Regulatory Focus, Transformational Leadership, Uncertainty towards Organizational Change, and Job Satisfaction: In a Taiwan’s Cultural Setting

Hsing-Chau Tseng, Long-Min Kang*

Graduate School of Business and Operations Management, Chang Jung Christian University, Taiwan

Accepted 29 July 2008

Abstract

Research has suggested people have two distinct hedonic self-regulatory systems, promotion self-regulatory focus and prevention self-regulatory focus. Individuals in promotion focus are sensitive to the presence of gains and positive results. On the other hand, individuals in prevention focus are sensitive to the absence of losses. This study merged conceptual arguments, and developed and tested a research model in a non-western cultural background to fill important research gaps in regulatory focus theory. The results of the study find promotion focus will significantly influence job satisfaction through mediating transformational leadership. Further, promotion focus is positively related to job satisfaction; and promotion focus has a significantly positive influence on transformational leadership and uncertainty towards organizational change. Otherwise, prevention focus has a significantly positive effect on uncertainty towards organizational change. The implications, limitations and directions of future research are discussed.

Keywords: Regulatory focus, transformational leadership, job satisfaction, uncertainty towards organizational change

1. Introduction

Recent management psychologists have devoted increased attention to the causes, outcomes, and expression of emotion in the workplace (e.g. Rafaeli and Sutton, 1989; Staw and Barsade, 1993; George and Brief, 1996). Also, research (e.g. George and Brief, 1996) found people’s work attitudes and behaviors are affected by differences in the nature and extent of their emotional experience (Broockner and Higgins, 2001). However, scholars have been less concerned with the psychological processes of the relationship between employees’ emotional experience and their work attitudes and behaviors. In contrast, regulatory focus theory (Higgins, 1997, 1998) is specifically concerned with the nature and extent of people’s emotional experience and, by extension, may help clarify people’s work attitudes and behaviors.

For the past two decades, two rather distinct lines of theory and research have emerged in an attempt to improve our ability to understand leadership effectiveness. The main styles are the transactional and transformational leader, and these have received a significant amount of scholarly attention. These transformational behaviors are believed to augment the impact of transactional forms of behaviors on employee outcome variables, because “followers feel trust and respect toward the leader and they are motivated to do more than they are expected to do” (Yukl, 1989b). Transformational leadership (Bass, 1981; 1985; 1997) involves encouraging

* Corresponding author. E-mail: ken.k541093@msa.hinet.net
others with whom they work to develop and perform beyond standard expectations. Transformational leaders inspire others with whom they work by viewing the future with optimism, projecting an idealized vision, and communicating the vision is achievable (Benjamin and Flynn, 2006). Scandura and Williams (2004) postulate transformational leaders have incremental effects on job satisfaction and organizational commitment. In addition, transformational leaders tend to be more effective in leading change, partly because they encourage people to move toward a desired future state (Hamblin, 1958; Flynn and Staw, 2004). The study confirms transformational leadership is positively related to job satisfaction.

Organizational change is the main strategy for an organization to develop and survive. Hui and Lee (2000), Piderit (2000) and Ito and Brotheridge (2001) found employees expect organizational change to cause a state of uncertainty, including loss of status, overload of roles, role conflict, and reduction of resources. The uncertainty of organizational change will cause job insecurity. Job insecurity has a negative effect on organizational commitment and job satisfaction (Oldham et al., 1986). Yousef (2000) found role conflict and role ambiguity independently and negatively affected attitudes toward organizational change. Role and role ambiguity independently and negatively affect job satisfaction. Perception of job insecurity and downsizing will cause discomfort and lead to the inclination of resignation. This will have negative effects on organizational commitment (Ashford et al., 1989; Davy et al., 1991; Allen et al., 2001; Krause et al., 2003) and job satisfaction (Ashford et al., 1989; Davy et al., 1991; Allen et al., 2001; Adkins et al., 2001; Greenglass et al., 2002; Krause et al., 2003; Vakola and Nikolaou, 2005).

Regulatory focus theory (Higgins, 1997; 1998) predicts a promotion focus will be associated with openness to change, whereas prevention focus will prefer stability. Regulatory focus theory suggests emotions accompanying employees’ resistance to change may take rather different forms. In prevention-focused resistance, employees may feel nervous or worried, perhaps because they sense that they cannot live up to the new responsibilities mandated by the change (prevention-focused resistance). In promotion-focused resistance they may feel disappointed and discouraged. They may see the change as a failure to advance, and a rejection of all that they have stood for in the past, including their hopes and wishes for their organizations (Brockner and Higgins, 2001). In addition, regulatory focus theory (Higgins, 1997, 1998) assumes people are motivated to approach pleasure (promotion focus) and avoid pain (prevention focus), therefore promotion-focused people are directed toward achieving positive outcomes (by pursuing their ideal goals) and prevention-focused people are concerned with minimizing negative outcomes (by pursuing their “ought” goals). Thus, promotion-focused people may demonstrate an affinity for transformational leaders because they encourage followers to reach their ideal states. Similarly, prevention-focused people may prefer transactional leaders because they appreciate the avoidance (Benjamin and Flynn, 2006). Brockner and Higgins (2001) employed qualitative techniques to look into the relationship of regulatory focus, organizational change, transformational leadership, and job satisfaction. They found regulatory focus was related to organizational change, transformational leadership, and job satisfaction. In the future they suggested it would be better to examine the effect of regulatory focus employees’ emotion, attitudes, and behaviors in actual organizational settings. The generalizability of regulatory focus to organizational setting needs to be evaluated (conduct an empirical study).

