



## Exploring Leadership Styles and Their Impact on Employee Motivation: Insights from An Emerging Economy

Akansha Rathore, Research Scholar, Management, The Glocal University Saharanpur, Uttar Pradesh  
Dr. Sanjeev Saxena, Associate Professor, Research Supervisor, Glocal School of Business and Commerce, The Glocal

University, Saharanpur, Uttar Pradesh

Prof. (Dr.) Savita Mohan, Principal, Research Co-Supervisor, GNIOT Institute of Professional Studies Greater Noida, Gautam buddh Nagar (UP)

### Abstract

This study examines how leadership styles affect employee engagement at WAPDA, a bureaucratic government entity in a growing South Asian economy. The research uses a theoretical framework to identify autocratic, democratic, and laissez-faire leadership styles as independent factors and employee motivation as the dependent variable. The study examines these links using a multiple regression model and literature-based hypotheses: H1, H2, and H3 suggest that authoritarian, democratic, and laissez-faire leadership motivate employees. Data was collected from 110 senior and intermediate managers using stratified sampling for proportionality. The Multifactor Leadership Questionnaire (MLQ) and Touré-Tillery and Fishbach's process-focused strategy assessed leadership styles and employee motivation. Cronbach's alpha showed strong varied internal consistency, confirming reliability. The descriptive statistics showed a 2.5160 mean and 0.33397 standard deviation. The independent factors explained 22.6% of employee motivation variance according to regression analysis, with an R-value of 0.465 and an R-squared value of 0.226. ANOVA showed the predictors' statistical significance on the dependent variable, and the model was significant and well-described. Autocratic leadership negatively affected employee motivation, democratic leadership did not, and laissez-faire leadership positively affected it. Leadership styles affect employee motivation in bureaucratic settings, advocating a balanced approach to leadership to boost motivation.

**Keywords:** Leadership Styles, Employee, Motivation, Emerging Economy

### 1. INTRODUCTION

Effective leadership is acknowledged as a vital component of organizational success in today's dynamic corporate environment, especially in emerging economies experiencing fast socio-economic development. This study explores the complex relationship, in the context of a growing economy, between employee motivation and leadership styles. There is a wide range of leadership styles, including transformative, transactional, and autocratic. These styles have an impact on employee engagement, organizational culture, and performance outcomes. Comprehending these dynamics is crucial for firms operating in emerging economies, as they must negotiate distinct obstacles such as heterogeneous worker demographics, changing market environments, and fluctuating socio-political environments. A key component of organizational behavior, employee motivation is essential for fostering retention, job satisfaction, and productivity. It has been demonstrated that motivational elements including empowerment, recognition, and the congruence of personal ambitions with corporate goals are greatly impacted by effective leadership. To properly capture these subtleties, localized research is necessary, as the effectiveness of various leadership styles in inspiring people can vary greatly across different cultural and economic circumstances.

Leadership styles need to change in growing economies when traditional beliefs and practices collide with fast industrialization and globalization. This will help them take advantage of possibilities and overcome obstacles. By investigating how leadership approaches in emerging economies affect employee motivation and organizational performance, this study seeks to close this gap. The research aims to provide insights that might inform leadership development strategies customized to the distinct circumstances of developing economies by investigating theoretical frameworks and empirical data.

This introduction also lays the groundwork for the goals of the study, which include a critical examination of different leadership philosophies, their theoretical foundations, and their



application in improving worker motivation in developing nations. In addition to adding to the body of knowledge on motivation and leadership in academia, the findings should have application for organizational leaders who aim to maximize worker performance and engagement in a variety of dynamic work settings.

