

# Required Leadership Traits for an Organizational Success

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## Abstract

‘Managerial Leadership’ takes an Organization to greater heights, towards the achievement of vision and mission of the Organization. The study aims to assess the perception of the employees about leadership effectiveness in relation to the employee’s satisfaction at BHEL. The study also identifies areas of strengths and need for the improvements in different aspects of leadership which may help in improving the satisfaction level of the employees and hence, better performance at the work place. The LSQ (Leadership Survey Questionnaire) has been used to identify Leadership styles in the organization. The LSQ was sent to the different executives at both the sites and at the Head quarter. The study was conducted at the executive level (E1-E8) at 35 sites. The study concluded that a statistical significant relationship exists between transformational leadership and some factors of employee satisfaction. It found that

a statistically significant relationship exists between leadership style and employee satisfaction levels in BHEL.

**Keywords:** transactional, transformational, Laissez-Faire, employee satisfaction, managers

## 1. Introduction

A process by which a person influences others to achieve their goals on or before time is known as leadership.

Leadership Styles

Following are the three most famous leadership styles:

A. Transactional Leadership: This style of initiative starts with the partners agreeing to consent to their pioneer totally when they acknowledge a situation on: the "transaction" is (as a rule) that the affiliation pays the associates, as a final product of their effort and consistence.

Partners can do little to improve their action satisfaction under transactional authority. The pioneer could give partners some control of their compensation/remunerate by using inspirations that empower substantially higher measures or more critical productivity.

B. Transformational Leadership: Transformational Leadership accentuates practices that rouse and support others. It is a model of Leadership that addresses both the difficulties of a quickly changing condition and the need to sincerely draw in everybody inside the association.

Transformational Leadership is about a scope of practices that include:

- Developing and sharing a rousing vision of the association's future.
- Behaving in ways that draw out the best in people and groups.
- Showing goodness concern and regard for others.
- Continuously putting resources into the improvement of themselves as well as other people.
- Developing a culture of coordinated effort as opposed to summon and control where change is invited as an open door instead of a risk.
- Recognizing that leadership should be shown on occasion by everybody in the association.

C. Laissez-Faire Leadership: The laissez faire style is some of the time portrayed as a "hands off" leadership style on the grounds that the pioneer gives practically zero heading to the supporters.

The attributes of the laissez faire style include:

- Allows adherents to have finish flexibility to settle on choices concerning the

fulfillment of their work.

- The pioneer gives the supporters the materials they have to achieve their objectives and answers inquiries to the adherent's inquiries.

## 2. Literature Review

Goldenhar et al. (2019) The Foundations for Safety Leadership (FSL) module fills a needed skills gap by providing safety leadership training to all foremen who might otherwise not have access to it through their company or union. The continued success of the FSL training will be ensured by dissemination via the OSHA 30-h course, an established nationwide safety training program.

Lapena et al. (2018) Findings indicate that transformational and transactional authority styles of medical caretaker supervisors were associated to attendants' activity fulfillment. The finding explains that FNs were fulfilled in their expert self-rule, workplace, and work task however reasonably fulfilled in work benefits. Besides, the outcomes show that administration styles are identified with the general occupation fulfillment of among medical attendants.

Hassan et al. (2018) The findings revealed that there was a positive and noteworthy connection between authority styles. Components under transformational initiative styles (romanticized impact, scholarly incitement, uplifting inspiration and individual thought) were likewise tried utilizing numerous relapse examinations against worker fulfillment. It was discovered that uplifting inspiration was the most powerful factor towards worker fulfillment. Additionally, components under transactional initiative (unexpected reward, detached avoidant and administration by-special case) were tried against work fulfillment and it was discovered that unforeseen reward anticipated worker work fulfillment.

Odermatt et al. (2017) Results showed that members announced more noteworthy gathering fulfillment when their gathering pioneer was surveyed as a circumspect manager, with the connection between chivalrous administration style and meeting fulfillment being interceded by both social and errand situated gathering methodology. The outcomes, in any case, give no help to starting structure being related with meeting viability measures. For the most part, the discoveries suggest that administration conduct is an essential factor in clarifying vital gathering results.

Sudha et al. (2016) The results revealed that transactional style has affected both the result factors straightforwardly and in addition in a roundabout way more than the other two initiative styles. The investigation adds to the meagerly investigated aberrant linkages of aggregate adequacy on initiative styles, viability and prosperity.

Kumari (2015) The addition in the level of passionate insight of workers brings about a greater amount of shared help, regard and gaining from each other. Among eight clashes determination styles, bargain (approach) and dispersion (shirking) styles are fundamentally anticipated by passionate knowledge. Dispersion is observed to be best anticipated by passionate insight. The workers in the examination had better than expected level of

passionate knowledge and are decidedly and essentially identified with their execution in the association. More elevated amount of passionate knowledge drives workers towards arrangement with association's objectives and goals.

