



EVALUATE THE IMPACT OF TRANSFORMATIONAL LEADERSHIP ON EMPLOYEE PERFORMANCE WORKING IN IT COMPANIES

MONIKA RAWAT

Department of Commerce, Graphic Era Hill University, Dehradun, Uttarakhand, India 248002

ABSTRACT

Leaders are examples to follow, and their influence permeates an organization's beliefs, practices, and procedures. Teams' output and performance are influenced by their leaders' methods of management. The goal of this study is to examine the leadership practices prevalent in the IT industry and the impact such practices have on the productivity of IT teams. In this research, we examine how a leader's ability to inspire and motivate their followers may significantly impact their team's productivity. The researcher surveyed 354 people working in IT at companies in Pune to compile the data for this study. Differentiating the current study from its predecessors, by taking into account a variety of transformational leadership techniques, it enriches our understanding of what sorts of leadership techniques really work to boost team performance in the classroom and in the workplace. Several elements, including employee motivation, job happiness, and a transformational leadership style, contribute to an organization's level of productivity among its personnel. The goal of this research was to determine how factors like intrinsic motivation, job happiness, and transformational leadership style affect productivity in the information technology sector.

KEYWORDS Team performance, Leadership, IT sector, Transformational, Leadership style

DOI Number: 10.48047/nq.2021.19.6.NQ21085

NeuroQuantology2021;19(6): 185-193

185

INTRODUCTION

The success or failure of an organization is largely dependent on its leadership. A leader is someone who motivates followers to take action and accomplish group goals via innovative thinking and collaborative problem solving. A leadership style is a method of leading a group or organization, carrying out its objectives, and inspiring its members to work together in pursuit of common goals. Teams are crucial to the success of any business, thus it is important for that business to examine what motivates its teams to work together to accomplish its goals. As a result, no company has achieved success by the efforts of a single person or even a small group

of people. One of the most crucial components in achieving the organization's most crucial objectives is the leadership style of the team's captain, whose multidimensional paradigm is performance and whose focus is on achieving the necessary outcomes. In addition, it is generally agreed that a leader's management style has a significant impact on a group's productivity. Employee performance is a key factor in the success or failure of any company, and leadership is the most well studied organizational element that may have an influence on employee performance.

Today's businesses operate in a highly competitive and rapidly evolving technological landscape, which necessitates a fresh



approach to product and service creation. There is a large body of work that emphasizes the value of employees' originality in driving innovation. Because encouraging original thought inside employees is crucial to a company's ability to stay ahead of the competition. Different businesses are always on the lookout for new methods to encourage its staff to think outside the box. As a result, there is a great deal of academic curiosity in the factors that influence employee innovation.

LITERATURE REVIEW

Godson Kwame Amegayibor (2021) The purpose of this study was to analyze the effects of various leadership styles on output at a family-owned manufacturing facility. Four hundred employees' responses were gathered using a census sample method, interview guides, multiple linear regression, and SPSS 16.0 for statistical analysis and interpretation. The findings demonstrate that an organization's productivity may be negatively impacted when a leader displays authoritarian, charismatic, or paternalistic traits. Authoritarian, charismatic, and visionary leadership styles were also shown to have an effect on error prevention. Once again, the results show that both authoritarian and democratic forms of leadership have an effect on group output. There were only nine leadership styles and their effects on productivity that were studied, which is its principal limitation. As a result, managers should think about using leadership styles with more accurate forecasts in each given circumstance in order to motivate workers, cut down on mistakes, and boost output quality.

Alfilfilan Ayman Abdulrazaq et.al (2020) The purpose of this research is to determine if and how a transformational leadership style impacts staff productivity. The basic source material consists of 362 complete surveys that were sent out at random throughout Saudi Arabia (king abdullah medical city). The data collected was analyzed using the partial least squares method implemented in SPSS. Acceptable fit of the measurement model to the data has been established, and the entire model's validity has been assessed statistically.

The study's key conclusions are: When it comes to transformational leadership and employee productivity, trust is a major factor.

Asst Prof Agron Hoxha (2019) The goal of this research was to contrast the effectiveness of transformational versus transactional leadership on productivity in the workplace. The sample was gathered from a Malaysian telecommunications business and included 333 managers and employees from a wide range of levels, departments, job functions, orientation, level of education, and gender. As instruments, we used both the MLQ and the EP scale. There was a positive link found between the use of a transformational leadership style and the productivity of workers. The findings of this research will provide light on the importance of leadership styles, and transformational leadership in particular, in boosting employee performance in Malaysian workplaces.

