

A STUDY OF TRANSFORMATIONAL, TRANSACTIONAL AND LAISSEZ-FAIRE LEADERSHIP PREVALENT AMONG MANAGERS AT HIMACHAL PRADESH POWER CORPORATION LIMITED (HPPCL)

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Abstract

Effectiveness of an organization depends upon various factors, Leadership, however, holds an important place and considered as one of the crucial factor in overall success or failure of an organization. Literature has shown that Transformational Leadership is an ideal style and has many positive implications. The present study focuses on studying Transformational, Transactional and Laissez faire leadership style prevalent among managers in a public sector organization and also studies the impact of demographic variables such as age, gender, experience and education on leadership styles. The purpose of this paper is to examine the empirical validity of transformational, transactional and laissez-faire leadership and their sub-scales among managers in a public sector organization.

Keywords: *Leadership, Transformational, Transactional, Laissez Faire*

Introduction

Organizations have to be conscious of the utilization of their resources and make every effort to ensure that their resources are being used in the most effective manner. The organizational members who comprise the organization are a vital resource. The organization requires skillful

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employees who can render quality services to them and leadership can make a remarkable difference in employee satisfaction or dissatisfaction **(Morris & Venkatesh, 2010)**. Proper understanding of the significance of leadership style and the effect on job satisfaction could enhance the success of organizations operating in the competitive business environment. Leadership style is the approach and manner of providing directions, accomplishing plans, and motivating employees to achieve goals of the organization. **Morris and Venkatesh, 2010** further stated organizations may lose creative and innovative employees to competitors if the senior managers fail to discern the importance of employees' job satisfaction and employ the right leadership style. **Burns (1978)** believed that leadership induces followers to act for goals that represent the values and the motivations, the wants and needs, the aspirations and expectations of both leaders and followers. The traditional view of leaders – as special people who set the direction, make the key decisions and energize the troops- is deeply rooted in an individualistic world view. However, leaders in learning organizations require new skills and the ability to build a shared vision. Thus, leaders in learning organizations are responsible for building organizations where people are continually expanding their capabilities to shape their future- that is, leaders are responsible for learning **(Senge, 1990)**.

A major factor in success of an organization is leadership. Dynamic and effective leadership involves creating and articulating a vision, plan and creating the necessary environment for employees to do their best work and be innovative **(Bemowski, 1996)**. Transformational leadership is the ability to influence and motivate others so that followers want to achieve organizational success. The leader "chooses high ethical and moral values, which in turn are admired and emulated by their followers" **(Bass, 2000)**. Effective leaders have the ability to exert influence and know how to involve others, enabling them to act within the correct vision, mission and goals so that the organization heads in the right direction and uses the correct methods to get there **(Einstein & Humphreys, 2001)**.

Burns (1978) stated "Transformational leadership ultimately becomes moral in that it raises the level of human conduct and ethical aspiration of both the leader and the led, and thus it has a transforming effect on both". Organizations that are interdependent, culturally diverse, networked organizations depend on transformational leadership to bring out the creativity, imagination and best efforts of their followers (**Waldman, Bass & Yammarino, 1990**). Transactional leadership involves a transaction in which the leader rewards or disciplines the follower depending upon the acceptableness of the follower's performance. According to **Bass (1985)**, transactional leaders clarify for followers their responsibilities, the tasks that are to be accomplished, the expectations the leader has, and the benefits to the followers for compliance. In a transactional setting, a follower understands that by accomplishing the tasks set by the leader, the follower will obtain desired rewards. The leader must outline what the level of achievement needs to be and the specific rewards that are to be obtained. **Bass (1985)** refers to these rewards as contingent rewards. A follower continues to receive desired and agreed upon rewards as long as he or she continues to reach the desired level of achievement explicitly outlined by the leader. In summary, the ultimate goal of this research study is to examine the leadership style prevalent among managers. The study has been conducted in a public sector organization (HPPCL) located in the state of Himachal Pradesh.

Himachal Pradesh Power Corporation Limited (HPPCL)

Himachal Pradesh Power Corporation Limited (HPPCL) was incorporated on 18th December 2006 under the Companies Act, 1956 with the objective to plan, promote and organize the development of all aspects of hydroelectric power on behalf of the government of Himachal Pradesh. Currently HPPCL has been allotted 21 Hydro Projects aggregating to 3114 MW of electricity generation. It is a fast upcoming power generating utility with all the technical and organizational capabilities at par with other power generating companies like NTPC/SJVNL/NHPC. Recently in a joint venture with EMTA, HPPCL has entered into an agreement to generate 500 MW

Thermal Power at Raniganj, West Bengal, to meet out the winter power demands of state due to lean flow in water streams. Thus HPPCL is a big asset for the state of Himachal Pradesh and will emerge as a major player in the power sector on national level shortly. Therefore, it is imperative to understand the leadership style prevalent among managers in HPPCL.

