

## IMPACT OF LEADERSHIP ON ORGANISATIONAL CULTURE

Pooja Rani<sup>1</sup>

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### Abstract

*Leader is a person who leads his/her subordinate in the right direction, motivate them and helps them in achieving the organisational and individual goals. Organisational culture is an environment where different people as an employee from different background work together and work under team spirit. This study shows the impact of leadership on organisational culture. 60 respondents filled the questionnaire based on likert scale. It was found that there is a positive and significant impact of leadership on organisational culture. Majority of the people accepted it.*

**Keywords:** Leadership styles, Organisational Culture, Knowledge Management

### INTRODUCTION

Organisational culture and leadership qualities impact both of them in a great sense. Different theories of leadership have been developed from time to time. In 1930 to 1950 the trait theory in 1960 to 1970 behavioural theories, in 1980 to 1990, heroic leadership was developed. Heroic leadership was based on vision and transformational aspect. Nearby leadership model shows that leadership style based on engagement. Engaging leadership is that type of leadership in which values, attitudes of a particular leader is considered. If a leader accepted engaging leadership style, he is able to increase the capabilities and performance of their workers. Self confidence and efficiency, power to reduce the stress of job are related to wellbeing and motivation, achievement and satisfaction are related to the strong and positive attitude regarding work. So, well beings and work related positive attitude are important element by which an organisation is able to increase their efficiency. A study was made and published on engaging leadership by Professor Beverly Alimo- Metcalfe and Dr. John Alban Metcalfe in 2001. If an organisation adopts engaging leadership style, then the employees working in that organisation pay extra efforts towards their work to achieve their objectives. If an organisation wants to gain a competitive advantages, then it has to focus on knowledge management. By managing their knowledge, an

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<sup>1</sup> Assistant Professor, Department of Commerce, Sanatan Dharma College, Ambala Cantt, Email: pooja.mphil@gmail.com

organisation can improve productivity, efficiency, provide better quality service to society and provide innovative, new products and ideas to achieve customer loyalty. More studies have been done and gave the result that organisational culture and leadership styles are major components and problems in knowledge management. If leadership style and employees empowerment is linked with organisational reputation than an organisation is able to increase his internal and external capabilities and is able to develop public relationship. Leadership is related to culture of organisation. Leadership differentiates administration and management from each other and formulate culture. There is requirement to know different leadership style & their impact and implication on organisational culture. Some authors gave the opinion that more focus is paid to the relationship between leaders and their followers rather than their impact of leadership style on organisational and environmental effectiveness. Organisational culture and leadership style are dependent to each other and pays and important role in effectiveness of organisation.

## REVIEW OF LITERATURE

Peter Lok & Crawford (2003) showed the impact of leadership styles and organisational culture on organisational commitment. Two samples size of managers were taken from Australia and Hong Kong. This study revealed the positive relationship between innovative organisational culture and consideration style of leadership with job satisfaction and organisational commitment but there is a negative relationship between initiating structure leadership style and job satisfaction and organisational commitment.

Block, L (2003) studied that cultural leadership is most important aspect in any organisation is coming years. The supervisor who follows leadership style has great influence on their employees. The study focused on relationship between leadership and organizational culture. The study was based on service and sales organization working on private basis. Supervisor who follows transformational leadership style are more competent in achieving the goal of the organisation rather than those organisation who adopt transactional leadership.

Bryant (2003) studied that organisation who want to achieve competitive advantage, should be more focused on the management of knowledge. Leaders have the capabilities to manage the knowledge by developing, allocating and applying it effectively. Transactional leadership style is more powerful in

applying the knowledge while transformational leadership style is helpful in developing and allocating the knowledge. The whole study concluded the importance of transformational leadership style with organisational culture and knowledge.

Kavanagh & Ashkanasy (2006) concluded that organization who wants to opt merger decision, leaders plays an important role in merging it. The study gave more importance to communication and process of transparent change. Leaders should be able to capable in changing and adopting the organisational culture by their employees. Leaders have the experience in changing the mindset of employees and accepting the changing environment through mergers.