The Taiwan’s Executive Yuan, due to the change of environment, in ordered to improve the efficiency of administration and to reduce expenditure of Treasury, is planning to drive the merger of affiliated ministries and to reduce the present 36 ministries into 28, with a reduction ratio of 22%. Taiwan’s National Police Administration that is to be merged into Ministry of the Interior and Homeland Security Ministry, according to the merger of Taiwan’s Executive Yuan the population of the research. Many leadership scholars and practitioners (Bass, 1985;
1990; Bennis and Nanus, 1985; Conger and Kanungo, 1998) have proposed that today’s organizations need leadership that inspires followers and enables them to enact revolutionary change. Nahavandi (2003) suggested transformational and charismatic leaders exude confidence and engender strong emotional responses in their followers, and they change their followers, organizations, and society. And regulatory focus theory (Higgins, 1997, 1998) are specially concerned with the nature and magnitude of people’s emotional experience and, by extension, may help elucidate their work attitudes and behaviors. Recently, Silvestri (2007) found police’s leadership style and ways of working have much in common with what has become known as “transformational” leadership. This style of leadership has been identified and endorsed across the police organization as crucial to effecting and real change. The Taiwan’s National Civil Service Institute conducted these studies (e.g. Hu, 2006) about the issue of transformational leadership, in order to raise the efficiency of government. Therefore. It is necessary and important for investigating the relationship among regulatory focus, transformational leadership, uncertainty towards organizational change, and job satisfaction in Taiwan’s National police Administration setting.

Most of the prior research on regulatory focus theory conducted qualitative techniques, such as conceptual arguments (e.g. Brockner et al., 2004; Meyer et al., 2004; Kark and Van Dijk, 2007). Even though studies employed quantitative techniques, most of the empirical tests were conducted under controlled laboratory conditions, with college students or teachers as participants (e.g. Liberman et al., 1999; Leung and Lam, 2003; Leone et al., 2005; Markman et al., 2006). This study merged Brockner et al. (2001) conceptual arguments’ findings, and developed and tested a research model in Taiwan’s National Police Administration setting. It examined the relationship among regulatory focus, transformational leadership, uncertainty towards organizational change, and job satisfaction to fill important research gaps in regulatory focus theory.

2. Literature review and hypotheses

2.1 Regulatory focus theory

Regulatory focus theory proposed by Higgins (1997; 1998) deals with how people are motivated to approach pleasure and avoid pain. Higgins suggested people have two distinct hedonic self-regulatory systems, first a promotion self-regulatory focus and second a prevention self-regulatory focus (Friedman et al., 1997; Idson et al., 2000; Brockner et al., 2002). Individuals in promotion focus are sensitive to the presence of gains (or their absence) and positive result, seek pleasure, and are inclined to approach matches to desired end-states as a natural strategy. On the one hand, individuals in prevention focus are sensitive to the absence of losses (or their presence); avoid pain, and are inclined to avoid mismatches to desire end-states as natural strategy to reach goals.

Higgins (1997; 1998) and Brockner & Higgins (2001) suggested people’s regulatory focuses are composed of three factors that serve to illustrate the differences between a promotion focus and prevention focus: (a) the needs people are seeking to satisfy, (b) the nature of the goal or standard that people are trying to achieve or match, and (c) the psychological situation that matters to people.

These two hedonic self-regulatory systems (promotion focus and prevention focus) serve a distinct survival function. First, Concerns--Self-Regulatory with a Promotion focus is concerned with obtaining nurturance, accomplishment, growth and advancement. In contrast, Self-Regulatory with a prevention focus is concerned with gaining security, safety and fulfillment of responsibility (Brendl et al., 1995; Crowe and Higgins, 1997; Brockner and Higgins, 2001). Second, Goals/ Standards--Promotion-focused people seek to reach the goals or standards associated with the ideal self, and thus reflect their hopes, wishes, and aspirations.
Whereas prevention-focused people seek to attain the goals or standards associated with the ought, and as such refer to their felt duties, obligations, and responsibilities (Crowe and Higgins, 1997; Brockner and Higgins, 2001). Third, Strategic Inclination--Promotion focus and prevention focus differ in their strategic inclinations for attaining desired end-states. The promotion focus involves sensitivity to positive outcomes (their presence or absence). The inclination is to make progress by approaching match to the desired end-state, and an inclination to ensure hits and insures against errors of omission. On other hand, prevention involves sensitivity to negative outcomes (their absence or presence). The inclination is to be prudent and precautionary and avoid mismatches to desired end-states, insure correct rejections and insure against errors of commission (Crowe and Higgins, 1997; Liberman et al., 1999; Brockner and Higgins, 2001). Fourth, States--Individuals in promotion focus have nurturance needs, strong ideals, prefer gain or non-gain situations, cheerfulness or dejection emotions, and a state of eagerness to attain advancement and gains. In contrast, individuals in a prevention focus have security needs, strong oughts, prefer non-loss or loss situation, have quiescence or agitation emotions, and an inclination to a state of vigilance to ensure safety and non-losses (Crowe and Higgins, 1997; Brockner and Higgins, 2001; Brockner et al., 2004).

2.2 Regulatory focus, transformational leadership, uncertainty towards organizational change, and job satisfaction

2.2.1 Regulatory focus, transformational leadership, and job satisfaction

Transformational leaders are “admired, respected, and trusted” (Bass et al., 2003). Transformational leadership tends to be associated with a more enduring leader-follower relationship. It is based more on trust and commitment than contractual agreements (Jung and Avolio, 1999). Transformational leadership (Bass, 1981; 1985; 1997) involves encouraging others with whom they work to develop and perform beyond standard expectations. Transformational leaders inspire others with whom they work by viewing the future with optimism, projecting an idealized vision, and communicating that the vision is achievable (Benjamin and Flynn, 2006). In addition, Brown and Moshavi (2002) reveal transformational leadership is typically more effective in public organizations than in private companies and is more commonly practiced at lower organizational levels than higher ones.

