

A Study On Management Style And Its Impact Of Organizational Performance

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ABSTRACT

The present study aims to investigate the impact of leadership style on organizational performance. This research also studies the leadership styles of autocratic, bureaucratic, charismatic, democratic, Laissez-faire, transactional and transformational leadership styles. The researchers have taken the transformational leadership style on the effectiveness on organizational performance and so on. This study has been followed the questionnaire methods for collecting the information from the respondents. This research adopted the statistical tools mean, percentage, and correlation was used for the analysis of data. Finally this research concludes that there is a positive relationship between transformational leadership style and effectively organizational performance in the organizations.

Keywords: Bureaucratic, Democratic, Transformational leadership.

1. INTRODUCTION

Leadership is a critical management skill, involving the ability to encourage a group of people towards common goal. Leadership focus on the development of followers and their needs. 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 organizational objectives. Leadership style is a manner and approach of providing direction, implementing plans, and motivating the people and organization.

Leadership has a stronger effect on the attitude of employees their jobs. The leader in today's organization has changed and the success of any organization relies on the leadership style by the leader. Recent facts in the field of economy and organization have led the global market to rapid change and imbalance. Competition among organizations and companies has increased, productivity, annual profit has decreased and overall function of worldwide business is being under target. One aspect of the competitive challenges faced by organization. It has frequently been held up as means of improving employee motivation. With the improvement come increasing individual productivity and organizational performance. Leadership is regarded as leaders in doing follower to act for certain goals that represent the value and motivations the wants and needs, the aspirations and expectations of both leader and followers.

2. IMPORTANCE OF THE STUDY

The study of organizational performance is a complex and important concept for human resource managers. Most of employees do not believe their work is being properly rewarded, Nor do they believe that their companies are doing enough to attract high quality performers, train them, or manage them effectively. Organization is a specialized functional area of business

that attempts to develop programmers, policies, and activities to promote the organizational performance of both individual and organizational needs, goods and objectives. People join organizations with certain motives like security of income and organizational performance, better prospects in the future of organization, and satisfaction of social and psychological needs.

3. STATEMENT OF THE PROBLEM

Leadership is today's organization is a tough business. Organizational leaders face a number of challenges as their job and world around them become increasingly complex. Trends, such as organizational re-structuring, globalization, rapid technological advances, cultural complexity and increasing demand for employee empowerment require that managers adopt techniques and leadership style to meet these new challenges thus efficiently in resources mobilization, allocation, unitization and enhancement of organizational performance depends to a large extent. On leadership style but such is yet to be realized in real life situation of most implication of this is that such organizations because of leadership style they adopt. The implication if this is that such organizations do not quickly respond. This study focuses on impact of leadership style and organizational performance.

4. OBJECTIVE OF THE STUDY

1. To study the concept of leadership styles on organizational performance.
2. To study the leadership styles and its impact on organizational performance.

RESEARCH HYPOTHESES

H1: There is no significant relationship between leadership style and organizational performance.

H2: There is no significant relationship between transformational leadership style and organizational performance.

5. RESEARCH METHODOLOGY

The research based on descriptive methods with questionnaires was used. It include primary and secondary date were adopted, employees were selected in random sampling method. Employees are selected from organizations in Walaja Taluk, Vellore District, and Tamil Nadu. The respondents were selected from private sector at top, junior and senior level employees only.150 questionnaires were circulated and 125 were collected, 100 questionnaires only valid and remaining were not filling in the correct data's from the respondents. Questions were asked about leadership style effectiveness on organizational performance.

6. REVIEW OF LITERATURE

LEADERSHIP STYLE

Leadership has been defined in so many ways that is hard to come up with single working definition. It has defined as a body of people who lead and the activities of group towards a shared goal. It refers to the ability to lead, direct and organize a group (Ogbeidi, 2012).Originally drew attention to the concept of transformational leader as an individual that inspires other individuals to perform beyond expectations (Burns, 1978). Leadership is the

process of influencing the activities of an organized group in its efforts towards goal setting and goal achievement (Stogdill, 1948). The goal of transformational leadership is to transform people the organizations in a literal sense to change them in mind and heart enlarge vision insight and understandings clarify purposes make behavior congruent that are permanent, self-perpetuating and momentum building (Masi, 2008). Opined that transformational leader seek new ways of working, seek opportunities in the face of risk, prefer effective to efficient answers and are less likely to support the status quo. Transformational leader do not merely react to environmental circumstances they attempt to shape and create them (Johnson, 2009). Transformational leaders are argued to be visionary and enthusiastic, with an inherent ability to motivate subordinates (Howell and Avolio, 1993). It has been argued that one way in which organizations have sought to cope with the increasing volatility and turbulence of the external environmental is by training and developing leaders and equipping them with the skill to cope (Hennessey, 1998). Leadership style refers to relationship where by someone uses his way and methods to make many people work together for a common goal (Fielder 1969).