Objectives

The primary objective of present study is to identify the Leadership styles prevalent among managers in Himachal Pradesh Power Corporation Limited (HPPCL). Pursuing this purpose, following are the objectives of the study:

- To find out various leadership styles prevalent among managers in HPPCL and relationship among these leadership styles.
- To study the effect of demographic variables on leadership styles in HPPCL

Hypothesis

On the basis of above mentioned objectives, following null hypotheses have been formulated and tested:-

Ho1: The organization does not depict any significant leadership style.

Ho2: There is no difference in the leadership styles as perceived by the subordinates and the leaders.

Ho3: The various demographic variables do not have any effect on leadership styles.

Ho3a: Gender does not affect Transformational leadership style.

Ho3b: Age does not affect Transformational leadership style.

Ho3c: Education does not affect Transformational leadership style.

Ho3d: Length of service does not affect Transformational leadership style.

Ho3e: Gender does not affect Transactional leadership style.

Ho3f: Age does not affect Transactional leadership style.

Ho3g: Education does not affect Transactional leadership style.

Ho3h: Length of service does not affect Transactional leadership style.

Ho3i: Gender does not affect Laissez-faire leadership style.

Ho3j: Age does not affect Laissez-faire leadership style.

Ho3k: Education does not affect Laissez-faire leadership style.

Ho3l: Length of service does not affect Laissez-faire leadership style.

Scope of the study

The present study has been confined to Himachal Pradesh Power Corporation Limited (HPPCL).

Sample design

For the purpose of present investigation a sample was drawn from various technical divisions, administrative and accounts division operating in different administrative offices and projects of HPPCL. In all, a sample of **Three hundred** employees was drawn from higher and middle levels. The employees were divided into two categories as: A (higher level) and B.(middle level). The C category (lower level) employees were excluded from the study on the basis of non response behavior during the observation and pilot study conducted for the present purpose. The 'A' category employees were referred as 'leaders' and 'B' category employees were referred as 'raters' or subordinates.

Group	Total
A	45
B	255

Table 1.1 Sample drawn from various offices and projects of HPPCL

Sr. No	Projects/Offices	Leaders	Raters	Total
1	Corporate Head Office, Shimla	15	84	99
2	Civil Design, Sundernagar	6	47	53
3	Electrical Design, Sundernagar	1	16	17
4	Sainj HEP & Sarabai office	7	43	50
5	Gyspa Dam HEP	2	0	2
6	Renuka Dam HEP	1	9	10
7	Nakthan HEP	0	4	4
8	Shongtong Karchham, HEP	9	29	38
9	Sawra Kuddu, HEP	4	23	27
	Total	45	255	300

Instrumentation

The instrument used in this study for collection of data is well designed questionnaire. Leadership style was measured using Multifactor leadership questionnaire (MLQ) by (Bass & Avolio (1997). The latest version of MLQ, Form 5X (Revised), was used in this study. It consists of two booklets known as the 'Rater booklet' and the 'Leader booklet'. These two versions consist of exactly same statements, except that they are written from different perspectives.

Demographic profile of the Respondents

The first section of the questionnaire includes the demographic profile of the respondents. It's comprised of few items. These items provide the following demographic information about the respondents: Age, gender, education and length of service (in years). This information was collected for both leaders and raters (N=300).

Table 1.2 : Demographic Profile of the Respondents (Leader and Rater)

		Frequency	Percentage (%age)
GENDER	Male	242	80.7
	Female	58	19.3
	Total	300	100.0
AGE	25-35	79	26.3
	36-45	101	33.7
	46-55	89	29.7
	More than 55	31	10.3
	Total	300	100.0
EDUCATION	Diploma	60	20.0
	Graduation	137	45.7
	Post Graduation	87	29.0
	Others	16	5.3
	Total	300	100.0
LENGTH OF SERVICE (IN YEARS)	0-10	176	58.7
	11-20	67	22.3
	21-30	30	10.0
	More than 30	27	9.0
	Total	300	100.0

As is shown in the table there is high proportion of male respondents N=242 (80.7%), compared to the female respondents N=58 (19.3%), who participated in this research study. With respect to age, N=79 (26.3%) fall in the age category of (25-35). N=101 (33.7%) respondents fall in the age category of (36 - 45). N=101 (33.7%) respondents fall in the age category of (46-55) and N=31 (10.3%) respondents fall in the age category of more than 55 years. Third item asked the respondents to indicate their education. N=60 (20%) of respondents showed that they have done diploma only, N=137 (45.7%) respondents have done graduation, N=87 (29%) respondents have said that they have done post-graduation and N=16 (5.3%) respondents fall in the category of 'others'. Respondents were then asked to indicate their total length of service. The data revealed that N=176 (58.7%) of the respondents fall within the (0-10) years range followed by N=67 (22.3%) fall within the range of (11 - 20) years. N=30 (10%) of total respondent fall between (21 - 30) years range and N=27 (9%) respondents fall within more than 30 years range. As discussed earlier also, for this

research study we have already divided the sample into two categories leaders and raters. The responses have been collected for all the variables separately for leaders and raters.

