



## **THE EFFECT OF LEADERSHIP STYLE ON EMPLOYEE SATISFACTION**

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**Abstract** - Leadership style plays a crucial role in shaping employee attitudes, motivation, and overall job satisfaction within an organization. This study examines the effect of different leadership styles such as transformational, transactional, autocratic, and democratic leadership on employee satisfaction levels. Effective leadership influences communication, employee engagement, trust, and workplace culture, which directly impact how employees perceive their jobs and organizational environment. The research analyses how leaders' behaviours, decision-making approaches, and interpersonal relationships affect employee morale, commitment, and productivity. Data collected through surveys and questionnaires help identify which leadership styles contribute positively to employee satisfaction and which may lead to dissatisfaction, stress, or higher turnover intentions. The study also considers factors such as organizational structure, work environment, and employee demographics.

**KEYWORDS:** Online Advertising, Consumer Buying Behaviour, Consumer Perception, Influencer Marketing, Customer Engagement, commerce Behaviour

### **INTRODUCTION**

In today's competitive business environment, organizations increasingly recognize that human resources are one of their most valuable assets. Employee satisfaction plays a crucial role in Satisfied employees are more committed, motivated, and likely to contribute positively to the achievement of organizational goals. Among the various factors influencing employee satisfaction, leadership style is considered one of the most significant determinants. Leadership style refers to the approach and behaviour adopted by leaders to guide, motivate, and manage employees within an organization. Different leadership styles such as autocratic, democratic, transformational, and transactional have varying impacts on employee morale, motivation, and job satisfaction. Effective leadership fosters trust, open communication, recognition, and support, which enhances employees' sense of belonging and job fulfilment. On the other hand, poor leadership practices

may result in dissatisfaction, low morale, and high employee turnover.

### **STATEMENT OF THE PROBLEM**

Employee satisfaction has become a critical concern for organizations seeking to enhance productivity, reduce turnover, and maintain a competitive advantage. Despite advancements in HR practices and organizational policies, many organizations continue to face issues such as low employee morale, decreased motivation, high absenteeism, and frequent employee turnover. One of the major factors influencing these challenges is the leadership style adopted by managers and supervisors.

Different leadership styles can produce varying effects on employees' attitudes and job satisfaction levels. While some leaders adopt participative and supportive approaches that encourage employee involvement and motivation, others may use authoritarian or rigid management styles that limit communication and autonomy. Furthermore, in today's dynamic and diverse workplace, employees expect transparency, recognition, empowerment, and work-life balance. If leadership styles fail to meet these expectations, employee dissatisfaction may increase, negatively affecting organizational performance and long-term sustainability.

### **OBJECTIVES OF THE STUDY**

Objectives of the study refer to the specific goals or aims that the researcher intends to achieve through the research. They clearly define what the study seeks to examine, analyse, or understand. Objectives provide direction to the research process and help in focusing on the main purpose of the study.

In the context of "The Effect of Leadership Style on Employee Satisfaction," the objectives of the study define what the researcher aims to investigate regarding how different leadership styles influence employees' level of satisfaction, motivation, morale, and commitment within an organization.

Well-defined objectives help in:

Guiding the research design and methodology

Formulating research questions and hypotheses

Collecting relevant data

Analysing and interpreting findings

Drawing meaningful conclusions

Thus, the objectives act as a roadmap for the entire research study and ensure that the research remains focused and systematic.

### SCOPE OF THE STUDY

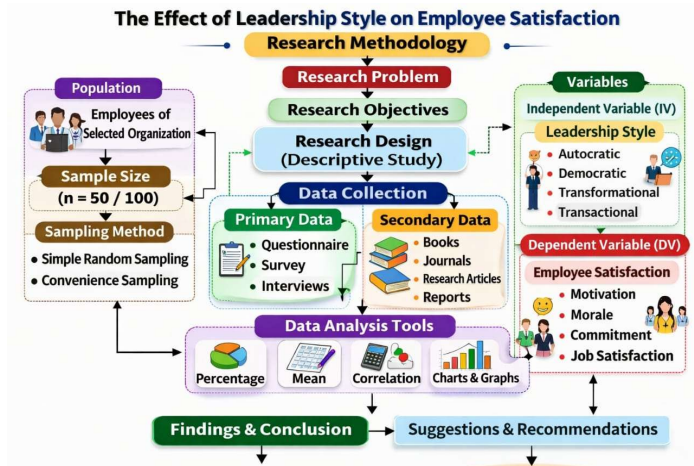
The scope of this study focuses on examining the relationship between leadership styles and employee satisfaction within an organization. The research aims to analyse how different leadership approaches—such as autocratic, democratic, transformational, and transactional—affect employees’ job satisfaction, motivation, morale, and commitment.

This study is limited to employees working in a selected organization/sector and considers their perceptions and experiences regarding leadership behaviour. It covers key factors influencing employee satisfaction, including communication, recognition, support, decision-making involvement, and work environment created by leaders.