Metcalf et al. (2008) concluded that there is a correlation between leadership styles and working attitude and well being with organisational performance. The study revealed that instruments of leadership having predictive and discriminate validity and different type of relations are present in leadership quality and working attitude and well being aspect. Performance of organisation can be predicted through engaging leadership style.

Ngyyen & Mohamed (2011) studied the relationship of leadership behaviour and knowledge management. The study was based on small to medium size enterprises in Australia and examined the impact of transactional and transformational leadership style on knowledge management and impact of organisational culture on relationship between leadership behaviour and knowledge management. Different leadership styles like charismatic and systematic aspects also affect knowledge management.

McMurray, Islam et al. (2012) studied the relationship of leadership style on working environment on Non Profit Organisation. Transformational and transactional leadership styles were studied to see the impact of these styles on working environment and work performance. Transformational leadership style influenced the working climate. But there is a positive relationship between working environment and employee performance to each other. Both leadership styles did not affect working environment and employee performance simultaneously.

Yang et al. (2014) study was based on Korean firms explained different aspects i.e. proactive behaviour of employees, leader member exchange quality. If employees are self motivated, it is not accepted by

managers of Korean firms. The study revealed a positive relationship among persons of self rated and manger rated.

Mittal & Dhar (2015) focused on IT companies working on small and medium size level to show the relationship of transformational leadership style on creativity on employees. If an organisation adopts transformational leadership style than it can change the mind set of their employees and can make them more creative.

Neubert et al. (2016) examined the impact of servant leadership on satisfaction aspects of patient and nurse. Multilevel model was used to show the relationship of leadership with patients and nurse satisfaction level. If a leader has a serving quality then he can be able to satisfy the patient behaviour. Nurses are more satisfied towards their work while adopting servant leadership style.

Tokarev et al. (2017) study showed the connectivity between roles of leader with mental health of workers. Different psychological methods were applied to know the impact of leadership quality on mental health of employees. Leaders have the power that can improve their confidence and forced them to go to depression. If leaders are cooperative then employees can never leave the organisation.

Hughes et al. (2018) study was based on systematic review of leadership on vision and modernisation. Variables are assumed to show the relationship between leadership vision and modernisation. Leadership affects the vision and innovation aspects of an organization. The study was based on the aspect that how the different factors affects the various aspects of innovation and implementation.

### **Research Gap**

For getting better results, it is required to improve the number of samples from various organisations so that reliable results can be obtained and generalisation of findings should be possible. Organisational professionals and leaders should use qualitative research methods while facing the research problem in the form of in depth interviews. The concept of leadership should be concerned with public relation aspects. Leaders should perform the functions of public relations to make proper and effective communication. Longitudinal and cross section study should be included to know the better impact of leadership on organisation culture.

**OBJECTIVES**

1. To study the impact of leadership on organisational culture.
2. To study the factors affecting organisational culture.
3. To examine the cultural differences among different employees.
4. To study the future aspects of leadership and organisational culture.
5. To study the psychology of leaders towards organisational culture.

**HYPOTHESIS**

H1 there is a positive and significant impact of leadership on organisational culture.

**RESEARCH METHODOLOGY**

Data was collected through questionnaire taken from the article “A measure Organisational culture and personal attributes” Dawson (2011). 70 respondents were considered while filling the questionnaire. 10 questionnaires were not filled properly. The data was not up to mark for the research purpose so it was left out. Only 60 respondent’s questionnaire data was considered. The data was based on the impact of leadership on organisational culture.

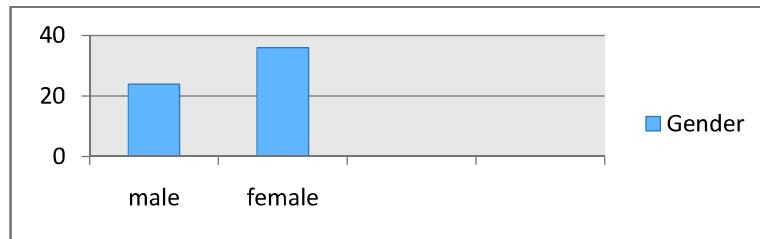
In this descriptive type of study questionnaire is used because testing of hypothesis is required. Data was collected on Likert scale basis. By making questionnaire data can be easily collected from concerned respondents, it will save the time. On the basis of collected data, analysis and interpretation of data was possible and drawing of the finding and conclusion was possible to verify its truth of hypothesis.