Results of the Cronbach's Reliability Coefficient test: Cronbach's alpha reliability coefficients were calculated to estimate the reliability of the MLQ. As seen in the results in Table 1.3 below, the average Cronbach's alpha reliability coefficients for the MLQ instrument are 0.81 for Leaders and 0.76 for Raters, which is considered good and acceptable respectively.

Table 1.3: Cronbach's Alpha Reliability Coefficients for MLQ

Scale	Code	Cronbach's Alpha (Leader)	Cronbach's Alpha (Rater)
Idealized Influence (attributed)	IIA	0.65	0.75
Idealized Influence (behavior)	IIB	0.61	0.63
Inspirational Motivation	IM	0.74	0.83
Intellectual Stimulation	IS	0.71	0.62
Individualized Consideration	IC	0.63	0.61
Transformational Leadership	TFL	0.83	0.87
Contingent Rewards	CR	0.75	0.68
Management Exception (Active) By	MBEA	0.69	0.67
Management Exception (Passive) By	MBEP	0.69	0.65
Transactional Leadership	TAL	0.64	0.75
Laissez-Faire Leadership	LFL	0.76	0.73
Multifactor Leadership Questionnaire	MLQ	0.81	0.76

Leadership Style: An analysis

In the present section, an attempt has been made to analyze the leadership style prevalent among the managers in HPPCL on the basis of the responses given by the participants. In order to find out the answer of first

objective i.e “to find out the various leadership styles prevalent among the managers in HPPCL “ a series of descriptive analysis was performed.

Results showing mean score and Standard deviation values for leadership styles

Table 1.4 contains the mean and standard deviation values for the five Transformational Leadership subscales namely Idealized influence (attributes), Idealized influence (behavior), Inspirational motivation, Intellectual stimulation and individualized consideration, Three Transactional leadership subscales namely Contingent rewards, Management by exception (Active), Management by exception (passive) and Laissez-faire leadership. All leadership variables hold a sample size of 300. The mean values for each of the Transformational leadership subscales are above 3.0 and the mean value of overall Transformational leadership is 3.4869.

Table 1.4: Mean Score and Standard Deviation values for Leadership styles

	N	Mean	Std. Deviation
Idealized Influence (attributes)	300	3.5300	.71955
Idealized Influence (behavior)	300	3.4513	.61478
Inspirational Motivation	300	3.7080	.71790
Intellectual Simulation	300	3.4627	.69229
Individualized Consideration	300	3.2827	.73651
Transformational Leadership	300	3.4869	.60837
Contingent Rewards	300	3.4927	.74910
Management by Exception (active)	300	3.3273	.54145
Management by Exception (passive)	300	1.9280	.68925
Transactional Leadership	300	2.9160	.31876
Laissez-Faire Leadership	300	1.7160	.70915

However, the mean values of Transactional leadership subscales are;- for Contingent rewards it is 3.4927, for Management by exception (active) it is

3.3273 and for Management by exception (passive) it is 1.9280 and the overall mean value of Transactional leadership is 2.9160. The mean value of Laissez faire leadership is 1.7160. From these values it can be seen that the mean value of transformational leadership is 3.0 and for transactional leadership the value is less than 3.0. However, the difference between the mean values of transformational and transactional leadership is 0.5709, which is quite less. The mean value of Laissez faire leadership is 1.7160, which is the lowest among the others.

The greatest Standard deviation in the leadership factor is for Contingent rewards which attained (0.74910) standard deviation score, followed by Individualized consideration (0.73651). For the most effective leadership, **Bass and Avolio (1997)** have suggested a mean score of greater or equal to 3.0 for Idealized influence (Attributes), Idealized influence (Behavior), Individualized consideration, Intellectual stimulation and Inspirational motivation. The mean score for the subscale in this study are 3.5300, 3.4513, 3.7080, 3.4627, and 3.2827 respectively.

Bass and Avolio (1997) also suggested a mean score of 2.0 for contingent reward, which is lower than the current study's mean score of (3.4927). The suggested range for Management by exception (active) was 1.0 to 2.0 and the mean score obtained for the current study is (3.3273), which is outside the range. Suggested score for Management by exception (passive) is 1.0 which is close enough, to what we obtain in this research (1.9280). Lastly suggested score for Laissez-faire leadership is 0.0. However, mean score for the current study is higher (1.7160). These score suggest that the difference in Transformational and Transactional leadership scores was minimal and not statistically significant. However, the results advocate that the respondents have rated the transformational leadership style slightly more than the transactional leadership style. Notably, however, the standard deviation for Transformational leadership (SD=.608) is double than that of the Transactional leadership (SD=.318). These results suggest that there is greater deviation and variance of mean scores in terms of Transformational style of leadership.

