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Impact of Leadership Styles and Employee Engagement in Coimbatore

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Abstract: Leadership has gained importance in every walk of life, from politics to business, and from education to social organizations. Leadership style is crucial for encouraging employee engagement. The employees in the organization are having a major role to play apart from being an employee so is the leader who makes them feels comfortable in doing the job. The behaviour of the leader makes or breaks the employee to stay or quit the organization. This paper examines about the Leadership style and employee engagement over demographic factors in Coimbatore city among 369 respondents in various sector.

Keywords: Leadership styles, employee engagement, talent.

I. INTRODUCTION

Leadership has been convinced in improving employees' performance and increasing the chance to achieve organizations' goals, as well as increasing employees' engagement with the organization (Daft and Marcic, 2006). According to Northouse (2012) stated that a good leader with excellent leadership skills is able to influence a group or team to achieve certain objectives and goals. They can motivate their followers through their knowledge and skills. Without effective leadership, the organization would lose clear directions, suffer morale drop, slow decision making, resource mismanagement, soulless employees (Papalex and Galanaki, 2009).

1.1 LEADERSHIP

Leadership is an important topic both in terms of the academic and organizational worlds for many decades. A leader is a person who influences, directs, and motivates others to perform specific tasks and also inspire his subordinates for efficient performance towards the accomplishment of the stated corporate objectives (Bass 1990, Bryman 1992, Rost 1991)

1.2 LEADERSHIP STYLE

Leadership style is a key determinant of the success or failure of any organization and it is the manner and approach of providing direction, implementing plans, and motivating people (Lee and Chang, 2006).

- ✚ **Laissez-Faire leadership:** Laissez-faire leadership, also known as delegative leadership, is a type of leadership style in which leaders are hands-off and allow group members to make the decisions. Researchers have found that this is generally the leadership style that leads to the lowest productivity among group members (Cherry 2016).
- ✚ **Transactional leadership:** According to Kirkbride, (2006) Transactional leadership receives certain tasks to perform and provide rewards or punishments to team members based on performance results. Managers and team members set predetermined goals together, and employees agree to follow the direction and leadership of the manager to accomplish those goals.

✦ **Transformational leadership:** Research since the 1990s suggests that transformational leadership is related to many positive outcomes within organizations. Transformational leadership positively impacts follower performance in the military (Dvir *et al.*, 2002) and has a positive link to follower commitment.

1.3 EMPLOYEE ENGAGEMENT

Employee engagement is the relationship between an organization and its employees. An “engaged employee” is defined as one who is fully adsorbed by and enthusiastic about their work and so takes positive action to further the organization’s reputation and interests (Bates, 2004; Richman, 2006; Saks, 2006). According to Kahn (1990) personnel engagement is “the harnessing of organization members’ selves to their work roles; in engagement, people employ and express themselves physically, cognitively, and emotionally during role performances. Maslach (2001) suggested that engaged employees have high levels of energy and the willingness to invest effort in their job without fatigue (Vigor); engaged employees feel enthusiasm and significance by involving in their work and feel proud and inspired (Dedication); engaged employees who completely immersed in their work and feel pleasant (absorption).

II. OBJECTIVE OF THE STUDY

- To assess the leadership styles followed by the superiors.
- To study the impact of demographic profile on leadership styles.
- To identify the impact of demographic profile on employee engagement.

III. REVIEW OF LITERATURE

Kuchinke *et al.*, (2016) examined the impact of managers’ leadership styles on subordinates’ performance among 224 respondents in the banking sector of Pakistan. Findings of this study revealed that there exists a significant relationship between transformational leadership and employee performance outcomes and laissez-faire leadership style showed negative relationship with employee performance outcomes in terms of effectiveness, and employee satisfaction.

Vidyakala (2015) analysed the relationship between leadership style and employee engagement among 150 respondents. The study found that both transformational and transactional leadership style can predict employee engagement. The study concluded that leadership behaviour is a determining factor for the ideal environment that mitigates turnover behaviour.

Gatwiri (2014) examined the relationship between manager’s leadership style and employee engagement in geothermal development company among 200 respondents. The study recommends that organizations should use the various leadership styles characteristics to influence employee engagement with regard to goal achievement. The study concluded that by allowing employee to make their own decisions about work, to control their work, and to achieve their goals may help employees become more engaged in their jobs.

