



# A Study Of Leadership Style And Its Impact On It Sector With Special Reference To Coimbatore City

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## ABSTRACT

Leadership is a critical determinant of success in the dynamic IT sector. This study analyzes the different leadership styles in Coimbatore's IT sector and their influence on organizational performance, as well as employee satisfaction and productivity. It was undertaken primarily by collating data through questionnaires, with 100 respondents, to examine leadership styles such as democratic, transformational, transactional, and autocratic. The study also examined barriers to effective leadership that include authoritarianism, stale adherence to practices, and poor communication. Chi-square and regression analyses show how age can significantly affect the effectiveness of a leadership style, and the influence of leadership satisfaction on job satisfaction and motivation was small. The study emphasizes participative and innovative leadership approaches that enhance both employee engagement and organizational growth in the IT sector of Coimbatore.

**Key words :** Leadership style, IT sector, Organizational performance, Coimbatore, Employee satisfaction, Productivity, Democratic leadership, Transformational leadership, Transactional leadership, Autocratic leadership, Barriers to leadership, Authoritarianism, Communication issues, Chi-square analysis, Regression analysis, Leadership effectiveness, Job satisfaction, Motivation, Participative leadership, Innovative leadership, Employee engagement, Organizational growth

## INTRODUCTION OF THE STUDY

Leadership plays a crucial role in the success and growth of organizations, especially in dynamic sectors like Information Technology (IT). In today's competitive environment, effective leadership can significantly influence productivity, innovation, employee engagement, and organizational performance. Coimbatore, a growing IT hub in Tamil Nadu, has attracted both startups and established IT companies. This growth has spurred interest in understanding the leadership styles prevalent in the region and their impact on organizational development and employee performance. This study explores the relationship between leadership styles and their effects on the IT sector in Coimbatore. It will focus on how different leadership approaches—such as autocratic, democratic, transformational, and transactional—impact organizational climate, employee motivation, and overall performance. The research aims to provide insights for leaders in Coimbatore's IT industry, guiding them toward more effective management practices and contributing to the development of best practices for leadership in this rapidly evolving

sector.

## STATEMENT OF THE PROBLEM

In the rapidly evolving information technology sector, this provides a significant role in driving innovation and productivity by maintaining a competitive edge. Coimbatore is a significant hub for it and business process Outsourcing in south India, with many IT firms based here that Contribute significantly to the regions economy. However, despite the increasing importance of leadership in organizational success, less research work was conducted specifically On the style of leadership adopted by IT leaders in Coimbatore and the way it' influences organizational performance, employee engagement and innovation. This research study seeks to understand how transformational, transactional, and laissez-faire styles Of leadership affect such other successful Key outcomes in the IT Companies operating at Coimbatore, that are team Collaboration, decision-making, employee satisfaction, and overall effectiveness of the organization, The problem is the lack of understanding of how different leadership styles impact employee performance, productivity, and organizational success in the IT sector of Coimbatore. Their gap makes It challenging for Organizations to adopt effective leadership approaches that for foster Innovation, employee satisfaction, and sustainable growth. Some ineffectiveness in leadership styles in the IT sector of Coimbatore include: Authoritarian Leadership, Lack of Adaptability, Poor Communication, Over-controlling, Inconsistent Decision-Making. These leadership shortcomings can prevent the IT sector from reaching its full potential in Coimbatore.

## OBJECTIVES OF THE STUDY

1. To evaluate how leadership styles influence employees job satisfaction and motivation within IT companies in Coimbatore.
2. To evaluate the impact of leadership styles on employee performance and productivity.
3. To explore the challenges faced by IT organizations in Coimbatore due to ineffective leadership.
4. To find out the different styles exhibited by the leaders and its impact on the employees of an organizations.

