

“A Study on Impact of Leadership Style on Employee Performance at Sreemaruthi Nxtgen LLP Chikkaballapur”

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ABSTRACT

This study examines the impact of leadership style on employee performance at Maruthi TVS Chikkaballapur. The primary objective is to analyze how different leadership styles influence employees' motivation, job satisfaction, productivity, and overall performance. The study focuses on identifying the leadership practices adopted within the organization and evaluating their effectiveness in achieving organizational goals. Primary data were collected through a structured questionnaire administered to employees, while secondary data were obtained from journals, books, and company-related sources. Descriptive research design and statistical tools such as percentage analysis and the Chi-square test were used to analyze the data. The findings indicate that effective leadership positively influences employee performance by improving communication, motivation, teamwork, and commitment. The study concludes that adopting appropriate leadership styles enhances employee efficiency and contributes to the overall growth and success of the organization. It also provides recommendations for strengthening leadership practices to improve organizational performance.

INTRODUCTION

Leadership style plays a vital role in influencing employee performance and achieving organizational success. Effective leaders motivate, guide, and support employees, creating a positive work environment that enhances productivity and job satisfaction. Different leadership styles, such as transformational, transactional, and democratic leadership, have varying effects on employee motivation, commitment, and performance. Organizations that adopt appropriate

leadership practices can improve teamwork, communication, and employee engagement. In the automobile industry, strong leadership is essential for maintaining high performance and service quality. Therefore, this study aims to examine the impact of leadership style on employee performance at Maruthi TVS Chikkaballapur, and to understand how leadership practices contribute to organizational effectiveness.

Statement of the Problem

Leadership style plays a crucial role in influencing employee performance, motivation, and job satisfaction. However, ineffective leadership practices can lead to reduced productivity, poor communication, low employee morale, and decreased organizational performance. Different employees respond differently to various leadership styles, making it essential to identify the most effective approach. Therefore, this study seeks to examine the impact of leadership style on employee performance at Maruthi TVS, Chikkaballapur, and to determine how leadership practices influence employee productivity, commitment, and overall organizational effectiveness.

Objectives of the Study

1. To study the leadership styles practiced at Maruthi TVS, Chikkaballapur.
2. To examine the impact of leadership style on employee performance.

3. To analyze the relationship between leadership style and employee motivation.
4. To evaluate the influence of leadership style on employee productivity.
5. To assess the effectiveness of leadership practices in improving employee performance.
6. To suggest suitable measures for improving leadership styles to enhance employee performance and organizational effectiveness.

Scope of the Study

The study focuses on analyzing the impact of leadership style on employee performance at Maruthi TVS, Chikkaballapur. It examines the leadership styles practiced within the organization and their influence on employee motivation, productivity, communication, teamwork, and overall work performance. The study is based on the responses collected from employees through a structured questionnaire. The findings are intended to help the organization understand the effectiveness of its leadership practices and provide suggestions for improving employee performance and achieving organizational goals. The scope of the study is limited to Maruthi TVS, Chikkaballapur, and the results are applicable only to the employees covered in the study.

Limitations of the Study

1. The study is limited to Maruthi TVS, Chikkaballapur, and the findings may not be applicable to other organizations.
2. The study is based on the responses of employees, which may be influenced by personal opinions and perceptions.
3. The sample size is limited and may not represent the views of all employees.
4. The study was conducted within a limited time period, restricting detailed analysis.
5. The research focuses only on the impact of leadership style on employee performance and does not consider other factors that may influence performance.
6. The accuracy of the findings depends on the correctness and honesty of the responses provided by the respondents.

LITERATURE REVIEW

1. Na'im et al. (2024) conducted a study titled *"The Effect of Leadership Style on Improving Employee Performance."* The study found that transformational and participative leadership styles positively influence employee performance by improving motivation, communication, and teamwork. It concluded that effective leadership enhances organizational productivity and employee commitment.
2. Amalina et al. (2024) examined *"The Role of Leadership Style and Organizational Culture on Employee Performance."* The findings revealed that leadership style has a significant positive impact on employee performance, especially when supported by a strong

organizational culture. The study emphasized that effective leadership improves employee productivity and organizational effectiveness.

3. Laksmi and Perdhana (2024) carried out a study titled *"The Role of Leadership Style in Shaping Employee Performance."* The research concluded that supportive and transformational leadership styles encourage higher employee performance by promoting trust, collaboration, and effective communication within the organization.

Research Gap

Previous studies have extensively examined the relationship between leadership style and employee performance across various industries. However, only a limited number of studies have focused on the automobile dealership and service sector, particularly at Maruthi TVS, Chikkaballapur. Most existing research has been conducted in large organizations or manufacturing industries, with less attention given to regional automobile dealerships. Furthermore, differences in organizational culture, leadership practices, and employee expectations may influence the effectiveness of leadership styles in different organizations. There is also a lack of empirical evidence on how leadership styles affect employee performance in the context of Maruthi TVS. Therefore, this study aims to bridge this gap by examining the impact of leadership style on employee performance at Maruthi TVS, Chikkaballapur, and providing findings that can help improve leadership practices and organizational performance.