Metzler (2006) examined the relationship between leadership style (transformational, transactional) and employee engagement among 251 respondents using Multifactor leadership questionnaire. Findings of this study revealed that there exists a significant relationship between transformational leadership and employee engagement and transactional leadership style showed negative relationship with employee engagement.

IV. RESEARCH METHODOLOGY

The present study is a descriptive study. A sample of 369 respondents’ was selected using convenience sampling technique. The study was conducted for a period of 3 months (April, May, and June 2016). Tools like simple percentage, mean and standard deviation, one way ANOVA have been used to analyse and to draw conclusion.

Table 1: Demographic profile

Demographic Factors	Classifications	No. of Respondents	Percent
Gender	Male	256	69.4
	Female	113	30.6
Age	20-25 yrs.	75	20.3
	26-35 yrs.	170	46.1
	36-45 yrs.	60	16.3
	46-55 yrs.	50	13.6
	Above 56 yrs.	14	3.8
Position	Top level	57	15.4
	Middle level	219	59.3
	Low level	93	25.2
Sector	Public	67	18.2
	Private	292	79.1
	Quasi	2	.5
	Other	8	2.2
Industry	Manufacturing	169	45.8
	Infrastructure	40	10.8
	Banking Insurances	37	10.0
	Services	61	16.5
	Others	62	16.8

Majority are 69.4 % respondents are male, 46.1 % respondents belong to the age group of 26-35 years, 64.2 % respondents are married, 48.8 % respondents are postgraduate, 60.7 % respondents live in nuclear family, 25.5% respondents have monthly income in between Rs.10001-20000, 26.8% respondents have 6-10 years' work experience, 59.3 % respondents are positioned at middle level, 79.1% respondents are employed in private sector, and 45.8 % respondents work in manufacturing industry.

4.1. DESCRIPTIVE STATISTICS:

FINDINGS

- ✚ The agreeability level in transactional leadership is high towards (3.872) providing assistance in exchange for the employee's efforts and low towards (3.037) taking appropriate action only when the problem gets severe.
- ✚ The agreeability level in transformational leadership is high towards (3.737) the leader talking about his/her most important values and beliefs and low towards (3.601) acting in ways that build the employees respect and strength.
- ✚ The agreeability level in laissez-Faire leadership is high towards (3.645) providing little or no direction and giving employees as much freedom as possible and low towards (3.151) intervening only when the procedures and standards for accomplishing tasks are not met.
- ✚ The agreeability level in strategic alignment is high towards (4.019) having a good understanding on what is supposed to be done in the job and low towards (3.479) having a clear and focused meeting in the work group.
- ✚ The agreeability level in empowerment is high towards (3.726) proper and channelized utilization of employee's potential and low towards (3.593) finding fulfilment in work.
- ✚ The agreeability level in teamwork and collaboration is high towards (3.864) resolving conflicts quickly and low towards (3.458) higher officials entertaining subordinate suggestions during problematic situation.
- ✚ The agreeability level in growth and development is high towards (3.758) chances of growth and develop in the job and low towards (3.474) supervisor showing adequate interest in subordinates growth and development.
- ✚ The agreeability level in support and recognition is high towards (3.810) welcoming employee's ideas and opinions and low towards (3.466) organisation providing fair structure of payment with respect to the performance.

- ✦ The agreeability level in organisation culture is high towards (3.7967) leaders encourages employee and low towards (3.6694) organization culture puts emphasis on staff engagement
- ✦ The agreeability level in organisation commitment is high towards (3.8455) job inspires and low towards (3.6612) enthusiastic work
- ✦ The agreeability level in work life balance is high towards (3.5989) manage work life and low towards (3.1518) depressed because of work
- ✦ The agreeability level in working environment is high toward (3.5908) organization celebrates its success with employees and low towards (3.2629) the organization provides incentives for superior performance
- ✦ The agreeability level in pay and allowances is high towards (3.6369) pleasant working environment safety and low towards (3.4526) availability of basic needs (canteen, clean drinking water, restroom facilities etc.,)