ORGANIZATIONAL PERFORMANCE

Organizational performance may be defined as the transformation of inputs into outputs for achieving certain outcomes. With regards to its content, performance informs about the relation between minimal and effective cost (economy), between effective cost and realized output (efficiency) and between output achieved effectiveness (Chen, Barnes, 2006). An organization is effective when multiple stakeholders perceive the organization effective (Agle et al 2006). The flexibility and the ability of the organization to take advantages of its environment in the acquisition of internal and external resources indicators of the performance (Scott, Davis 2007). Organization today has to be preferment and to meet the competing expectations of the stakeholders in a manner which is transparent and ethical, it is necessary that leaders internalize transformational behaviors as the several of the organizations many depend on it. Intellectual stimulation and inspirational motivating were found the improve the organizational performance (Hancot, 2005)

7. CONCEPTUAL FROM WORK OF LEADERSHIP STYLES AND ITS IMPACT OF ORGANIZATIONAL PERFORMANCE

AUTOCRATIC LEADERSHIP: autocratic leader are classic “do as I say” types, these leaders are inexperienced with leadership thrust upon them in the form of a new position or assignment that involves people management. Its retain for themselves the decision- making rights. They can damage an organization irreparably as they force their follower to execute strategies and services in a very narrow way, based upon a subjective idea what success look like vision and motivation. Autocratic leader is likely to provide clear expatiations for what needs to be done, when it should be done, and how it should be done. There is also a clear division between the leader and the followers.

BUREAUCRATIC LEADERSHIP: create, and rely on, policy to meet organizational goals. Policy drives execution strategy, objective and outcomes. Bureaucratic leader are most comfortable relying on a stated policy in order to convince followers to get on board. In doing so they sent a very direct message that policy dictates direction. Leaders are usually strongly committed to procedures and processes instead of people.

CHARISMATIC LEADERSHIP: by far the most successful have a vision “as well as personality that motivates followers to execute that vision and creativity, innovation, and is often highly motivational”. This leader provides fertile ground for creativity and innovation, and is often highly motivational. The leaders at the helm, the organizational members simply want to follow.

DEMOCRATIC LEADERSHIP: As one where decision-making is decentralized and shared by subordinates. The biggest problem with it is underlying assumption that everyone has equal stake in an outcome as well as shared levels of expertise with regard to decisions.

A leader usually offers guidance to group members and is likely to participate in the group and allow input from other group members, democratic leader encourages group members to participate. But retain the final say over the decision-making process and more creative are motivated.

LAISSEZ-FAIRE LEADERSHIP: style involves non-interference policy. Allows complete freedom to all workers and has no particular way of attaining goals. However, there is no best style of leadership. The effectiveness of a particular style is dependent on the organizational situation. Type of leadership is considered to be the least productive. Members of this group are likely to make more demands on their leader, show little cooperation and are unable to work. Leaders offer little or no guidance to group members and leave decision-making up to group members. While this style can be effective in situations where group members are highly qualified in an area of expertise it often leads to poor performance and a lack of motivation.

TRANSACTIONAL LEADERSHIP: followers perform according to will and the direction of the leader and leader positively rewards the effort. To maintain stability rather than promoting change within an organization through regular economic and social exchange that achieves specific goals for both the leader and their follower.

TRANSFORMATIONAL LEADERSHIP: this leader evolved as refinements have been made in both the conceptualization and measurement of transformational leadership to some extent. Theoretically, leadership is charismatic and followers pursue to recognize alongside the leader and emulate him or her.