The leaders as well as raters perceive their managers as displaying ideal level of transformational leadership behaviors. It includes trust, inspiring a shared vision, generating enthusiasm, encouraging creativity and providing coaching. Transactional leadership is the leadership style that builds a unified common interest between leaders and followers. The mean value for Contingent rewards suggests that some leaders as well as raters perceive that the leaders are doing an above average job of clarifying expectations and recognizing accomplishments. This was also the case for Management by exception (active), mean value for it came out as (3.3273) which is also quite above the average value, it implies that leaders are taking corrective action in a timely manner.

The mean value for Management by exception (passive) is 1.9280 which suggests that leaders do not tend to wait too long before resolving a problem or taking corrective action. The overall mean value of Transactional leadership is 2.9160. The mean value of Laissez-faire leadership is 1.7160, which shows that leaders in this organization are taking decisions and do not show Laissez-faire leadership. The difference between the mean values of Transformational and Transactional leadership is 0.5709, which suggests that the leadership style prevalent among the managers is Transformational leadership style with highest mean. Whilst these results indicate that respondents perceive their leaders more Transformational than Transactional in their leadership style, neither style of leadership was prominent than the other. Furthermore, the above results indicated that one's leadership style could not be categorized explicitly, as both styles of leadership play fundamental roles in the overall composition of an effective leader. Therefore, for the present study, Leaders are labeled as being either 'more' or 'less' transformational or transactional in their leadership styles.

Thus, **the null hypothesis Ho1- the organization does not depict any significant leadership style** can be rejected. It can be concluded that there lies a significant leadership style among the managers of HPPCL.

Results of the T-test for the comparison between Leaders' and Rater's Responses:

Independent samples T-test was used to compare the means of two samples. In this case, the significant differences between the two samples on the dimensions of leadership styles are determined. The results are presented in the table 1.5.

In order to test **the null hypothesis Ho2: there is no difference in the leadership style as perceived by the leaders and the raters, T- test was applied on the scores of raters** and leaders for various dimensions of different leadership styles. In order to check the difference in Transformational leadership style, T-value was calculated for all five dimensions of Transformational leadership style as well as for Transformational leadership style as a whole. In case of idealized influence (attributes) mean score of leaders is 3.9822 as compared to that of raters which is 3.4502. Further, the level of significance (*p*-value) was set at 0.05 for the present study. The *p*-value represented the strength of the null hypothesis. Low *p*-value of less than .01 signifies a strong reason for rejecting the null hypothesis. However, *p*-value higher than .05 indicates an insufficient reason to reject the null hypothesis and *p*-value of .01 to .05 signifies adequate evidence against the null hypotheses (**Neuman, 2003**). The *p*-value for idealized influence (attributes) is significant at 5% significance level (*p*..05), thereby implying that leaders and raters perceive Idealized Influence (attributes) dimension of Transformational leadership differently. Similarly, for all other dimensions of Transformational leadership style namely idealized influence (behavior), inspirational motivation, intellectual stimulation and individualized consideration, *P*-value was found to be significant at 5% significance level ($P > 0.05$). This implies that there lies significant difference in various dimensions of Transformational leadership style as perceived by the subordinates and the leaders. Also the *P*-value for Transformational leadership style was found to be significant ($p > 0.05$).

Table 1.5: T-test results for the leadership styles for leaders' and raters' responses

		N	Mean	Std.Deviation	t-value	p-value
Idealized Influence (attributes)	Leader	45	3.9822	.54909	5.698	.001
	Rater	255	3.4502	.71738		
Idealized Influence (behaviour)	Leader	45	3.8667	.43485	6.485	.001
	Rater	255	3.3780	.61336		
Inspirational Motivation	Leader	45	4.1911	.50444	6.490	.001
	Rater	255	3.6227	.71692		
Intellectual Simulation	Leader	45	3.8222	.54142	4.609	.001
	Rater	255	3.3992	.69746		
Individualized Consideration	Leader	45	3.5733	.56825	2.907	.004
	Rater	255	3.2314	.75166		
Transformational Leadership	Leader	45	3.8871	.39259	4.972	.001
	Rater	255	3.4163	.61287		
Contingent Rewards	Leader	45	4.0533	.47367	5.728	.001
	Rater	255	3.3937	.74578		
Management by Exception (active)	Leader	45	3.6178	.51667	4.074	.001
	Rater	255	3.2761	.53035		
Management by Exception (passive)	Leader	45	1.6489	.66354	3.047	.003
	Rater	255	1.9773	.68317		
Transactional Leadership	Leader	45	3.1067	.33376	4.210	.001
	Rater	255	2.8824	.30453		
Laissez-Faire Leadership	Leader	45	1.1733	.26833	5.871	.001
	Rater	255	1.8118	.71981		

In case of Transactional leadership style, t- value was calculated for all three dimensions of Transactional leadership as well as for the Transactional leadership as a whole. P- Value for all three dimensions of Transactional leadership was found to be significant at 5% significance level ($p>0.05$). This implies that there lies a difference in various dimensions of Transactional leadership style as perceived by the subordinates and leaders. Also P-Value for Transactional leadership style was found to be significant at 5% significance level. In case of Laissez-faire leadership style, the mean score of raters (1.8118) was found to be higher as compared to leaders (1.1733). Also P-Value was found to be significant at 5% significance level ($p>0.05$).

