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A Study on the Impact of Leadership Styles on Employee Performance and Job Satisfaction in Shanthi Gears Private Limited, Coimbatore

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ABSTRACT: The leadership styles play a crucial role in shaping employee performance and job satisfaction within organizations. Effective leaders understand the impact of their leadership style on their team members and adapt their approach to maximize performance and job satisfaction. The aim of this study encompasses an investigation into the impact of leadership styles on employee performance and job satisfaction within Shanthi Gears Private Limited. The objectives include assessing employee involvement in decision-making processes, evaluating the level of autonomy granted to employees, and measuring how existing leadership styles influence job performance and satisfaction. Descriptive research design is employed in this study. Primary data for this study is gathered from a questionnaire. Convenience sampling under non-probability sampling was used in this investigation. Here sample size is 120. Percentage analysis, Chi-Square Analysis and Correlation Analysis statistical tools are applied by using SPSS software. Results indicate that informal emerging leaders are more likely to develop into highly effective formal leaders when supervised by effective trainers. The study found that there is a significant correlation between the impact of Leadership and employee performance and job satisfaction. The results of research revealed that the style of a leader is trying to solve this problem by approaching each employee to build an emotional approach so that the relationship between leaders and employees can run well. So there is a need to develop the company more advanced.

KEYWORDS: leadership style, employee performance, Decision-Making Involvement and job satisfaction

I. INTRODUCTION

In the business world, leadership is the ability of an organization's management to establish and accomplish difficult objectives, act quickly and decisively when necessary, outperform rivals, and motivate people to reach their full potential. Unlike quantitative statistics, which are often recorded and much easier to compare across organizations, evaluating a company's leadership and other qualitative traits can be difficult. Leadership may also refer to a more comprehensive strategy, such as the tone that management sets or the culture that management fosters inside the organization. The behavioural method a leader uses to encourage, inspire, and guide their followers is known as their style. A leader's style determines how they carry out plans and tactics to achieve certain goals while considering stakeholder expectations, team health, and soundness into consideration.

Leadership style have been deliberate in a number of venues to recognize the most effective otherwise appropriate method that motivates and influence others to accomplish particular goal. One of the most important aspects of a good management style is developing followers' trust. A leader's personality, life experiences, emotional intelligence, familial ties, and intellectual process are frequently all included into their chosen leadership style. Therefore, by knowing how their style connects to a combination of the previously described qualities, leaders have to be able to determine how they may be additional effectual.

II. STATEMENT OF THE PROBLEM

In the contemporary organizational environment, effective leadership is crucial for driving employee performance and job satisfaction. Issues such as a lack of clear communication, insufficient involvement of employees in decision processes, and overbearing supervision can result in a leadership style that fails to motivate and empower employees. These shortcomings can lead to decreased job performance, lower levels of employee satisfaction, and ultimately, a decline in overall organizational productivity and morale. Ineffective leadership styles can have profound negative



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impacts on employees. When employees feel excluded from decision-making processes or lack autonomy in their roles, their performance tends to suffer. This often manifests as reduced productivity, lower quality of work, and diminished motivation. A leadership approach that does not support employee engagement and autonomy can lead to higher turnover rates, increased absenteeism, and a general sense of dissatisfaction among staff. This learn aim to investigate these issues by examining the impact of diverse leadership styles on worker performance and job pleasure. The findings will give valuable insights into how leadership practices can be enhanced to foster a more productive and satisfied workforce, ultimately benefiting both the employees and the organization.

Objectives of the study

- To study on the impact of leadership styles on employee performance and job satisfaction in Shanthi Gears Private Limited, Coimbatore.
- To assess the employee involvement in decision-making processes in the company. To evaluate the autonomy given to employees in the company
- To measure how the prevailing leadership styles influence the job performance of employees within the company.
- To understand the employees job satisfaction due to the impact of leadership style in the company.

III. REVIEW OF LITERATURE

Iskandar Muda, Ahmad Rafiki (2018) The reason of this learn is to look at the factor that pressure member of staff presentation in Islamic banks. According to the literature reviewed, the three aspects that are thought to be crucial in influencing employees' performance require further research. Whether or if each of those elements has a instantaneous and partial collision on the workforce presentation is the study issue. The study's inhabitants consisted of 47 respondents (N=32) using the quantitative technique. The numerous deterioration approach was then used to analyze the chief data collected via surveys with a Likert typed scale. The results show that the determination coefficient test value is 59.3 percent, meaning that job pressure, incentive, and communication variables account for 59.3 percent of the workforce performance, with other factors accounting for the remaining 31.7 percent. Additionally, the F test demonstrate that the job pressure (X1), incentive (X2), and communiqué variables (X3) all contain an crash on workforce presentation at the same time, whereas the T test indicates that the announcement variable (X3) has a partial collision on member of staff performance while the work stress (X1) and inspiration (X2) variables have no result at all.

