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## LEADERSHIP STYLE AND ITS IMPACT ON EMPLOYEE'S JOB RELATED STRESS A STUDY BASED ON JAFFNA DISTRICT SECRETARIAT IN JAFFNA DISTRICT, SRI LANKA

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#### ABSTRACT

This research is carried out to find out whether there is a relationship between leadership style and its impact on employees job related stress. Researcher considered Transformational leadership style & Transactional leadership style. This study was conducted at Jaffna District Secretariat office where 100 employees were selected through random sampling method out of two hundred. The data were collected from selected sample. Then these data were presented and analyzed by using statistical techniques (SPSS). These analysis was used to find out (a) Transformational leadership has negative impact on employees job related stress (b) Transactional leadership has positive impact on employees job related stress. Analysis showed negative correlation between transformational leadership & employees job related stress. The positive correlation between transactional leadership & employees job related stress. Further F test, ensured that there is a relationship between two variables. This result is true with 95%. Therefore, it was identified that job related stress of employees has negative impact on their transformational leadership style. That is job related stress; transformational leadership and transactional leadership lead to enhancement of employees' job related stress. T test proved that there is negative relationship between transformational leadership and employees' job related stress at 5% significant.

**KEYWORDS:** Transformational Leadership Style, Transactional Leadership, Job Related Stress.

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#### **BACKGROUND OF THE STUDY**

Leadership is a social influence process in which the leader seeks the voluntary participation of subordinates in an effort to reach organization goals (Omolayo, 2000), a process whereby one person exerts social influence over other members of the group (Bamigboye, 2000). Leadership style is the manner and approach of providing direction, implementing plans & Motivating people. As seen by the employees, it includes the total pattern of explicit and implicit action of their leaders (Newstrom, Davis, 1993). Work stress is the harmful physical and emotional responses that occur when the requirements of a job do not match the capabilities, resources or needs of the work (United States National Institute for Occupational Safety and Health, 1999). Stress has its impact on the general & work life of the employees. It had often been said "A happy employee is a productive employee".

People in Jaffna experience high level of stress due to prevailing political, economic & cultural problems. I have been heard many times people saying "Very difficult to work in Government offices because in most time have to work more than one boss namely Head of the Department, Political Party & the Government Circular". Actually the leadership is the issue. An effective leader must make sure the employee to whom he/she is responsible, he never allows for role conflict which leads to job stress. Effective leader leads to several benefits such as, reducing moral stress; create new thinking and innovation which lead them to high level, fresh mind, good relationship, with co-workers, supervisor and employees etc. Leaders have an impact on the stress levels and work life balance of those they lead and, depending on the style of leadership, that impact can be either positive or negative.

This study attempts to identify whether leadership style of the leader affects their employee's stress. Findings of this study could enable, leaders lead their employees well. Through the findings of leadership style and the reduced employee's stress can improve both employees' job satisfaction and performance. This study will attempt to analyze the relationship between leader's leadership style and job related stress. Effective employee depends on many factors. The main factor is favorable leadership style. So the leaders first understand that, their behavior towards employee will have an impact not only their performance but also mental health

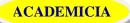
#### **OBJECTIVES OF THE STUDY**

This study aims to achieve the following objectives.

- 1. To examine job stress of the employees in District Secretariat of Jaffna.
- 2. To examine the stress level of employees.
- 3. To recommend alternatives to reduce the job stress of the employees.
- 4. To identify relationship between Leadership style and Job stress of employees.

#### LITERATURE REVIEW

Umer, P *et al* (2012) conducted study to examine the impact of leadership style (Transformational & Transactional) on employee performance & mediating rate of job satisfaction . Result shows transactional leadership was more significant than transformational in creating job satisfaction & Performance.



Amarjit, G *et al* (2010) conducted a study to examine the impact of Transformational leadership & employee empowerment on employee stress. The results found that the improvement in the level of perceived transformational leadership used by managers and employee empowerment mitigate the job stress of customer contact service employees in the Indian hospital industry.

Jens, R and Wolff S, (2009) tested relationships between transformational, transactional and non leadership styles and facets of chronic stress (i.e., excessive work and social demands, dissatisfaction with work and social recognition, performance pressure, and social conflicts), while controlling for subordinates' demographics and hierarchical level. It was found that one of the transformational leadership scales (i.e., individualized consideration) was negatively related to dissatisfaction. In contrast, the transactional subscale of management by- exception passive was positively related to four indicators of chronic stress, while controlling for all other transformational and transactional leadership styles. Future research should include objective indicators of stress. They recommend Managers in governmental organizations should avoid utilizing the transactional leadership style of management-by-exception passive in order to foster employees' health. The results allow for a more thorough and detailed understanding of leadership behavior, stress prevention, and occupational health.