It can therefore be concluded that the seeming differences in mean values between leader and rater is statistically significant and is not due to chance factors.

Thus, **the null hypothesis Ho2- there is no difference in leadership style as perceived by the leaders and subordinates is rejected.** It can be concluded that there lies a significant difference in the leadership style as perceived by the leaders and the raters.

Demographic variables and Leadership style

This section explains the effect of demographic variables such as age, gender, education and length of service on perception of different leadership styles.

Demographics and Transformational leadership

In the present study, the overall leadership style was studied with respect to the responses given by the leaders and the raters. So in order to get a clear picture regarding the effect of demographics on transformational leadership subscales, the overall (leader and rater) mean scores and ANOVA values are calculated for transformational leadership subscales.

Mean score and ANOVA values of Transformational Leadership subscales (leaders and raters)

Table 1.6: Mean Score and ANOVA Value of Transformational Leadership Factors (Rater and Leader)

		Transformational Leadership Factors (Rater and Leader)					Overall Score of Transformational Leadership
		Idealized Influence (attributes)	Idealized Influence (behaviour)	Inspirational Motivation	Intellectual Stimulation	Individualized Consideration	
	Total Sample (N=300)	3.5300	3.4513	3.7080	3.4627	3.2827	3.4869

GENDER	Male	3.5719	3.4810	3.7430	3.4992	3.3347	3.5260
	Female	3.3552	3.3276	3.5621	3.3103	3.0655	3.3241
	F- value	4.291	2.932	2.991	3.510	6.362	5.221
	Significance	.039**	.088	.085	.062	.012**	.023**
AGE (Years)	25-35	3.3823	3.3291	3.4734	3.3519	3.1595	3.3392
	36-45	3.4594	3.3248	3.6436	3.3267	3.2059	3.3921
	46-55	.6022	3.5843	3.8360	3.5933	3.3730	3.5978
	More than 55	3.9290	3.7935	4.1484	3.8129	3.5871	3.8542
	F- value	5.113	7.518	8.510	5.955	3.394	7.591
	Significance	.002**	.000**	.000**	.001**	.018**	.000**
EDUCATION	Diploma	3.5067	3.5867	3.8533	3.6433	3.2333	3.5647
	Graduation	3.4774	3.3533	3.6015	3.3416	3.2818	3.4111
	Post Graduation	3.5747	3.4966	3.7609	3.5057	3.2736	3.5223
	Others	3.8250	3.5375	3.7875	3.5875	3.5250	3.6525
	F- value	1.277	2.427	2.070	3.109	.669	1.537
	Significance	.282	.066	.104	.027**	.571	.205
LENGTH OF SERVICE (YEARS)	0-10	3.6659	3.5500	3.8114	3.5500	3.3182	3.5791
	11-20	3.2030	3.1224	3.3552	3.2209	3.0836	3.1970
	21-30	3.3000	3.4733	3.7000	3.3600	3.3400	3.4347
	More than 30	3.7111	3.6000	3.9185	3.6074	3.4815	3.6637
	F- value	8.960	9.133	7.895	4.417	2.523	7.742
	Significance	.000**	.000**	.000**	.005**	.058	.000**

Overall mean score for Transformational Leadership style for entire sample of 300 respondents were calculated by taking average of five factors belonging to Transformational Leadership style. The null hypothesis **Ho3: “The various demographic variables do not have any effect on leadership styles”** has been tested with the help of ANOVA.

The hypothesis has been tested at 5% significance level. The results of ANOVA for Transformational Leadership style are displayed in Table 1.6. Table shows mean score, F-value and significance level (p-value) of Transformational Leadership style based on various demographic variables.

Gender and Transformational Leadership style

Table 1.6 shows the mean score of Transformational Leadership style of males and females. The results reveal that males score higher than females. Among the subscales of transformational leadership, the highest scored dimension is **Inspirational motivation (3.7430)** of males. This shows that according to the males, inspirational dimension of transformational leadership style is prevailing most among the managers of HPPCL. The lowest scored dimension is **Individualized consideration (3.0655)** of females. This shows that according to the females, individualized consideration dimension of transformational leadership is lowest among the managers in this organization and they are not able to provide full attention and consideration to their subordinates. According to Males, the managers are showing more transformational leadership characteristics than the females. From Table, it can be seen that F-value is significant at 5% significance level. This means that the relation between gender and transformational leadership style is statistically significant. Hence the null hypothesis H03a– Gender does not have any effect on Transformational Leadership style is rejected. Thus it can be concluded there exists significant differences between gender and Transformational leadership style.

