



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

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ABSTRACT

Leaders are examples to follow, and their influence permeates an organization's beliefs, practices, and procedures. The leadership styles of those in charge have a direct impact on the efficiency and effectiveness of their teams. The purpose of this research is to analyze how different types of leadership in the IT sector affect the efficiency 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, it increases the understanding of academics and practitioners on the leadership style that leads to increased team performance by studying an ensemble of transformational leadership styles. 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

163

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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) This study set out to determine the effect that various styles of management had on output at a family-owned, small manufacturing. The research employed a census sample strategy to collect data from 400 workers, an interview schedule, multiple linear regression, and the Statistical Package for the Social Sciences (SPSS) 16.0 versions for data analysis and interpretation. The findings suggest that an employer's authoritarian, charismatic, or paternalistic management style may have a negative impact on workers' productivity. 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. The study only looked at nine different types of leadership and their effects on productivity, 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.

Alfililan 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 abduallah 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) Comparison of transformational and transactional leadership styles on employee output was the focus of this study. The sample was gathered from a Malaysian telecommunications business and included 333 managers and employees from a wide range of levels, departments, job functions, gender, and educational backgrounds. Both the MLQ and the EP scale were used to evaluate the participants. Transformative leadership has been shown to have a positive effect on organizational outcomes. 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. In order to close this gap, we must make an effort to rethink the relationship between transformational leadership and workforce performance. 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, we believe that an employee's proactive personality moderates the curved effect of transformational leadership on workers' productivity by using social cognitive theory. The inverted U-shaped association between transformational leadership and workers' job performance was mediated by employees' proactive personality, as predicted by a study of data from 209 supervisor-subordinate interactions in China.



Consequences, both theoretical and in the real world, are examined.

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

The MLQ developed by Bass, Mind Garden, was used to assess the transformational leadership style. From the MLQ "expanded version," twenty elements of transformational leadership were gleaned. The 20-item scale covers five dimensions with four questions each. Twenty factors characterized transformative leaders: idealized influence, idealized influence, inspirational motivation, intellectual curiosity, and intellectual curiosity.

165

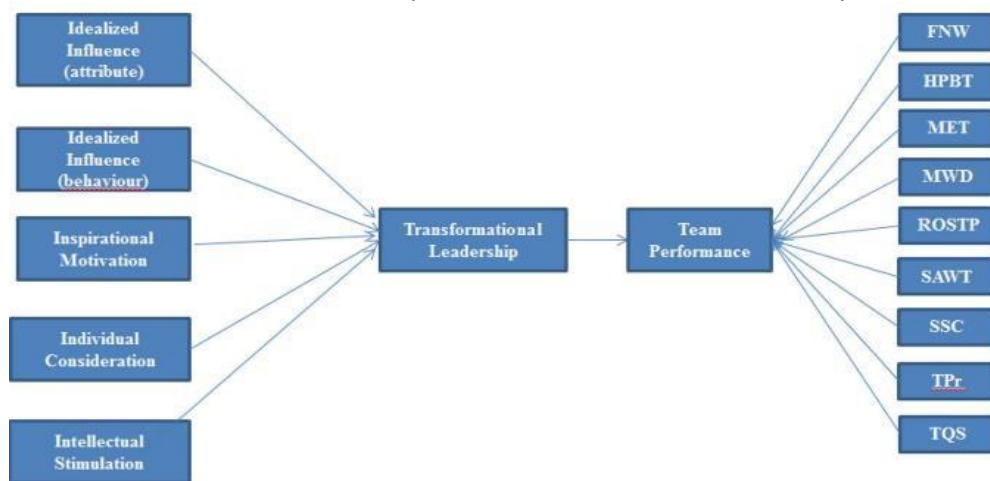


Figure 1. Proposed conceptual model

an increase in brain activity (4 stimulants) and special care (4 items). Using a five-point Likert scale, respondents were asked how much they agreed or disagreed with each item measuring transformational leadership style.

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. Combinations of descriptive and inferential statistics were used to examine the data.

The study was conducted to determine whether or not there was a correlation between the dependent variable and the independent factors. The study indicated that transformational leadership was highly connected with enhanced team performance. Strong correlation ($r=0.778$, $p<0.01$) between transformational leadership and team output. Also, the study looked at how the many dimensions of transformative leadership affected team output. Idealistic Influence (A), Idealistic Influence (B), Inspiring Motivation,

Intellectual Stimulation, and Personalized 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. It demonstrates that the presence of these elements motivates the team to perform at a higher level for the sake of the organization's goal, and that leadership behaviors such as inspiring a shared vision, fostering innovation and growth, bolstering confidence, and recognizing the team's efforts motivate the individuals to work together to complete the tasks at hand.

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

The connection between Transformational Leadership and Team Performance was analyzed using a Linear Regression Model. Tables 2 and 4 show the results of the linear regression analysis. Table 2 displays the R and R² values. The R value of 0.792 for the straightforward correlation suggests a very high degree of connection. 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 next table, an ANOVA table, displays the results of testing how well the regression equation fits the data. 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. The coefficient findings from the regression model are shown in Table 4. 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		Collinearity Statistics		
	B	Std. Error	Beta	T	Sig.	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," there is a significant and favorable correlation between leadership style and team output. It has been shown that transformational leaders are very useful in enhancing team performance, which in turn boosts organizational output. 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 effectiveness of a business is directly proportional to the quality of its leadership, which in turn determines the level of productivity, job satisfaction, and loyalty among its staff. The level of an organization's leadership is one of the most crucial aspects in determining its ability to accomplish its goals. Indicators of a leader's quality include the leader's ability to understand the factors that are the organization's strengths and weaknesses, capitalize on opportunities, eliminate threats, be proactive and anticipate change, encourage subordinates to work at peak efficiency, effectiveness, and productivity, and create a conducive working environment.

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.

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