Work stress is the feeling of tension, discomfort, uncertainty, indecisiveness and distress that a worker experiences as a result of the social and physical circumstances of the work setting. Leaders can reduce these stressors by providing direction and support for their employees (Kreitner & Kinicki, 1998), and this makes style of leadership very important in organizations.

Sosik and Godshalk (2000) reported negative associations between transformational leadership and job related stress, while contingent reward showed no associations.

Work stress is the feeling of tension, discomfort, uncertainty, indecisiveness and distress that a worker experiences as a result of the social and physical circumstances of the work setting. Leaders can reduce these stressors by providing direction and support for their employees (Kreitner & Kinicki, 1998), and this makes style of leadership very important in organizations.

Transformational leadership behaviors are highly active and influence subordinates in a positive way (Bass, 1985). The focus on long term vision, the communication of a sense of purpose and value-based leadership of transformational leaders helps subordinates to reframe stress-related events, i.e. to understand the underlying reasons for stress-related incidents.

Transactional leadership style (Avolio, 2002). We propose that this leadership style helps followers to internalize the expectations of their leader. Thus, contingent reward reduces uncertainty in a complex and potentially stressful work environment. Therefore, contingent reward should be negatively associated with chronic stress.

Transformational Leadership, as one such strategy, has been found to encourage open communication with followers, which in turn, reduces employee job stress. Gill *et al*.and Dhaliwal found a negative relationship between transformational leadership and job stress; that is, transformational leadership reduces employee job stress in the hospitality services industry.

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#### METHODOLOGY

This study based on primary data. Questionnaire is used as a tool for data collection. For the purpose of measuring leadership style the questionnaire developed by Bernard, M. Bass & Brupe & A. Volio is used. This has two variables, such as Transactional leadership & Transformational leadership. For the purpose of measuring stress level the questionnaire developed by Parker & Decotiis (1993) is used. The questionnaire was translated in to Tamil to make the respondent understand well.

For the purpose of data collection, the researcher travelled to the respondent's location (Jaffna District secretariat office) and under the authorization of the administrators the questionnaire was handed out by the researcher to staff administrators (Administrative officer) at each unit. This method allowed the researcher to meet directly with staff administrators and staff to clarify any questions regarding the study and give explanations. 200 questionnaires were issued. Returened is 130. 100 Questionnaires were taken as sample.

#### HYPOTHESES OF THE RESEARCH

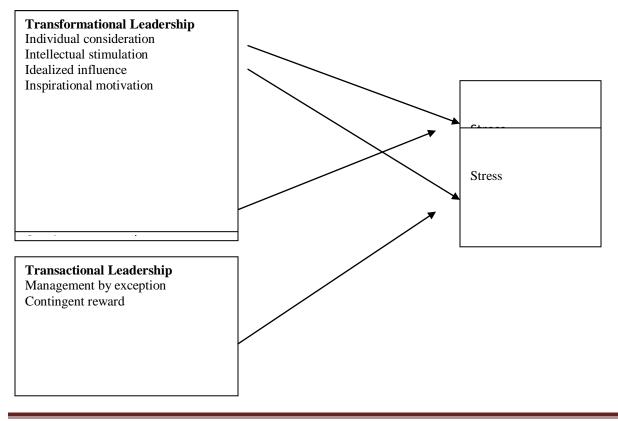
The following hypotheses are formed by the researcher.

H1: Transformational leadership has negative impact on employee's job related stress.

H2: Transactional leadership has positive impact on employee's job related stress.

#### CONCEPTUALIZATION

The pattern of relationship between the key concepts or variables is shown in a conceptual model



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#### METHOD OF ANALYSIS

#### **Correlations of Transformational leadership and Transactional Leadership factor and Job**

When the employees' stress is correlated with transformational leadership, correlation is -

		Transformational leader	Transactional leader	Stress
Transformational leader	Pearson Correlation	1	.119	233(*)
	Sig. (2-tailed)		.291	.038
Transactional leader	Pearson Correlation	.119	1	.028
	Sig. (2-tailed)	.291		.803
Stress	Pearson Correlation	233(*)	.028	1
	Sig. (2-tailed)	.038	.803	

0.233. As correlation is negative, it can be said that there is a negative relationship between two variables. Therefore, hypotheses  $(H_1)$  is accepted, that is handling high level of good transformational leadership will lead to lower level of stress to employees.