Yashuo Chen et.al (2018) The efficacy of transformational leadership has been questioned, despite the fact that it is often seen as a desired leadership style. To bridge this chasm, we need to rethink how transformational leadership is linked to high performance in the workplace. The paradoxical viewpoint demonstrates the existence of competing good and negative consequences of transformational leadership, allowing for and justifying a comprehensive analysis of the ways in which transformational leaders affect workers' task performance. This study investigates a potential inverted U-shaped link between transformational leadership and worker productivity by combining the TMGT effect with the law of decreasing marginal utility. Additionally, according to our interpretation of social cognitive theory, an employee's proactive personality will help to smooth out the sigmoid impact of transformational leadership on productivity. Research using data from 209 supervisor-subordinate interactions in China found that the inverted U-shaped link between transformational leadership and workers' job performance was mediated by employees' proactive personality. Both



hypothetical and practical repercussions are investigated.

Purit Pongpearchan (2016) Using data collected from Thai university business schools, this research analyzes how a high-performance work structure and transformational leadership affect employee motivation and output. According to the available research, a high-performance work structure that includes transformational leadership is one source of employee motivation on the job. So, it is crucial to have a transformational leader and a high-performance work environment in place to inspire a lecturer to do better in their role. The data was analyzed using ordinary least squares regression, and the sample size was 896 professors teaching at government universities in Thailand's business schools. The researcher also checked for bias in the responses, as well as for validity and reliability. These findings indicate that a high-performance work structure and transformative leadership both significantly improve employee motivation. Nevertheless, there is still a robust correlation between work motivation and output. Interestingly, Professors' job motivation at Thai

government universities' business schools is positively impacted by transformational leadership and high-performance work systems, and this effect is not attenuated by power distance. After that, we give our managerial and theoretical contributions, as well as our recommendations for future studies.

RESEARCH METHOD

Researchers were able to fulfill their goals for this study by using a quantitative survey methodology to test the hypotheses they had developed.

Research instrument

Bass and Mind Garden developed a standardized scale, the MLQ, to assess transformational leadership. Twenty components of transformative leadership were extracted from the MLQ "extended form." The 20-item scale has four questions for each of five factors. There were 20 elements that came together to make the transformational leadership style. These included idealized influence, idealized influence, inspirational motivation, intellectual curiosity, and intellectual curiosity.

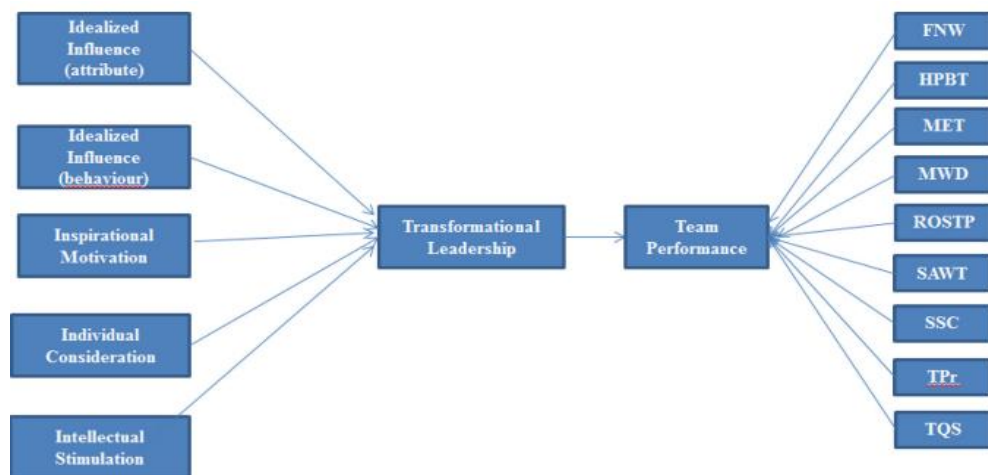


Figure 1. Proposed conceptual model

an increase in brain activity (4 stimulants) and special care (4 items). Each question used to gauge transformational leadership style was accompanied by a five-point Likert scale on which respondents were asked to indicate the degree to which they agreed or disagreed.

Research participants and procedure

Staff members from IT companies in Pune participated in this study. The current research will focus on the IT industry because of its reputation for innovation and collaborative problem solving. There were two methods of data collection employed, one for team members and one for team leaders. Team leaders used their teams' output in these



areas to assess the effectiveness of the team overall. It was Rousseau's belief that team captains had the most intimate understanding of their teams' progress and were best positioned to provide honest assessments of their efforts. Team members completed a questionnaire designed to assess leaders using the transformational style since they are in the best position to observe and participate in their leader's leadership practices.

To gather information, researchers sent out anonymous questionnaires to a sample of 500 personnel, including team leaders and their direct reports. Paper surveys and online polls were used to compile the data. The sample was chosen using a non-random process that included the input of subject matter experts. Judgment sampling has been used in the selection process.