Wiza & Hlanganipai (2014) The study uncovered that transformational organization style has a basic and positive relationship with loaded with feeling and term delegate obligation while transactional activity style has vital and positive relationship with simply institutionalizing obligation. In view of the discoveries of the examination, it is significant that authority styles assume an essential part to an employees` authoritative duty and it is vital for hierarchical strategy creators to think about this with a specific end goal to meet authoritative objectives.

Kumari (2013) the general HRD atmosphere of Spanco is empowering. There is a distinct fascination of best administration in HRD and there is a high solidarity and representatives consider preparing important. Hierarchical having a place of workers is additionally high. Regardless of such positive base for HRD, HRD component needs spontaneous creation deliberately.

Aydin et al. (2013) The outcomes demonstrated that transformational activity style affected work satisfaction and legitimate obligation of instructors firmly. It was assumed that as the specialist style of regulators changes from transactional to transformational, the level of occupation satisfaction and progressive obligation of teachers' rose.

Kumari (2011) The examination estimated the level of representative fulfillment at Tata Steel. Preparing was the factor which added to worker fulfillment more than different elements. Alternate measurements crosswise over which the representative fulfillment estimated were Predominant Subordinate relationship, Role, Culture, Vocation Improvement, Objectives and Inspiration.

Buciuniene & Skudiene (2008) The findings of the study uncover positive relationships between's a transformational authority style and emotional and standardizing representative responsibilities. A free enterprise initiative style was observed to be contrarily connected with representatives' full of feeling responsibility.

### **3. Research Methodology**

#### *3.1 Need of the Study*

At BHEL and at PSNR, a quantum jump has been seen in financial & physical turnover and order book which is going to demand a change in the working styles and the business processes. This change shall be made possible by Leadership at all levels. How the Leaders viz. GM's, CM's, HOD's and HOS's and all those who manage a team of employees drive the change shall play a dominant role in future of the organization. One may be a good manager, but it is the Leader who drives the change and inspires employees to go beyond their capabilities.

In view of the above and as part of approach to Business Excellence, it is necessary to understand the levels and styles of leadership existing at various levels through perception of the executives about their immediate superiors. This would help in knowing the gaps and

plans for improving Leadership styles.

The Service-Profit-Chain was used as a basis to argue the research topic which looks at the relationship of leadership and employee satisfaction.

### *3.2 Objectives of the Study*

- To study different leadership styles adopted by the managers at different sites of the organization.
- To assess the perception of the employees about leadership effectiveness in relation to the employee's satisfaction at BHEL (PSNR).
- To identify the areas of strengths and need for the improvements in different aspects of leadership.

### *3.3 Data Collection*

The Multifactor Leadership Questionnaire (MLQ) has been used. The questionnaire measures deferent factors of transformational and transactional leadership. A quantitative survey was conducted among the executives (E1-E8 level) of BHEL (PSNR).

### *3.4 Research Tool*

A structured questionnaire with closed ended questions was used to capture the responses. These questions were measured on 5-point likert scale with options ranging from strongly agree to strongly disagree. The questionnaire mainly focused on measuring the three skills included in leadership survey i.e., transformational skills, transactional skills and laissez faire.

### *3.5 Sampling Technique*

The questionnaire was filled by the employees of BHEL who were selected on the basis of random sampling.

### *3.6 Area of Study and Sample Size*

The MLQ was sent to the different executives at both the sites and at the Headquarter of BHEL. The study has been conducted on the executive cadre at BHEL (Power Sector Northern Region). The study was conducted at the executive level (E1-E8) at 35 sites. The sample size is 189.

## **4. Data Analysis and Interpretations**

The data was analyzed on the basis of the following parameters: Respondent's age, Respondent's hierarchical level, E&C/Services, Leader's age, Leader's hierarchical level, Location, Thermal/Hydro, and Years of association.

Table 1. Respondent's Age

Sl. No.	Age	Sample	Avg. Transformational	Avg. Transactional	Avg. Laissez	Grand Avg.
1	Less than equal to 40	83	86.11	84.01	86.44	85.52
2	Greater than 40	95	84.15	81.67	85.79	83.87