The relationship between transactional leadership and employee's job related stress correlation is 0.028.So there is not any significant relationship between transactional leadership and employee's job related stress. Therefore hypothesis (**H2**) is rejected.

#### CORRELATIONS OF TRANSACTIONAL LEADERSHIP FACTOR AND JOB STRESS

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Transactional Leadership factor		Pearson Correlation	Sig. (2-tailed)	
Contingent reward		- 0.063	0.579	
Management expectation (active)	by	0.158	0.160	
Management expectation (passive	by	0.132	0.244	
Laissez faire leader s	hip	- 0.018	0.872	

The relationship between Contingent reward and employee's job related stress correlation is -0.063.So there is not any significant between Contingent reward and employee's job related stress. The relationship between Management by expectation (active) and employee's job related stress correlation is 0.158.So there is significant between Management by expectation (active) and employee's job related stress. The relationship Management by expectation (passive between and employee's job related stress correlation is 0.132.So there is significant between Management by expectation (passive) and employee's job related stress. The relationship between Laissez faire leader ship and employee's job related stress correlation is - 0.018.So there is not any significant between Laissez faire leader ship and employee's job related stress.

#### **CORRELATIONS OF TRANSFORMATIONAL LEADERSHIP FACTOR AND JOB** STRESS

Transformational Leadership factor	Pearson Correlation	Sig
Idealized influence attributes	- 0.034	0.728
Idealized influence behavior	- 0.189	0.682
charisma	- 0.219	0.110
Inspirational motivation	- 0.059	0.140
Intellectual stimulation	- 0.435(**)	0.000

The relationship Idealized influence attributes between and employee's job related stress correlation is - 0.034. So there is not any significant between Idealized influence attributes and employee's job related stress. The relationship between Idealized influence behavior and employee's job related stress correlation is -0.189. So there is not any significant between Idealized influence behavior and employee's job related stress. The relationship between charisma and employee's job related stress correlation is -0.219. So there is significant between



charisma and employee's job related stress. The relationship between Inspirational motivation and employee's job related stress correlation is -0.059. So there is significant between Inspirational motivation and employee's job related stress. The relationship between Intellectual stimulation and employee's job related stress correlation is -0.435. So there is significant relationship between Intellectual stimulation and employee's job related stress.

#### **REGRESSION ANALYSIS**

Transformational Leadership and Transactional Leadership are denoted by "X". The dependent variable employees' job related stress is denoted by "Y". It is also used to estimate value of y while x is increased by one.

model	Un standardized Coefficients( <b>B</b> )	t	Sig.
(Constant)	43.828	6.743	.000
Transformation al leader	210	-2.171	.033
Transactional leader	.064	.589	.557

#### RELATIONSHIPS BETWEEN TRANSACTIONAL LEADERSHIP, TRANSFORMATIONAL LEADERSHIP & STRESS

#### Coefficients (a)

The regression equation y=-0.210x+43.828 exhibits that the relationship between Transformational Leadership style & job related stress of employees. If the Transformational Leadership style is x=0, the average employees' job related stress is to be 43.828. Further, Transformational Leadership is increased by one; the employees' job related stress will be decreased by 0.210. Therefore it can be said that there is a negative relationship between two variables.

Transformational leadership significance value is higher than significance level of 0.05(significance value0.033), so **H1** hypothesis is accepted.

The regression equation y=0.064 x+43.828 exhibits that the relationship between Transactional Leadership style & job related stress of employees. If the Transactional Leadership style is x=0, the average employees' job related stress is to be 43.828. Further, Transactional Leadership is increased by one; the employees' job related stress will be increased by0.064. Therefore it can be said that there is a positive relationship between two variables.

Transactional leadership significance value is higher than significance level of 0.05(significance value0.557), so **H2** hypothesis is rejected.

Job related stress of employees is correlated with



Independent variable	Correlation	R - Square
TransformationalleadershipandTransactionalLeadership	0.242	0.058

R- Square  $(R^2)$  0.058 explains that only 5.8% variable of stress is accounted for by transformational leadership and transactional leadership. In other words, 94.2% variable of employees' stress is accounted by other variable.

Model	Un standardized Coefficients B	Sig.
Constant	33.766	.000
contingent reward	300	.621
Management by expectation ( active)	.520	.177
Management by expectation( passive)	.620	.295
Laissez faire leader ship	215	.633

#### **RELATIONSHIPS BETWEEN TRANSACTIONAL LEADERSHIP STYLE & STRESS**

The contingent reward regression equation y= -0.300x+33.766 exhibits that the relationship between contingent reward & job related stress of employees. If the contingent reward is x=0, the average employees' job related stress is to be33.766 Further, contingent reward is increased by one; the employees' job related stress will be decreased by 0.300. Therefore it can be said that there is a negative relationship between two variables.