**DEMOGRAPHIC PROFILE**

40% of the total respondents were male and 60% were female. Respondent were also categorised on the basis of marital status. 55% of males and 35% females are married. Respondents were further classified on the basis of academic qualification. 70% of the respondents were UGC net qualified persons. 30% of respondents were Phd. holders. 60% of the respondents were M.Phil. 5% of the respondents having experience less than 5 years, 10% of the respondents having the experience between 5 to 10 years, 20% of the respondents having the experience between 10 to 15 years and 25% of the respondents were of more than 15 years experience.

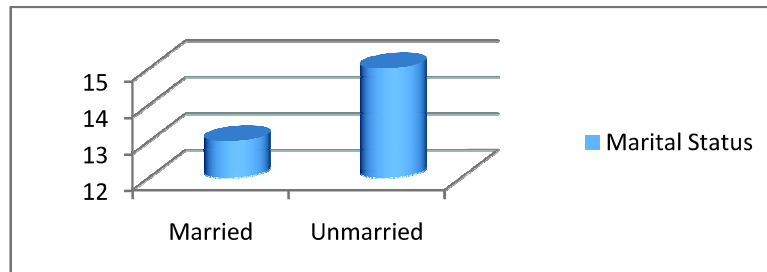
**Gender**

Gender	Frequency
Male	24
Female	36



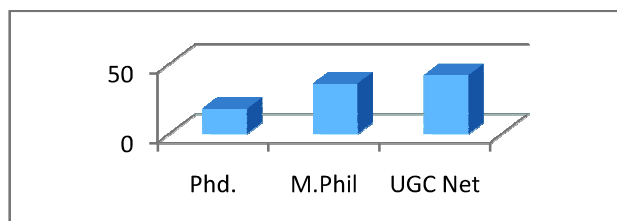
**Marital Status**

Male	13
Female	15



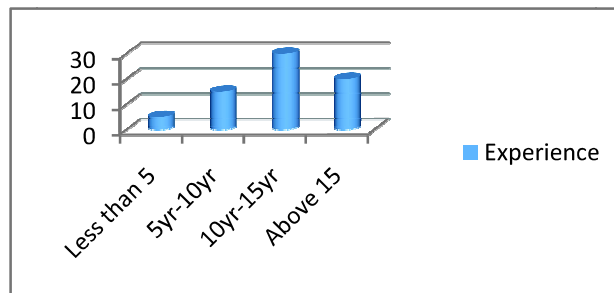
**Academic Qualification**

Academic Qualification	Frequency
Phd.	18
M.Phil	36
UGC Net	42



**Experience**

Experience	Frequency
Less than 5	05
5-10	15
10-15	30
Above 15	20



**SOURCE OF DATA**

Data collection method used in this study is questionnaire which was filled by different teachers working in the education sector.

**TARGET GROUP**

This study considered the teachers as respondents as well as a target group to show the impact of leadership on organisational culture.

**SIZE OF SAMPLE**

Target group was 70. 70 questionnaires will be filled by different teachers working in educational sector. They got the questionnaire through directly contact.

**TOOLS**

To know the response of respondents' questionnaires were filled by respondents and different types of questions relating to study were added in it and SPSS was applied for data analysis as per requirements.

**SAMPLING TECHNIQUES**

Various sampling techniques can be used in collecting data. Convenience Sampling Technique was used to collect information. It was more convenient for me and saved the time of respondents also because they filled it in their comfortable time.

**REGRESSION ANALYSIS**

Regression analysis method was used to study the relationship between leadership and organisational culture because regression analysis is based on independent and dependent factors. Leadership is the independent factor and organisational culture is a dependent factor. For getting positive relationship there should be direct movement or same direction between dependent and independent variable and the impact between dependent and independent variable is positive, so there positive relationship between these two variable. Regression analysis shows the degree of relationship between dependent and independent variable.