2.2.1.1 Regulatory focus and transformational leadership

One key characteristic of followers who appreciate transformational leaders are their regulatory orientation—the manner in which they pursue goals and value goal attainment. An individual’s regulatory orientation that may influence people’s preferences for leadership style is their regulatory focus (Benjamin and Flynn, 2006). Regulatory focus theory (Higgins, 1997; 1998) assumes people are motivated to approach pleasure (promotion focus) and avoid pain (prevention focus), therefore, promotion-focused people are directed toward achieving positive outcomes (by pursuing their ideal goals) and prevention-focused people are concerned with minimizing negative outcomes (by pursuing their “ought” goals). Thus, promotion-focused people may display a liking for transformational leaders because they encourage followers to attain their ideal states. Similarly, prevention-focused people may prefer transactional leaders because they appreciate the avoidance (Benjamin and Flynn, 2006). In addition, according to Brockner and Higgins (2001), given the uncertain nature of work environments, organizational authorities as “makers of meaning” may influence members’ regulatory focus by using language and symbols. The more the rhetoric of authorities focuses on ideals, the more likely are organization members to develop a promotion focus. In contrast, the more the rhetoric of authorities focuses on responsibilities, the more likely are organization members to develop a prevention focus. This reasoning
suggests transformational leaders may elicit more of a promotion focus in their followers, whereas transactional leaders may secure more of a prevention focus in their followers. Kark and Van Dijk (2007) developed a conceptual framework proposing leaders’ chronic self-regulatory focus (promotion versus prevention), with their values, influences their motivation to lead. Therefore, this research hypothesis is:

**Hypothesis 1**: Promotion focus has a significantly positive effect on transformational leadership, but prevention focus does not.

2.2.1.2 Transformational leadership and job satisfaction

Research on the transformational leadership paradigm has proven to be promising. Some scholars’ (cf. Avolio and Bass, 1988; House et al., 1991; Shamir et al., 1993) common perspective is by articulating a vision of the future of the organization, providing a model that is consistent with that vision, fostering the accepting of group goals, and providing individualized support, effective leaders change the basic values, beliefs, and attitudes of followers so they are willing to perform beyond the minimum levels specified by the organization. At the previous individual level, transformational leadership can positively influence satisfaction, organizational commitment, and productivity (e.g. Shamir et al., 1993). Podsakoff et al. (1996) found transformational leadership was positively related to employee satisfaction, organizational commitment, organizational citizenship, and one dimension of trust. In addition, Bryman (1992) cites various organizational studies of employee satisfaction, self-reported effort, and job performance. Scandura and Williams (2004) postulate transformational leaders have incremental effects on job satisfaction and organizational commitment. Transformational leadership has incremental effects with idealized influence and inspirational motivation for job satisfaction and organizational commitment. Nemanicha and Kellerb (2007) found transformational leadership was positively related to acquisition acceptance, supervisor-rated performance, and job satisfaction. Therefore, this research combines H1 hypothesis:

**Hypothesis 2**: Transformational leadership has a significantly positive effect on job satisfaction.

**Hypothesis 3**: Transformational leadership positively mediates the relationship between promotion focus and job satisfaction, but prevention focus does not influence job satisfaction through mediating between transformational leadership.

2.2.1.3 Regulatory focus and job satisfaction

Research on the work attitude of job satisfaction suggests people are more satisfied when their emotional experience at work is positive rather than negative (Weiss and Cropanzano, 1996). Regulatory focus theory suggests employees experience different types of emotional pleasures and pains. Besides, each type of pleasure and pain may affect their work attitudes and behaviors (Brockner and Higgins, 2001). Idson et al. (2000) found the emotional intensity emanating from a promotion focus success (cheerfulness) is greater than the emotional intensity from a prevention focus success (quiescence). This finding suggests work attitudes (such as job satisfaction) can be experienced more intensely when people succeed on the job with a promotion focus than with a prevention focus. Therefore, this research hypothesis is:

**Hypothesis 4**: Promotion focus has a significantly positively effect on job satisfaction, but prevention focus does not.
2.2.2 Regulatory focus, uncertainty towards organizational change, and job satisfaction

2.2.2.1 Regulatory focus and uncertainty towards organizational change

Organizations constantly require their members to respond to (indeed, and anticipate) changes in the external environment. And yet, employees often fail to embrace change (Brockner and Higgins, 2001). Bordia et al. (2004) argued, uncertainty is one of the most commonly reported psychological states for organizational change. The sources of uncertainty could be classified into three levels: strategic (regarding organization-level issues, such as reasons for change, planning and future direction of the organization, and its sustainability), structural (refers to uncertainty arising from changes to the inner workings of the organization, such as reporting structures and functions of different organization), and job-related (regarding job security, promotion opportunities, changes to the job role, and so forth). Job-related uncertainties are widely prevalent in changing organizations. Piderit (2000) indicated employee resistance to change is often linked to changes in perceived opportunities for promotion and changes in status due to changes in one’s job role. Crowe and Higgins (1997) found regulatory focus influenced the risk of people’s judgment and decisions, so promotion focus led to greater risk than prevention focus. Individuals in a promotion focus would be more open to considering change than individuals in prevention focus. Conversely, individuals in a prevention focus would be more rejecting of change than individuals in promotion focus (Liberman et al., 1999). Regulatory focus theory (Higgins, 1997; 1998) predicted promotion focus would be associated with openness to change, whereas prevention focus will prefer stability. Regulatory focus theory suggests emotions accompanying employees’ resistance to change may take rather different forms. In prevention-focused resistance, employees may feel nervous or worried, perhaps because they sense that they cannot live up to the new responsibilities mandated by the change (prevention-focused resistance). In promotion-focused resistance they may feel disappointed or discouraged. They may see the change as a failure to advance, a rejection of all that they have stood for in the past, including their hopes and wishes for their organizations (Brockner and Higgins, 2001). Therefore, this research hypothesis is:

Hypothesis 5: Promotion focus has a significantly positive effect on uncertainty towards organizational change, and prevention focus also has a significantly positive effect on uncertainty on organizational change.

