

Contributions Of Leadership Style On Employees Well-Being In I.T. Sector In Tamilnadu- An Analysis With Principal Component Under Extraction Method

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Abstract

The present research article is presents the contributions of leadership style on employees well-being in the I.T. industry in Tamilnadu. The researcher has well-known the leadership styles such as autocratic, democratic, and laissez-faire leadership are practiced in the IT industries in Tamilnadu. The respondents' of the study are managers of various department, team leaders, data entry operators and marketing executives. Their perceptions are analyzed to identify the contributions of leadership style on their well-beings. The collected primary data are converted into mean values that are loaded to extract the contributions through the factor analysis of principal component analysis. The result of the article is democratic leadership style can alone give a better employee well-beings in the I.T sector in Tamilnadu through monetary benefits, supervision and employees leadership empowerment.

Key words: Leadership Style, Well-Being, IT Sector, Autocratic, Democratic, and Laissez-Faire

INTRODUCTION

The present research article is presents the contributions of leadership style on employees well-being in the I.T. industry in Tamilnadu. The researcher has well-known the leadership styles such as autocratic, democratic, and laissez-faire leadership are practiced in the IT industries in Tamilnadu. The respondents' of the study are managers of various department, team leaders, data entry operators and marketing executives. Their perceptions are analyzed to identify the contributions of leadership style on their well-beings. The collected primary data are converted into mean values that are loaded to extract the contributions through the factor analysis of principal component analysis.

FACTOR ANALYSIS

Factor analysis is a method of data reduction. It does this by seeking underlying unobservable (latent) variables that are reflected in the observed variables (manifest variables). There are many different methods that can be used to conduct a factor analysis (such as principal axis factor, maximum likelihood, generalized least squares, unweighted least squares). There are also many different types of rotations that can be done after the initial extraction of factors, including orthogonal rotations, such as varimax and Equifax, which impose the restriction that the factors cannot be correlated, and oblique rotations, such as promax, which allow the factors to be

correlated with one another. Researcher also needs to determine the number of factors to be they extracted. Given the number of factor analytic techniques and options, it is not surprising that different analysts could reach very different results analyzing the same data set. However, all analysts are looking for simple structure. Simple structure is pattern of results such that each variable loads highly one to one and only one factor.

LEADERSHIP STYLE

The traditional leadership style is prominently existed in most of the IT industries. That to the researcher has identified the traditional leadership style. Traditional leadership style is consisted the autocratic, democratic, and laissez-faire leadership styles.

Autocratic

The study is describing the variables of autocratic leadership styles followed by the respondents' organization as final decision-making authority; non-consider suggestions made by employees; dictated actions; mistake restrictions; fresher's opinion prohibited or approval; wrong procedure denied and new one established; closely monitoring; leadership position holds over subordinates; employees must be directed or threatened with punishment; and employees insecurity.

Democratic Leadership

The study describing the variables of democratic leadership styles followed by the respondents' organization as considering employees when final decision making, employee ideas and input into upcoming plans and projects, create a strategy to keep a project or process running on schedule with employees advice, participative decision making, employees visionary approach, leaders providing guidance, leader working together, leadership power to help subordinates grow, employees self-direction, and employees creativity.

Laissez-fair leadership

The study is describing the variables of laissez-fair leadership styles followed by the respondents' organization as employees always vote whenever a major decision has to be made, approval of each individual or the majorities opinion determine the decisions, employees are then expected to act upon the information, allowing employees to determine what needs to be done and how to do it, allowing employees to carry out the decisions, delegating tasks, individual responsibility, sharing leadership power with subordinates, employees lien to determine organisational objectives and employees can lead themselves in the absence of leader.

Table No. 1
Descriptive Statistics for Leadership Style

Leadership Style	Mean	Std. Deviation	Analysis N
Autocratic	3.2750	.38130	400
Democratic	3.3945	.40901	400
Laissez-faire	2.7665	.37840	400

Source: Computed Primary Data

The output of the univariate option on the selected variables is taken for the descriptive statistics for the Leadership Style factor. The number of cases used in the analysis is 400 respondents. The highest mean value of the above table is 3.39 of democratic leadership style.