## REVIEW OF LITERATURE

1. Singh, M. K. J., & See, P. P. (2022) - **The Influence of Leadership Style on Employee Engagement**. This study investigates the role of different leadership styles in enhancing employee engagement and workplace culture. The researchers conducted a **quantitative study** using **structured surveys** to collect data from employees across multiple industries. **Statistical tools such as regression analysis and correlation techniques** were applied to examine the relationship between leadership styles and employee motivation. The findings indicate that transformational and participative leadership styles significantly improve employee engagement, leading to higher productivity and job satisfaction. The authors suggest that organizations should train leaders to adopt a more inclusive and inspiring leadership approach to foster a positive work culture.
2. Sabitha, J., Chandramouli, S., & Krishnakumari, S. (2021) - **A Study on Impact of Leadership Styles on IT Professionals in Information Technology Industry**. This research explores how different leadership styles impact the **performance, satisfaction, and motivation** of IT professionals in a fast-evolving industry. A **mixed-method approach** was employed, incorporating **survey questionnaires and in-depth interviews** with IT employees across various companies. The data was analyzed using **SPSS and ANOVA** to determine the statistical significance of leadership styles on employee outcomes. The study highlights that while transformational leadership leads to innovation

and motivation, autocratic leadership often results in employee dissatisfaction. The authors recommend that IT firms adopt **situational leadership**, where leaders adjust their style based on the team's needs and project requirements.

3. **Krishnan, P. H., Singh, N., Sharma, S., & Parekh, R. (2019) - Impact of Leadership Styles on Information Technology (IT) in India.** This study examines the effects of various leadership styles in the Indian IT sector, with a focus on **team performance, decision-making, and organizational efficiency**. The researchers used **quantitative data analysis**, conducting a **survey of 500 IT professionals** and employing **structural equation modeling (SEM)** to assess leadership's influence on organizational outcomes. The results suggest that **democratic leadership** fosters a collaborative environment, while **transactional leadership** improves short-term performance but lacks long-term employee commitment. The authors propose that IT organizations should blend transformational and transactional leadership to balance productivity with employee well-being.
4. **Vidyakala, K., Jennet, R., & Sheela, J. (2019) - Women Leadership in IT Sector with Special Reference to Coimbatore City.** This paper focuses on women leaders in the **IT industry in Coimbatore** and examines their leadership styles, the **challenges they face**, and their contributions to organizational growth. Using a **qualitative research design**, the study relied on **semi-structured interviews** with 50 women leaders from IT firms. A **thematic analysis** was performed to categorize common themes in leadership experiences. The findings reveal that **women leaders often adopt transformational leadership styles**, promoting inclusivity and employee development. However, **gender biases and work-life balance challenges** hinder their leadership journey. The authors recommend **mentorship programs and corporate policies** that support women in leadership roles.
5. **Long, C. S., Yusof, W. M. M., Kowang, T. O., & Heng, L. H. (2014) - The Impact of Transformational Leadership Style on Job Satisfaction.** This paper investigates how **transformational leadership** affects **job satisfaction** across various industries. The study used a **survey-based quantitative approach**, distributing structured questionnaires to employees from different organizational levels. **Factor analysis and regression models** were applied to determine the key leadership traits that enhance job satisfaction. The results show that **leaders who inspire, support, and empower their employees significantly contribute to a positive work environment**. The study suggests that organizations should **implement leadership development programs** that focus on motivation, employee recognition, and continuous feedback to improve workplace morale.

## RESEARCH METHODOLOGY

### Research design:

A research design defines the structure or framework within the research is conducted. This study a **descriptive research design** has been adopted to analyze the leadership style and its impact on organizational performance in IT sector.

### Area of the study:

The research study was conducted at IT sectors in **Coimbatore**.

### Data Collection:

This study data is collected based on **primary data** and **secondary data**.

The relevant and required data are collected through questionnaires which is filled by respondents through google forms.

- **Primary data:**

The primary data has been collected through a structured questionnaires focusing on the leadership style and its impact on organizational performance.

- **Secondary data:**

The secondary data are collected from various sources which includes books, journals, websites and

related projects.

### Sample size :

The sample size for this study was **100 respondents**.

## LIMITATIONS

- 1] The sample of 100 respondents may not fully represent the entire IT sector in Coimbatore.
- 2] The findings may not apply to other regions or industries outside Coimbatore's IT sectors.

