

A STUDY OF IMPACT OF LEADERSHIP STYLES ON EMPLOYEE MOTIVATION

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ABSTRACT

The goal of this study is to examine how leadership style affects employee motivation. Reviewing the literature on the influence of leadership on employee motivation is the study's main objective. The most recent ten years of pertinent research have been studied by the researcher. The results of this study demonstrate the beneficial effects of leadership style on employee motivation. The principles for achieving shared objectives are provided by leadership style. Effective leaders always direct their teams in the right direction and inspire them to do their work efficiently. Effective leaders motivate their followers to use their abilities and potential to further the organization's objectives. A leader's primary responsibility is to inspire and direct people to improve output and profit. A leader plays a crucial role in the operation of a company; they influence the goals and subordinates of the organization.

Keywords: Leadership, Leadership Styles, Organization.

Introduction

The ability to inspire employees to perform better work is a management trait known as leadership. A leader should foster an environment that values fresh ideas and employee input. Some employees wish to express their thoughts and feelings in order to discover new strategies for the efficient use of resources. When a manager or leader communicates with employees in a transparent manner, followers and subordinates develop loyalty and trust in the leader. An effective leader inspires employees to work harder and more productively. He established an example for his followers to follow. A leader bridges the gap between upper and lower management (worker). He must convey to lower levels the beliefs and expectations of the top level, as well as the issues and challenges faced by employees at work, to the top level. He must convey to lower levels the beliefs and expectations of the top level, as well as the issues and challenges faced by employees at work, to the top level. He connects all of the top-level and lower-level activities. He fostered a sense of unity inside the workplace through fostering a positive organisational culture. The leader gives the workers direction and counsel regarding any technical or emotional issues at work.

A strong leader must delegate power to ensure that productivity is used to the fullest extent possible to accomplish predetermined goals and must offer both financial and non-financial incentives to boost production. The leader has been a vital companion, mentor, and advisor to the followers.

Objective of the Study

- To research and understanding various leadership styles.
- To research how leadership affects employee motivation.

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Research Methodology

Through a review of the literature, this research study's goal is to give a conceptual backdrop. This study shows how different leadership philosophies impact worker motivation. This essay also examines the link between organisational leadership practises and worker inspiration. This research report is based on secondary data that was gathered from reference books, research papers, and papers presented at conferences, seminars, published in journals, magazines, and other media, among other sources.

Theoretical Framework

Previous research has shown that changing the leadership style allows employees to experience a new work environment. Employee motivation and the evolving nature of leadership techniques have a favorable relationship. A charismatic leader has the capacity to inspire followers, which increases their commitment to the mission and vision they have stated. Over-monitoring and complex instructions from the boss make it less likely for the staff member to engage in civic behavior (Niehoff & Moorman, 1993). On the other hand, inspirational leadership is positively correlated with how followers view the leaders' competence. Employee motivation is more positively impacted by leaders' effectiveness when they have an optimistic outlook.

Review of Literature

Mai Ngoc Khuong and Dang Thuy Hoang (2015), this study indicate that the effects of leadership styles on employee motivation in auditing companies in Ho Chi Minh City, Vietnam. This study investigates and evaluates the effect of leadership style on employee motivation. It concluded that the strong influence of leadership style on the employee motivation. This research paper show that charismatic leadership, relation oriented leadership and ethic based contingent reward leadership were positively associated with employee motivation.

IdahNaile (2014), studied the role of leadership in Employee motivation. The study objective was established relationship between the leadership style and motivation in teaching staff. The findings further highlighted the relationship trust, encourage, and shared vision as a positive impact on motivation for staff. Researcher found that transformational leadership cannot improve job satisfaction; however the commitment of teachers to their job can raise job satisfaction and ultimately increase the school's academic performance.

M. Suleman Sabir, Adil Sohail, Muhammad Asif Khan (2011), this paper show that the effects of leadership style on organizational commitment of employees at the time of reflection of organizational culture on employees' value. This paper gives theoretical support to the above study. It concluded that the leader should established organizational culture which indicate the employee value proposition in the organization and get various benefit for organization. Leadership style has plays mediators role in employee's values and organizational culture. It increased employee commitment and attract knowledgeable and talented employee for business. Strong leadership supported to employees and employee's ideas. This research paper recommended that future research can be conducted by talking other factors of the organization culture like new technology affect in the organization, change in higher level management etc.

