Leadership Styles and its impact on Organization Performance: A study on Women Entrepreneurs Leadership Style in India

Ashutosh Singh

Assistant Professor, Institute of Business Management, GLA University Mathura

Abstract: Fast changing economical, sociological, and technological environment in past 20 years resulted in the invasion of women into Indian workforce.Other than huge representation in the workforce, it resulted in the economic displacement of investment with an emphasis on short-term returns.It has become a catalyst for organizational change for growth in recent decades and also focused on organizational overhaul. Organizational transformation, faith in their management, collaboration, diversity and the roots of a modern model of leadership are largely part of this organizational shift. A leader is one that handles the team successfully for the company. In order to become a success entrepreneur, women must cultivate leadership qualities. The present study seeks to examine the linkage between the leadership styles of women entrepreneurs (ELS) and organizational performance (OP). In this research, dependent and independent variables are involved. On the other hand, the dependent factor is the leadership style of women entrepreneurs. The independent factor is organizational success. Based on these factors, a questionnaire was designed. A total of 43 women entrepreneurs out of 84 were included in the research who responded. Questionnaires were distributed in Delhi and Pune to women entrepreneurs. This research focuses on women entrepreneurs' leadership positions and their effect on organizational efficiency. In the future, the analysis should also take into consideration other variables. This analysis is used to study the relation between ELS and OP.

Keywords: Organizational Change, Women Leadership Styles, Organizational Performance

1.   Introduction

In 1992, it was envisioned that women's organizations might exceed the Fortune 500 in numbers of human beings working. In fact; in united states of America economy women entrepreneurship is the one, which is growing hastily. the prevailing Small business management (SBA) reviews records about five million women-owned companies and estimates that women had owned approximately forty% of small agencies via the year 2000. absolutely thirds of latest personnel will be women within the next decade and, eventually, the wide variety of women in pinnacle-stage control has improved. Drastic upsurge of women representation in to the Indian workforce as well as leadership functions, an issue has ensured that women and men have the similar pattern of management. in advance the notion become, women are the successful imitators as leaders of features normally believed to be male-simplest, together with durability and aggressiveness.

This study focuses totally at the impact of women marketers ' management abilities on organizational performance. This segment develops a take a look at history, i.e. the examiner's rationale, problem announcement, objectives and priorities, hypothesis, and importance had been checked. traditionally, human useful resource management has taken over the conventional concept of employees control. Now, leadership with a broader vision and with a brand-new approach has been engaged as a macro stage inside the business enterprise. This method performs a critical role in leadership and works successfully with their consumer as well as enhancing the overall performance of the employee. style of demanding situations are being faced depending upon the scenario, the green leader also is aware of the way to cope with the scenario in distinct ways. based on the amount of path, confidence, and choice-making authority (Hersey et al, 1988), specific leadership styles are used that suit people. OP additionally reflects that if woman management or performance is good and if performance isn't up to speed, it in turn affects worker overall performance because of lack of proper supervision. Many researches targeted that impacts on worker performance and the organization environment very clearly especially in big and medium enterprise. in the contemporary surroundings, women's leadership abilities and how it impacts organizational achievement are the maximum applicable in specific paintings duties on the give up of this century to deal with humans as robots and to get the goal of human capital. It must be better and extra constant with the imaginative and prescient of this leadership ability in order that women entrepreneurs can do better justice with their manpower.

2.   Theoretical Foundation

The Fred Fiedler introduces Fiedler's contingency theory of leadership in which he suggested that successful employee's success relied on the proper match between the willingness of leaders to lead and the leader responds and rectifies the issue according to the circumstance. This idea suggested that people who lead should follow the style best most appropriate to the situation and inspire the employee immediately for performing at best. Leadership persuades an engineering team to have to dramatically change their processes to reach the scheduled delivery deadline in any system. The person in a position of leadership must express feelings and exhortations through the process we may call communication to followers. A quality leader is accountable for supervising and

disseminating knowledge to the employees in order to lead them to performbetter and to make them a specialized person in maintaining quality. And it's such a big responsibility to become the manager of all team members. The clear leadership principles adoption encourages core values and competencies in terms of their position and duty.

Present research, employee performance is the dependable variable and independent variables are the leadership styles of other women entrepreneurs as autocratic, democratic and delegative leadership. Based on their relationship, a conceptual model is built with the goal of evaluating which style of leadership is most appropriate for enhancing organizational efficiency. According to Armstrong (2005), success has been described as: team management, job, team duties, organization public relations goals and mission, successful input and production. According to Cole (1997) Leadership defines the capability to manage the employees on the basis of efficiency, and to track the entire employee cycle through which we achieve our organizational objectives.