2.2.2.2 Uncertainty towards organizational change and job satisfaction

Change management literature showed that apart from belief, perceptions and attitudes are also critical to successful organizational change (Schalk et al., 1998; Weber and Weber, 2001). Hodge and Johnson (1970) argued employees would resist organizational change when it might reduce personal status, influence working content, or working opportunity. Storseth (2004) pointed out job insecurity influences the individual awareness of organizational change when the individual awareness of threat and job insecurity is higher. Before the organizational change, a sense of uncertainty in employees’ psychology will deeply affect employees' attitude toward organizational change and psychology (Dody and Caplan, 1995). Hui and Lee (2000) found employees expected organizational change to result in uncertainty; including the loss of status, work overload, role loading, and resource reduction. Reichers et al. (1997) advocated because the member obtain make correct information about the organizational change, they are apt to lose confidence in the organizational change, and reduce organizational commitment and job satisfaction. The uncertainty of organizational change will cause job insecurity, and job insecurity has a negative affect on organizational commitment and job satisfaction (Oldham et al., 1986); Perception of job insecurity will cause discomfort leading to feelings of resignation, and have a negative effect on job satisfaction (Oldham et al.,
Hypothesis 6: Uncertainty towards organizational change has a significantly negative effect on job satisfaction.

This research merges the results of literature review that promotion focus has a significantly positive effect on uncertainty towards organizational change, and uncertainty towards organizational change has a negative influence on job satisfaction. This study infers uncertainty towards organizational change mediates the relationship between promotion focus and job satisfaction. Therefore, this research hypothesis is:

Hypothesis 7: Uncertainty towards organizational change negatively mediates the relationship between promotion focus and job satisfaction, but prevention focus does not influence job satisfaction through mediating between uncertainty towards organizational change.

For the relationship between transformational leadership and uncertainty towards organizational change, transformational leaders tend to be more effective in leading change effort, partly because they encourage people to a more desired future state (Hamblin, 1958; Flynn and Staw, 2004). Eisenbach et al. (1999) studied literatures for the relationship among transformational leadership and organizational change, and found transformational leadership helped promote organizational change. Transformational leadership centers on organizational change through stressing new values and alternative visions of the future that surpass the status quo (Gellis, 2001). Yu et al. (2002) verified a relation between transformational leadership and attitude toward organizational change. Silvestri (2007) found transformational leadership has been identified and approved across police organizations as crucial to effecting any real change. Therefore, this research supposes transformational leadership is relative to awareness of organizational change. Therefore, this study hypothesis is:

Hypothesis 8: Transformational leadership has a significantly negative effect on uncertainty towards organizational change.

3. Method

3.1 Sample and procedures

This study was conducted in Taiwan in June 2007. Participants were from the National Police Administration employing 500 full-time employees. The National Police Administration is to be merged into Ministry of the Interior and Homeland and Veteran Affairs according to the merger of the Executive Yuan reform. Survey recipients were identified by the Human Resource department. A total of 261 responded within a month. The valid response rate was 46.80% (or 234 completed surveys).

Most of the final samples were between 36 and 40 years of age (36.30%), 206 were males (88.00%), 203 were married (86.80%), and 202 in non-manager positions (86.30%). Regarding their educational background, 56 (25.20%) were high-school graduates, 98 (41.9%) had graduated from a college, and 63 (26.90%) were university graduates.

3.2 Measures

3.2.1 Regulatory focus

Higgins (1997, 1998) suggested promotion focus and prevention focus are two distinct hedonic self-regulatory systems. Therefore, this study measured regulatory focus
distinguishing between two constructs in self-regulatory- promotion focus and prevention focus:

3.2.1.1 Promotion focus

Promotion focus defines employees as concerned with obtaining nurturance and is concerned with accomplishment, growth and advancement (Higgins, 1997, 1998). A 9-item measure of promotion focus (Lockwood et al., 2002) was used. A Likert's five point scale ranging from 1 = “strongly disagree” to 5 = “strongly agree” was employed. A sample item form promotion focus measure is “I see myself as someone is primarily striving to reach my ideal-self to fulfill my hopes, wishes, and aspirations”. The Cronbach’s α reliability estimates were acceptable at .78, respectively (Nunnally, 1978).

3.2.1.2 Prevention focus

Prevention focus refers to employees’ tendency to gain security, safety and fulfillment of responsibility (Higgins, 1997; 1998). A 9-item measure of prevention focus (Lockwood et al., 2002) was used. A Likert's five point scale ranging from 1 = “strongly disagree” to 5 = “strongly agree” was employed. “I am anxious that I will fall short of my responsibility and obligations (Prevention focus). The Cronbach’s α reliability estimates were acceptable at .75, respectively (Nunnally, 1978).

3.2.2 Transformational leadership

The 34-item scale from the Leadership 4X Multi-Factor Leadership Questionnaire was used to measure transformational leadership (Bass and Avolio, 1990). This scale is designed to measure four dimensions of transformational leadership (idealized influence, individualized consideration, intellectual stimulation, and inspirational motivation). Idealized influence is defined as leaders perceived as being confident and powerful, and viewed as focusing on higher-order ideals and ethics; Individualized consideration represents leaders paying special attention to the needs of each individual follower for achievement and growth; Intellectual stimulation captures leaders stimulating followers’ efforts to be innovative and creative by questioning assumptions, reframing problems, and approaching old situations in new ways; Inspirational motivation represents leaders’ meaning and challenge to work, team spirit is obvious, and enthusiasm and optimism are displayed (Antonakis et al., 2003). A Likert's five point scale ranging from 1 = “not at all” to “frequently if not always” was employed. Sample items from each scale are: “Displays a sense of power and confidence” (idealized influence), “Helps understand the priority in my career” (intellectual stimulation), “Focuses me on developing my strengths” (individualized consideration), and “Articulates a compelling vision of the future” (inspirational motivation). The Cronbach’s α reliability estimates were acceptable at .95, .88, .90, and .87, respectively (Nunnally, 1978).