## 2. REVIEW OF LITREATURE

**Abasilim, Gberekvie, and Osibanjo (2019)** carried out an empirical investigation to investigate the connection between various leadership philosophies and worker dedication in the Nigerian setting. Their findings, which were published in Sage Open, looked at the relationship between employee commitment and three different leadership philosophies—transformational, transactional, and laissez-faire. The research was conducted in Nigerian firms. The research employed a quantitative approach, collecting information from workers in a range of industries using standardized questionnaires. The results showed that transformational leadership significantly increased employee engagement by motivating and building a sense of loyalty among staff members. To a lesser degree, transactional leadership also had a positive link, highlighting the importance of rewards and recognition in boosting commitment. On the other hand, it was discovered that a laissez-faire approach to leadership had little or even a detrimental effect, underscoring the significance of proactive and captivating leadership in fostering employee engagement. The aforementioned study highlights the pivotal function of flexible leadership approaches in cultivating a dedicated and enthusiastic labor force in developing nations such as Nigeria.

**Ahmad and Umrani (2019)** investigated the relationship between ethical leadership and job happiness, concentrating on the ways that green HRM practices and psychological safety operate as moderators. Their study, which was published in the Leadership & Organization Development Journal, offered a sophisticated perspective on how moral leadership may foster an atmosphere that encourages job happiness. The study employed a mixed-methods approach, integrating qualitative interviews and quantitative surveys to gather insights into the perspectives of workers across different companies. The results showed that moral leadership enhances psychological safety and sustainability (Green HRM) at work, which in turn has a favorable effect on job satisfaction. Workers who believe their managers are morally upright are more likely to feel safe and encouraged, which boosts commitment to the company and job satisfaction. This study emphasizes how crucial ethical leadership is for fostering both human well-being and improving organizational procedures that support a supportive and long-lasting workplace culture.

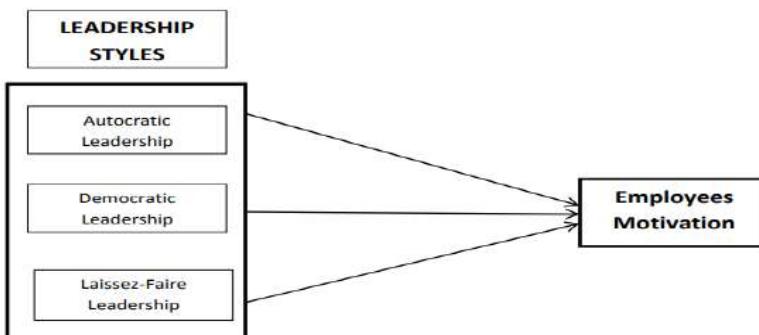
**The study by Al Harbi, J. A., Alarifi, S., and Mosbah, A. (2019)** examines the connection between transformational leadership and worker creativity, emphasizing the roles that psychological empowerment and intrinsic motivation play as mediating factors. This study, which was published in Personnel Review, demonstrates how transformational leaders may greatly increase creativity in firms by inspiring and intellectually stimulating their workforce. The research utilized a quantitative methodology, gathering information from workers in various industries. The findings suggest that transformational leadership fosters an environment where people feel psychologically empowered and intrinsically driven, which has a beneficial impact on creativity. It has been demonstrated that psychological empowerment—which encompasses sentiments of competence, autonomy, and meaningfulness—improves workers' creative abilities. This relationship is further mediated by intrinsic motivation, or the internal urge to accomplish tasks for their own intrinsic satisfaction. This suggests that transformational leaders can greatly increase organizational creativity by creating an environment that is both empowering and motivating. These results are especially pertinent to developing nations, where economic growth and competitive advantage depend heavily on innovation and creativity.

## 3. RESEARCH METHODOLOGY & HYPOTHESES DEVELOPMENT

In the theoretical framework, the relationship between independent and dependent variables is shown (Figure 1). Drawing from prior research three distinct leadership styles—autocratic,

democratic, and laissez-faire—are considered as independent variables. While the dependent variable is the motivation of the workforce

### 3.1 Theoretical framework



**Figure 1:** Relationship Between Independent And Dependent Variables

### 3.2 Regression Model and hypotheses formulation

Three free factors were utilized in a various relapse examination to determine the connection between leadership styles and employee motivation. Coming up next is the means by which reliant and free factors are operationalized:

$$EM_{pfe} = \beta_0 + \beta_1 (AL) + \beta_2 (DL) + \beta_3 (LF) + \eta_i + \epsilon_{it}$$