The research primarily relies on primary data collected through surveys or questionnaires and may include secondary data from books, journals, and research articles related to leadership and HR management.

However, the study does not cover all organizational factors affecting employee satisfaction such as compensation policies, organizational culture, or external economic conditions in detail. The findings are limited to the selected sample and time period of the study.

### RESEARCH METHODOLOGY



### Research Design

The study adopts a descriptive research design to examine the relationship between leadership styles and employee satisfaction. This design helps in describing and analysing the existing leadership practices and their impact on employees.

### Nature of Study

The research is both quantitative and analytical in nature, as it involves collecting numerical data from employees and analysing the relationship between variables.

### Sources of Data

- **Primary Data:** collected directly from employees through structured questionnaires and surveys. The questionnaire includes questions related to leadership style, communication, motivation, recognition, and job satisfaction.
- **Secondary Data:** collected from books, journals, research articles, HR reports, and online sources related to leadership and employee satisfaction.

### Sampling Design

**Population:** Employees working in the selected organization/sector.

**Sampling Technique:** Simple random sampling (or convenience sampling, if applicable).

**Sample Size:** (Example: 50–100 employees, depending on your project requirement).

### Data Collection Method

Data is collected using a structured questionnaire consisting of close-ended and Likert-scale questions to measure employee satisfaction levels and perceptions of leadership style.

**Tools for Data Analysis**

- Percentage analysis
- Mean and standard deviation
- Correlation analysis
- Charts and graphs for interpretation

**Period of Study**

The study is conducted for a specific time period (for example, 2–3 months).

**REVIEW OF LITERATURE**

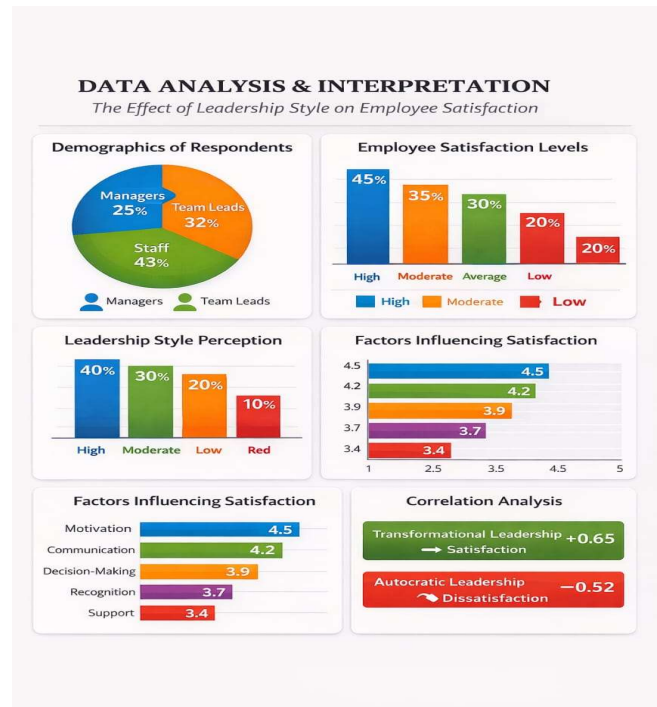
It involves identifying, analyzing, and synthesizing previous findings in order to understand the current state of knowledge in a particular field. In the present study, the review of literature focuses on earlier research that examines different leadership styles and their influence on employee satisfaction within organizational settings.

The purpose of conducting a literature review is to establish a strong theoretical and conceptual foundation for the research. It helps the researcher understand how leadership styles such as transformational, transactional, democratic, and autocratic leadership have been defined and studied by previous scholars. It also provides insights into how employee satisfaction has been measured and interpreted in various organizational contexts.

Through the review of literature, similarities and differences in past research findings are identified, enabling the researcher to evaluate trends, patterns, and limitations in existing studies. It further helps in identifying research gaps, particularly in relation to specific industries, regions, or organizational environments where limited studies have been conducted. This process ensures that the present research is not a duplication of earlier work but instead contributes meaningful and relevant knowledge to the field.

It strengthens the credibility of the study by linking it with established theories and empirical evidence. Therefore, the review of literature serves as a vital component of the research process, providing direction, justification, and academic support for examining the effect of leadership style on employee satisfaction.

**DATA ANALYSIS AND INTERPRETATION**



Data analysis refers to the systematic process of organizing, coding, and examining the collected data to derive meaningful conclusions. In this study, data collected from employees through structured questionnaires were analyzed using appropriate statistical tools to understand the relationship between leadership style and employee satisfaction.

The responses obtained were first classified and tabulated to facilitate easy analysis. Percentage analysis was used to understand the demographic profile of respondents such as age, gender, experience, and department. It also helped in identifying the dominant leadership style perceived by employees and the overall level of job satisfaction within the organization.

Mean and standard deviation were calculated to measure the average level of employee satisfaction under different leadership styles. The mean score helped in identifying which leadership style contributed to higher satisfaction levels, while the standard deviation indicated the consistency of employee responses.