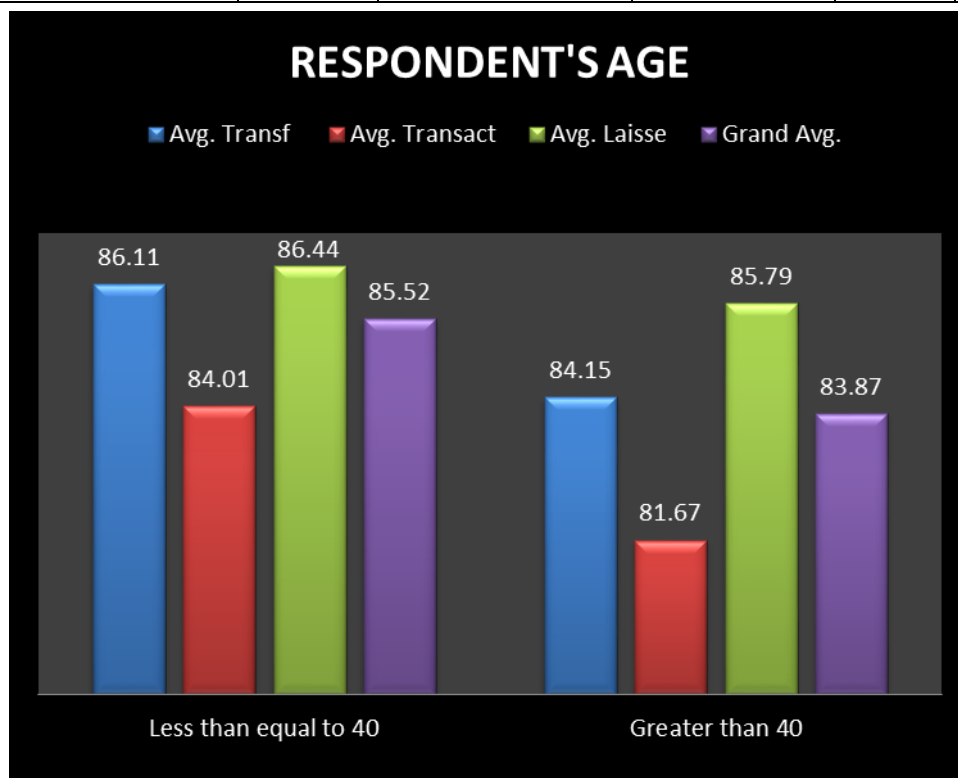


Figure 1. Respondent's age

Interpretations: Overall average for respondent's age <40 and age >40 is not much different (difference <3), conveying that perception about leadership by respondents in both age brackets is same. The transactional score given to leaders by respondents >40 age bracket is higher than that for <40 age bracket. This could be because of the fact that respondents in age bracket >40 have perception that leaders should also focus on the transactional traits. Within >40 years age bracket of respondents, the transactional trait score is lower than transformational (difference >3), confirming the conclusion drawn above that the respondents at >40 years feel that leaders are more balanced towards transformational traits.

Table 2. respondent’s hierarchical level

Sl. No.	Hierarchical Level	Sample	Avg. Transformational	Avg. Transactional	Avg. Laissez	Grand Avg.
1	Less than E5	118	85.26	83.52	85.46	84.75
2	More than E5	55	85.03	82.81	88.16	85.33

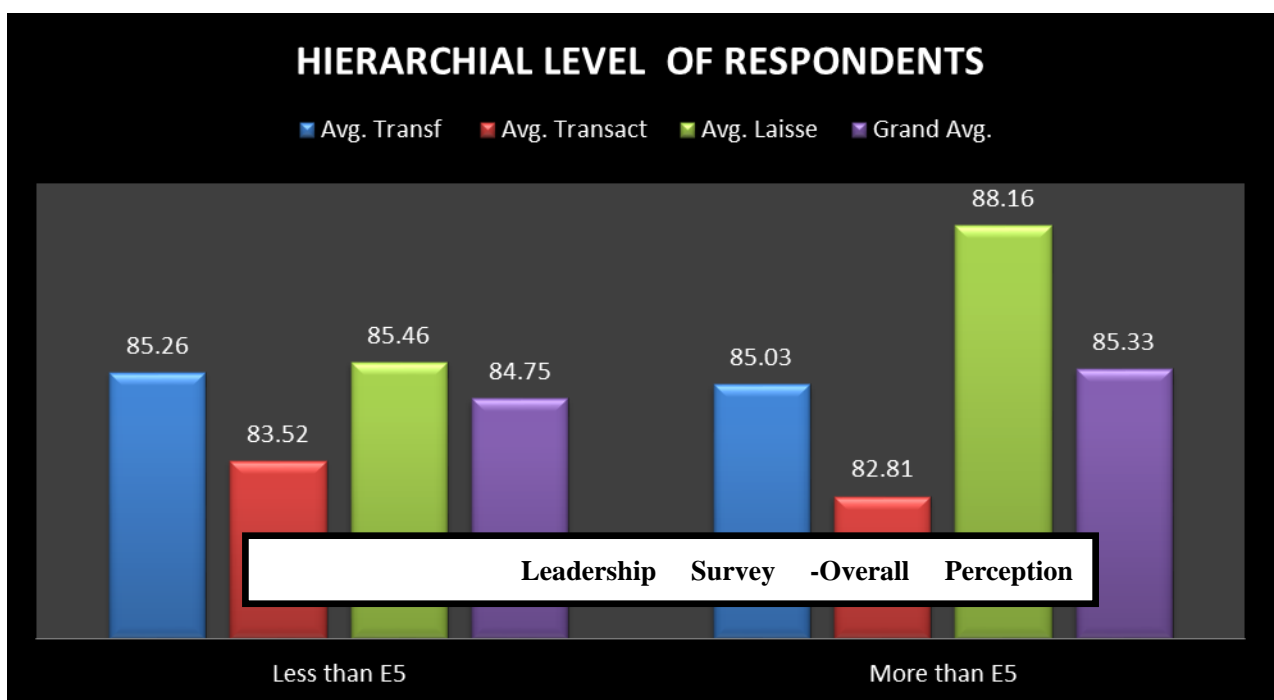


Figure 2. Respondent’s hierarchical level

Interpretations: The overall average and scores on transformational and transactional are same for both less than E5 and more than E5 level of respondents. The Laissez faire score is relatively higher (difference >3) for more than E5 level of respondents. It could be due to:

Respondents at >E5 level have relatively more years of association with leaders because of which the Laissez Faire trait is ignored or not registered.