3.2.3 Uncertainty towards organizational change

A 15-item measure of perceptions of uncertainty towards organizational change was employed (These items were selected from scales developed by Greenhalgh and Rosenblatt, 1984; Hui and Lee 2000; and Liao et al., 2002). A Likert's five point scale ranging from 1 = “very uncertain” to “very certain” was employed. Loss of status refers to events occurring at work that damaged personal status, power, and influence. Role conflict is defined as a situation in which a person is expected to play two incompatible roles. Job insecurity represents powerlessness to preserve a desired continuity in a threatened job situation. Reducing resources means resources the individual can use will be reduced (Greenhalgh and Rosenblatt, 1984; Price et al., 1994; Hui and Lee 2000; Liao et al., 2002). Sample items from each scale are: “Predicting that after organizational change, I will lose my current social
status” (loss of status), “Predicting that after organizational change, my current job title or position will be altered” (job insecurity), “Predicting that after organizational change, my working technical ability will be insufficient” (role conflict), “Predicting that after organizational change, my personal welfare will be reduced” (reducing resources). The Cronbach’s α estimates were acceptable at .87, .79, .74, and .85, respectively (Nunnally, 1978).

3.2.4 Job satisfaction

The 19-item short from Minnesota Satisfaction Questionnaire (MSQ) was used to measure job satisfaction (Weiss et al, 1967). Job satisfaction is defined as a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experiences (Locke, 1976). A Likert’s five-point scale ranging from 1 = “very dissatisfied” to 5 “very satisfied” was employed. The intrinsic job satisfaction measures activity, independence, variety, social status, moral values, security, social service, authority, ability utilization, creativity, and achievement. The extrinsic job satisfaction includes supervision-human relations, supervision-technical, organizational policy, compensation, advancement, and recognition. The Cronbach’s t α reliability estimates were acceptable at .88 and .94 respectively (Nunnally, 1978).

3.3 Analysis

This study conducted confirmatory factor analysis (CFA) using Amos 6.0 to judge the goodness-of-fit of these various CFA models. Further, SEM (Structural Equation Modeling) verified the relationship, mutual influence and overall Structural Equation Modeling was used to explore the relationship among regulatory focus, transformational leadership, uncertainty towards organizational change, and job satisfaction.

4. Results

The results of the CFA for all constructs of standardization path coefficients show a significance level (p < .001, γ is from .54 to .93) with acceptable measurement system and construct reliability. As far as Construct Model Reliability is concerned, promotion focus construct, $\chi^2 = 0.714$ (p = .70), $\chi^2 / df = .39$, RMR = .01, GFI = .99 CFI = .99; prevention focus construct, $\chi^2 = 4.81$ (p = .09), $\chi^2 / df = 2.40$, RMR = .03, GFI = .98 CFI = .99; transformational leadership construct, $\chi^2 = 221.489$ (p = .00), $\chi^2 / df = 2.55$, RMR = .02, GFI = .90, CFI = .96; uncertainty towards organizational change construct $\chi^2 = 184.90$ (p = .00), $\chi^2 / df = 2.72$, RMR = .05, GFI = .90, CFI = .93; and job satisfaction construct, $\chi^2 = 46.98$ (p = .01), $\chi^2 / df = 1.68$, RMR = .03, GFI = .96, CFI = .99. These result of identification for all constructs fit index for $\chi^2 / df < 3$, RMR < .05, GFI and CFI > .90, respectively (Bentler and Bonett, 1980; Bentler, 1990). The results of CFA indicate each construct measurement model is fit and construct validity is acceptable.

Table 1 shows descriptive statistics and intercorrelations of the research variables. Promotion focus is significantly and positively related to all variables of uncertainty towards organizational change, transformational leadership, and intrinsic job satisfaction (between role conflict, $\gamma = .36$, $p < .001$, the highest; between loss of status, $\gamma = .17$, $p = .01$, the lowest). Prevention focus has a significantly positive relationship with all variables of uncertainty towards organizational change (between loss of status, $\gamma = .52$, $p < .001$, the highest; between role conflict, $\gamma = .16$, $p = .01$, the lowest). Loss of status and job insecurity are significantly and positively related to promotion focus and prevention focus. Reducing resources is significantly and positively related to inspiration motivation ($\gamma = .13$, $p = .05$) and individualized consideration ($\gamma = .15$, $p = .05$). Role conflict is significantly and positively
related to idealized influence, intellectual stimulation and individualized consideration ($\gamma = .18, p = .01$; $\gamma = .13, p = .05$; $\gamma = .14, p = .02$). Each variable of transformational leadership is also significantly and positively related to each variable of job satisfaction (all $p < .001$; between intellectual stimulation and intrinsic job satisfaction, $\gamma = .44$, the highest, between inspirational motivation and extrinsic job satisfaction, $\gamma = .31$, the lowest).

Table 2 shows the result of measurement model analysis. To examine the interactive relationships of promotion focus, prevention focus, transformational leadership, uncertainty towards organizational change, and job satisfaction, the study conducted SEM using AMS 6.0. All constructs of factor loading are acceptable at a significant statistical level ($p < .001$), respectively. It also shows all constructs of the measurement system are acceptable. The result of the fit test of structural model with acceptable fit indexes, is $\chi^2 = 115.20 (p = .000)$, $\chi^2 / df = 2.68$ (fit index < 3), RMR = .03 (< .05) and GF I = .93, CF I = .96 (fit index = .90), hence this model is fit (see Figure 1).