Where,

- $EM_{pfe}$  = Employees' motivation (process-focused evaluation)
- $AL$  = Autocratic Leadership
- $DL$  = Democratic Leadership
- $LF$  = Laissez faire
- $\eta_i$  = unobservable heterogeneity
- $\epsilon_{it}$  = error term
- $\beta_0$  = constant variable
- $\beta_1$ ,  $\beta_2$ , &  $\beta_3$  = Proportionate change in dependent variable due to independent variables.

The following theories are developed based on the multiple regression model and previously cited earlier literature:

H1: Employee motivation is significantly impacted by autocratic leadership.

H2: Employee motivation is significantly impacted by Democratic leadership.

H3: Employee motivation is significantly impacted by laissez-faire leadership.

### 3.3 Research design

To accumulate data from 110 senior and middle of the road level directors that work for WAPDA, separated inspecting was utilized. The example technique ensured that center level and significant level supervisors were proportionately addressed. To start with, the continuous issue of force deficiencies requests a basic investigation of the elements and partners included (Ikram, Su and Fiaz, 2017); second, the government foundations of growing South Asian economies are famous for their regulatory style of administration, settling on the decision of WAPDA basic. Employee motivation is the reliant variable in the exploration system, while the free factors are leadership styles (imperious, popularity based, and free enterprise). The shut end Multifaceted Leadership Poll (MLQ) (Bass and Avolio, 2000), which depends on a Likert scale, is the review device utilized in this cross-sectional review to gather information. To survey the motivation of our employees, we utilized Touré-Tillery and Fishbach's (2014) process-centered technique. To check that the MLQ is real, we run the Cronbach's alpha test. As per Table 1, the things in the despotic leadership 150 (AL) have a somewhat high inner consistency, as shown by the Cronbach's alpha of 0.787. The popularity based leadership (DL) has an alpha coefficient of 0.682, which demonstrates rather low inner consistency. In contrast with the other two factors, the Free enterprise (LF) has the best alpha coefficient, 0.890. The employees' motivation (EM) alpha coefficient of 0.834

demonstrates that the things' inside consistency is areas of strength for similarly. The four things' all out alpha coefficient is 0.787, demonstrating that the things have a sensibly elevated degree of inside consistency and that the overview instrument ought to create helpful outcomes.

**Table 1: Reliability Statistics Test**

Variables	Cronbach's	Cronbach's Alpha Based on	N of Items
	Alpha	Standardized Items	
AL	0.787	0.771	5
DL	0.682	0.634	5
LF	0.890	0.888	5
Overall	0.718	0.778	20

Table 2 illustrates that N holds true for both independent and dependent variables. In a similar vein, zero is discovered for missing questions. The results show that the standard deviation is 0.33397 and the overall mean is 2.5160. It is discovered that the overall variance is 0.112. As a result, every analysis result demonstrates the importance and accuracy of the data.

**Table 2: Descriptive Statistics**

N		AL	DL	LF	EM	Overall
		Valid	110	110	110	110
	Missing	0	0	0	0	0
	Mean	1.7618	3.4333	1.6455	3.2061	2.5160
	Std. Deviation	0.4617	0.7075	0.5134	0.6289	0.3339
	Variance	0.2130	0.5010	0.2640	0.395	0.112
	Minimum	1.00	1.67	1.00	1.67	1.52
	Maximum	3.20	4.67	3.33	4.67	3.31

## 4. DATA ANALYSIS & HYPOTHESES TESTING

Descriptive statistics and a reliability test supported the study's research approach.

Now, with the aid of the statistical program SPSS, we apply the analysis of variance test (ANOVA) to empirically assess the hypotheses that we generated and presented in Section 3.