Age and Transformational Leadership style

Table 1.6 shows the mean score of Transformational Leadership style for different age groups. It can be observed from the table that respondents more than 55 years of age scored highest followed by those who fall in the age group of 46-55 years. The highest scored dimension is **Inspirational Motivation (4.4184)** of those respondents who fall under the age category of more than 55. Apparently, the respondents who fall under the age category of more than 55 believe that the leaders of this organization exhibit more characteristics of transformational leadership. Lowest scored dimension is **Individualized consideration (3.1595)** of those respondents who fall under the age category of 25-35. This clearly shows that the employees who fall under lesser age group believe that the leaders exhibit less characteristics of transformational leadership style. In order to see

statistical difference in mean score of Transformational Leadership style based on age, hypothesis H03b is tested using ANOVA and F-value is calculated. From the table it can be seen that F-value is significant at 5% significance level. This shows that age has effect on transformational leadership style and this effect is statistically significant.

Hence the null hypothesis H03b– Age does not have any effect on Transformational Leadership style is rejected. Thus there exists a significant difference between age and Transformational leadership style.

Education and Transformational Leadership style

From Table 1.6, it can be seen that based on varying degrees of education level, respondents with “diploma” as their educational qualification has the highest mean score for **Inspirational motivation (3.8533)**. The lowest scored dimension is **Individualized consideration (3.2333)** for those respondents who are also diploma holders. From the table it can be seen that F-value is not significant at 5% significance level. Possible explanation for this finding can be that in this organization, education does not play any significant role in determining the leadership style. Hence we fail to reject the null hypothesis H03c– education does not have any effect on Transformational Leadership style. Thus it can be concluded that there exists no significant differences between education and Transformational leadership style.

Length of service and Transformational Leadership style

From table 1.6, on checking the mean score of respondents based on length of service, it was found that highest mean score is for those respondents whose length of service is more than 30 years, followed by those whose length of service falls between 0-10 years. The highest scored dimension is **Inspirational motivation (3.9185)** of those whose length of service is more than 30 and lowest scored is **individualized consideration (3.0836)** of those whose length of service falls between 11-20 years. This

suggests that the respondents whose length of service is more than 30 years, believe that the leaders in this organization exhibit more characteristics of transformational leadership style than the others. From this finding, it can be suggested that as an employee remains in the employment of an organization, they start evolving a behavior pattern in which they show more concern for their organization, become more considerate towards their subordinate. From the table it can be seen that F-value is significant at 5% significance level. Hence the null hypothesis H03d- Length of service does not have any effect on Transformational Leadership style is rejected. Thus it can be concluded that there exists significant differences between length of service and Transformational leadership style.

Overall the results suggest that Transformational Leadership style varies significantly among respondents based on gender, age and length of service. Education has no significant difference on transformational leadership.

Demographics and Transactional Leadership

In the present study, the overall leadership style was studied with respect to the responses given by the leaders and the raters. So in order to get a clear picture regarding the effect of demographics on transactional leadership subscales, the overall (leader and rater) mean scores and ANOVA values are calculated for transactional leadership subscales.

Mean score and ANOVA values of overall Transactional Leadership subscales (leader and rater)

Overall mean score for Transactional Leadership style for entire sample of 300 respondents were calculated by taking average of three factors belonging to Transactional Leadership style. The results of ANOVA for Transactional Leadership style are displayed in Table 1.7. It shows mean

score, F-value and significance level (p-value) of Transactional Leadership style based on various demographic and socio-economic factors.

Table 1.7: Mean Score and ANOVA Value of Transactional Leadership Factors (Rater and Leader)

		Contingent Rewards	Management by Exception (active)	Management by Exception (passive)	Overall Score of Transactional Leadership
	Total Sample (N=300)	3.5367	3.3273	1.9280	2.9160
GENDER	Male	3.5754	3.3719	1.9074	2.9419
	Female	3.3750	3.1414	2.0138	2.8080
	F- value	6.366	8.699	1.114	8.452
	Significance	.012**	.003**	.292	.004**
AGE (Years)	25-35	3.4462	3.2633	2.1316	2.8785
	36-45	3.3985	3.3525	1.9426	2.8970
	46-55	3.6826	3.3348	1.8157	2.9423
	More than 55	3.7984	3.3871	1.6839	2.9978
	F- value	7.813	.570	4.554	1.373
	Significance	.000**	.635	.004**	.251
EDUCATION	Diploma	3.6500	3.2000	1.9467	2.8811
	Graduation	3.5128	3.3796	1.9328	2.9095
	Post Graduation	3.4626	3.3724	1.9402	2.9625
	Others	3.7188	3.1125	1.7500	2.8500
	F- value	2.081	2.613	.379	1.104
	Significance	.103	.051	.768	.348
LENGTH OF SERVICE (YEARS)	0-10	3.5469	3.3489	1.9364	2.9447
	11-20	3.3769	3.2687	1.9552	2.8209
	21-30	3.6667	3.2733	1.8333	2.9178
	More than 30	3.7222	3.3926	1.9111	2.9630
	F- value	3.604	.583	.236	2.705
	Significance	.014**	.627	.871	.046**

