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A STUDY ON THE LEADERSHIP STYLE AND ITS IMPACT ON VARIOUS FACTORS WITH REFERENCE TO ORGANIZATIONAL PERFORMANCE OF SELECTED PRIVATE SECTOR ORGANIZATIONS IN BHOPAL CITY

Om Nath Dinesh[1], Dr Kumkum Singh[2]
[1]Research Scholar Management SAM Global University Bhopal
[2]Research Supervisor Management SAM Global University Bhopal

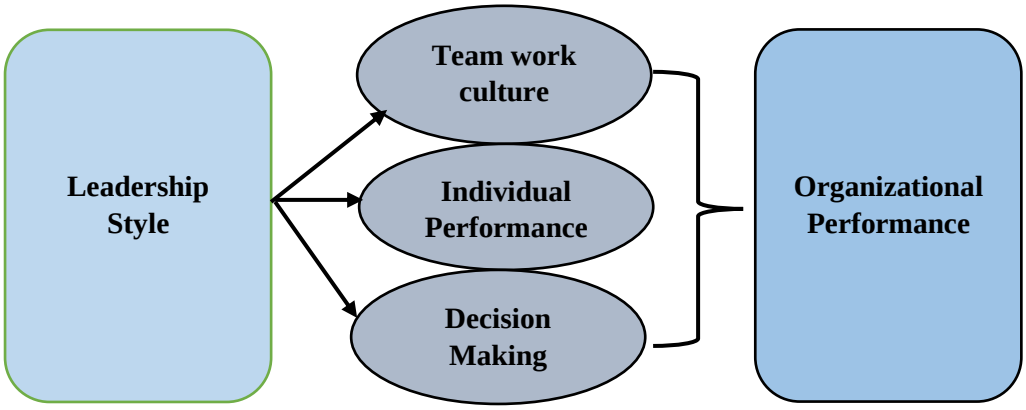
ABSTRACT

The purpose of the present study id to explore the impact of leadership style on organization performance with respect to various factors such as team work culture, individual performance and decision making. The study is based on primary data which has been obtained among the employees of selected organizations by using questionnaire method. The final questionnaire has been distributed among the 200 respondents in which 163 have positively replied. Data has been analysed by using ANOVA test at 5 % level of significance. The result of the study indicate that individual performance and decision making has been found two important factors of organizational performance related with leadership style and team work culture has not been found significantly and positively related with leader ship style.

STATEMENT OF THE PROBLEM

In the present scenario of the business leadership style of any leader has become significant and vital factors in order to improve organizational performance. However, it is important for both leader as well as organizations. With the advancement of competitive activities it has been observed that each and every organizations is concern with respect to enhancement of skill and capabilities of the leader working on different positions. Thus, various process and action is implementing to improve the style of leader along with effective qualities. There are various factors within the organization which may affect organizational performance and performance of these all factors is directly related with controlling of leader. Hence, Style of leadership must be more effective and result oriented in each and every working situations. The present study is related with impact of leadership style on various factors of organization such as team work culture, individual performance and decision making.

CONCEPTUAL FRAMEWORK



REVIEW OF LITERATURE

Holten and Brenner (2015), have performed the research to discover the (direct-indirect) association among styles of leadership (transactional & transformation) and appraisal of change of followers with the help of manager's engagement. It was examined that transactional and transformational styles of leadership are positively related to the manager's engagement. The results indicated that manager engagement influenced the change appraisal of followers and style of leadership found to have a direct relationship on followers change appraisal.

Nging and Yazdanifard (2015) reviewed the role of different leadership styles during implementing organizational change. The research study found that when executing the change in organizations, leadership styles have a positive relationship with change management (CM). Leaders should know their

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own strength and weakness to attain desirable results in complex changing environment. The study concluded that to cope up with the organizational change, leaders might require transformational approach to bring desired change. During the time of the execution of successful change exists in the organization, transformational leadership style and employees personal activities have shown to be essential contribution to organizational change.

Zogjani and Raci (2015) explored the leadership role in organizations and identified the approaches which were performed by the leaders in managing change. The study showed two aspects during change process in organizations. The first approach focused on decision-making to bring sustainable change in organization. During the second approach towards the organizational change, transformational leadership emerged as a catalyst to bring change and achieve goals of organization. Transformational leadership approach aims at achieving the objectives of organization through vision and strategic thinking.

Diab (2014) in his study assess the influence of styles of leadership in areas of organizational change management. For this study, the data was collected from 240 employees of pharmaceutical companies in Jordan. It was found that both type of styles such as transformational and transactional leadership was used in these companies but in different ratio as it is clear from the results of the study that Jordan pharmaceuticals companies used more transactional style of leadership than transformational style of leadership. This study also indicated a positive association between transactional & transformational styles and areas of organization change takes place. It was concluded that transformational leadership positively impact on change in technology and organizational structure changes whereas organizational change area such as change in human resource was impacted through transactional leadership.

Ikinci (2014) had examined the importance of leadership and training during organizational change, and found that for organizational change process to be successful, acceptance of transformational leadership is considered effective. The transformational leader should analyse the need for change, plan for the future, prepare the organization for the change, take up the participative approach and make the workers ready to adopt the strategies for organizational change through trainings. The study explained that in order to enhance the performance of employees to adapt towards organizational change, the training to the employees should be provided.