Expectations of respondents in <E5 level for active role of leader are higher.

Table 3. E/C and Services differences

Sl. No.	E&C/Services	Sample	Avg. Transformational	Avg. Transactional	Avg. Laissez	Grand Avg.
1	E&C	121	85.25	82.73	87.66	85.21
2	SERVICES	34	85.51	85.19	86.01	85.57

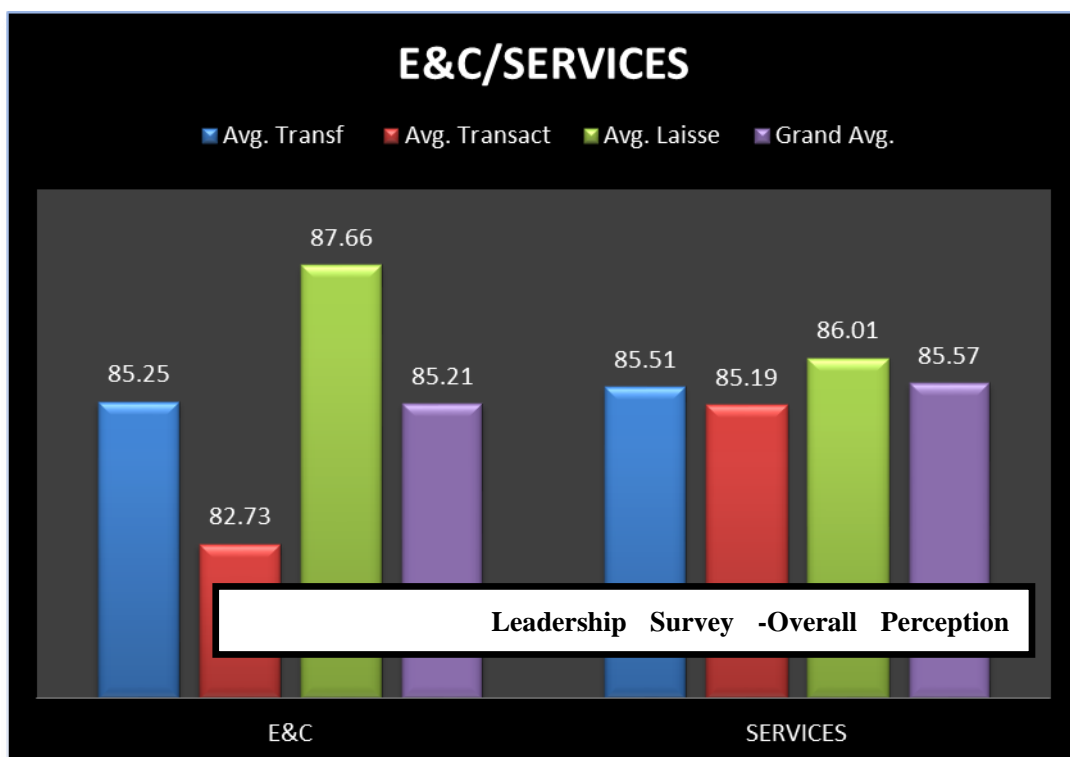


Figure 3. E/C and Services differences

Interpretations: The overall average and scores on transformational and Laissez faire are same for both E&C and Services.

The transactional trait is higher in Services due to:

In Services, the assignments are being handled in a manner that leader (reporting officer) and sub- ordinate are not at same place of work.

In Services, the assignments like trouble shooting and overhauling of jobs demand more transactional trait.

In E&C sites, there could be relatively more closeness amongst people due to stay at one place and may be more “celebrations” at sites and get together occasions.



Table 4. Leader’s age

Sl. No.	Reporting officer age	Sample	Avg.	Avg.	Avg.	Grand Avg.
			Transformational	Transactional	Laissez	
1	21-30	6	84.60	79.65	90.48	84.91
2	31-40	13	87.71	86.65	92.75	89.04
3	41-50	42	86.30	84.20	83.67	84.72
4	51-60	111	84.05	81.72	85.57	83.78