LEADERSHIP STYLE AND ITS IMPACT ON ORGANIZATIONAL PERFORMANCE

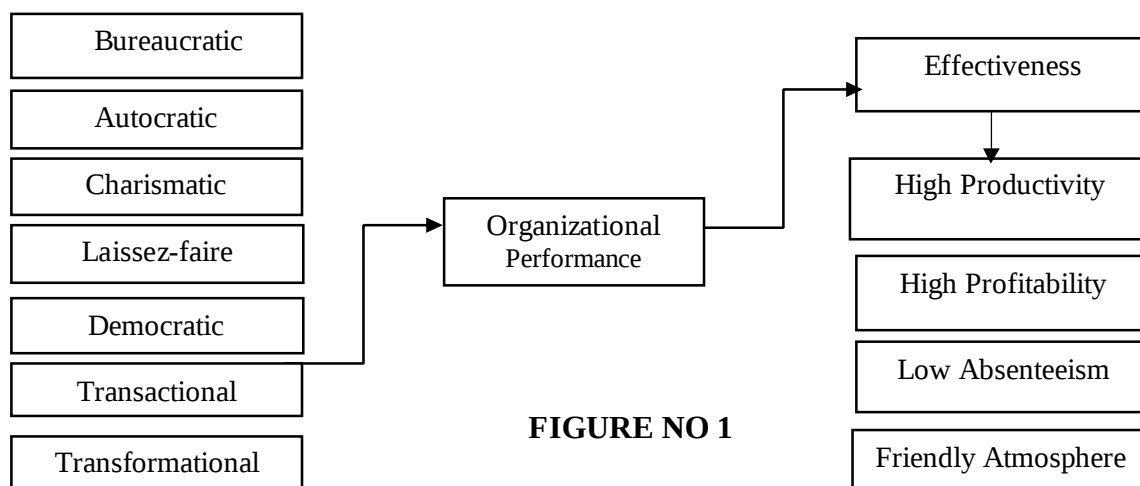


FIGURE NO 1

The leadership inspires follower alongside challenge and persuasion, bestowing both understanding and managing followers. Leader and desire to motivate them follower as possessing astonishing skills, persistence and determination and idealized influence the leader behaviors and the fundamentals that are attributed by follower to the leader. They craft clearly communicated expectations that followers desire to aims and the shared vision

RELATIONSHIP BETWEEN MANAGEMENT STYLE AND ITS IMPACT OF ORGANIZATIONAL PERFORMANCE

SERIAL. NO	QUESTIONNAIRE ITEMS	S. AGREE /AGREE	%	DISAGREE / S. DISAGREE	%	NEITHER AGREE / NOR AGREE	%	TOTAL
1	Autocratic Leadership Style	67	67	22	22	11	11	100
2	Bureaucratic Leadership Style	60	60	25	25	15	15	100
3	Charismatic Leadership Style	62	62	20	20	18	18	100
4	Democratic Leadership Style	58	58	29	29	13	13	100
5	Lassies - Fair Leadership Style	55	55	22	22	23	23	100
6	Transactional Leadership Style	68	68	15	15	17	17	100
7	Transformational Leadership Style	74	74	18	18	8	8	100
8	Working Hours	60	60	27	27	13	13	100
9	Working Conditions	58	58	25	25	17	17	100
10	Organizational With Leader And Followers Relationship	70	70	22	22	8	8	100
11	Organizational Work Change Process	62	62	25	25	13	13	100
12	Feel & Flexibility Your Organizational Performance	64	64	22	22	14	14	100
13	Organizational Performance With Innovation & Implementation In Job	67	67	14	14	19	19	100
14	Are You Satisfied With Your Organizational Performance	69	69	18	18	13	13	100
	Total	894	64	304	22	202	14	1400

TABLE NO 1

According to table (2) based on aggregate response 894 (64%) indicate the strongly agree and agree, 304 (22%) indicate the strongly disagree and disagree while 202 (14%) indicate undecided. This implies that there is a between leadership style and organizational performance. There is a positive relationship between leadership style and organizational performance. Also transformational leadership style is more effectively an organizational performance.

8. CONCLUSION AND RECOMMENDATIONS

The study was aimed to find the relationship between leadership style and organizational performance among the private organizations. The main objective of the study was to find out the relationship between leadership style and organizational. Leadership style has positive impact on the organizational. People like to work in free atmosphere and good working conditions, implement and innovation provided the leader to employee is effects on job satisfaction and more successful high productivity, high probability, low absentism and friendly atmosphere to leader and follower (employees) in the organization. Leader have inspire a shared vision for the stakeholder, engage with challenges to ensure organizational performance higher and better, leader should develop their talents creativity employees jobs and providing and higher science of challenge and achievement job rotation, job training, re - assigning supervision and promotion until the employee has proven the success of new task assigned are among the effective achieved in organizational goals and mission and vision.

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