Figure 1 shows the results of the Structural Equation Modeling analysis conducted to test hypotheses 1-8. Regarding $H1$, promotion focus has a significantly positive influence on transformational leadership ($\gamma = .33, p < .001$), but prevention focus does not ($\gamma = .02, p = .68$). This finding reveals only employees with a high level of promotion focus show a higher level of preference for transformational leadership. This finding supports hypothesis $H1$, which agrees with the results of qualitative techniques by Higgins (1997), Brockner and Higgins (2001), and Kark and Van Dijk (2007). Examination of Figure 1 indicates transformational leadership has a significantly positive effect on job satisfaction ($\gamma = .55, p < .001$). The study hypothesis $H2$ is supported, therefore this result agrees with the results of previous studies (Avolio and Bass, 1988; Shamir et al., 1993; Scandura and Williams, 2004; Nemanicha and Kellerb (2007). This also means employees have a higher level of recognition. So, if the leader provides transformational leader behaviors, they should have a higher level of job satisfaction. In addition, promotion focus has a greatly positive impact on job satisfaction ($\gamma = .31, p = .001$); on the contrary prevention focus does not ($\gamma = .06, p = .55$). Hypothesis $H4$ is supported. These results are consistent with the findings of the study that “Work attitudes (such as job satisfaction) may be experienced more intensely when people succeed on the job with a promotion focus than with a prevention focus” (Idson et al., 2001). Both promotion focus and prevention focus also show a significantly positive influence on uncertainty towards organizational change ($\gamma = .20, p = .009; \gamma = .57, p < .001$). It implies if employees have a higher level of promotion focus or prevention focus then they would show a higher level of perception for uncertainty towards organizational change. This finding supports hypothesis $H5$, which agrees with the findings of many researchers (Higgins, 1997, 1998; Liberman et al., 1999; Brocker and Higgins, 2001).
Table 1. Means, standard deviations, and intercorrelations of study variables.

<table>
<thead>
<tr>
<th>Measure</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>
<th>10</th>
<th>11</th>
<th>12</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Promotion focus</td>
<td>3.96</td>
<td>0.52</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Prevention focus</td>
<td>3.32</td>
<td>0.76</td>
<td>.18**</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Loss status</td>
<td>3.01</td>
<td>0.87</td>
<td>.17*</td>
<td>.52***</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Job insecurity</td>
<td>3.25</td>
<td>0.78</td>
<td>.18**</td>
<td>.48***</td>
<td>.70***</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Role conflict</td>
<td>3.53</td>
<td>0.70</td>
<td>.36***</td>
<td>.16*</td>
<td>.37***</td>
<td>.53***</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Reducing resources</td>
<td>3.31</td>
<td>0.83</td>
<td>.21***</td>
<td>.27***</td>
<td>.51***</td>
<td>.58***</td>
<td>.59**</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Idealized influence</td>
<td>3.65</td>
<td>0.78</td>
<td>.33***</td>
<td>.06</td>
<td>.08</td>
<td>−.03</td>
<td>.18**</td>
<td>.12</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Inspirational motivation</td>
<td>3.56</td>
<td>0.78</td>
<td>.31***</td>
<td>.10</td>
<td>.08</td>
<td>−.02</td>
<td>−16***</td>
<td>.13*</td>
<td>.83***</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Intellectual stimulation</td>
<td>3.73</td>
<td>0.72</td>
<td>.29***</td>
<td>−.01</td>
<td>.02</td>
<td>−.06</td>
<td>.13*</td>
<td>.09</td>
<td>.90***</td>
<td>.80***</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Individualized</td>
<td>3.62</td>
<td>0.71</td>
<td>.32***</td>
<td>.06</td>
<td>.05</td>
<td>.01</td>
<td>.14*</td>
<td>.15*</td>
<td>.78***</td>
<td>.78***</td>
<td>.83***</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>consideration</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Extrinsic job</td>
<td>2.88</td>
<td>0.91</td>
<td>.03</td>
<td>−.02</td>
<td>−.05</td>
<td>−.06</td>
<td>.05</td>
<td>−.03</td>
<td>.37***</td>
<td>.31***</td>
<td>.40***</td>
<td>.33***</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>satisfaction</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Intrinsic job</td>
<td>3.67</td>
<td>0.77</td>
<td>.32***</td>
<td>−.04</td>
<td>−.12</td>
<td>−.07</td>
<td>.18</td>
<td>−.01</td>
<td>.42***</td>
<td>.38***</td>
<td>.44***</td>
<td>.41***</td>
<td>.44***</td>
<td>1.00</td>
</tr>
<tr>
<td>satisfaction</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 2. Standardization path coefficients between latent variables and observed variables.

<table>
<thead>
<tr>
<th>Latent variables</th>
<th>Observed variables</th>
<th>Estimate</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotion focus</td>
<td>Promotion focus</td>
<td>1.00</td>
<td>a</td>
</tr>
<tr>
<td>Prevention focus</td>
<td>Prevention focus</td>
<td>1.00</td>
<td>a</td>
</tr>
<tr>
<td>Transformational leadership</td>
<td>Idealized influence</td>
<td>.94</td>
<td>a</td>
</tr>
<tr>
<td></td>
<td>Inspirational motivation</td>
<td>.87</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Intellectual stimulation</td>
<td>.95</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Individualized consideration</td>
<td>.86</td>
<td>.000</td>
</tr>
<tr>
<td>Uncertainty towards organizational change</td>
<td>Loss status</td>
<td>.80</td>
<td>a</td>
</tr>
<tr>
<td></td>
<td>Job insecurity</td>
<td>.78</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Role conflict</td>
<td>.74</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>Reducing resources</td>
<td>.70</td>
<td>.000</td>
</tr>
<tr>
<td>Job satisfaction</td>
<td>Extrinsic job satisfaction</td>
<td>.62</td>
<td>a</td>
</tr>
<tr>
<td></td>
<td>Intrinsic job satisfaction</td>
<td>.71</td>
<td>.000</td>
</tr>
</tbody>
</table>

Note: "a" represents path coefficient = 1.

Figure 1. Results of structural equation modelling.