Correlation analysis was applied to examine the relationship between leadership style and employee satisfaction. The results indicated a positive relationship between supportive leadership styles, such as transformational and democratic leadership, and employee satisfaction. This suggests that when leaders encourage participation, provide motivation, and recognize employee contributions, satisfaction levels increase.

On the other hand, autocratic leadership showed a comparatively weaker or negative relationship with employee satisfaction, indicating that strict control and lack of participation may reduce employee morale and motivation.

## FINDINGS

- ✓ The majority of employees perceived transformational and democratic leadership styles as the most commonly practiced styles in the organization.
- ✓ Democratic leadership showed a positive impact on employee satisfaction, as employees felt involved in decision-making and valued by management.
- ✓ Transactional leadership demonstrated a moderate level of employee satisfaction. Employees were satisfied when rewards and recognition were fairly distributed.
- ✓ Autocratic leadership showed a comparatively lower level of employee satisfaction. Employees under strict supervision and limited participation expressed reduced morale and motivation.
- ✓ There exists a positive relationship between supportive leadership styles (transformational and democratic) and employee satisfaction.
- ✓ The statistical analysis confirmed that leadership style significantly influences employee satisfaction within the organization.
- ✓ Employees prefer leaders who communicate effectively, provide recognition, and encourage participation.
- ✓ The study reveals that leadership style significantly influences employee satisfaction levels within the organization.
- ✓ Transformational leadership shows the highest positive impact on employee satisfaction.
- ✓ Employees under transformational leaders experience higher motivation and organizational commitment.
- ✓ Democratic leadership positively affects employee morale due to participative decision-making.
- ✓ Employees feel valued and respected when leaders encourage open communication.
- ✓ Transactional leadership provides moderate satisfaction when rewards and recognition are fairly distributed.
- ✓ Clear performance expectations under transactional leadership improve employee clarity and role understand.

## SUGGESTION

- ✓ Organizations should encourage transformational leadership practices to enhance employee motivation and satisfaction.
- ✓ Leaders should adopt participative decision-making to make employees feel valued and involved.
- ✓ Management should conduct leadership development and training programs to improve leadership effectiveness.
- ✓ Leaders should maintain open and transparent communication with employees to build trust.
- ✓ Recognition and reward systems should be fair, consistent, and performance-based to improve satisfaction levels.
- ✓ Autocratic leadership practices should be minimized, especially in non-crisis situations.
- ✓ Leaders should provide constructive feedback and regular performance evaluations.
- ✓ Emotional intelligence training should be provided to leaders to improve interpersonal relationships.
- ✓ Organizations should promote a supportive work environment that encourages teamwork and collaboration.
- ✓ Employee grievances should be addressed promptly to prevent dissatisfaction.
- ✓ Leaders should empower employees by delegating responsibilities and encouraging autonomy.
- ✓ Regular employee satisfaction surveys should be conducted to monitor workplace climate.
- ✓ Management should create a positive organizational culture that supports innovation and creativity.
- ✓ Leadership styles should be adapted according to employee needs and organizational situations.
- ✓ Continuous leadership assessment and improvement strategies should be implemented to sustain long-term employee satisfaction.

## CONCLUSION

The study examined the impact of different leadership styles on employee satisfaction within an organization. The findings of the study reveal that leadership behaviour significantly influences the level of satisfaction experienced by employees in the workplace.

The results indicate that transformational and democratic leadership styles have a strong positive impact on employee satisfaction. Leaders who encourage participation, provide motivation, recognize employee contributions, and maintain open communication tend to create a supportive work environment. Such leadership practices enhance employee morale, commitment, and productivity.

On the other hand, autocratic leadership shows a comparatively negative impact on employee satisfaction because it limits employee participation and reduces motivation. Transactional leadership produces moderate satisfaction levels when rewards and performance expectations are clearly defined. Overall, the study concludes that effective leadership is essential for improving employee satisfaction and organizational performance. Organizations should encourage leaders to adopt supportive, participative, and motivational leadership styles in order to build a positive work environment and achieve long-term organizational success.

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### **LIMITATINOS OF THE STUDY**

✓ **Sample Size Limitation**

The study is conducted with a limited number of respondents. A small sample size may not fully represent the views of all employees in different organizations.

✓ **Geographic Limitation**

The research is restricted to a particular organization or specific area. Therefore, the findings may not be applicable to all organizations or regions.

✓ **Time Limitation**

The study was conducted within a limited time period. Due to time constraints, detailed data collection and long-term analysis could not be carried out.

✓ **Data collection Limitation**

The study mainly depends on questionnaire responses from employees. Some respondents may not provide completely accurate or honest answers.

✓ **Variable Limitation**

The research mainly focuses on leadership style as the key factor affecting employee satisfaction. Other factors such as salary, work environment, job security, and organizational culture were not analyzed in detail.

✓ **Methodological Limitation**

The study uses a quantitative research method, which may not capture deeper psychological or emotional aspects of employee satisfaction

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