RESEARCH DESIGN

Sample size: 50 Respondents

Tools for data collection: Data for this study is collected from primary and secondary sources. Primary data includes surveys and interviews with public. While secondary data encompasses websites and google forms filling to publics

Employee performance of Respondents

Employee performance refers to the efficiency and effectiveness with which employees perform their assigned duties and responsibilities. It is influenced by factors such as leadership, motivation, communication, and teamwork. In this study, employee performance was assessed based on the respondents' perceptions of how leadership practices affect their productivity and overall work performance at Maruthi TVS, Chikkaballapur.

My supervisor's leadership style positively influences my work performance.

Option	Frequency	Percentage
Strongly Agree	15	30%
Agree	20	40%
Disagree	10	20%
Strongly Disagree	5	5%

The table shows that 70% of the respondents (40% Agree and 30% Strongly Agree) believe that their supervisor's leadership style positively influences their work performance. Only 30% of the respondents expressed disagreement. This indicates that effective leadership has a positive impact on employee performance.

Supervisor Encourages Teamwork and Effective Communication

Option	Frequency	Percentage
Strongly Agree	12	24%
Agree	18	36%
Disagree	10	20%
Strongly Disagree	10	20%

The table reveals that 60% of the respondents (36% Agree and 24% Strongly Agree) agree that their supervisor encourages teamwork and effective communication. The remaining 40% expressed disagreement. This indicates that most employees perceive their supervisor as promoting collaboration and effective communication in the workplace.

Hypotheses

H₀ (Null Hypothesis): There is no significant relationship between leadership style and employee performance at Maruthi TVS, Chikkaballapur.

H₁ (Alternative Hypothesis): There is a significant relationship between leadership style and employee performance at Maruthi TVS, Chikkaballapur.

Observed Data (O)

Preference	Stay (Yes)	Stay (No)	Total
Category 1	12	10	22
Category 2	23	5	28
Total	35	15	50

Expected Frequency (E) Formula:

$$E = (\text{Row Total} * \text{Column Total}) / \text{Grand Total}$$

Preference	Stay (O)	Stay (No)
Category 1 Yes	$22 * 35 / 50 = 15.4$	$22 * 15 / 50 = 6.6$
Category 2 No	$28 * 35 / 50 = 19.6$	$28 * 15 / 50 = 8.4$

Chi Square Calculation Table

Group	O	E	(O-E)	(O-E) ²	(O-E) ² /E
Category 1 Yes	12	15.4	-3.4	11.56	0.75
Category 1 No	10	6.6	3.4	11.56	1.75
Category 2 Yes	23	19.6	3.4	11.56	0.59
Category 2 No	5	8.4	-3.4	11.56	1.38

Calculated Value

$$\chi^2 = 0.75 + 1.75 + 0.59 + 1.38 = 4.47$$

Degree of Freedom d f =

$$(2-1)(2-1) = 1$$

Table Value (5% level) χ^2 (d f

$$= 1) = 3.84$$

Decision
Since $4.47 > 3.84$, we reject H_0

Null Hypothesis is rejected and Alternative Hypothesis is Accepted.

Analysis and Interpretation

The Chi-square test was conducted to examine the relationship between leadership style and employee performance at Maruthi TVS, Chikkaballapur. The calculated Chi-square value (4.47) is greater than the table value (3.84) at the 5% level of significance with 1 degree of freedom. Therefore, the null hypothesis (H_0) is rejected and the alternative hypothesis (H_1) is accepted. This indicates that there is a significant relationship between leadership style and employee performance. The findings suggest that effective leadership practices positively influence employees' performance, teamwork, and overall organizational productivity.

Findings

1. The study found that leadership style plays a significant role in influencing employee performance.
2. Most employees expressed a positive opinion about the leadership practices followed in the organization.
3. Effective leadership was found to improve communication and coordination among employees.
4. Employees reported that supportive leadership enhances their motivation and commitment towards work.
5. The statistical analysis confirmed a significant relationship between leadership style and employee performance.
6. The study concludes that adopting effective leadership styles contributes to higher employee productivity and overall organizational success.

Suggestions

1. The organization should encourage leaders to adopt effective and employee-oriented leadership styles.
2. Regular leadership development and training programs should be conducted for supervisors and managers.
3. Leaders should promote open communication and involve employees in decision-making whenever possible.
4. Recognition and appreciation should be provided to employees to improve their motivation and performance.
5. Teamwork and collaboration should be strengthened through regular meetings and team-building activities.
6. Periodic feedback should be collected from employees to evaluate and improve leadership practices.

Conclusion

The study concludes that leadership style has a significant impact on employee performance at Maruthi TVS, Chikkaballapur. Effective leadership enhances employee motivation, communication, teamwork, and overall productivity. The findings indicate that employees perform better when they receive proper guidance, support, and encouragement from their supervisors. The statistical analysis also confirms a significant relationship between leadership style and employee performance. Therefore, adopting effective leadership practices can improve employee performance and contribute to the overall growth and success of the organization.

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