3.   Literature review

According to Sanjukta Mishra (2009) mentioned different types of women entrepreneurs were listed in her study, supporting women's entrepreneurship development initiatives, financial schemes, technical training, federations and associations, and the problems women entrepreneurs face. In this age, the study focused on women being able to take on roles that were traditionally meant only for men and have proven that they can work for the growth of the economy just as well as men.Dr. Sunil Deshpande and Sethi (2009) worked on the problems of women starting a company and also proposed quality steps to resolve these issues. They further concluded that the entrepreneurship of women is growing at a significant pace. Globally, attempts are also being made to promote women's involvement in organisations.Factors for the growth of women's entrepreneurship have also been addressed, such as the shift in the attitude of society towards women, the increase in gender women's literacy rate, government assistance and the support given to this sector, etc.

According to Indian female entrepreneurs face a plethora of challenges. The majority of women entrepreneurs describe access to simple and affordable finance and marketing as a significant obstacle (Panandikar, 1985). High raw material costs, cumbersome licencing and registration processes, and exclusion from banking and financial services build barriers for women entrepreneurs (Vinze, M. D., 1987).Because of their limitations, women entrepreneurs are also plagued with very poor financial status. Lack of social and family cooperation, illiteracy and lack of knowledge of different government structures and programmes impede women's entrepreneurial growth (Rao, C. H. 1991). Challenges associated with financial, labour and marketing problems are often identified by women entrepreneurs (Chandra, 1991).

The lack of capital, the no experience in manufacturing field and the responsibility of household obligations pose a serious challenge for India's female entrepreneurs (Das, M. 1999). According to Singh et al (2000), Social conditioning makes women shy, introverted and more involved in family roles. Not comfortable in business interaction due to shyness, low motivation for accomplishment, risk-averse mentality, lower level of education, burden of family responsibilities, gender bias at family and community level, lack of management skills, poor knowledge about business are few challenges women entrepreneurs face. According to Ganesan, et al (2002) The challenge to women's entrepreneurship of simple and accessible working capital and equity financing, inadequate marketing help, and infrastructural barriers poses a major challenge. Dhameja, S. K. (2002) mentioned the key challenges faced by women entrepreneurs are a variety of social, personal, marketing, mobility, government support, financial, production and labour-related issues, burden of work-life balance and weak technical expertise.

Sinha, P. (2003) mentioned in his study that the biggest difficulties are maintaining work life balance, low self-confidence, lack of business-related expertise, shyness and hesitation in business relationships, lack of structured finance due to inadequate collateral, marketing issues, and shortage of business premises. According to Munshi S et al (2011) some of the limitation's women face are unique to them (gender-specific), while some of the limitations are faced by entrepreneurs regardless of gender.

In India, women entrepreneurs face a wide variety of challenges in their careers. The biggest obstacles faced by women entrepreneurs are the availability of venture and working capital. Another problem is secure and affordable access to markets. The growth of women's entrepreneurship in the Indian context is strongly impeded by infrastructural bottlenecks, lack of advisory and business development support services, lack of knowledge of established government support provisions and lack of social conditions conducive to women's entrepreneurial personality.

Christmas et al (2008) mentioned that "the option of going too far within or outside feminine social structures may be counterproductive to the perceived leadership skills of the individual". Persuading others to achieve particular objective is possible through appropriate leading style. An appropriate and detailed leadership concept is the one proposed by some researcher those mentioned that it consists of interpersonal control, exercised in a situation and guided, through the communication pattern, towards the achievement of a defined objective. We point out that leadership often entails a person's (leader) attempts to influence or manipulate a follower's actions in

a specific situation.A good leader motivates others to act rightly. By any of the various devices, he or she can impel them to act: Persuasion, power , authority, menace of intimidation, and plea for legal rights. Through correct communication, the person who sees himself as a leader must pass on feelings and exhortations to followers. Communication includes both message reception and interpretation of the receiver. The good leader is the one who can make a meaningful argument to the individuals involved.

Leadership styles

From Schmidt, C. (2004) reported that there are different leadership styles.These styles are based on various parameters and varyfrom autocratic to participatory with distinct level of authority and decision making.

Autocratic Leadership Style

This style is to respond immediately to a crisis facing company. The leaders spent a huge time giving orders, making destructive demands, and criticizing them in the autocratic leadership style. The democratic leaders, on the other hand, spent much of their time offering direction, information and motivation.

Various researchers mentioned that, under authoritarian leadership style decision-making is mostly less innovative. This style of leadership has also concluded that switching from an authoritarian style to a democratic style is very hard. Typically, implementation of this leadership may result in a bossy, dominant, authoritarian, and dictatorial leader. It is suitable to circumstances where group leader is most experienced and there is a little or no time for group decision-making.

Democratic Style

In this approach employees have equal responsibility and every member of the organization has equal participation.It is found that participative or democratic leadership is generally most accepted form of leadership. Such leaders advice to group and engage in the group decision making by enabling input from other members. In a research it was found that the productivity of Children'swas less in group under democratic leadership style in comparison to the group members of the authoritarian leader, but the contribution of children of democratic group was higher quality.