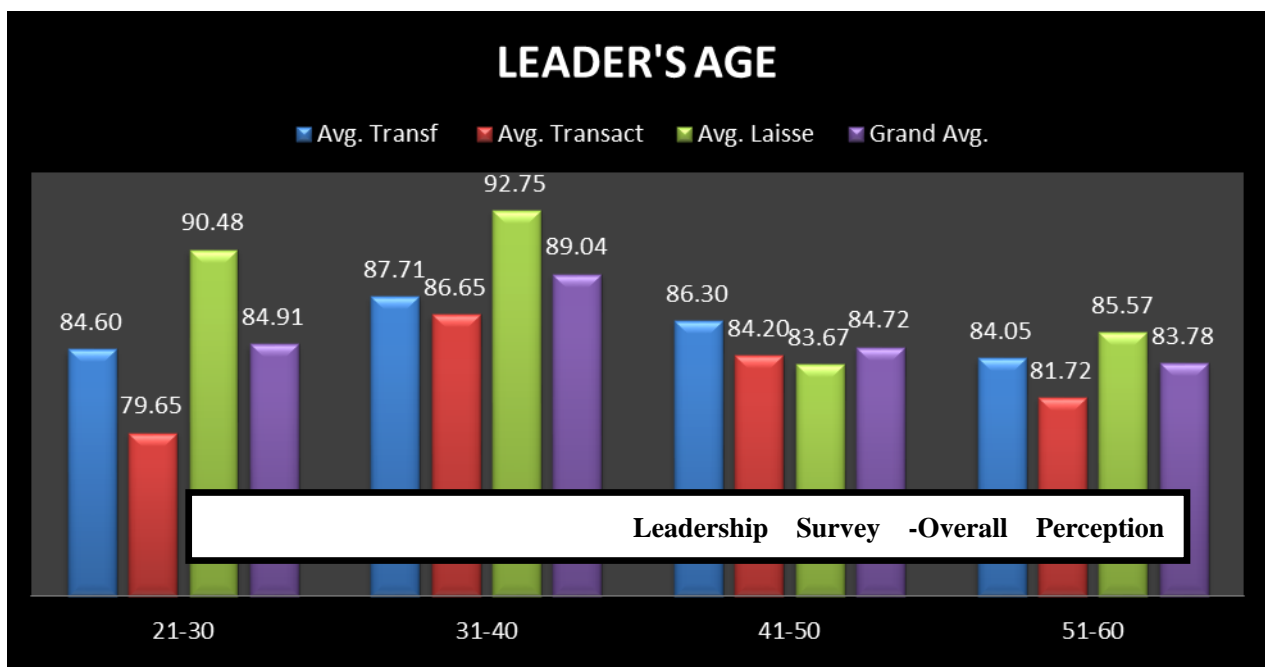


Figure 4. Leader’s age

Interpretations: The sample size for (21-30) and (31-40) age bracket (of the leader) is small. The overall average and scores for transformational and Laissez faire traits for (41-50) and (51-60) age bracket of the leader are same (difference <3). The score for transformational and transactional in absolute terms is lower for leaders in age bracket (51-60) compared to leaders in (41-50) bracket. Positive difference between transformational and transactional within age bracket is higher in (51-60) age bracket. This shows that the leaders in age bracket (51-60) operate relatively more on transformational trait. The score for transactional trait is relatively higher (difference >3) for leaders in (41-50) bracket. Also, the difference between transformational and transactional traits is less in (41-50) bracket.

It could be due to:

Leaders in (41-50) bracket are more balanced amongst the transactional and transformational

traits.

Table 5. Reporting officer's level

Sl. No.	Reporting officer level	Sample	Avg.	Avg.	Avg.	Grand Avg.
			Transformational	Transactional	Laissez	
1	E1	4	88.89	83.07	80	83.99
2	E2	11	86.91	82.90	89.35	86.39
3	E3	3	80.95	82.98	94.29	86.07
4	E4	10	90.60	87.05	85.71	87.79
5	E5	9	87.43	83.08	94.29	88.27
6	E6	33	83.03	83.50	83.72	83.42
7	E6A	22	80.79	78.37	85.84	81.67
8	E7	50	84.01	81.60	83.15	82.92
9	E8	30	90.27	87.24	93.14	90.22