Contingent reward significance value is 0.621.

The Management by expectation (active) regression equation y= 0.520 x+33.766 exhibits that the relationship between management by expectation (active) & job related stress of employees. If the management by expectation (active) is x=0, the average employees' job related stress is to be33.766 Further, management by expectation (active) is increased by one; the employees' job related stress will be increased by 0.520. Therefore it can be said that there is a positive



relationship between two variables. Management by expectation (active) significance value is 0.177.

The Management by expectation (passive) regression equation y= 0.620 x+33.766 exhibits that the relationship between management by expectation (passive) & job related stress of employees. If the management by expectation (passive) is x=0, the average employees' job related stress is to be 33.766 Further, management by expectation (passive) is increased by one; the employees' job related stress will be increased by 0.620. Therefore it can be said that there is a positive relationship between two variables. Management by expectation (passive) significance value is 0.295.

The Laissez faire leader ship regression equation y=-0.215 + 33.766 exhibits that the relationship between Laissez faire leader ship & job related stress of employees. If the Laissez faire leader ship is x=0, the average employees' job related stress is to be33.766 Further, Laissez faire leader ship is increased by one; the employees' job related stress will be decreased by 0. 215. Therefore it can be said that there is a negative relationship between two variables. Lassie faire leader ship significance value is 0.633.

# RELATIONSHIPS BETWEEN TRANSFORMATIONAL LEADERSHIP STYLE & STRESS

Model	Un standardized Coefficients B	Sig.
(Constant)	51.630	.000
Idealized influence Attributes	.523	.405
Idealized influence behavior	527	.377
Charisma	524	.497
Inspirational motivation	.660	.348
Intellectual stimulation	-2.380	.001

The Idealized influence attributes regression equation y= 0.523x +51.630 exhibits that the relationship between Idealized influence attributes & job related stress of employees. If the Idealized influence attributes is x=0, the average employees' job related stress is to be 51.630 Further, Idealized influence attributes is increased by one; the employees' job related stress will be increased by 0.523. Therefore it can be said that there is a positive relationship between two variables. Idealized influence attributes significance value is 0.405.

The Idealized influence behavior regression equation y=-0.527x+51.630 exhibits that the relationship between Idealized influence behavior & job related stress of employees. If the



Idealized influence behavior is x=0, the average employees' job related stress is to be 51.630 Further, Idealized influence behavior is increased by one; the employees' job related stress will be decreased by 0.527. Therefore it can be said that there is a negative relationship between two variables. Idealized influence behavior significance value is 0.377.

The Charisma regression equation y= -0.523x + 51.630 exhibits that the relationship between Charisma & job related stress of employees. If the Charisma is x=0, the average employees' job related stress is to be 51.630 Further, charisma is increased by one; the employees' job related stress will be decreased by 0.523. Therefore it can be said that there is a negative relationship between two variables. Charisma significance value is 0.497.

The Inspirational motivation regression equation y=0.660x +51.630 exhibits that the relationship between Inspirational motivation & job related stress of employees. If the Inspirational motivation is x=0, the average employees' job related stress is to be 51.630 Further, Inspirational motivation is increased by one; the employees' job related stress will be increased by 0.660. Therefore it can be said that there is a positive relationship between two variables. Inspirational motivation significance value is 0.348.

The Intellectual stimulation regression equation y=-2.380x+51.630 exhibits that the relationship between Intellectual stimulation & job related stress of employees. If the Intellectual stimulation is x=0, the average employees' job related stress is to be 51.630 Further, Intellectual stimulation is increased by one; the employees' job related stress will be decreased by 2.380. Therefore it can be said that there is a negative relationship between two variables. Intellectual stimulation significance value is 0.001.

#### CONCLUSION

In this research it is found that there is a negative relationship between transformational leadership style and employees job related stress. While, there is a positive relationship between transactional leadership style and employees job related stress. Fair leadership style, promotion, reasonable pay system appropriate work itself and good working condition leads to low level of employees' job related stress. In other words, reducing employee's job related stress has positive impact on their performance

#### SUGGESTIONS AND RECOMMENDATION

Even Though there are several factor affecting employees' job related stress, this research only consider two variables: Transformational leadership and Transactional leadership. Therefore in future conducting a research including all the leadership styles will be valuable. This research is bound to 100 samples only. More samples from different parts of Sri Lanka should be gained to attribute the results to whole population.

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