td>.150**</td>
</tr>
<tr>
<td>Status Quo</td>
<td>.104*</td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>0.067</td>
</tr>
<tr>
<td>F</td>
<td>45,784</td>
</tr>
<tr>
<td>Sig</td>
<td>.000</td>
</tr>
</tbody>
</table>

***p<0.001; **p<0.01; *p<0.05

Correlation analysis is conducted to research the relationship among the dependent variables - Job satisfaction, organizational commitment- and the independent variables - ethical climate, charismatic leadership-. As shown in Table 2, the hypothesis 1 and 2 are performed the single regression among the independent variables –ethical climate, charismatic leadership- with dependant variable - job satisfaction-. The variation of job satisfaction can be explained by the variation in ethical climate with % 6.7 while the variation of charismatic leadership dimension explain by %11.4. As offered in the hypothesis, there is a positive relationship among variables except the two dimensions of charismatic leadership such as unconventional behavior and sensitivity to member needs are non-supported while overall, the model is significant. Next, the positive association is found with ethical climate (β= .262***). Hence, H1 and H2 are supported clearly also depending on correlation matrix.
The associations with organizational commitment and the independent variables are displayed in Table 3 whereas the job satisfaction added as a mediator in the next step. The model is significant which can be explained and seen the rest of the hypothesis. The results show that charismatic leadership is not completely related to organizational commitment. The three dimensions of charismatic leadership; vision and articulation (β = -0.021), sensitivity to member needs (β = 0.061) and personal risk (β = 0.054) are non-supported, in terms of continuance commitment; as unconventional behavior (β = -0.026) and personal risk (β = 0.049) are non-supported in case of affective commitment.

Moreover, the model is significant when job satisfaction is the standing role, as a mediator (F = 13.947; F = 56.466). However job satisfaction has no impact on continuance commitment while there is a partial mediator effect on affective commitment (β = 0.006; β = 0.398***).

Discussion

By contrast, we could not get the precise results that we had expected diversity between National and Multi-national companies. It must be taken into account that for the increasing globalization, diversity management has emerged as an important workplace issue, even in the traditionally non-diversified companies of Turkey. Even though we could not get the expected result in companies, what we got the result with our hypothesis.

Even though Deshpande (1996) found no relationship among job satisfaction and ethical climate, Schwepker (2001) found that ethical climate associate with pay to satisfaction. Moreover the rules (i.e., codes, policies, reprimands) creating an ethical climate are positively related to job satisfaction as we offered in our hypothesis (H1) and supported by the findings. According to Koh and Boo (2001), organizational ethics affect job satisfaction, which in turn promotes favorable job attitudes and organizational outcomes. As expected there is a positive association between job satisfaction and charismatic leadership for employee perception of organization as supported in our hypothesis (H2).

Studies have consistently reported a strong association between organizational commitment and job satisfaction (Blegen 1993; Al-Aameri 2000; Fang 2001). Meanwhile, job satisfaction was proved to positively effect on organizational commitment (Bartle et al. 2002; Redfern et al. 2002; Kim et al. 2005). Namasivayam and Zhao (2007) examined the relationships of three sub dimensions of organizational commitment were investigated and it was found that the affective commitment has stronger direct effects on job satisfaction than normative commitment; and continuance commitment had no effect. In addition to these findings, so H3 is supported with the positive relationship in our study between job satisfaction and organizational commitment while job satisfaction mediating no affect found on continuance commitment.

As expected we found a positive relationship between organizational commitment and ethical climate for employee perception of organization, similar to recent studies (Schwepker, 2001; Cullen et al.,

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**Table 3: Regression Analysis Results**

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Dependant Variables</th>
<th>Job Satisfaction (Mediator)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethical Climate</td>
<td>Contuniance Commitment</td>
<td>Affective Commitment</td>
</tr>
<tr>
<td>Charismatic Leadership</td>
<td>,141***</td>
<td>,239***</td>
</tr>
<tr>
<td>Vision and Articulation</td>
<td>,021</td>
<td>,231***</td>
</tr>
<tr>
<td>Unconventional Behavior</td>
<td>,094*</td>
<td>-0.026</td>
</tr>
<tr>
<td>Sensitivity to Member Needs</td>
<td>,061</td>
<td>,136*</td>
</tr>
<tr>
<td>Personal Risk</td>
<td>,054</td>
<td>,049</td>
</tr>
<tr>
<td>Status Quo</td>
<td>,225***</td>
<td>,098*</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>,006</td>
<td>,398***</td>
</tr>
</tbody>
</table>

***p<0.001; **p<0.01; *p<0.05
2003). So our hypothesis (H4) is supported.

Several studies examine leader effectiveness resulting from charisma, when perhaps subordinate effectiveness is what interests most organizations. Hence, the main of effective leadership is increased positive results from subordinates and the resulting effects on desired organizational outcomes. (Degroot, Kiker and Cross, 2000). Again in a recent study charismatic leadership has been well supported in its positive influences on organizational commitment (Huang, Cheng and Chou, 2005). According to these studies Charismatic Leadership is positively related to subordinate organizational commitment like supporting in our hypothesis (H5) as supported.

**Future Direction**

Future research may want to compare differences between national and multi-national companies. The fact that the current study also surveyed these companies, we could not find the distinction. In further research, the sample may be enlarged to other business sectors.

Furthermore, future research may want to examine the other dimension of job satisfaction in the same model. In our study, the job itself dimension was chosen, therefore the other dimensions relations may be examined with the same variables that we used. Similarly, as the two-dimension of organizational commitment was taken for the study, the third dimension – normative commitment-can be also added in the model. Hence, the relationship between the dimension of all dependant and independent variables should be considered.
REFERENCES