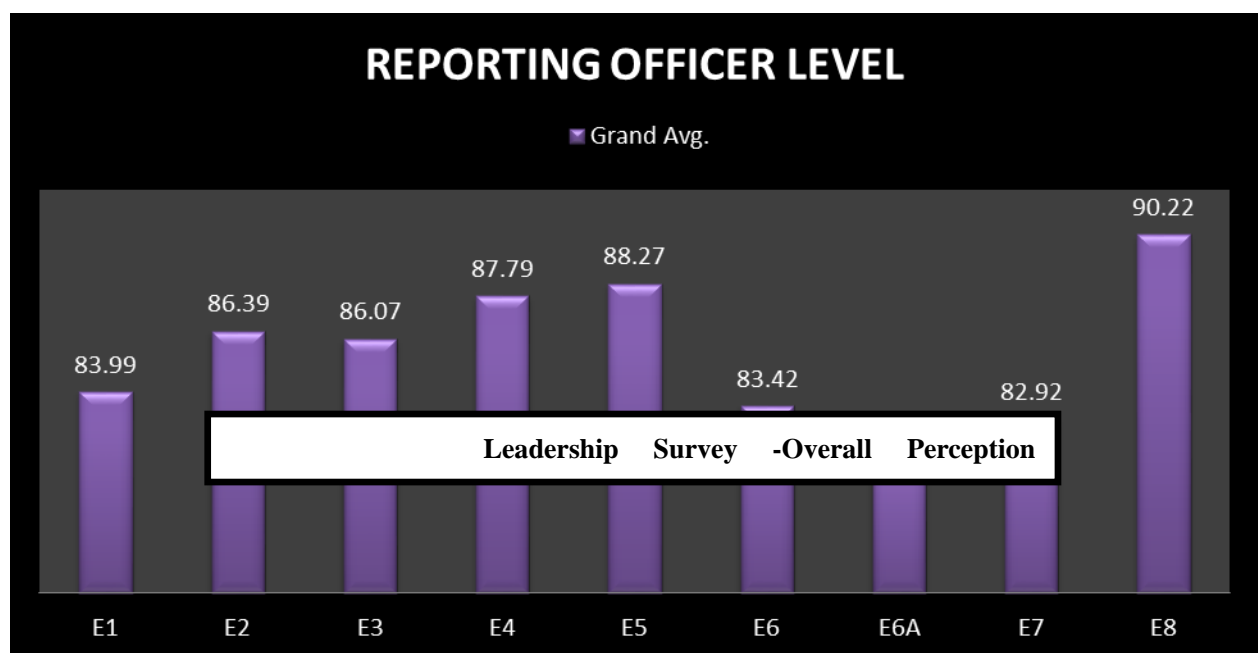


Figure 5. Reporting officer's level

Interpretations: Since the sample size is small (< 11) for leaders in E1 to E5 level, the responses and analysis for these levels are not being considered. The scores for leaders in E6 to E7 levels lies in small range (<3). The score for leaders in E8 category is much higher conveying better leadership skills. This could be because of the selection process of the leaders rising to this level.

Table 6. The site and headquarter differences

Sl. No.	Site/HQ	Sample	Avg. Transformational	Avg. Transactional	Avg. Laissez	Grand Avg.
1	HQ	43	88.10	85.80	87.97	87.29
2	SITE	129	84.52	82.19	86.03	84.25

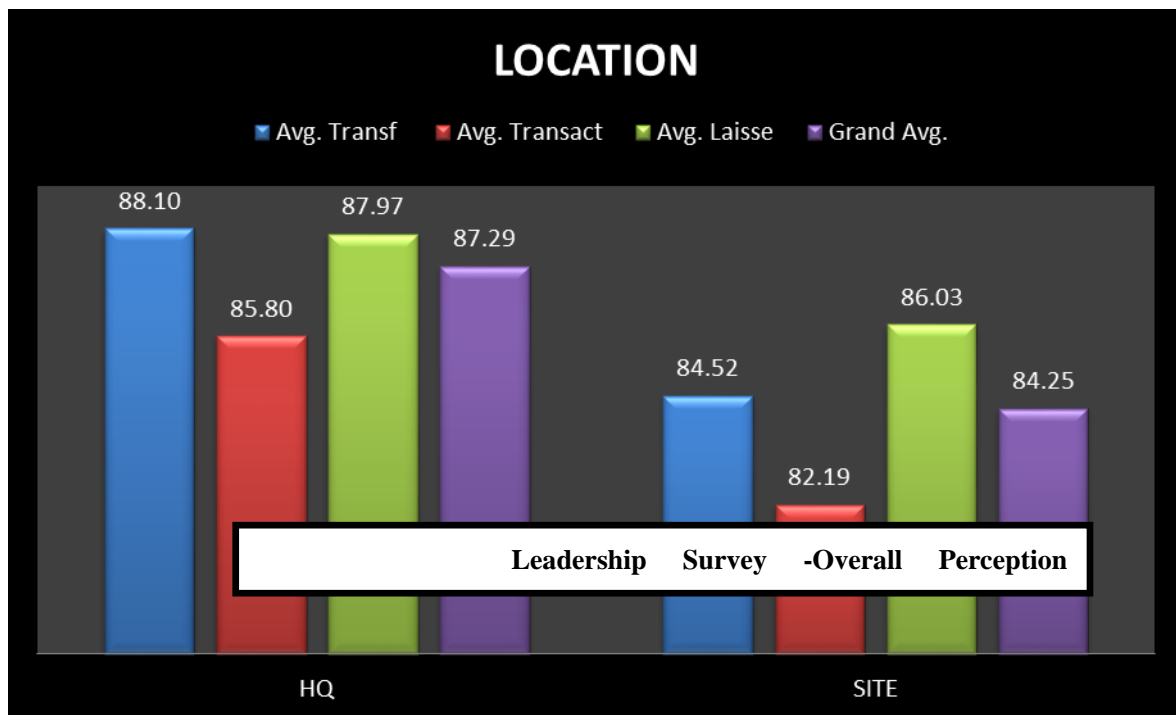


Figure 6. The site and headquarter differences

Interpretations: The overall score for leaders' score at HQ is relatively higher (difference >3) than that at Sites. Both transformational and transactional scores for HQ are higher than that of Sites.