RESULTS

The study's dependent variable (Team performance) was linked to the independent variables using a correlation analysis (Transformational Leadership Style). The effect of transformational leadership on team performance was analyzed using linear regression. Descriptive and inferential statistics were used to examine the data.

The study's overarching goal was to employ correlation analysis to find a causal relationship between the dependent variable and the independent factors. Transformative leadership was shown to have a strong link to enhanced team performance. There is a solid link between a leader's ability to inspire and

the success of their team. The relationship between the transformative leadership dimensions and team output was also examined. Idealistic Influence (A), Idealistic Influence (B), Inspiring Motivation (Motivation), Intellectual Stimulation (Insight), and Personalized Consideration (Consideration). Table 1 displays the outcome of these associations. According to Table 1, a positive and statistically significant correlation between a leader's ability to inspire and motivate their team's performance exists. Inspiring a shared vision, fostering innovation and growth, bolstering confidence and acknowledging team efforts are all examples of leadership behaviors that encourage the individuals to carry out the tasks in a team setting, as shown by the findings.

Transformational leadership style was employed as the independent variable in a correlation analysis with team performance as the dependent variable; the findings indicated a positive and significant association between the two.

Linear regression analysis

To find out how the independent variable affected the dependent one, a linear regression analysis was conducted. Tables 2 and 4 show the results of the linear regression analysis. Table 2 displays the R and R² values. A strong amount of correlation is shown by the simple correlation's R value of 0.792. The R² number demonstrates the degree of dissimilarity between the two factors. A significant 64.2% may be accounted for here.

Table 1. Correlations among transformational leadership subscales and team performance

Team performance		Idealized Influence (attributed)	Idealized influence (behavior)	Inspirational motivation	Intellectual stimulation	Individualized consideration	Transformational leadership
Team performance							
Pearson Correlation	1	1.000"	0.572"	0.529"	0.526"	0.592"	0.778"
Sig. (two-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	
N	54	54	54	54	54	54	54
Idealized Influence (attributed)							
Pearson Correlation	1.000"	1	0.546"	0.532"	0.436"	0.552"	0.724"
Sig. (two-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	
N	54	354	354	354	354	354	354
Idealized influence (behavior)							
Pearson Correlation	0.649"	0.522"	1	0.429"	0.486"	0.502"	0.712"
Sig. (two-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	
N	54	354	354	354	354	354	354



Inspirational motivation							
Pearson Correlation	0.520						
	"	0.530"	0.472"	1	0.453"	0.513"	0.719"
Sig. (two-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	
N	54	354	354	354	354	354	354
Intellectual stimulation							
Pearson Correlation	0.539						
	"	0.452"	0.477"	0.450"	1	0.465"	0.774"
Sig. (two-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	
N	54	354	354	354	354	354	354
Individualized consideration							
Pearson Correlation	0.598						
	"	0.542"	0.502"	0.521"	0.475"	1	0.753"
Sig. (two-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	
N	54	354	354	354	354	354	354
Transformational leadership							
Pearson Correlation	0.778						
	"	0.724"	0.712"	0.719"	0.774"	0.753"	1
Sig. (two-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	
N	54	354	354	354	354	354	354

The following table shows how well the regression equation matches the data., an ANOVA table. Table 3 displays the findings from the ANOVA. It's also known as a model-fitting outcome. According to Table 3, the regression model is a reliable predictor of future team performance. This shows that the regression model has strong statistical support. When the sig value is less than 0.05, it indicates that the dependent variable may be accurately predicted by the regression model. Table 4 displays the regression model's coefficient results. Standardized B = 0.781 (p 0.01) indicates that a transformational

leadership style is associated with improved team performance. This finding indicates that teams led by transformative leaders see a large uptick in performance (78.1% higher, to be exact). That's why having a transformative leader on your team can make such a difference in how productive everyone is. Effective teams rely on leaders who can inspire and motivate their members to achieve shared goals. discovered the qualities of a transformative leader include helps groups and individuals improve their practices our findings revealed the same.

Table 2. Model summary

Model ^b	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.792 ^a	0.692	0.642	0.489

Notes: ^a Predictors: (Constant): Transformational Leadership; ^b Dependent Variable: Team Performance

Table 3. Model fit results

Model	Sum of Squares	ANOVA ^b		F Sig	Sig.
		Df	Mean Square		
Regression	15.696	3	5.932	17.314	0.000 ^a
Residual	32.994	351	0.094		
Total		354			

Notes: ^aPredictors: (Constant), Transformational Leadership; ^bDependent Variable: Team Performance

Table 4. Regression coefficients

Model	Unstandardized Coefficients		Coefficients ^a Standardized Coefficients		T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta				Tolerance	VIF

1 (Constant)								
Transformational Leadership	1.125	0.110	0.781		7.705	0.000	0.636	1.412

Note: ^aDependent Variable: Team Performance

The following is the discussion in this research:

1. First, the relationship between a leader's transformational style, staff motivation, and job happiness and performance. Motives such as pride in work, personal improvement, career progression opportunities, and a genuine interest in what one does all contribute to what psychologists call "intrinsic" or "task-related" motivation. Extrinsic motivation, on the other hand, refers to things like pay, relationships with coworkers, technical supervision, corporate rules and administration, working conditions, status, personal life issues, and job security that have nothing to do with the actual work itself. Working in an office environment means interacting with colleagues and superiors, learning and adhering to company regulations and procedures, maintaining high levels of productivity, and dealing with less-than-ideal working environments, among other things. The degree to which an employee enjoys his or her work depends on a variety of factors that are themselves distinct from one another. According to the results of a

study titled "Transformational leadership style: a boost or impediment to team performance in the IT industry," Leadership style greatly influences the effectiveness of a group's work. The effectiveness of transformational leaders in improving team performance and, by extension, organizational production, has been well documented. One of a company's most significant resources are its employees.

2. The link between intrinsic motivation and productivity in the workplace. Work motivation has an average of 48.6, placing it in the "Strong" category. This indicates that the responders are very motivated to work. A person's level of motivation for a certain task may be increased by several means. Hence, it is common to attribute an individual's actions to their level of motivation. It is clear from the preceding discussion that when employees' expectations are met, they are motivated to perform up to their full potential. This holds true regardless of whether the incentive comes from a raise in pay or improved working relationships with coworkers.



3. Third, how contentment in one's work affects one's productivity The median level of work satisfaction is 52.9, which falls within the Very High range. To put it another way, we discover that when work satisfaction is high, performance is also high. The job entails dealing with colleagues and supervisors, adhering to regulations and procedures, maintaining performance levels, enduring less-than-ideal working circumstances, and similar things.
4. Transformative leadership and its effect on staff productivity Hence, we conclude that a transformational leadership style is most effective in hospitals in inspiring staff members to work for lofty, long-term objectives. Leadership is the practice of using communication to influence, direct, teach, motivate, inspire, generate power, and issue orders to other individuals or groups in order to promote the status quo of an organization and bring about the desired changes in behavior and outcomes. The quality of an organization's leadership is closely correlated with how successful it is, which in turn determines the level of productivity, job satisfaction, and loyalty among its staff. The quality of an organization's leadership is a critical aspect in determining an organization's ability to fulfill its goal. A leader's quality can be gauged by their ability to (1) understand the factors that are the organization's strengths; (2) recognize the organization's weaknesses; (3) capitalize on existing opportunities; (4) eliminate various threats; (5) be proactive and anticipate change; (6) inspire their subordinates to work effectively; and (7) foster an environment that promotes efficiency, effectiveness, and productivity.

CONCLUSION

The purpose of this study is to report the findings of research into whether or not a transformational leader's approach helps or hinders team performance in the information technology field. A transformative leader may improve their team's output in various ways. This was further supported by the results of the study. Previous studies and the results presented here show that transformative leadership has a favorable and immediate impact on team performance. The findings of this study support the idea that teams led by leaders with a transformational approach are more likely to achieve their goals and produce higher quality work as a unit. By a more personal approach and increased focus on employee motivation, this study aids hospital administration in enhancing leadership from management to workers. The effectiveness of the hospital's staff may be enhanced with more direction from the administrators. Hospital administration should actively promote career advancement via functional roles to all staff members. Management is also open about the hiring process.

REFERENCE

1. Alfifilan Ayman Abdulrazaq et.al "The Relationship Between Transformational Leadership Style And Employees Performance" December 2020 | Vol. 3 Issue. 7
2. Chen, Y., Ning, R., Yang, T. *et al.* Is transformational leadership always good for employee task performance? Examining curvilinear and moderated relationships. *Front. Bus. Res. China* **12**, 22 (2018). <https://doi.org/10.1186/s11782-018-0044-8>
3. Asst Prof Agron Hoxha "Transformational and Transactional Leadership Styles on Employee Performance" International Journal of Humanities and Social Science Invention (IJHSSI) ISSN (Online): 2319 – 7722, ISSN (Print): 2319 – 7714 www.ijhssi.org || Volume 8 Issue 11 Ser. III || November 2019 || PP 46-58



4. Godson Kwame Amegayibor
“Leadership styles and employees' performance: A case of family-owned manufacturing company, Cape Coast”
International Journal of Financial, Accounting, and Management (IJFAM) ISSN 2656-3355, Vol 3, No 2, 2021, 149-164
5. Purit Pongpearchan “Effect of Transformational Leadership and High-Performance Work System on Job Motivation and Task Performance: Empirical Evidence from Business Schools of Thailand Universities”
Journal of Business and Retail Management Research (JBRMR) Vol. 10 Issue 3