Participative leaders facilitate the input of members of the community, but retain the ultimate voice in the decision-making process. Group members feel invested in the process and are more inspired and innovative. Democratic leaders strive to make followers feel like they are an integral part of the team, tending to foster loyalty to the interests of the party. Perspective of participatory leadership style centered on all of a company's employees and requires all participants to define the objective and address problems through mutual understanding. This ultimately includes all participants as a team and achieves an organization's goal. Everyone has contributed their role and engaged in decision making. Every intellectuality and imagination would be visible in this way and will affect employee performance positively. Team work will be encouraged and equal opportunities will be given to each employee to show their capabilities.

Delegative Leadership (Laissez-Faire)

It is a form of style of leadership in which leaders are hands-off and allow decisions to be taken by community members. Managers set goals and staff are free to do whatever is necessary to achieve those goals. The qualities that managers need include comfort, friendliness, and comprehended in this type of leadership style. It brings group members with very fewor zero input and leave the decision-making completelyto the group. This style is useful in a situation involving highly qualified specialists and experts in subject matter.It is also significant in cases where position is poorly defined and members lack motivation.

4.   Theoretical framework

A quality leader is accountable for supervising and disseminating knowledge to the employees in order to lead them to perform better and to make them a specialized person in maintaining quality. And it's such a big responsibility to become the manager of all team members. The clear leadership principles adoption encourages core values and competencies in terms of their position and duty. Clarity in leadership standards supports core values and maturity in terms of their role and responsibility. Myron Rush & Cole (1997), described 3 types of leadership styles and he also describes the different characteristics of each style that have a significant impact on employee performance (EP). First type of leadership style is autocratic which gives order to subordinate and orders must be followed by the subordinate. Second type of leadership style is democratic which is considered to be the best style. The democratic leader talks about every employee to agree on a different problem or the organization faces. And, teach membersways to solve the problem asthey assume that all are accountable for problem and a team can only solves it.

5.   Problem Statement:

Organizational performance includes organizational productivity, employee participation, employee skills and work-related effectiveness. Different organizations require strong styles of leadership to improve employee productivity. The challenges are faced by some companies like the tractor factory: poor creativity, low productivity. This problem continually affects the performance of employees. This is why the study explores the best one style of leadership that enhances employee performance. It is claimed to be an efficient organization rooted in the propellers or on the business leaders. In the technology world, the effective leadership concept is also embraced. Employees also saw the need for the one who is equally good at leading people and managing other organizational affairs. So, they need an effective leader to improve overall organizational productivity. On the basis on the above discussion following hypothesis were formulated for the present study.

H_{01} There is no significant relationship betweenwomen ELSand OP.

6.   Significance of the study

The research is valuable and based on employee performance in variety of leading styles of women entrepreneurs. Employee performance depends on the employee's actions the style a leader adopts to solve the problems.The studyin hand is also important to other organization as the adoption of a particular styleaffect the organization and women entrepreneurs.It also have an effect on organizational performance and the way employee related affairs are managed.

7.   Research Methodology:

The study used a descriptive approach to answer the research questions. Further a quantitative survey method was used as it is price-effective tool forthe information collection from huge populations. The online questionnaires were used as statistics collection technique because of its advantage of low cost and excessive pace statistics. An online survey of 84 randomly selected women entrepreneur have been conducted of Delhi and Pune. 43women marketers were participated in survey and the response rate was 51.1%. The consistency was ensured by using Cronbach' alpha reliability check.Cronbach's alpha statistics was found 0.876, which ensured a high internal consistency among the scale items. The study also used data obtained from secondary sources.Major sources of the secondary data were articles published in newspapers and magazines, paper reviews, research journals and text books. For the analysis purpose SPSS 22 has been used in present study.
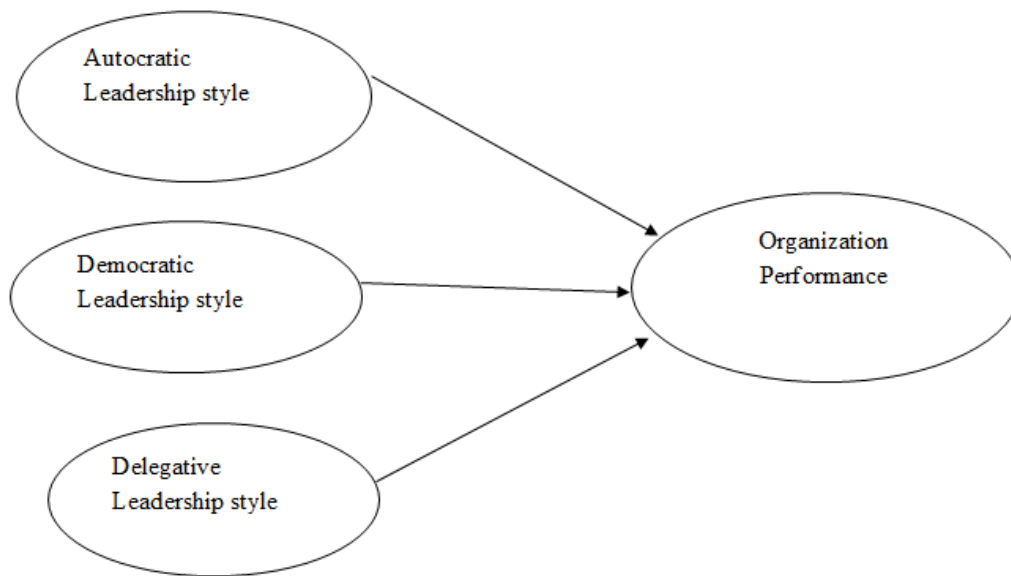
Source: Primary Data