Gender and Transactional Leadership style

Table 1.7 shows the mean score of Transactional Leadership style of males and females. The results reveal that mean score for males is 2.9419 as compared to 2.8080 for females. Thus males scored higher than females. The highest scored dimension is contingent rewards (3.5754) of males and lowest scored is MBE passive (1.9074) of males. This suggests that the according to males the managers are showing more characteristics of transactional leadership style than the females except for the MBE passive. From Table, it can be seen that F-value is significant at 5% significance

level, hence the null hypothesis H03e– Gender does not have any effect on Transactional Leadership style is rejected. Thus it can be concluded there exists a significant difference between age and Transactional leadership style.

Age and Transactional Leadership style

Table 1.7 shows the mean score of Transactional Leadership style for different age groups. It can be observed from the table that mean score of respondents who are more than 55 years of age is highest (2.9978) followed by those who fall in the age group of 46-55 years (2.9423). Least score of 2.8785 is for those who fall in the age group of 25-35 years. This finding suggests that according to the managers who are more than 55 years of age, organization shows maximum characteristics of Transactional leadership style, they believe that the managers of this organization believe in the concept of doing work in exchange of some benefits. They are more passive, as in taking risks and challenges. Whereas the younger managers are more risk takers, they are more active in formulating the strategies for uncertain events. According to the younger employees, the transactional leadership characteristics are least among the managers of this organization. In order to see statistical difference in mean score of Transactional Leadership style based on age, hypothesis H03f is tested using ANOVA and F-value is calculated. From the table it can be seen that for the present study, F-value is not significant at 5% significance level. Hence we fail to reject the null hypothesis H03f – Age does not have any effect on Transactional Leadership style. Thus it can be concluded there is no significant difference between age and Transactional leadership style.

Education and Transactional Leadership style

From the Table, it can be seen that based on varying degrees of education level, the highest mean score for Transactional Leadership style is for respondents who are post graduates (2.9625) followed by graduates (2.9095). This suggests that respondents who are highly educated tend to

believe that the leaders of this organization show more traits of transactional leadership as compared to the respondents who are less educated. From the table it can be seen that F-value is not significant at 5% significance level. Hence we fail to reject the null hypothesis H03g— education does not have any effect on Transactional Leadership style. Thus it can be said that there is no significant difference between education and transactional leadership style.

Length of service and Transactional Leadership style

From the table 1.7, on checking the mean score of respondents based on length of service, it was found that highest mean score is for those respondents whose length of service is more than 30 years (2.9630), followed by those whose length of service falls between 0-10 years (2.9447). The least mean score is for those respondents whose length of service is between 11-20 years (2.8209). This suggests that the respondents whose length of service is more than 30 years believe that the leaders of this organization show more transactional leadership traits and the respondents whose length of service falls between 11-20 years believe that the leaders are not showing maximum traits of transactional leadership style. From the table it can be seen that F-value is significant at 5% significance level, hence the null hypothesis H03h— Length of service does not have any effect on Transactional Leadership style is rejected. Thus it can be concluded that there exist a significant difference between length of service and Transactional leadership. Overall the results suggest that Transactional Leadership style varies significantly among respondents based on gender and length of service, but age and level of education has no significant difference on Transactional Leadership style.

Demographics and Laissez-faire Leadership

In the present study, the overall leadership style was studied with respect to the responses given by the leaders and the raters. So in order to get a clear picture regarding the effect of demographics on laissez-faire leadership

style, the overall (leader and rater) mean scores and ANOVA values are calculated for Laissez-faire leadership.

Mean score and ANOVA values of overall Laissez-faire leadership (Leaders and rater)

Overall mean score for Laissez-Faire Leadership style for entire sample of 300 respondents was calculated and arranged in the Table 1.8, based on various demographic factors. The results of ANOVA for Laissez-Faire Leadership style are displayed in Table 1.8. Table shows mean score, F-value and significance level (p-value) of Laissez-Faire Leadership style based on various demographic factors.