## ANALYSIS AND INTREPRETATION

### 1.PERCENTAGE ANALYSIS

Classification	No. of respondents	Percentage
<b>Gender</b>		
Male	51	51%
Female	49	49%
<b>Designation</b>		
Junior staff	26	26%
Mid- level manager	36	36%
Senior manager	24	24%
Other	14	14%
<b>Age</b>		
18- 25	46	46%
26- 35	35	35%
36- 45	17	17%
45 above	2	2%
<b>Experience in IT sector</b>		
Less than 1 year	35	35%
1- 5 years	37	37%
6- 10 years	21	21%
More than 10 years	7	7%
<b>Salary</b>		
Less than 15,000	26	26%
15,000- 35,000	42	42%
35,000- 55,000	24	24%
Above 55,000	8	8%
<b>Common leadership style in your organization</b>		
Transformational	13	13%
Transactional	28	28%
Autocratic	19	19%
Democratic	30	30%
Other	10	10%
<b>Leadership style positively Impacting employee satisfaction</b>		

Autocratic	15	15%
Democratic	38	38%
Transformational	31	31%
Transactional	12	12%
Laissez- faire	4	4%
<b>Leadership style impacting productivity</b>		
Enhances significantly	18	18%
Enhances moderately	33	33%
No impact	20	20%
Reduces moderately	21	21%
Reduces significantly	8	8%
<b>Behavior of leader contributing to improve performance</b>		
Setting clear expectations	19	19%
Providing constructive feedback	31	31%
Encouraging innovation	40	40%
Offering support and guidance	10	10%
<b>Qualities most important for success in an organization</b>		
Communication skills	16	16%
Decision- making ability	36	36%
Problem- solving skills	23	23%
Adaptability and flexibility	17	17%
Other	8	8%
<b>Importance of effective communication for successful leadership</b>		
Extremely important	25	25%
Very important	26	26%
Moderately important	30	30%
Slightly important	12	12%
Not important at all	7	7%
<b>Motivation in current role</b>		
Salary and financial reward	16	16%
Career advancement and personal development opportunities	46	46%
Work- life balance and flexibility	32	32%
Other	6	6%
<b>Job satisfaction impacting motivation and performance</b>		
Strong impact	19	19%
Moderate impact	52	52%
Low impact	22	22%
No impact	7	7%
<b>Level of flexibility in organization</b>		
Very high flexibility	16	16%
Moderate flexibility	50	50%
Low flexibility	24	24%
No flexibility	10	10%

<b>Feeling motivated to perform best in organization</b>		
Extremely motivated	13	13%
Motivated	29	29%
Neutral	29	29%
Unmotivated	22	22%
Extremely unmotivated	7	7%
<b>Flexibility offered by organization</b>		
Very flexible	12	12%
Somewhat flexible	32	32%
Neutral	36	36%
Not very flexible	10	10%
Not flexible at all	10	10%
<b>Organizational flexibility affecting work life balance and job satisfaction</b>		
Significantly improves both	12	12%
Somewhat improves both	36	36%
Has no impact	22	22%
Somewhat negatively impacts both	22	22%
Significantly negatively impacts both	8	8%
<b>Total</b>	<b>100</b>	<b>100%</b>

## INTERPRETATION

The workforce is balanced by gender, with 51% male. Most workers are aged 18–25, making up 46% of the workforce. A large portion of respondents work in mid-level positions (36%). 72% of employees have less than 5 years of IT experience. 42% of employees earn between ₹15,000–35,000. Democratic leadership is common, with 30% of respondents indicating it as the style. Democratic leadership is seen as highly beneficial for employee satisfaction (38%). Innovation (40%) and feedback (31%) are key factors in performance. Career growth (46%) is the main motivator for employees. Work-life balance is another key motivator, with 32% emphasizing it. Half of the respondents (50%) report moderate flexibility within organizations. Motivation varies, with 29% feeling encouraged and 22% feeling less motivated.

## 2. CHI-SQUARE ANALYSIS

### \* Age and leaders style impact on productivity

H<sub>1</sub> There is no significant relationship between the two categories that are age of the respondents and their leadership style impacting the productivity.

H<sub>0</sub> There is significant relationship between age of the respondents and their leadership style impacting the productivity.

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	25.660 <sup>a</sup>	12	.012
Likelihood Ratio	27.407	12	.007
N of Valid Cases	100		

12 cells (60.0%) have expected count less than 5. The minimum expected count is .18.



**INTERPRETATION**

The Chi-Square test results indicate a **significant relationship** between **age** and how leadership styles impact **productivity** (p-value = 0.012). This means that different age groups may respond differently to leadership styles in terms of productivity. However, there is a caveat: **60% of the cells have expected counts less than 5**, which could affect the reliability of the results. Therefore, while the relationship is statistically significant, the findings should be interpreted with caution.