Farid Ahmed, Tasawar Abbas, Ahahid Latif, Abdul Rasheed (2014) studied the impact of transformational leadership on employee motivation in telecommunication sector in Panjab. They discovered different aspects of transformative leadership that have an impact on employee motivation. The findings indicate that transformative leadership and employee motivation are positively correlated.

Ali OroziSougui, Abdul Tlib, Mahamat Abdoulay Mahamat, Hussein Mohamed Hagi Hassan (2017) the main aim of this research paper was to explore the latest review about the leadership style and employee motivation. They stated that the when we want to improve performance of organization, we want to improve the motivation given to employee also improve. The study concluded that the successful leader have a different shape and size. No single leadership style is best. There are many factors contribute to be a successful leader. All leadership styles have positive or negative impact on the employee's motivation, satisfaction and performance.

Rima Ghose Chowdhary (2014), has examined the impact of leadership styles on employee motivation and commitment: an empirical study of selected organizations in corporate sector. This study fining that the transformational and transactional leadership styles had a significant correlation with employee motivation. Laissez-faire leadership style had a negative co-relationship to employee motivation. It concludes that the effective leadership styles utilize the strategies for improving positive

impact on supervisor and employee relationship. Transformational leadership increase the confidence and motivation for achieve the organizational goal. This should make employee more loyal. Leader should encourage employee for uplifted organizational objective. The organization should developed leadership skills for control the employee.

Meaning of Leadership

Leadership is the art of motivating people to work and focus towards a planned objective. It also encourages them to take up responsibilities and grow personally and professionally.

In an organization, leadership is a vital management function that ensures improved efficiency and achievement of business objectives. Effective leadership provides clarity of purpose and guides the organization to its mission.

Meaning of Leadership Style

A leadership style is a way in which a leader accomplishes their team's objective by motivating employees to work towards the common goal and focusing on their well-being. Understanding leadership style is imperative for a team to work together and also keep growing while embracing changes.

Why Do Leadership Styles Matter?

Any leader's leadership style is typically a synthesis of their personality, experiences in life, emotional intelligence level, familial dynamics, and way of thinking. As a result, leaders should be able to assess their leadership style in light of the many characteristics mentioned above and decide how they may improve their effectiveness.

Leadership style is more important for effective leadership. As a result, it's crucial for a leader to be able to take command and determine if a circumstance calls for an executive decision or one that involves more consultation. In order to thrive, a leader must also have the capacity to recognize the leadership style that is most appropriate for a certain company or circumstance.

A study by Daniel Coleman in a Harvard Business Analysis article, Leadership That Gets Results, reviewed and analyzed more than 3,000 middle-level managers to find out particular leadership behaviors and their effect on profitability. The results revealed that a manager's leadership style was responsible for 30% of the company's bottom-line profitability.

An understanding of one's leadership style and the ability to be flexible based on changing circumstances will likely result in the additional benefits below:

- Improvement in communication and collaboration
- Increase in employee engagement
- Strengthening of team effectiveness
- Leadership effectiveness becomes conspicuous in the organization leading to recognition

Different Types of Leadership

• Democratic Leadership

A democratic leader can assist team members feel energized. This leadership style is seen by many as the most effective. It is sometimes referred to as shared leadership or participative leadership. Members of the group participate more actively in the decision-making process under this leadership style. Each employee has an equal voice in the final decision, albeit typically the leader still has the final say.

Discussion is encouraged and ideas are freely expressed. Researchers have discovered that one of the most successful leadership philosophies is democratic leadership, which boosts group morale, productivity, and member contributions.

• Autocratic Leadership

As the term suggests, autocratic leaders priorities command and control in order to get things done. The authoritarian leadership style entails direct supervision, steadfast support of the leadership's message, and more one-sided feedback and communication than other types. However, you don't have to be a dictator to employ this leadership approach.

It has various advantages and disadvantages. This must only be used in the appropriate situations and with the appropriate group; else, you risk alienating the team.

- **Laissez-faire Leadership**

Laissez-faire means "let them do". This leadership style is the least intrusive and ensures that the decision-making authority lies with the team members.

The managers will trust their staff members to handle their own workloads while they focus on the overall management of the business. This approach has been used by many charismatic leaders, including Steve Jobs.

It can be easier to achieve outstanding outcomes with this way of working if you are employed in a creative profession where people are highly talented, driven, creative, and committed to their work.

Team members probably don't need a lot of direct guidance because they are well trained and innovative. Instead, a strong leader may achieve high-quality outcomes with little supervision and direction.