Table 1.8: Mean Score and ANOVA Value of Laissez - Faire Leadership (Rater and Leader)

		Laissez - Faire Leadership
	Total Sample	1.7160
GENDER	Male	1.6769
	Female	1.8793
	F- value	3.850
	Significance	.051
AGE (Years)	25-35	2.0127
	36-45	1.8277
	46-55	1.4607
	More than 55	1.3290
	F- value	13.977
	Significance	.000**
EDUCATION	Diploma	1.5700
	Graduation	1.7270
	Post Graduation	1.8230
	Others	1.5875
	F- value	1.706
	Significance	.166
LENGTH OF SERVICE (YEARS)	0-10	1.7307
	11-20	1.9104
	21-30	1.5733
	More than 30	1.2963
	F- value	5.499
	Significance	.001**

Gender and Laissez-Faire Leadership style

Table 1.8 shows the mean score of Laissez-Faire Leadership style of males and females. The results reveal that mean score for males is 1.6769 as compared to 1.8793 for females. Thus females score higher than males. From this finding, it can be said that according to the females, the traits of laissez-faire leadership style are prevalent among the leaders of this organization as compared to the males. However, it can be seen that F-value is not significant at 5% significance level, hence we fail to reject the null hypothesis H03i– Gender does not have any effect on Laissez-Faire Leadership style. Thus it can be concluded that there is no significant difference between gender and Laissez-Faire Leadership style.

Age and Laissez-Faire Leadership style

Table 1.8 shows the mean score of Laissez-Faire Leadership style for different age groups. It can be observed from the table that mean score of respondents who are in the age group of 25-35 years is highest (2.0127) followed by those who fall in the age group of 36-45 years (1.8277). Least score of 1.3290 is for those respondents whose age is more than 55 years. This suggests that the respondents who fall in the age category of 25-35 years believe that the leaders show characteristics of laissez-faire leadership style, whereas the respondents who are more than 55 years believe that the traits of laissez-faire leadership style are least among the leaders of this organization. In order to see statistical difference in mean score of Laissez-Faire Leadership style based on age, hypothesis H03j is tested using ANOVA and F-value is calculated. From the table it can be seen that F-value is significant at 5% significance level, hence the null hypothesis H03j– Age does not have any effect on Laissez-Faire Leadership style is rejected. Thus it can be concluded that there is significant difference between age and Laissez-Faire Leadership style.

Education and Laissez-Faire Leadership style

From the Table, it can be seen that based on varying degrees of education level, the highest mean score for Laissez-Faire Leadership style is for respondents who are post graduates (1.8230) followed by graduates (1.7270). The respondents, who are highly educated, believe that the traits of laissez-faire leadership style are prevalent among the leaders. However, from the table it can be seen that F-value is not significant at 5% significance level, hence we fail to reject the null hypothesis H_0 – education does not have any effect on Laissez-Faire Leadership style. Thus it can be said that there is no significant difference between education and Laissez-Faire Leadership style.

Length of service and Laissez-Faire Leadership style

From the table 1.8, on checking the mean score of respondents based on length of service in years, it was found that highest mean score is for those respondents whose length of service is between 11-20 years (1.9104), followed by those whose length of service falls between 0-10 years (1.7307). The least mean score is for those respondents whose length of service is more than 30 years (1.2963). This suggests that respondents who are working for more than 30 years, believe that leaders are not showing any traits of laissez-faire leadership style, on the other hand according to the respondents whose length of service is less, leaders are showing certain characteristics of laissez-faire leadership style.

From the table it can be seen that F-value is significant at 5% significance level, hence we reject the null hypothesis H_0 – Length of service does not have any effect on Laissez-Faire Leadership style is rejected. Thus it can be concluded that there is significant difference between length of service and Laissez-Faire Leadership style. Overall the results suggest that Laissez-Faire Leadership style varies significantly among respondents based on age and length of service, whereas gender and level of education does not have any significant differences on Laissez-Faire Leadership style.

Summary of Major Findings

- The study indicates that one's leadership style could not be categorized explicitly, as both styles of leadership play fundamental roles in the overall composition of an effective leader. Therefore, for the present study, Leaders are labeled as being either 'more' or 'less' transformational or transactional in their leadership styles.
- There is a significant difference between the responses of leaders and raters on their attitudes towards the transformational leadership factors, transactional leadership factors and laissez-faire leadership.
- There is significant difference between Gender and respondent's perception towards transformational and transactional leadership, but has no difference towards laissez-faire leadership.
- There is significant difference between Age and respondent's perception towards transformational and laissez-faire leadership, but has no difference towards transactional leadership.
- There is no significant difference between Education and respondent's perception towards transformational, transactional and laissez-faire leadership.
- There is significant difference between Length of service and respondent's perception towards transformational, transactional and laissez-faire leadership.

Limitations of the Study

Every research initiative has some limitations. This study also has its own share of limitations especially as it deals with abstract and multidimensional concept like Leadership style which is quite elusive and difficult to measure. The following could be regarded as limitations of this research work.

- The research study was limited to investigation of manager's leadership style in a public sector organization in Himachal Pradesh. Generalization and application of the study findings to the private sector organizations may be difficult.

- Although every effort was made to avoid the pitfalls inherent in this study, namely perceptual differences, arising out of individual viewpoints, some biases on the part of the respondents might, still have crept in.
- Another limitation of this study is that data was collected from two groups Leaders (higher level) and raters (middle level). Lower level employees were not included in the study, because of their non responsive behavior. So, it might not give a proper understanding regarding the population under study.

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