4.2 One way ANOVA

Table 2: One way ANOVA

Factor	Gender		Age		Experience		Position		Sector		Industry	
	F	S.	F	S.	F	S.	F	S.	F	S.	F	S.
Transactional	.290	.008	2.393	.050	3.032	.018	11.416	.000	.617	.604	6.150	.000
Transformational	.520	.004	7.346	.000	7.196	.000	7.708	.001	.617	.035	8.156	.000
Laissez-faire	2.397	.001	7.911	.000	3.959	.004	6.352	.002	.455	.714	11.46	.000
Strategic alignment	2.639	.050	11.4	.000	13.789	.000	3.906	.021	6.753	.000	12.783	.000
Empowerment	3.139	.002	10.253	.000	10.282	.000	2.392	.093	2.109	.099	4.464	.002
Teamwork	3.594	.615	8.925	.000	10.600	.000	3.297	.038	4.503	.004	10.543	.000
Growth	2.589	.009	8.834	.000	9.390	.000	4.004	.019	3.501	.016	10.725	.000
Support	1.154	.978	16.623	.000	17.779	.000	12.950	.000	11.73	.000	18.645	.000
Organisation culture	1.523	.578	11.213	.000	9.613	.000	3.729	.025	2.026	.110	5.656	.000
Organisation commitment	3.466	.000	16.781	.000	14.330	.000	3.655	.027	6.552	.000	15.895	.000
Work life balance	-.286	.572	6.471	.000	5.203	.000	1.578	.208	2.136	.095	1.776	.133
Pay & allowances	1.023	.840	11.091	.000	9.089	.000	18.837	.000	3.123	.026	11.402	.000
Working environment	-.322	.000	6.751	.000	5.472	.000	.956	.385	6.788	.000	9.267	.000

V. INTERPRETATION

Transactional leadership and the demographic factors has significant value, which is less than the acceptable value of .050 hence null hypotheses is rejected, and it is inferred that the gender, age, experience, position, industry influences the Transactional leadership.

Transformational leadership and the demographic factors has significant value, which is less than the acceptable value of .050 hence null hypotheses is rejected, and it is inferred that the gender, age, experience, position, industry influences the Transformational leadership.

Laissez-faire leadership and the demographic factors has significant value, which is less than the acceptable value of .050 hence null hypotheses is rejected, and it is inferred that the gender, age, experience, position, sector, industry influences the Laissez-faire leadership.

Strategic alignment and the demographic factors has significant value, which is less than the acceptable value of .050 hence null hypotheses is rejected, and it is inferred that the gender, age, experience, position, sector, industry influences the Strategic alignment.

Empowerment and the demographic factors has significant value, which is less than the acceptable value of .050 hence null hypotheses is rejected, and it is inferred that the gender, age, experience, position influences the Empowerment.

Teamwork and collaboration and the demographic factors has significant value, which is less than the acceptable value of .050 hence null hypotheses is rejected, and it is inferred that the age, experience, position, sector, industry influences the Empowerment.

Growth and development and the demographic factors has significant value, which is less than the acceptable value of .050 hence null hypotheses is rejected, and it is inferred that the age, experience, position, sector, industry influences the Empowerment.

Support and recognition and the demographic factors has significant value, which is less than the acceptable value of .050 hence null hypotheses is rejected, and it is inferred that the age, experience, position, sector, industry influences the Support and recognition

Organisation culture and the demographic factors has significant value, which is less to the acceptable value of .050 hence null hypotheses is rejected, and it is inferred that the age, experience, position, industry influences Organisation culture

Organisation commitment has significant value is .050 which is less to the acceptable value of .050 hence null hypotheses is rejected, and it is inferred that the age, experience, sector influences Organisation commitment

Work life balance has significant value is .050 which is less to the acceptable value of .050 hence null hypotheses is rejected, and it is inferred that the age, experience influences Work life balance

Pay & allowances has significant value is .050 which is less to the acceptable value of .050 hence null hypotheses is rejected, and it is inferred that the gender, age, experience, position, sector, industry influences Pay & allowances

Working environment has significant value is .050 which is less to the acceptable value of .050 hence null hypotheses is rejected, and it is inferred that the gender, age, experience, sector, industry influences Working environment.

VI. CONCLUSION

A sense of belongingness and the answerability among the employees is achieved by employee engagement and an appropriate leadership style. The demographic factor i.e., gender, age, experience, position, sectors and industries have a significant relationship over leadership and employee engagement. The organizations' victory depends upon the employee engagement and that directly influence leadership.

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