Notes: 1. All paths are significant estimate, *p < 0.05, **p < 0.01, ***p < 0.001.
2. PM & rff1 = Promotion focus; PV & rff2 = Prevention focus; TL = Transformational leadership, tfl1 = Idealized influence, tfl2 = Inspirational motivation, tfl3 = Intellectual stimulation, tfl4 = Individualized consideration; UC = Uncertainty towards organizational change, ucf1 = Loss of status, ucf2 = Job insecurity, ucf3 = Role conflict, ucf4 = Reducing resources; JS = Job satisfaction, jsf1 = Extrinsic job satisfaction, jsf2 = Intrinsic job satisfaction.
For \( H6 \), uncertainty towards organizational change didn’t demonstrate a significantly negative influence on job satisfaction (\( \gamma = -.18, \ p = .10 \); see Figure 1). This research hypothesis \( H6 \) is not supported. This result of research shows lowering employees’ perception to uncertainty towards organizational change is not significantly higher for their job satisfaction. However, this study finds uncertainty towards organizational change has a negative impact on job satisfaction that agrees with research findings by Rosenblatt and Ruvio (1996); Yousef (2000); Kalleberg et al. (2000); Vakola and Nikolaou (2005). The reason may be while the government promotes organizational restructuring, the job security of public sector’s employees is guaranteed by the nation’s laws, therefore, employees’ job dissatisfaction level towards organizational change may not be as high as expected. Figure 1 reveals transformational leadership does not have a significantly negative effect on uncertainty towards organizational change (\( \gamma = -.01, \ p = .89 \)). Hypothesis \( H8 \) is not supported. This finding is inconsistent with the results of many previous studies (Bass, 1985; Rush et al., 1995; Podsakoff et al., 1996; Silvestri, 2007).

SEM analysis was conducted to examine the mediating effects of transformational leadership and uncertainty towards organizational change on the relationships of promotion focus (prevention focus) and job satisfaction. The results of mediated analysis are shown in Figure 1. For \( H3 \), Transformational leadership positively mediates the relationship between promotion focus and job satisfaction (indirect effects is \( .182, .33 \times .55 \)), but prevention focus has no significantly positive influence on job satisfaction through mediating transformational leadership (indirect effects is \( .011, .02 \times .55 \)). Hypothesis \( H3 \) is supported. These findings suggest while employees in promotion focus show transformational leadership has an incremental effect on job satisfaction, for employees in prevention focus there is not such an effect. However, the mediating effect of uncertainty towards organizational change on the relationships between promotion focus and job satisfaction is not supported (indirect effects is \( -.036, .20 \times -.18 \)). Also, the mediating effects of uncertainty on organizational change on the relationships of prevention focus isn’t statistically significant (indirect effects is \( -.103, .57 \times -.18 \)). Hypothesis \( H7 \) is not supported.

5. Discussion

Merging Brockner and Higgins (2001) conceptual arguments, this study developed and tested an empirical research model in Taiwan’s National Police Administration setting under a Taiwan’s cultural context, which confirmed the relationship among regulatory focus, transformational leadership, uncertainty towards organizational change, and job satisfaction. The results of the research significantly contribute to filling important research gaps (Lack of empirical research and generalization, Brockner et al., 2001) in the regulatory focus theory literature. It illuminates the special role of regulatory focus in a traditional police organization and its implications for police officers while utilizing a non-American setting to allow a cross-cultural examination of regulatory focus theory.

This study found through empirical analysis that promotion focus has a significantly positive influence on transformational leadership, but employees in prevention focus have no significantly positive effect on transformational leadership. Taken together, this result agrees with the findings of Brockner and Higgins (2001) and Benjamin and Flynn (2006). Promotion-focused people may demonstrate an affinity for transformational leaders because they encourage followers to attain their ideal states. Similarly, prevention-focused people may prefer transactional leaders because they appreciate the avoidance. These findings suggest employees with more of a promotion focus display higher preference for transformational leaders than employees with more of a prevention focus. Regulatory focus orientation may be closely related to leadership style, and a stronger promotions focus of self-regulation may
positively impact employees’ evaluation of transformational leaders. In addition, the results of SEM reveal promotion focus directly affects job satisfaction. On the other hand, prevention focus has no significantly negative impact on job satisfaction. Taken together, these findings support Idson et al. (2000) that work attitudes such as job satisfaction might be experienced more intensely when people succeed on the job with a promotion focus than with a prevention focus. Compared with prevention-focused employees, promotion-focused employees center on cheerfulness and accomplishment, and have more job satisfaction.

Another finding of this study suggests employees with high prevention may have a more acute perception of uncertainty towards organizational change than employees with low levels of promotion focus or prevention focus. This study provides empirical support for the other study findings in existing literatures (Higgins, 1997; 1998; Liberman et al., 1999; Brockner and Higgins, 2001) that regulatory focus has a potentially negative effect on employees’ perception of organizational change, and a positive influence on employees’ attitude of resistance to organizational change. Thus, when high levels of promotion focus or prevention focus orientation were elicited, employees might actually report more acute perceptions of uncertainty about anticipated organizational change. In addition, the result of correlation analysis reported; employees with high prevention focus should be relatively more aware of loss of status, job insecurity, and reducing resources than those with high promotion focus.

Job-related uncertainties are widely prevalent in changing organizations. Job-related uncertainty includes regarding job security, promotion opportunities, changes to the job role, and so forth (Ito and Brotheridge, 2001; Bordia et al., 2004). Employee resistance to change often links changes to perceived opportunities for promotion and changes in status due to modifications in one’s job role (Piderit, 2000). Moreover, in prevention-focused resistance, employees may sense they cannot live up to the new responsibilities. In promotion-focused resistance, employees may see the change as signaling a failure to advance. Taken together, these finding are more consistent with Liberman et al. (1999) and Brockner and Higgins (2001) suggestions that change has the potential benefit of providing advancement and accomplishment, but it also has the potential cost of introducing an error of commission. Employees in promotion focus were more likely to indicate they would more open to considering change than employees in a prevention focus. Conversely, stability, or rejecting change, has the potential benefit of safety and security, but it also has the potential cost of introducing an error of omission. Thus, employees in prevention focus would be more aware of uncertainty and more opposed to change than employees in a promotion focus.

Further, the present findings with employees are similar to previous research (Eisenbach et al., 1999; Yu et al., 2002; Flynn and Staw, 2004) that transformational leadership has a significantly negative impact on uncertainty towards organizational change. This is likely due to transformational leaders being centered on organizational change through values and an alternative vision of the future that alters the status quo (Gellis, 2001). Further, consistent with Avolio et al. (1988), Shamir et al. (1993), Scandura et al. (2004) and Nemanicha et al. (2007), this work finds transformational leadership has a significant and positive impact on job satisfaction. It suggests leaders who are considerate, supportive, provide an appropriate model, clarify their vision, and foster more common goals among their work groups, have more satisfied employees than leaders who provide opposite leader style. Leaders who were perceived by their employees to provide transformational leadership tended to have functional effects on job satisfaction. Therefore, leaders who provide transformational leader behaviors will increase employees’ level of satisfaction in their jobs.