**Table 3: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.476 <sup>a</sup>	0.226	0.197	0.41386

a. Predictors: (Constant), AL, DL, LF

The different connection coefficient (R-esteem) in the relapse model (Table 3) shows the connection between the free factors (indicators) and the reliant variable ( ). There is an OK, but not exactly great connection between the factors in light of the various relationship of 0.465 between the reliant variable (employee motivation) and the indicators (AL, DL, and LF). The R-squared aftereffect of 0.226 demonstrates that AL, DL, and LF together record for 2.26% of the variety in employees' motivation. R-squared is the proportion of the fluctuation in the reliant variable that is distant from everyone else or mutually made sense of by the free factors.

**TABLE 4. Analysis Of Variance**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	5.255	4	1.314	7.670	.000 <sup>b</sup>
Residual	17.984	105	.171		
Total	23.240	109			

a. Dependent Variable: EM

b. Predictors: (Constant), AL, DL, LF

The review's discoveries and the testing of the speculations are for the most part founded on Tables 4 and 5. Table 4's investigation of fluctuation (ANOVA) exhibits that the indicator's effect on the reliant variable is measurably critical when it is under 0.05. The model is reliable and best fitted across all customary importance levels, as per ANOVA. The review's general model is huge and suitably depicted on the grounds that the p-an incentive for the F-measurement is not exactly the 5% degree of importance. Table 5 exhibits how the standard blunder and beta qualities differ from one variable to another. AL has a low degree of importance, 0.164.

As per the review, there is a significant backwards relationship between dictatorial leadership (AL) and WAPDA employees' motivation. As per prior research, there is a negative connection between's employees' motivation and dictatorial leadership (Kipnis et al., 1981; Jung et al., 2014). The greater part of imperious leadership styles is 152 the justification for low employee motivation. As per Bass (1997), there is a positive relationship among's majority rule and free enterprise leadership styles and employees' motivation. The examination, in any case, showed that the qualities don't lay out a significant relationship between the motivation of employees and a vote based leadership style.

This disparity makes sense as there is a dearth of democratic leadership in a bureaucratic setting where employees are rarely given the opportunity to participate in decision-making.

**Table 5: Hypotheses Testing**

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.	Decision
	B	Std. Error	Beta				
(Constant)	0.990	0.294			3.37	0.001	
AL	-0.192	0.067	-0.294		-2.87	0.005	Significant
DL	0.083	0.079	0.092		1.05	0.164	Insignificant
LF	0.079	0.070	0.107		1.12	0.009	Significant
EM	0.411	0.079	0.496		5.23	0.000	

a. Dependent Variable: EM

## The results of hypotheses are:

H1: Motivation among employees is significantly impacted negatively by autocratic leadership.

H2: Democratic leadership does not significantly increase worker motivation.

H3: Employee motivation is significantly improved by laissez-faire leadership.

## 5.CONCLUSION

This federal agency, WAPDA, is renowned for its bureaucratic governance. This study examined the effects of several leadership philosophies on worker motivation. With employee motivation serving as the dependent variable, the study looked at democratic, autocratic, and laissez-faire leadership styles using multiple regression analysis and a theoretical framework. The Multifactor Leadership Questionnaire (MLQ) and Touré-Tillery and Fishbach's process-focused methodology were used to evaluate the data gathered from 110 senior and intermediate-level managers using stratified sampling. The reliability tests verified that there was strong internal consistency among all the variables. A mean of 2.5160 was found overall, with a standard deviation of 0.33397, according to descriptive statistics. With a multiple correlation coefficient (R-value) of 0.465 and an R-squared value of 0.226, regression analysis revealed a substantial association between leadership styles and employee motivation. The data from the ANOVA confirmed the predictors' statistical significance. Employee motivation is negatively impacted by autocratic leadership, whereas it is positively impacted by laissez-faire leadership, according to the hypothesis testing results. Nonetheless, there was little improvement under democratic rule. The results indicate that while laissez-faire leadership can increase motivation, autocratic leadership may have the opposite effect.



Implementing participatory decision-making in a bureaucratic context is difficult, as demonstrated by democratic leadership's lack of noticeable impact.

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