OBJECTIVES OF THE STUDY

The various objectives of the study are as under

1. To study the impact of leadership style on team work culture with respect to organizational performance
2. To study the impact of leadership style on Individual Performance with respect to organizational performance
3. To study the impact of leadership style on Decision Making with respect to organizational performance

HYPOTHESIS OF THE STUDY

The various hypothesis of the study are as under

H_{a1}: Leadership style is significantly and positively related with **team work culture** with respect to organizational performance

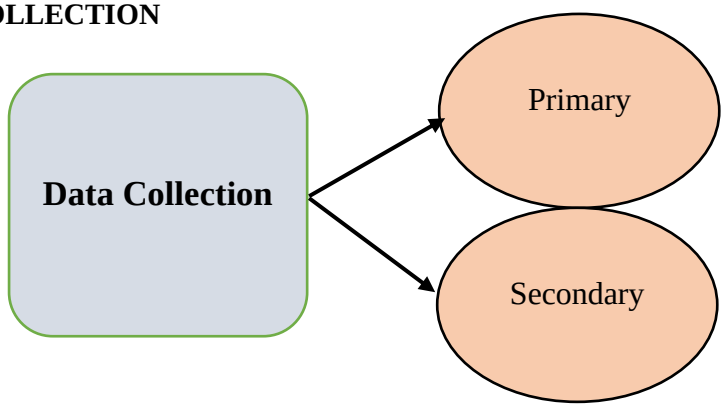
H_{a2}: Leadership style is significantly and positively related with **Individual Performance** with respect to organizational performance

H_{a3}: Leadership style is significantly and positively related with **Decision Making** with respect to organizational performance

RESEARCH METHODOLOGY

Research methodology is a systematic process to find the solution of any problem, the methodology for present study id related with examination of relationship between leadership qualities and its impact on organization performance with respect to certain factors such as team work culture, individual performance and decision making. The methodology for present study is analytical in nature and based on primary and secondary data

DATA COLLECTION



(Fig: Data Collection)

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Primary Data: Primary data for present study has been collected with the help of questionnaire methods. However, in this process a well-structured questionnaire containing 15 questions has been distributed among the employees of selected private organization.

Secondary Data: According to the requirement the secondary data has been collected from various sources such as Research paper, thesis available on shodhganga.

Sampling

Sampling is a system and process to collected pre-determined sets of observation among entire population. However, it is most important process of research. The entire sampling process can be completed in various steps such as

- Sample Method: in Order to obtain sample the convenient method of sampling has been adopted
- Sample Size: the final questionnaire has been distributed among 200 employees of selected private sector organization and 163 employee has given positive response and fill the questionnaire. Hence the final sample size of the study is 163.
- Sample Area: Sample area for present study is based on different geographical location of Bhopal city

Tools for Data Analysis

The data has been analysed by using statistical tools, first scaling process has been taken place by using five point Likert scale. After that ANOVA test has been applied at 0.05 level of significance to test the hypothesis.

Data Analysis (Testing of Hypothesis)

Table 1:
Impact of Leadership Qualities on Organizational Performance with respect to various factors

Hypothesis	Statements	df	F	P Value	Sig	Result
H_{a1}	Leadership Style with respect to Team work culture	5	6.288	0.089	0.05	**Rejected**
H_{a2}	Leadership Style with respect to Individual Performance	5	11.021	0.032	0.05	**Accepted**
H_{a2}	Leadership Style with respect to Decision Making	5	9.403	0.003	0.05	**Accepted**

FINDINGS

Various findings of the study are as under

1. Above table deals with testing of hypothesis result. However, in the first hypothesis relationship between leadership style and team work culture with respect to organizational performance has been discussed. The result of analysis reveals that the value of F is 6.288 and calculated p value is 0.089 (**p value is more than critical value)** which is not significant at 5 % level of significance. However, result strongly recommended to rejection of alternative hypothesis. Hence first hypothesis "Leadership style is significantly and positively related with **team work culture** with respect to organizational performance" **is rejected**

H_{a1}= Rejected

2. Above table deals with testing of hypothesis result. However, in the second hypothesis relationship between leadership style and individual performance with respect to organizational performance has been discussed. The result of analysis reveals that the value of F is 11.021 and calculated p value is 0.032 (**p value is less than critical value)** which is significant at 5 % level of significance. However, result strongly recommended to accepting of alternative hypothesis. Hence second hypothesis "Leadership style is significantly and positively related with **Individual performance** with respect to organizational performance" **is Accepted**

H_{a2}= Accepted

3. Above table deals with testing of hypothesis result. However, in the third hypothesis relationship between leadership style and decision making with respect to organizational performance has been discussed. The result of analysis reveals that the value of F is 9.403 and calculated p value is 0.003 (**p value is less than critical value)** which is significant at 5 % level of significance. However, result strongly recommended to accepting of alternative hypothesis. Hence third hypothesis "Leadership style is significantly and positively related with **decision making** with respect to organizational performance" **is Accepted**

H_{a3}= Accepted

CONCLUSIONS

Leadership style has become most important issue to each and every organization because it is directly related with performance of leader as well as organization. However, it is the most serious concern for every organization that how to improve leader performance by enabling them with high skill and capabilities. The present study deals with leadership style and its impact on various factors with respect to organizational performance. In order to examine the impact of leadership style on various factors, three important factors have been discussed

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such as team work culture, individual performance and decision making. Because, these all factors having significant impact on organizational performance. the findings of the study indicated that among all three factors individual performance and decision making is significantly and positively related with leadership style and impact on organizational performance on the other hand individual performance has not been found important factor related with leadership style.

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