

Impact of Supervisors' Leadership Styles on Job Satisfaction of Audit Trainees in Big Four Audit Firms

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Leadership Style takes place in the way of utilizing employees to achieve a specific goal/s. Employee job satisfaction is determined by many factors and the Leadership Style of the supervisor can be considered as one of them. This study aims to identify the impact of leadership styles of supervisors on the employee job satisfaction of audit trainees in big four audit firms, Sri Lanka. In this study, organizational effectiveness was analyzed based on competing values model while leadership style was analyzed based on transformational and transactional leadership models. The data were collected from a randomly selected sample of 169 audit trainees in reputed Audit firm by using a structured questionnaire and data analysis was done through regression analysis and correlation analysis. Hypotheses were tested by using multi regression analysis and result showed that transformational leadership and transactional leadership have a significant positive impact for employee job satisfaction. But Transformational Leadership has more impact on machine operators' job satisfaction than Transactional Leadership. The result shows that transformational leadership has a positive relationship with job satisfaction, which means that transformational leaders can induce change in the psychological states of members of the organization. On the other hand, positive impact between transactional leadership and job satisfaction is found; it indicates that transactional leaders are more concerned with achieving organizational goals through giving rewards or punishments and have less concern with the motivation of the organization's members. Among two hypotheses are accepted in the study. The researcher found a positive impact of leadership styles on employee job satisfaction of audit trainees in big four audit firms, Sri Lanka. and findings further confirmed that most effective leadership style was transactional leadership style to enhance employee job satisfaction.

Keywords: *Leadership style, Transformational leadership, Transactional leadership, Employee job satisfaction*

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