The score for leaders at Sites could be lower relative to leaders at HQ because of:

Expectations of respondents at sites are higher than those at HQ. It could be because of the relatively tougher conditions at sites.

Table 7. The thermal/hydro sites differences

Sl. No.	Thermal/Hydro	Sample	Avg. Transformational	Avg. Transactional	Avg. Laissez	Grand Avg.
1	Thermal	118	86.15	83.73	87.92	85.93
2	Hydro	31	84.80	82.69	85.44	84.31

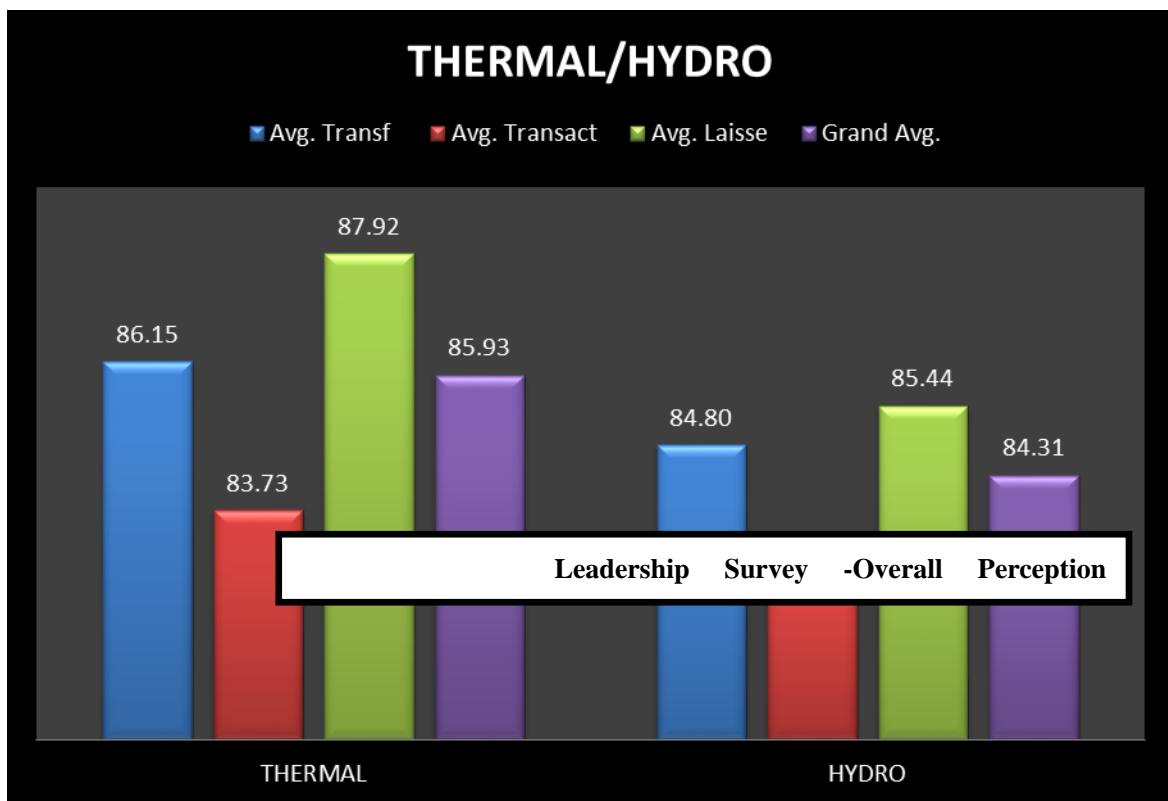


Figure 7. The thermal/hydro sites differences

Interpretations: Though in absolute terms scores of leaders at Hydro Sites is lower compared to Thermal, the difference is not much (difference <3). Transformational, Transactional and Laissez Faire scores for leaders at Thermal and Hydro sites are also not much different (difference <3). Leaders at Thermal and Hydro Sites exhibit same type of leadership. Within Thermal Sites, the leaders exhibit less of transactional trait (difference >3).

Table 8. The years of association with leaders

Sl. No.	Years of association	Sample	Avg. Transformational	Avg. Transactional	Avg. Laissez	Grand Avg.
1	Up to 5	157	85.02	82.76	85.70	84.49
2	5 to 10	5	84.05	78.11	83.43	81.86
3	11 to 15	3	88.33	88.07	93.33	89.91
4	16 to 20	1	99.51	95.79	100.00	98.43
5	21 to 25	2	91.43	89.47	100.00	93.63
6	26 to 30	1	98.10	100	100.00	99.37