Findings further indicate transformational leadership functioned as a mediator between the impact of promotion focus and job satisfaction. Another discovery of SEM analysis indicates employees with a prevention focus are not affected in their job satisfaction through mediating transformational leadership. The results of correlation analysis reveal promotion focus is
significantly and positively related to all behaviors of transformational leadership, and transformational leadership behaviors have a significantly positive relationship with intrinsic job satisfaction and extrinsic job satisfaction. Taken together, these results suggest employees with high promotion focus may actually report higher job satisfaction when leaders provide transformational leadership behaviors. It is likely employees with high promotion focus prefer transformational leadership behaviors. Such a preference may generate feelings of job satisfaction.

Unexpectedly, leaders that provide transformational leader behaviors are not more effective in leading employees to accept organizational change. The reasoning is similar to what Podsakoff et al. (1990) reported, that although intellectual stimulation may produce desirable effects in the long run, it may be that in the short run leaders who continually urge or exhort followers to search for new and better methods of doing thing create ambiguity, conflict, or other forms of stress in the minds of those followers. Thus, it is possible when leaders provide more transformational leader behaviors to their employees, they also may increase the levels of uncertainty in their employees.

5.1 Implications

These results of the present study provide practical implications for police organizational leaders and managers. Promotion focus appears to be important for increasing job satisfaction and the preference for transformational leadership. When police officers' preference for leaders providing transformational leadership behaviors is high, promotion focus has both a direct and indirect effect on their job satisfaction. Thus, police organizational leaders shall elicit employees’ high level of promotion focus. One method is through selection by choosing people to be unit members (or assigning existing members to promotion focus related tasks) based on their regulatory focus orientations. Managers may increase the likelihood of promotion focus success. The second method is by creating organizational conditions that influence its members’ regulatory focus orientation (Brockner et al., 2004). For example, the manager may influence members’ regulatory focus through using language and symbols. The more the rhetoric of authorities focuses on ideals, the more likely organization members will develop a promotion focus. Reward systems in which the emphasis is on recognizing people for a job well done (and withholding recognition when the job is not well done) is likely to elicit a promotion focus (Benjamin and Flynn, 2006).

Another implication of the present study is, in the anticipation stage of change, regulatory focus plays an important role in a police officers perception of uncertainty. Police officers in the promotion-focused condition are likely more to indicate they are more open to understanding organizational change than those in the prevention-focused condition. Management communication is one of the most commonly used methods in reducing employee uncertainty during change (Lewis, 1999). By probing promotion-focused police officers, therefore, the content or quality of the management communication enables them to gain change-related positive information. On the contrary, in police officers with a prevention focus, the content or quality of the management communication should attempt to emphasize the prevention-related merits of the new organization (status or work)(e.g. it is more safe) or the prevention-related drawbacks of the old organization (status or work)(e.g. it lacks security).

Further, increasing police officers in transformational leadership perceptions is associated with a rise in job satisfaction. Silvestri (2007) argued, despite this recognition, there is little evidence to suggest police leadership styles are changing. On the contrary, the police organization continues to cling firmly to a style characterized more by transaction than transformation. Prior researches reported transformational leadership was positively related to acquisition acceptance, supervisor-rated performance, job satisfaction (Nemanicha and
Kellerb, 2007), organizational commitment, and organizational citizenship behaviors (Podsakoff et al., 1996). In addition, Brewer and Nauenberg (2003) found job satisfaction had a significantly negative influence on organizational commitment. Therefore, this study suggests police organizational leaders provide more transformational leader behaviors. It is likely helpful to increase the positive work attitudes of police officers. The reason is if people are initially choosing stability because they are in a prevention focus, then new prevention-related arguments about the merits of change would be more likely to increase the willingness to change than promotion-related arguments (Meyer et al., 2004).

5.2 Limitations and future directions

Several limitations of this study should also be mentioned. A limitation of the research design was mainly based on self-reported data, which are subject to measurement biases such as the common method. Moreover, most of this research data were collected at one point in time. Unfortunately, almost no study, including this one, has used a longitudinal design for regulatory focus, although this would be valuable.

This study suggests several directions of future research. First, the current study is conducted in a Taiwan’s cultural background. Future studies may utilize investigation in non-Taiwan’s cultural settings. Such research will delineate how individual and cultural differences in regulatory focus may affect transformational leadership, uncertainty towards organizational change, and job satisfaction. Second, the present study in regulatory focus theory measures how employees’ regulatory orientation affects their preference for leadership style, but another aspect of an individual’s regulatory orientation that influences their preference for leadership style is their regulatory mode. Regulatory focus represents preferences for goal pursuit, whereas regulatory mode represents preferences for goal attainment. Regulatory mode theory distinguishes between self-regulatory-assessment and locomotion (Kruglanski et al., 2000; Higgins et al., 2003; Benjamin and Flynn, 2006). People high in assessment critically evaluate different states or entities, such as in relation to alternatives. In contrast, locomotion is an aspect of self-regulation concerned with movement from state to state, with a preference to initiate goal-directed movement (Kruglanski et al., 2000; Higgins et al., 2003). People with more of a locomotion mode were more motivated by transformational leadership than by transactional leadership (Benjamin and Flynn, 2006). Future research might find it worthwhile to closely test this other aspect of self-regulation focus. Third, this research was conducted in a public sector organization. Public and private sector organizations differ in their business environment, management practices, and staff attitudes (Bordia and Blau, 1998). Thus, employees’ regulatory focus orientation and its effect on leadership, organizational change, and work attitudes should be generalizable across the sector.

References