Table No. 2
Total Variance Explained for Leadership Style

Component		Initial Eigenvalues ^a			Extraction Sums of Squared Loadings		
		Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
Raw	1	.179	39.256	39.256	.179	39.256	39.256
	2	.146	31.967	71.223			
	3	.131	28.777	100.000			
Rescaled	1	.179	39.256	39.256	1.127	37.572	37.572
	2	.146	31.967	71.223			
	3	.131	28.777	100.000			
Extraction Method: Principal Component Analysis.							
a. When analyzing a covariance matrix, the initial eigenvalues are the same across the raw and rescaled solution.							

Source: Computed Primary Data

The initial number of factors is the same as the number of variables used in the rescaled factor analysis. However, all 3 components have not been retained. In this analysis, only the first component has been retained. Eigen values are the variances of the factors. Because of the factor analysis on the correlation matrix, the variables are standardized, which means that each variable has a variance of 1, and the total variance is equal to the number of variables used in the analysis, in this case, 3. The first factor has always accounted for the most variance (39.256% have the highest Eigen value), and the next factor has accounted for as much of the left over variance of 31.967% and the third set of components had 28.777%. The variance column contains the per cent of total variance accounted for by each factor. Thus, the high amount of variations has been obtained by the variables like from the above table's variables' values.

Table No. 3
Component Matrix for Leadership Style

Leadership Style	Raw	Rescaled
	Component	Component
	1	1
Autocratic	.200	.524
Democratic	.343	.839
Laissez-faire	.146	.386
Extraction Method: Principal Component Analysis.		

a. 1 components extracted.

Source: Computed Primary Data

The Principal Component Analysis (PCA) reveals that the contributed variable of leadership style factor is 'Democratic leadership style'. Therefore, core contribution from the PCA is that democratic leadership style is the best leadership style practiced in the I.T. sector in Tamilnadu.

EMPLOYEES WELL-BEINGS

Employees well beings factor is comprised the variables of employees' commitment, work motivation, job and workplace environment, supervision, monitory benefits, employees' leadership empowerment, and employees' health and behavior. The researcher expressed that the employees' well-being is ensured after the employees satisfied on the above factors. The employees have committed on the work with proper motivation of leader or management in a guaranteed job and workplace environment with affordable supervision. They expect monitory and non-monitory benefits for their job such as salary allowances, leadership empowerment and good health and behavior.

Table No. 4
Descriptive Statistics for Employees Well-Being

Employees Well-Being	Mean	Std. Deviation	Analysis N
Employee commitment	3.1240	.28166	400
Work motivation	3.1418	.39860	400
Job and workplace environment	3.0286	.31476	400
Supervision	2.6446	.49320	400
Monitory benefits	3.1769	.46033	400
Employees leadership empowerment	3.1221	.46917	400
Employees health and behaviour	2.9946	.33643	400

Source: Computed Primary Data

The output of the univariate option on the selected variables is taken for the descriptive statistics for the employees' well-being factor. The number of cases used in the analysis is 400 respondents. The highest mean value of the above table is 3.18 of monetary benefits.

Table No. 5
Total Variance Explained for Employees Well-Being

Component		Initial Eigenvalues ^a			Extraction Sums of Squared Loadings		
		Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
Raw	1	.256	22.736	22.736	.256	22.736	22.736
	2	.243	21.545	44.282	.243	21.545	44.282
	3	.210	18.654	62.936	.210	18.654	62.936

	4	.141	12.525	75.461			
	5	.116	10.266	85.726			
	6	.094	8.332	94.059			
	7	.067	5.941	100.000			
Rescaled	1	.256	22.736	22.736	1.274	18.205	18.205
	2	.243	21.545	44.282	1.073	15.322	33.527
	3	.210	18.654	62.936	.994	14.196	47.723
	4	.141	12.525	75.461			
	5	.116	10.266	85.726			
	6	.094	8.332	94.059			
	7	.067	5.941	100.000			
Extraction Method: Principal Component Analysis.							
a. When analyzing a covariance matrix, the initial eigenvalues are the same across the raw and rescaled solution.							