E. Isaac Mostovicz (2018), Offering a dynamic philosophy of leadership development is the goal of this essay. The study looks at a few leadership books using theoretical building blocks as a guide. It highlights the function of the ideal aim in leadership and how crucial it is to the growth of the leadership's psychological component. According to the study, management is a process of development that depends on the decisions a manager takes. Although choice suggests that there are always two excellent options to choose from, one should make decisions based on the leader's worldview, whether that be seeking success (the Lambda worldview) or affinity (the Theta worldview). Leaders must thus understand that the decisions they make on organizational operations must align with their own beliefs. The article offers a clearer explanation of leadership strategy and tactics, presents the idea of Theta and Lambda worldviews, and gives an example of a dynamic theory.

Glenys Drew (2018), The apparent requirement for an incorporated, methodical move towards to organizational and sequence leadership development led to the creation of the Lantern model. The thought is based on leadership and organizational expansion literature, which views management development as an organic "whole of organization" approach that foster the pertinent data, skills, and understanding that support and "grow" leaders as the organization conducts its operations somewhat than as a collection of "tacked on" activities. This paper examines the possibility that such an ideal may materialize and makes the argument why it is appropriate to pursue it. Age-related attrition is expected to cause the leadership baton to change more quickly at universities than in organizations as a whole. The model's eight main components—which were drawn from practice research and the literature—are examined. With special reference to the educational setting, the lamp model aims to "cover the bases" of sequence organization development. The model is then explained.



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IV. METHODOLOGY

The study has covered the impact of leadership styles on employee performance and job satisfaction in Shanthi Gears Private Limited, Coimbatore. The analysis is based on information gathered by a researcher from first-hand sources through techniques including interviews, surveys, and experiments. The total number of sample drawn for the study is 120 respondents. Sampling unit is Shanthi Gears Private Limited, Coimbatore. Questionnaire has been framed and used to collect the data in order to analyse the objectives of the study. Descriptive research design and Convenience sampling techniques have been used for the study. Simple percentage analysis, Chi square analysis and correlation have been applied to reach the findings in the study.

V. DATA ANALYSIS AND INTERPRETATION

| | Categories | Frequency | Percentage |
|--|----------------------|-----------|------------|
| Gender of the respondents | Male | 73 | 60.8 |
| | Female | 47 | 39.2 |
| Age of the respondents | Below 20 years | 27 | 22.5 |
| | 21-30 years | 34 | 28.3 |
| | 31-40 years | 23 | 19.2 |
| | 41-50 years | 20 | 16.7 |
| | Above 50 | 16 | 13.3 |
| Educational qualification of the respondents | Upto HSC | 33 | 27.5 |
| | Graduate | 38 | 31.7 |
| | Post Graduate | 17 | 14.2 |
| | Professional | 16 | 13.3 |
| | Others | 16 | 13.3 |
| Salary Per Month | Below Rs. 10,000 | 26 | 21.7 |
| | Rs.10001to Rs.15000 | 48 | 40.0 |
| | Rs.15001 to Rs.20000 | 14 | 11.7 |
| | Rs.20001 to Rs.30000 | 15 | 12.5 |
| | Above Rs.30000 | 17 | 14.2 |

The above table shows that the majority (60.8%) of the respondents are male, the majority (28.3%) of the respondents are in the group of 21-30 years, the majority (31.7%) of the respondents have completed Graduate and the majority (40.0%) of the respondents said that Rs.10001to Rs.15000 as their salary per month.

Job Performance

| | Excellent | Good | Average | Bad | Poor |
|--|------------|------------|------------|------------|------------|
| The involvement in decision-making processes improves the job performance. | 27 (22.5%) | 26 (21.7%) | 36 (30.0%) | 13 (10.8%) | 18 (15.0%) |



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| | | | | | |
|---|------------|------------|------------|------------|------------|
| The autonomy given in the role enhances the ability to perform well. | 34 (28.3%) | 55 (45.8%) | 12 (10.0%) | 12(10.0%) | 7 (5.8%) |
| Participating in decision-making motivates to achieve better results in the work place. | 44 (36.7%) | 25 (20.8%) | 24 (20.0%) | 17 (14.2%) | 10 (8.3%) |
| Being involved in setting team goals helps to perform the tasks more effectively. | 19 (15.8%) | 56 (46.7%) | 13 (10.8%) | 12 (10.0%) | 20 (16.7%) |
| The independence given in the work allows to be more productive. | 53(44.2%) | 23 (19.2%) | 19 (15.8%) | 12 (10.0%) | 13 (10.8%) |

The above table shows that the majority (30.0%) of the respondents said that average towards the involvement in decision-making processes improves the job performance, the majority (45.8%) of the respondents said that good towards the autonomy given in the role enhances the ability to perform well, the majority (36.7%) of the respondents said that excellent towards participating in decision-making motivates to achieve better results in the work place, the majority (46.7%) of the respondents said that good towards being involved in setting team goals helps to perform the tasks more effectively and the majority (44.2%) of the respondents said that excellent towards the independence given in the work allows to be more productive.