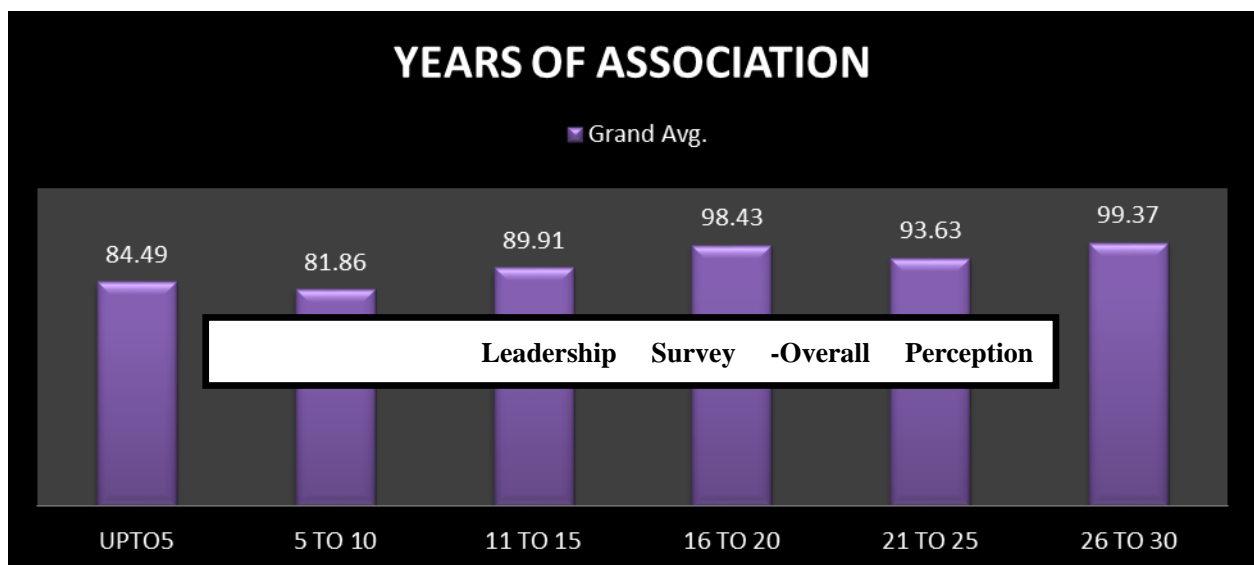


Figure 8. The years of association with leaders

Interpretations: The sample size for (5-10) to (26-30) is small (< 5). Hence, it has not been considered for the analysis. Years of association with leaders by most of the respondents is < 5; it could be because of the frequent transfers due to the nature of the job viz. Project execution which has the span of around 3 years. It could also be because of the joining of new employees in the last 2 to 3 years. The overall leadership score for up to 5 years is 84.49, which conveys a good leadership.

## 5. Scope for Further Research

- The study may be conducted on a very vast scale including the whole BHEL employees.
- The researcher might use interpretation tools like T-test, Z-test, Anova, Chi-square, etc. for interpreting results of the study to check the reliability.

## 6. Implications for Managers

- Develop a testing and engaging vision, together with the employees.
- Develop the vision, demonstrate and make a translation of it to exercises.
- Express sureness, decisiveness and positive reasoning about the vision and its execution.
- Comprehend the vision through minimal orchestrated advances and little achievements in the route for its full utilization.

## 7. Recommendations

- The leaders should balance both the transactional and transformational styles, for which the necessary inputs can be given.
- Leaders having employees in E5 level reporting to them can have more forums for interaction to understand the problems/ issues.
- Communication meetings with younger employees (<E5 level) can be introduced separately.
- More celebrations and get together occasions can be thought of in Service areas.
- Leaders in age bracket (51-60) years can be given more exposure on Leadership traits and the need for balancing amongst traits.
- GMs can take role –model examples from their experience and share with leaders at other levels.
- GMs can groom leadership skills in employees at E6 to E7 level by personal feedback.
- Leaders at Sites can be given inputs on leadership required in tough times, how to motivate and involve people through get together and celebrations.
- Leaders at Thermal sites can be given inputs to hone Transactional traits.

## 8. Conclusion

From the Service Profit Chain, it is established that a factor that affects employee satisfaction is the leadership within the organization. The study concluded that a statistical significant relationship exists between transformational leadership and some factors of employee satisfaction. It found that a statistically significant relationship exists between leadership style

and employee satisfaction levels in BHEL.

In a business situation that requires representatives who are adaptable, innovative, and willing to go out on a limb, it is important to discover approaches to enable representatives to feel satisfied and engaged in their work. Unmistakably, while authoritative pioneers are re-examining how to deal with the company, they should likewise reconsider how they lead the general population who drive it. The investigation found that leadership aptitudes specifically identified with representative fulfilment include: having an unmistakable course for the gathering; having practical and clear goals; and having the capacity to give suitable criticism, acknowledgment, and support. Maybe in particular, the outcomes accentuate enabling and creating representatives so they can take every necessary step themselves and dispense with obstructions to completing the work. Supervisors who have the leadership aptitudes to achieve these conditions would make an abnormal state of fulfilment in their representatives with an immediate effect to the main issue.

Understanding the association between business execution, leadership, and worker fulfilment can quantifiably affect the future intensity of an organization. Worker fulfilment impacts all that really matters and is to a great extent dictated by representative everyday associations with administrators. Those pioneers who see their part as a designer of representatives, and who are gifted in the new leadership rehearses, would have high-performing workers.

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