Source: Computed Primary Data

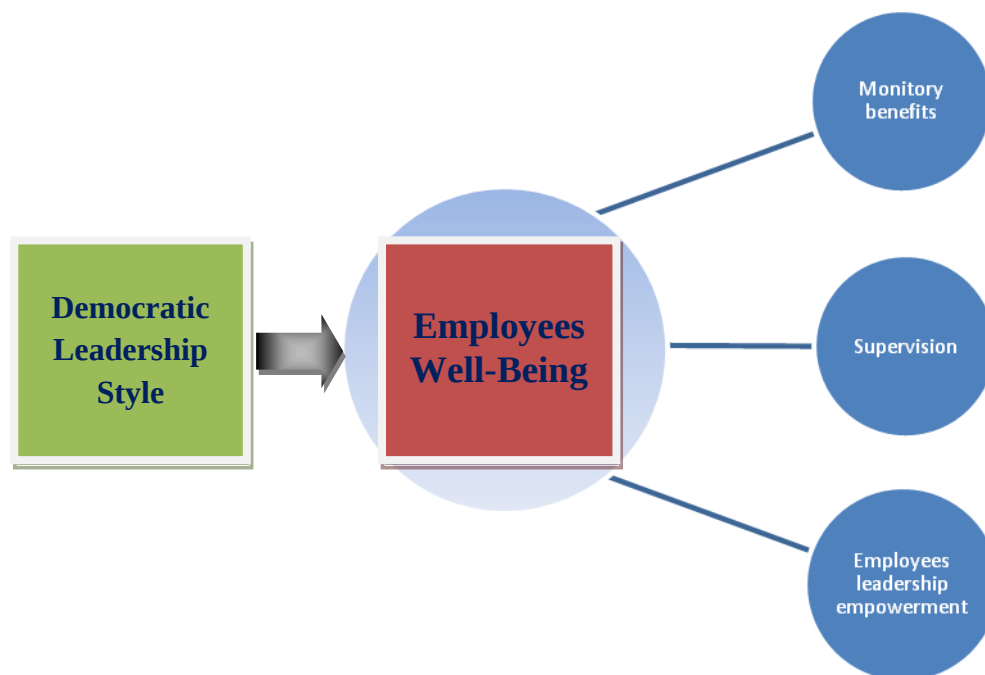
The initial number of factors is the same as the number of variables used in the rescaled factor analysis. However, all 7 components have not been retained. In this analysis, only the three components have been retained. Eigen values are the variances of the factors. Because of the factor analysis on the correlation matrix, the variables are standardized, which means that each variable has a variance of 1, and the total variance is equal to the number of variables used in the analysis, in this case, 3. The first factor has always accounted for the most variance (22.736% have the highest Eigen value), and the next factor has accounted for as much of the left over variance of 21.545% and the third set of components had 18.654%. The variance column contains the per cent of total variance accounted for by each factor. Thus, the high amount of variations has been obtained by the variables like from the above table's variables' values.

Table No. 6
Component Matrix for Employees Well-Being

Employees Well-Being	Raw			Rescaled		
	Component			Component		
	1	2	3	1	2	3
Employee commitment	.063	.040	.018	.225	.142	.064
Work motivation	.199	.097	-.055	.500	.244	-.139
Job and workplace environment	.082	.015	-.013	.260	.046	-.043
Supervision	-.260	.400	-.124	-.526	.811	-.252
Monitory benefits	.015	.162	.429	.032	.352	.932
Employees leadership empowerment	.371	.210	-.076	.791	.447	-.162
Employees health and behaviour	.019	.033	.034	.057	.097	.101
Extraction Method: Principal Component Analysis.						
a. 3 components extracted.						

Source: Computed Primary Data

The Principal Component Analysis (PCA) reveals that the contributed variables of employees' well-being factor are 'Monitory benefits', 'Supervision' and 'Employees leadership empowerment'. Therefore, core contribution from the PCA is in which monetary benefit of the employees is the highest contributory variables in I.T. sector in Tamilnadu as per the respondents' opinion. At the same time supervision is negatively contributed to employees well-being followed by job and workplace environment that also to be handled and maintained as per the expectations of the employees.

**Conclusion**

From the above analysis researcher has understood and infers that democratic leadership style can alone give a better employee well-beings in the I.T sector in Tamilnadu through monetary benefits, supervision and employees leadership empowerment. Therefore, the stakeholders of the industry should concentrate on the monetary benefits, supervision and employees leadership empowerment that will improve the output and organizational objectives for a better industrial and national economic growth.

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