**\* Gender and leaders style impact on productivity**

There is no significant relationship between the two categories that are gender of the respondents and their leadership style impacting the productivity.

There is significant relationship between gender of the respondents and their leadership style impacting the productivity.

<b>Chi-Square Tests</b>			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	6.167 <sup>a</sup>	4	.187
Likelihood Ratio	6.247	4	.181
Linear-by-Linear Association	4.199	4	.040
N of Valid Cases	100		

2 cells (20.0%) have expected count less than 5. The minimum expected count is 4.23.

**INTERPRETATION**

The Chi-Square test shows **no significant relationship** between **gender** and how leadership styles affect **productivity** (p = 0.187). However, the **Linear-by-Linear Association** indicates a **marginally significant relationship** (p = 0.040), suggesting a slight trend. Overall, gender does not have a strong impact on productivity related to leadership style.

**3. REGRESSION ANALYSIS**

<b>Model Summary <sup>b</sup></b>										
Model	R	R Square	Change Statistics							
			Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change	Durbin-Watson
1	.154 <sup>a</sup>	0.024	0.014	0.811	0.024	2.374	1	98	0.127	2.108

<b>ANOVA <sup>a</sup></b>						
Model		Sum of Squares	D F	Mean Square	F	Sig.
1	Regression	1.562	1	1.562	2.374	.127 <sup>b</sup>
	Residual	64.478	98	0.658		
	Total	66.04	99			

## INTERPRETATION

The regression analysis shows that **leadership style satisfaction** explains only **2.4%** of the variance in **job satisfaction and motivation**, indicating a very weak relationship. The **F-statistic** (2.374) and **p-value** (0.127) suggest the model is **not statistically significant**, meaning leadership style satisfaction does not significantly impact job satisfaction or motivation.

## FINDINGS

- The study included an equal gender mix (51% male, 49% female), with 46% of respondents aged 18-25.
- Most respondents were mid-level managers (36%) with less than five years of experience (72%).
- The majority (42%) earned ₹15,000-₹35,000, reflecting low to mid-income levels.
- Democratic leadership (30%) was the most common and had the highest positive impact on satisfaction (38%).
- Career advancement (46%) and innovation-focused leadership behaviors (40%) were key drivers of motivation and performance.
- Moderate organizational flexibility (50%) and inter-departmental collaboration (46%) significantly boosted organizational outcomes.
- Age was found to significantly affect the relationship between leadership styles and productivity ( $p = 0.012$ ).
- Leadership satisfaction had a very weak relationship with job satisfaction and motivation ( $R^2 = 0.024$ ).

## SUGGESTIONS

Focus on developing participative (Democratic) and transformational leadership skills to improve employee satisfaction and productivity. Foster open communication and provide regular, constructive feedback to enhance performance. Promote creativity and decision-making autonomy to boost performance. Move away from authoritarian and rigid leadership styles and promote flexibility and adaptability. Offer more flexible working hours and remote options to improve employee satisfaction. Adapt leadership styles to meet the preferences of different age groups within the workforce. Increase inter-departmental collaboration to improve organizational efficiency. Align leadership approaches with individual motivators to improve engagement and motivation. Continuously assess the impact of leadership styles through surveys and feedback. Provide more flexibility in work roles and decision-making to boost productivity.

## CONCLUSION

The study highlights that in Coimbatore's IT sector, democratic leadership is most common, followed by transactional and autocratic styles. Democratic and transformational leadership positively impact employee satisfaction, while transactional and autocratic styles have a lesser effect. Job satisfaction is a key motivator for employees, with career advancement opportunities being the most significant factor. The research also finds that leadership style has a moderate impact on productivity, with age influencing how leadership affects productivity. However, gender does not significantly impact this relationship. Regression analysis showed that leadership style satisfaction has only a minimal effect on job satisfaction and motivation.



The study reveals that **democratic and transformational leadership** styles positively influence **job satisfaction and motivation**, while transactional and autocratic styles have limited impact. Leadership styles moderately affect **employee performance and productivity**, with participative approaches fostering innovation. Challenges such as **poor communication and authoritarianism** hinder leadership effectiveness. Age significantly influences how employees respond to leadership, whereas gender does not. Overall, adopting **flexible and inclusive leadership** strategies can enhance employee engagement and organizational growth in Coimbatore's IT sector.

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