



## A Study on Overview of Leadership Styles and Organizational Performance

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### ABSTRACT:

The aim of present study is to determine the Impact of Leadership on Organization performance at Dr. Narla Tata Rao Thermal power station (APGENCO) Vijayawada. The researcher has used both primary and secondary data. The secondary data obtained from the research papers, magazines articles and company journals and the textbooks related to leadership, organization behaviour and organization performance. The primary data were collected through the interviews and surveys conducted on employees of Dr. Narla Tata Rao Thermal Power Station (APGENCO). The study used stratified random sampling technique. Overall 150 questionnaires were distributed out of 150 questionnaires 110 were properly filled and valid questionnaires were used for the data analysis. The sample size of the study is 110 and study found that there is a significant relation between the impact of leadership on organization performance at Dr. Narla Tata Rao Thermal Power Station (APGENCO).

Key words: Leadership, Leadership styles, Organization Performance.

### Introduction:

Leader is a person who knows the path, who shows the path, who gives the path and leadership is a process of where a person is going to influence the group of persons towards attainment of the common objective. Success Long-term and short-term objectives are important in the globalised world. Long-term objectives necessitated trained labour, and the vision for technology required distinctive goods and services. There is always a direction toward vision for boosting the total value and efficiency in order to attain the above objectives. A leader is needed to support that vision and the completion of the objectives. In a volatile economic environment s (Chen et al. 2019). In an organization in terms of attainment of objectives and goals effectively and efficiently depends upon the managers and the leadership styles they adopt (Mokgolo, Mokgolo, & Modiba, 2012).. Most of the organizations fails due to ineffective leadership style opted by the management in that scenario the workers in the organization are not well organized or controlled and all these factors may arise the problems such as increase in the cost of production, poor employee turnover, low productivity, employee absenteeism etc. Some organization may face lack of competent leaders and in few organizations although competent leader but not willing to work etc.

In present scenario most of the companies are facing the problems in ethical issues such as high employee turnover and low organization performance etc. for resolving the issues the organization has to adapt the best leadership style to enhance the organization performance or to attain the objectives. There are several leadership styles such as Autocratic leadership, Democratic leadership, Laissez faire leadership, Transactional leadership, Transformational leadership, Charismatic leadership, Hybrid leadership but for the current study Autocratic leadership, Democratic leadership, Transactional leadership, Transformational leadership styles were used to conduct the research or study.

### Types of leaderships:

The leadership style is a leader's method to plan the works and implements the plans and directs the team towards the goal is termed as leadership style or method. Several researchers state that there are various types of leaders in organization, however the leadership style for every organization is designed and followed by the culture to attain its goals and objectives. (Odeiran and Babalola, 2015). The leadership style was identified includes Autocratic/ Authoritative, Democratic/ Delegation, Transactional and transformational leadership

**Autocratic Leadership:** Autocratic leaders are very authoritative in nature and the autocratic leader has the power to take control and decision making in the organization. They take the own decision without consulting the sub-ordinates. They have ultimate power to perform actions and these type leaders has a close supervision on the employees these style of leadership reduces the employee morale which in turn leads to employee dis-satisfaction and impacts the employee turnover.

**Democratic leadership:** Democratic leadership is also called as participative leadership. In the democratic style of leadership, the leader considers the ideas of subordinates and also involve them in the decision making process. Where the employee feel valued about his word and work and the democratic leadership style helps to accept the change in the organization structure or employees easily because they has a big role in the process.

**Laissez Faire leadership:** Laissez faire leadership is also referred as free-rein leadership. This style of leadership is only for the physical purpose but in fact the leadership was absent. In this style of leadership the leaders are unable to take the responsibilities and unable to co-ordinate the activities or duties and he hesitate to take action. The decision making was done by the employees and the power flows in a decentralized manner from low level management to top level management.

**Transactional leadership:** Transactional leadership is most commonly used leadership style in the present scenario. Many of the organizations are adopting the transactional leadership style its nothing but action reward policy team-a team is going to perform a specific action and going to rewarded for the particular task

**Transformational leadership:** Transformational leadership style mostly concentrates on improving the capabilities and functions of the work force in this style of leadership leaders push or force the subordinates to enhance or update their knowledge for the purpose of their career and organization work flow

#### **Research Objectives:**

To evaluate association between leadership and organizational performance.

To examine the influence of leadership on the organizational performance at Dr. Narla Tata Rao Thermal Power station (APGENCO)

#### **Research Hypothesis:**

H0: There is no significant impact of leadership on Organization performance.

H1: There is significant impact of leadership and Organization Performance.

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#### **Research Methodology:**

The Objective of the study is To examine the influence of leadership on the organizational performance at Dr. Narla Tata Rao Thermal Power station (APGENCO). ). The study used both primary and secondary data. The secondary data obtained from the research papers, magazines articles and company journals and the textbooks related to leadership, organization and organization performance. The primary data gathered through the interviews and surveys conducted in Dr. Narla Tata Rao Thermal Power Station (APGENCO). The study used stratified random sampling technique. Overall 150 questionnaires were distributed out of 150 questionnaires 110 were properly filled and valid questionnaires were used for the data analysis. The sample size of the study is 110 and study found that there is a significant relation between the impact of leadership on organization performance at Dr. Narla Tata Rao Thermal Power Station (APGENCO). The responses are drafted in Excel sheet and analysed through Spss and the study used Regression analysis to analyse the data

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#### **Literature review:**

##### **Leadership:**

**Kotler (1990)** argues that leadership is more about providing direction, bringing people together, inspiring, and motivating others. Long-term results and the organization's future objectives are important to the leadership. Leadership is more about the people and less about the work. Leaders frequently apply many of the same abilities and passions to excellent use, but frequently with better results because they put their attention on things like finding solutions—not problems—to difficulties, managing changing circumstances, succeeding in spite of organisational structures, and motivating staff to reach their objectives.