Job Satisfaction

| | Strongly agree | Agree | Neither agree nor disagree | Disagree | Strongly disagree |
|---|----------------|------------|----------------------------|------------|-------------------|
| There is satisfied with the level of challenge in the work | 24 (20.0%) | 56 (46.7%) | 21 (17.5%) | 12 (10.0%) | 7(5.8%) |
| The job makes good use of the skills and abilities | 42 (35.0%) | 25 (20.8%) | 29 (24.2%) | 11 (9.2%) | 13 (10.8%) |
| There is satisfied with the feedback that receive on the performance from the leaders | 23 (19.2%) | 10 (8.3%) | 21 (17.5%) | 55 (45.8%) | 11 (9.2%) |
| There is satisfied with the overall work environment in the company | 48 (40.0%) | 26 (21.7%) | 19 (15.8%) | 17 (14.2%) | 10 (8.3%) |
| The satisfaction with the job increases the involvement in the decision-making | 17 (14.2%) | 40 (33.3%) | 15 (12.5%) | 18 (15.0%) | 30 (25.0%) |

The above table shows that the majority (46.7%) of the respondents are agree towards there is satisfied with the level of challenge in the work, the majority (35.0%) of the respondents are strongly agree towards the job makes good use of the skills and abilities, the majority (45.8%) of the respondents are disagree towards there is satisfied with the feedback that receive on the performance from the leaders, the majority (40.0%) of the respondents are strongly agree towards the there is satisfied with the overall work environment in the company and the majority (33.3%) of the respondents are agree towards the satisfaction with the job increases the involvement in the decision-making.



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VI. CHI-SQUARE ANALYSIS- RELATIONSHIP BETWEEN THE EDUCATIONAL QUALIFICATION OF THE RESPONDENTS AND JOB PERFORMANCE

Null hypothesis (Ho):

There is no significance difference between the educational qualification of the respondents and job performance.

Alternative hypothesis (H1):

There is some significance difference between the educational qualification of the respondents and job performance.

Chi-Square Tests

| | Value | df | Asymp. Sig. (2-sided) |
|------------------------------|---------------------|----|-----------------------|
| Pearson Chi-Square | 44.478 ^a | 56 | .866 |
| Likelihood Ratio | 50.083 | 56 | .697 |
| Linear-by-Linear Association | 1.154 | 1 | .283 |
| N of Valid Cases | 120 | | |

a. 74 cells (98.7%) have expected count less than 5. The minimum expected count is .13.

INTERPERATION

As per the above table, it is inferred that the P value is 0.866; it is not significant to 5% (0.05) significant level. The minimum expected count is 0.13. Thus null hypothesis is accepted and it is found that there is no significant relationship between the educational qualification of the respondents and job performance.

VII. CORRELATION ANALYSIS - RELATIONSHIP BETWEEN SALARY PER MONTH OF THE RESPONDENTS OF THE RESPONDENTS AND JOB SATISFACTION

Hypothesis testing

Null hypothesis (Ho):

There is no significant relationship between salary per month of the respondents of the respondents and job satisfaction.

Alternative hypothesis (H1):

There is some significant relationship between salary per month of the respondents of the respondents and job satisfaction.



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Correlations

| | | SALARY PER MONTH OF THE RESPONDENTS | JOB SATISFACTION |
|-------------------------------------|---------------------|-------------------------------------|------------------|
| SALARY PER MONTH OF THE RESPONDENTS | Pearson Correlation | 1 | -.057 |
| | Sig. (2-tailed) | | .533 |
| | N | 120 | 120 |
| JOB SATISFACTION | Pearson Correlation | -.057 | 1 |
| | Sig. (2-tailed) | .533 | |
| | N | 120 | 120 |

INTERPERATION:

The Above table indicates that out of 120 respondents, co-efficient of correlation between salary per month of the respondents and job satisfaction is -0.057. It is below 1. So there is negative relationship between salary per month of the respondents and job satisfaction.

VIII. SUGGESTIONS

- The business needs to understand that allowing workers to participate in decision-making can enhance job performance.
 - The organisation needs to realise that giving individuals more autonomy in their tasks might improve their performance.
 - The business needs to realise that giving workers a say in decisions might inspire them to perform better.
 - To help staff members do duties more efficiently, the organisation should involve them in creating team goals.
 - The business needs to understand that granting employees autonomy at work can boost output.
 - The business needs to make sure that workers are happy with the degree of difficulty of their work.
 - The business must guarantee that tasks make good use of workers' talents and competencies.
 - Employees should receive timely and helpful performance reviews from the organisation.
 - The business must keep up a positive atmosphere for workers in general.
- The business needs to realise that when workers are happy in their jobs, they are more likely to participate in decision-making.

IX. CONCLUSION

The results indicate that there is a noteworthy correlation between leadership styles and both job satisfaction and staff performance. More specifically, job performance and happiness are improved by participatory leadership, which involves staff members in goal-setting, decision-making, and conversations about work improvements. Giving workers the flexibility to choose their own methods for completing tasks and resolving issues at work is another way that workplace autonomy improves productivity and job satisfaction. Furthermore, encouraging a sense of ownership and motivation among staff members throughout decision-making processes by acknowledging and appreciating their thoughts and suggestions improves outcomes. Giving workers the chance to work autonomously and providing leaders with feedback and assistance enhances their performance and job satisfaction even more. In order to maximise employee performance and job satisfaction, firms must implement leadership styles that promote involvement, autonomy, and acknowledgment.

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