A Study on Impact of Leadership Styles on Employee's Productivity

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Abstract— **This study investigates the impact of various leadership styles on employee productivity within a diverse range of industries. Utilizing a mixed-methods approach, the research combines quantitative data from employee surveys and productivity metrics with qualitative insights from in-depth interviews and focus groups. The primary leadership styles examined include transformational, transactional, and laissez-faire. Findings indicate that transformational leadership, characterized by inspiring and motivating employees, has the most positive effect on productivity, fostering a collaborative and innovative work environment. Transactional leadership, focused on structured tasks and rewards, also shows a positive impact but is less effective in dynamic or creative settings. Conversely, laissez-faire leadership, with minimal intervention, often results in decreased productivity due to lack of guidance and support. The study underscores the importance of adaptive leadership strategies tailored to specific organizational contexts and highlights the potential for leadership training programs to enhance employee performance and organizational outcomes.**

Index Terms— **Autocratic, Democratic, Leadership, Performance, Transactional and transformational.**

1. Introduction

Leadership style is the method that a leader chooses to provide direction to his/her subordinates, implement plans, and motivate them. Although leadership style is an aggregation of skills, behaviours and traits of a leader, the concept has been a popular topic in research and debates. Leadership style is commonly used to describe what is perceived as prominent sets of a leader characteristics, examples include autocratic style, democratic style and laissez-faire style. A leader must get things done and work with people. The way he/she balances these factors is often described as his/her style. The type of situation that the leader prefers or excels in is often tied to the functional style preference, a very useful but slightly different insight: a task-force or project situation, a maintenance

situation, a start-up or turning a business around Styles are the generalized patterns of behaviours exhibited by leaders. Leader effectiveness must be operationally defined in terms of a specific outcome: productivity, worker development, worker involvement and cohesion, effective problem solving and decision-making, successful organizational change, or a combination of these factors. Therefore, leadership style becomes an important function of an organization.

An organization kind of leadership style or behaviour has an impact on the organization results. In other words, the way a leader manages employees ultimately impacts the organization and employee performance. It is an important factor that contributes to the success or failure of the organization. And that is why it is important that a leader chooses a style that increases job performance. Employees represent an important asset of an organization so that without them the organization cannot reach its goals and objectives. Therefore, their performance becomes the building block for the organization success. Sometimes different theories of leadership style provide different answers. Some use similar concepts and have different names, and other ones use the same names for different concepts.

2. Review of Literature

Smith, J. (2020),"Examining the Influence of Transformational Leadership on Employee Productivity", A Meta-Analysis" Smith's meta-analysis synthesizes research findings to highlight the positive impact of transformational leadership on employee productivity, suggesting that this style fosters motivation, innovation, and commitment among employees.

Patel, R. et al. (2021),"The Role of Servant Leadership in Enhancing Employee Productivity", A Longitudinal Study, Patel and colleagues' longitudinal study demonstrates that servant leadership positively influences employee productivity over time by prioritizing the needs of employees, fostering trust, and promoting a collaborative work environment.

A.   Research Gap

The focus of the current research may be on applying leadership styles on various kinds of employee. To fully understand how leadership styles impact on the employee's

productivity will be used to support sustainable development in the corporate world. One research gap in the study of the impact of leadership style on employee productivity is the need for more comprehensive examination of the role of contextual factors. While existing research often focuses on individual leadership styles and their direct effects on productivity, there's a lack of exploration into how contextual factors, such as organizational culture, industry dynamics, and situational demands, interact with leadership styles to influence productivity outcomes. Understanding these contextual nuances can provide deeper insights into the effectiveness of different leadership styles in various settings and inform more tailored approaches to leadership development and organizational strategy.

B. Objectives of the Study

- To study the factors influencing the employee's performance in the context of leadership styles.
- To study the various aspects involved in the leadership concept.
- To propose suggestions for improving leadership practices to positively impact on employee's productivity.

3. Research Methodology

Instrumental Design: Six questions were created for each element of the structured questionnaire using Likert Scale system.

Data Collection Method: The study collected primary and secondary data on the variables influencing information collected through company employee and employer through questionnaire.

Sample Size and Sampling Technique: The sample size of the study is 150 respondents. The method of easy simple random sampling was employed to gather the data.

Data Analysis: Descriptive analysis is used to analyze the data. Percentage Analysis is applied to create a contingency table from the frequency distribution and represent the collected data for better understanding.

Chart Analysis is applied for better understanding of the percentage analysis and it is done via bar charts.