Through motivated and enthusiastic followers who share their passion, vision, and direction, leaders accomplish their goals. Good leaders are at ease questioning the existing quo and coming up with effective, long-lasting answers to problems. Good leaders are always evaluating themselves and using their education, training, and experience to get better. The most effective leaders are always working to hone their leadership abilities. (Clharehbaghi and Mcmanus, 2003)

**Gil et al. (2005)** present an alternative viewpoint. They believe that the idea that both leaders and managers use a combination of leadership and management behaviours to guide day-to-day operations efficiently (a function traditionally associated with management) while simultaneously

anticipating and managing change, is far more realistic. This leads to the straightforward realisation that managers of modern and future organisations cannot solely rely on their management and technical talents, which are typically referred to as hard skills. (Koh and Low, 2008) they'll need to know more about soft talents and leadership qualities. In order to succeed in the modern business world, managers must strike a balance between their management and leadership skills. This will allow them to not only meet performance standards but also to foster harmony within their teams, which will enable them to develop successful and forward-thinking organizations. This discussion is not intended to demonstrate that managers are inferior to leaders or that only leadership skills can provide the best answer to today's company problems. The authors contend that management is not the only solution. Managers should combine management and leadership so they may take advantage of both worlds' advantages.

### ***Organization Performance :***

Performance is described as the degree of a person's work achievement after exerting effort in their European Journal of Economics and Finance and administrative (2009). They also provide the opinions of Cummings and Schwab on the subject, who think that performance is essentially an individual phenomena and that external factors primarily affect performance through their impact on the personal factors that determine motivation and ability to perform well. that it is well acknowledged that effective organisations require strong leadership, and that when this is neglected, the performance of the organisation suffers. In light of the aforementioned, once again declare the opinion of the person who established the relationship between high performance and leadership in the United States by creating a charismatic/transformational leadership model where the behaviour of the leaders is described.

### ***Measuring organization performance:***

Efficiency is the ratio of pertinent outputs to pertinent inputs, whereas organisation is about getting the desired result. This may comprise expenses and actions per processor cycle. Performance assessment is used to inform organisational decision-making and track the necessary advancement toward achieving the goals set forth in the strategic plan and action plans. How well a company achieves its goals is one of the most valuable markers of organisational effectiveness. Comparing actual results to predetermined targets and predicted objectives like profit and innovation to actual outcomes are two ways to gauge an organization's performance.

**According to Ireland, Cantens, and Yasuf (2011)**, it is impossible to give a single illustration of the best or superior performance measurement approaches. This is due to the fact that organisational priorities and mission statements fluctuate depending on their surroundings. Additionally, a complete list of all potential measuring indications cannot be provided. Owino, Oluoch, and Kimemia's (2019) argument that performance assessment is not just used to assess if activities are being completed successfully but also whether it aids in decision-making, supports this idea. Similar to this, performance measurement needs to offer meaningful and worthwhile data that is both ubiquitous and thorough. Performance data from the measurement should be both quantitative and qualitative.

### ***Leadership and Organization Performance:***

Leading is the process of influencing and guiding an organised group's efforts to achieve objectives by interacting with them. Since interpersonal relationships are the foundation of leadership, a leader must be a member of a group. This suggests that in an organization, leadership thrives.

**Adebakin and Gbadamosi (1996)**, Organizations consist of two or more persons who exist continuously with the aim of achieving a specific goal. Every company consists of three main components, and for the leadership's objectives and goals to be successful, they must properly interact with one another and achieved. They are time, people, tasks, and management. Leadership is a managerial function that focuses on finding the best ways to persuade subordinates to achieve goals and objectives while coordinating people, money, and resources continuously. It includes an executive's entire pattern of behaviour in interactions with direct reports. To some extent, the effectiveness in attaining an organization's goals and objectives is determined by management, which is the body of leadership that establishes the policies, regulations, and procedures that govern interactions and activities in a workplace. Wherever two or more people interact, a group-forming atmosphere is produced. Organization occurs when group members cooperate and work together for a common goal over the course of a considerable amount of time

A group's leader's responsibilities include setting the group's direction, organising its members' individual activities, and ensuring consistency. The way a subordinate is organised and behaves while carrying out their duty reflects the leader's style and level of leadership. Thus, the leader determines the pattern of work behaviour, task operation, and ethnicity of subordinates by the application of his organising power. Employee productivity and organisational excellence depend on effective leadership. In order to find effective leadership, organisations invest a lot of money training their staff in effective leadership techniques. Effective leadership is also very scarce, which is why businesses are continuously looking for it to guide them

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## **Conclusion**

The study has examined impact of leadership on organization performance. The researcher has focused on only five leadership styles, Autocratic, Democratic, Laissez faire, Transactional and Transformational leadership. Most of employees in the organization perceived that leader is more autocratic and from the above practical evidences, it is concluded that autocratic leadership has positive impact on organization effectiveness.

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## Limitations and Future Implications

The research was conducted to examine the impact of leadership on organization performance. For the purpose of research, the researcher has considered only Top and middle level management and employees of the organization to conduct the study. The study is confined to only power sector of DR. Narla Tata Rao thermal power station located at Vijayawada and the sample size is very limited to 110 for more accurate data could be analysed if the sample size is increased extending to each sector individually. The future researchers can conduct their study by considering few other variables by comparing with other variables and the research can also be conducted in other parts of India.

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