- **Participative Leadership**

Participative leadership, often known as democratic leadership, is a leadership approach that encourages managers to consult with their staff members and include them in decision-making. This leadership style necessitates that leaders be inclusive, have effective communication skills, and, most importantly, be able to delegate authority and responsibility.

When a leader uses a participative leadership approach, accountability promotes collaboration. Instead of laying responsibility at the feet of specific individuals, this frequently results in a team's collective effort to pinpoint issues and provide solutions.

Many leaders have traditionally used this leadership style and have done so in a variety of companies. This leadership approach is more challenging, though, as teams have gotten more decentralised and working patterns have altered (driven by the COVID-19 epidemic).

- **Transformational Leadership**

The goal of transformational leadership is to change an organization or a group of people by motivating team members to continually raise the bar and accomplish things they never thought they were capable of. Transformational leaders drive their team relentlessly until their jobs, personal lives, and companies undergo a transition or noticeably improve.

Creating change in both companies and individuals is the goal of transformational leadership. The transformation is accomplished by inspiring team members to perform above and beyond their perceived talents and to step outside of their comfort zones. High degrees of integrity, emotional intelligence, a common vision for the future, empathy, and strong communication abilities are necessary for transformational leaders to be successful.

- **Transactional Leadership**

The best way to sum up transactional leadership is as a "give and take" style of transaction. As a result of the team members' agreement to follow their leader, there is a transaction involving payment for services provided. Employees receive compensation for the exact work they would have done. You only get the bonus you were promised if you reach a predetermined goal. Particularly in positions involving sales and marketing.

Each team member's tasks and responsibilities are defined by transactional leadership, which also promotes the work to be finished on time. In some circumstances, incentive schemes in addition to normal pay may be used. In addition to rewards, sanctions are used to control how labour should be performed.

- **Servant Leadership**

In order to lead with servant leadership, a leader must first serve the team. A servant leader puts the demands of their group ahead of their own. It also embodies the idea of setting an example. To get the best results, servant leaders look for methods to grow, uplift, and inspire the people who follow them. Servant leaders must have the highest levels of integrity and generosity. It fosters a supportive organisational culture and good team morale. Additionally, it fosters an ethical environment with strong principles.

Other academics, however, contend that competition between servant leaders and other leaders may not be a circumstance where servant leadership is appropriate. Servant leaders are prone to lagging behind more aspirational ones.

- **Bureaucratic Leadership**

Bureaucratic leadership is a "go by the book" type of leadership. Processes and rules are adhered to in accordance with policy, leaving no opportunity for discretion. Workflow guidelines are established, and bureaucratic executives make sure that team members adhere to them religiously. The leader takes into account employee feedback, but if it conflicts with organizational policy, it is discarded. There is a lot of red tape and a trickle of new ideas. Another trait is a hierarchical authority structure, which suggests that power is distributed according to official titles and flows from top to bottom.

Bureaucratic leadership is frequently linked to large, "century-old" businesses that have achieved success by adhering to established procedures.

Managerial Implication

The results of this study will assist the management of various organizations in developing an efficient framework for identifying the relationship between various leadership philosophies and group motivation. The organizational framework also emphasizes the dynamics of organizational culture and motivation. This study also reveals a direct connection between team motivation and leadership style (democratic, authoritarian, and laissez-faire).

Conclusion

This study has examined the impact of different leadership styles on employee motivation focusing on dynamic leadership, which is a new concept. The effectiveness and potential of a leader has a significant impact on the levels of motivation within a team since leadership is a critical perception that influences and motivates both individuals and teams. Furthermore, effective leadership in the present business environment requires flexibility and adaptability from those in charge. Team motivation is influenced by important leadership philosophies as transformational, transactional, authentic, and servant leadership.

Employee motivation is significantly impacted by leadership style. Employee motivation is influenced by a number of variables, including the abilities, expertise, circumstances, and needs of the leader. Depending on the characteristics of the followers and the demands of the organization's goals, managers employ a variety of leadership philosophies. Different leadership philosophies each have benefits and drawbacks. Motivation and leadership are closely related to one another. Positive effects on staff motivation are provided by effective leadership. Employee effectiveness and productivity are increased, and job satisfaction is increased. One could get the conclusion that team motivation and leadership are crucial elements of the healthcare sector and can keep employees content and happy.

Recommendation

According to the findings of this study, leadership may play a significant role in inspiring people to work hard for the firm. Therefore, management of the firm must concentrate on inspiring workers to achieve higher individual performance and higher organizational performance.

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