A. Recognition from Leadership

Table.1. Recognition from Leadership

Particulars	Frequency	Percentage
Little Impact	30	19.9
Moderate Impact	42	27.8
Neutral	40	26.5
No Impact	20	13.9

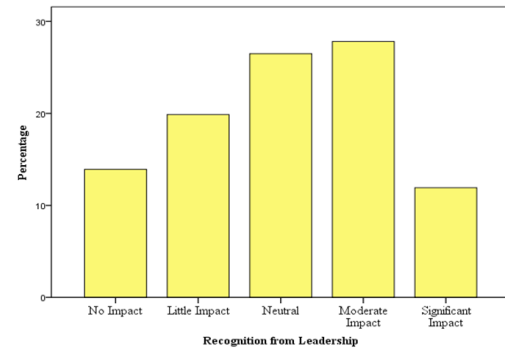| Significant Impact	18	11.9
Total	150	100.0

Fig.1. Recognition from Leadership

Inference: From the above table, it is inferred that 27.8% of the respondents are said the recognition from their leader impact them moderately and 26.5% of respondents are neutral,19.9% of respondents are little impact,13.9% of respondents are no impact and 11.9% of respondents are significant impact.

B. Decision making process under leadership

Table.2. Decision making process under leadership

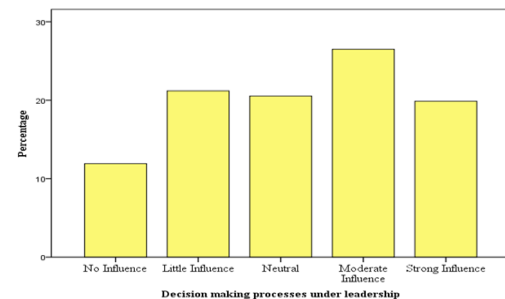| Particulars	Frequency	Percentage
Neutral	30	20.5
Little Influence	32	21.2
Moderate Influence	40	26.5
No Influence	18	11.9
Strong Influence	30	19.9
Total	150	100.0

Fig.2. Decision making process under leadership

Inference: From the above table, it is inferred that 26.5% of the respondents are moderate influence and 21.2% of respondents are little influence,20.5% of respondents are neutral,19.9% of respondents are strong influence and 11.9% of respondents are no influence.

C. Trust in leadership

Table.3. Trust in leadership

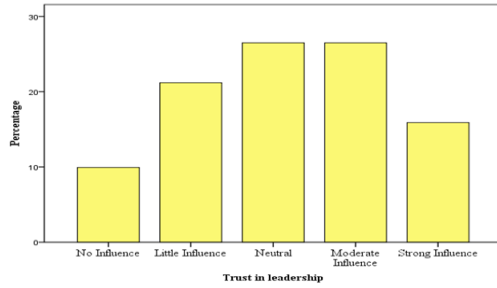| Particulars	Frequency	Percentage
Little Influence	31	21.2
Moderate Influence	40	26.5
Neutral	40	26.5
No Influence	15	9.9
Strong Influence	24	15.9
Total	150	100.0

Fig.3. Trust in leadership

Inference: From the above table, it is inferred that 26.5% of the respondents are moderate influence and 26.5% of respondents are neutral,21.2% of respondents are little influence,15.9% of respondents are strong influence and 9.9% of respondents are no influence.

D. Communication Flow

Table.4. Communication Flow

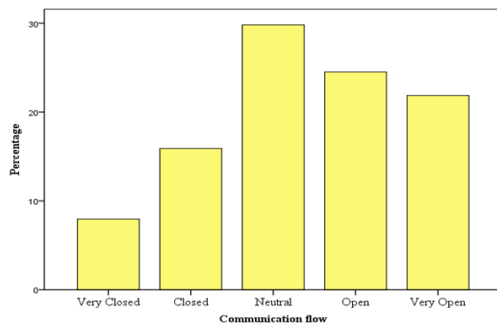| Particulars	Frequency	Percentage
Closed	24	15.9
Neutral	44	29.8
Open	37	24.5
Very Closed	12	7.9
Very Open	33	21.9
Total	150	100.0

Fig.4. Communication Flow

Inference: From the above table, it is inferred that 29.8% of the respondents are neutral and 24.5% of respondents are open,21.9% of respondents are very open,15.9% of respondents

are closed and 7.9.9% of respondents are very closed.
Enhance Performance

Table.5. Enhance Performance

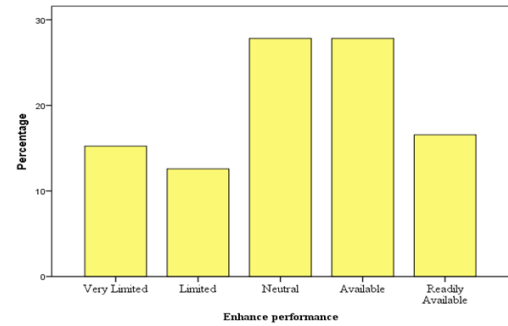| Particulars	Frequency	Percentage
Available	42	27.8
Limited	18	12.6
Neutral	42	27.8
Readily Available	25	16.6
Very Limited	23	15.2
Total	150	100.0