**RESULTS AND DISCUSSION**

**Table-1 (Descriptive Statistics)**

	N	Minimum	Maximum	Mean	Std. Deviation
OC1	60	3	5	4.33	.752
OC2	60	2	5	4.10	.915
OC3	60	1	5	3.73	1.039
OC4	60	2	5	4.00	.864
OC5	60	1	5	3.90	1.175
OC6	60	2	5	4.43	.810
OC7	60	2	5	3.87	.965
OC8	60	2	5	3.77	.851
OC9	60	2	5	3.90	.796
OC10	60	2	5	4.20	.879
OC11	60	2	5	3.90	.656
OC12	60	2	5	3.83	.905
OC13	60	2	5	4.10	.877
OC14	60	1	5	4.03	1.057
OC15	60	2	5	4.10	.877
OC16	60	1	5	3.60	1.061
OC17	60	2	5	4.00	1.105
OC18	60	2	5	3.93	.821
OC19	60	2	5	4.13	.676
OC20	60	1	5	3.73	1.133
OC21	60	1	5	3.17	.905
Valid N (listwise)	60				



**Table 2 (Descriptive Statistics)**

	N	Minimum	Maximum	Mean	Std. Deviation
LD1	60	2	5	3.70	.830
LD2	60	1	5	3.60	1.092
LD3	60	3	5	3.67	.705
LD4	60	1	5	3.60	1.210
LD5	60	2	5	4.00	.781
Valid N (listwise)	60				

The above calculation was done through SPSS Software.

Table 1 and Table 2 showed the descriptive statistics of organisational cultural variables as dependent variable and leadership variable as independent. We found the mean and standard deviations. We took likert scale to verify our answer which included Strongly Agree meant 5, Agree meant 4, Neutral meant 3, Disagree meant 2, and Strongly Disagree meant 1. Average came between agree to neutral or within the range of 3 to 4. It concluded that most of the people were agreed that leadership impacts the organisational culture.

**Table-3 (Model Summary)**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.556 <sup>a</sup>	.309	.297	.41843

a. Predictors: (Constant), COMPLD

Table 3 showed the regression means the degree of the relationship between leadership and organisational culture. 0.556 was the regression and 0.309 was the coefficient of regression. 0.4184 was found as standard error of estimate.

**Table-4 (ANOVA<sup>b</sup>)**

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	4.536	1	4.536	25.910	.000 <sup>a</sup>
Residual	10.155	58	.175		
Total	14.691	59			

a. Predictors: (Constant), COMPLD, b. Dependent Variable: COMPOC

**Table 5 (Coefficients<sup>a</sup>)**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.381	.311		7.654	.000
	COMPLD	.420	.083	.556	5.090	.000

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		B	Std. Error	Beta		
1	(Constant)	2.381	.311		7.654	.000
	COMPLD	.420	.083	.556	5.090	.000

**Table 6 (Descriptive Statistics)**

	N	Mini mum	Maximum	Mean	Std. Deviation
COMPOC	60	2.67	5.00	3.9413	.49900
COMPLD	60	2.20	4.80	3.7133	.66011
Valid N (listwise)	60				

Table 6 showed the mean and standard deviation of organisational cultural variables (Mean=3.9413, SD=.4990) and mean and standard deviation of leadership variables (Mean=3.7133, SD=0.6601).

**SUGGESTIONS AND CONCLUSION**

The study concluded that there is a positive and significant impact of leadership on organisational culture. So our null hypothesis is accepted. Mean and standard deviation were found which verifies that more than half majority accept that leadership is a independent factor which affects the organisational culture which is dependent factor. Leader by adopting suitable styles according to situation can influence the employees; can improve the productivity, profitability, and efficiency.

**LIMITATIONS**

Every study has its own limitation. This study was based on data collected single organisation. Samples were considered from one unit. It created a limitation. Some respondent did not respond correctly or accurately or some of them gave misguided information. Another limitation was that only employees were considered. For gaining maximum reliable results, number of samples should be increased. By adding more number of organisation and employees, results will come more reliable, valid.

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