8.   Data Analysis and discussion

Table 1: Mean and Standard Deviation

Variables	Mean	Standard Deviation
Organizational performance	41.032	1.3619

Autocratic leadership	2.6733	1.0860
Democratic leadership	4.0633	1.4723
Delegative leadership	3.7367	1.2565

Table 1 shows that Autocratic leadership style is least preferred style by women leaders because most of women entrepreneurs are not very much strict towards their employees as they take very soft decisions which is beneficial for both organization and employees (Mean= 2.6733 SD= 1.0860). Further analysis throws a light on Delegative leadership style where women entrepreneurs have a reliability to their employees so give them full autonomy to do their work(Mean= 3.7367 SD= 1.2565). At last very interesting finding has been concluded that women entrepreneurs are very much inclined towards the democratic leadership style, where they give equal opportunity to their employees. This type of leadership is mostly used by most of the women entrepreneurs which gives them a positive outcome but on the other hand in some situation it creates problem for them (mean=3.7367 SD=1.2565).

Table 2: Correlation

Variables	Organizational Performance	
	Pearson correlation Coefficient	Statistical Significance
Autocratic leadership	-0.232	0.000
Democratic leadership	-0.284	0.001
Delegative leadership	0.309	0.000

P*<.5

Table 3: Regression

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	S.E	β	T	Sig.
(Constant) Autocratic Leadership Democratic Leadership Delegative Leadership	42.200 .757 .222 -.316	2.057 .078 .065 .089	.233 .003 -.287	2.157 -3.227 2.348 -2.728	.001 .002 .002 .003

P*<.5

All the predictor variables are explaining jointly 42.1% variance of OP, remaining 57.8% might be due to other extraneous and uncontrolled variables.

Autocratic style of leadership (β = 0.757; t = -3.227; p< 0.5) shows the positive as well as significant relationship between leadership style and organizational performance. On the other hand,democratic leadership style (β = 0.222; t= 2.348; p < 0.5) shows positive and significant relationship between leadership style and organizational performance. This indicates that employee value system, motivation, and moral can be developed through transformational and democratic styles of leadershipand this induce employees to perform as per the standard. Delegative Leadership (β = -.316; t= -2.728; P<.5) shows that this leadership style has negative and significant relationship on leadership style and organizational performance.

Autocratic women leaders only want the employees to follow the orders. They don't want employee involvement in their company. Normally one person decides to make decisions and plans at the top level and the other has to obey. These leaders do not take their employee's consultation of any kind. We agree that leaders need only make choices, and workers should only follow what we want to do or they don't. This is a static leadership which results de-motivation for workers.

Delegative women leaders almost take no decisions; leave the part to the employees. It is rigid and source of employees de-motivation.Such leaders mostly delegate responsibility on employee's shoulder and provide supervision to specific members of the team whom they trust. This means that motivation and developing people, which are greatest advantage of leadership, are ignored here and employees may not perform as per the expectation.

Democratic female leadership style emphasizes management that supervise their staff and departments while welcoming and seeking feedbackon individual basis fromgroup members. They not bothered for their power and authority and pay concern for employee consultation. When organizations address innovative challenges, conduct meetings, they are supposed to train people in appropriate leadership roles and to perform routine organizational activities. This style motivates staff to help them meet targets and departmental deadlines to produce effective team inputs. In democratic style of leadership employees address all major problems and try to resolve them in the best possible manner, employees' works with harmony.

9.   Conclusions

Democratic style of leadership is the most effective style where employees feel a sense of belonging, little supervision is required to carry out higher responsibilities and followers are assisted to get their goals and improves the overall organizational productivity. The surprisingly authoritarian style also has a positive effect on the organizational performance despite its insignificance. Although in authoritarian style, leaders have the power to make decisions in which the employees feel inferior in doing the jobs and making decisions.

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