Fig.5. Enhance Performance

Inference: From the above table, it is inferred that 27.8% of the respondents are available and 27.8% of respondents are neutral,16.6% of respondents are readily availablel,15.2% of respondents are very limited and 12.6% of respondents are limited.

E. Situation to optimize Employee Performance

Table.6. Situation to optimize Employee Performance

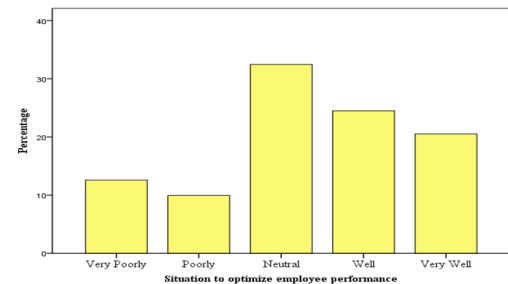| Particulars	Frequency	Percentage
Neutral	49	32.5
Poorly	15	9.9
Very Poorly	19	12.6
Very Well	30	20.5
Well	37	24.5
Total	150	100.0

Fig.6. Situation to optimize Employee Performance

Inference: From the above table, it is inferred that 32.5% of the respondents are neutral and 24.5% of respondents are

well,20.5% of respondents are very well,12.6% of respondents are very poorly and 9.9% of respondents are poorly.

F. Chi-Square Tests

Null hypothesis

H0: There is a no significant association between the communication flow and level of trust between the leader   and the employees.

Alternative hypothesis

H1: There is significant association between the communication flow and level of trust between the leader and the employees.

G. Summary of chi-square

Table.7. Summary of the chi-square

	Case					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Trust in leadership X communication flow	150	100	0	0	150	100

Table.8. Test statistics

	Value	df	Asymptotic. Sig. (2tailed)
Pearson Chi-square	223.43	25	.789
Likelihood Ratio	74.919	25	.789
No of Valid Cases	150		

Inference: From the above table 1.8, the significant value is p=.789 which is greater than 0.05. So, alternative hypothesis is accepted, it reveals that there is significant association between the communication flow and the trust between the leader and employees.

H. Correlation

Null hypothesis

H0: There is no relationship between the delegation of task and employee's performance.

Alternative hypothesis

H1: There is relationship between delegation of task and employee's performance.

I. Correlation

Table.9. Correlation

Correlation values		Task Delegation	Employee's Performance
	Pearson Correlation	1.000	.279
Task Delegation	Sig. (2-tailed)		.001
	N	150	150
Employee's Performance	Pearson Correlation	.279	1.000
	Sig. (2-tailed)	.001	
	N	150	150

Inference: From the above table 1.9, it is inferred that, r=.279 hence it is clear that there is positive correlation relationship between task delegation and employee's performance. So, H1 is accepted. There is significant association between task delegation and employee's performance.

J. Suggestions

- To implement regular communication channels between employees and supervisors to foster trust and transparency.
- Organize team-building activities and workshops focused on building trust and rapport within teams.
- Encourage open-door policies where employees feel comfortable expressing concerns and seeking guidance from their supervisors.
- Establish clear performance expectations and provide regular feedback to ensure employees feel supported in their roles.
- Create support systems, such as mentorship programs or peer support networks, to supplement leadership guidance.

K. Limitations of the study

- Many of the respondents are not willing to fill the questionnaires.
- The challenging task is collecting primary data because of their hectic work schedule.
- It is difficult to gather responses because the majority of respondents are male.

4. Conclusion

This research gives a valuable insight about the impact of leadership style on employee productivity is profound and multifaceted. Effective leadership fosters trust, support, and understanding among employees, leading to increased engagement, motivation, and ultimately, productivity. Leaders who demonstrate empathy, provide effective support and resources, adapt their style to meet the needs of their teams, and appropriately recognize and reward contributions can significantly enhance employee productivity. Conversely, leadership styles characterized by lack of trust, support, empathy, and recognition can hinder employee morale and performance. Therefore, organizations must prioritize

leadership development and cultivate a leadership culture that empowers and inspires employees to reach their full potential, thereby maximizing productivity and achieving organizational goals.

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