Exploring The Leadership Role In Shaping The Organizational Culture

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ARTICLEINO	ABSTRACT
Of all the social science ideas, leadership has been studied the most, and it is crucial for both people and businesses. The majority of study to date has been on gender, culture, and performance; in contrast, the East—which includes China, Pakistan, India, Malaysia, Japan, and other countries—remains mostly unexplored while accounting for a sizable portion of the global economy. Consequently, an extensive valuation of the research works was done in regards to develop a new integrated model that illustrates the connection between organizational culture, employee performance, and leadership styles. The article has theoretical foundations. A thorough literature analysis has been conducted to debate the lookout of leadership and its styles like Transformational and Transactional in particular—& their influence on performance. As a result, the linkages between various factors have been established. Due to cultural differences, the impact of different leadership philosophies on worker performance was identified to differ, while communication was determined to be one of the key components of an effective leadership style. The practicality of theoretical research has been produced by examining rational relationships among variables through the study findings of several authors, making it accessible to trainers and practitioners.

The paper provides insights into leadership styles and that can has a beneficial impact on organization culture and increase the effectiveness of HRM programs. It also discusses practical implications for leaders, HR professionals, and practitioners of organizational development. The study sheds insight on the dynamic interactions between HRM, culture, and leadership in the modern corporate environment, which benefits both academic literature and management practices.

Key Words: Leadership, Leadership styles, Performance, employees, communication, culture. |

Introduction:

Numerous researchers have underscored the robust relationship among the leadership styles and culture. Nonetheless, there are two conflicting points of view in the literature about how organizational culture evolves and whether or not leaders have any influence over it. According to some scholars, the culture of the organization is its own. Everything inside an organization is susceptible to manipulation. The leader may also have some degree of influence over and control over the culture. The other side claims that company culture is something that executives definitely shape and can even create.

Even though the idea of leadership has been around for a while and has been extensively discussed since the mid-1900s, every facet, relationship, and dimension of a leader's role is so important to the organization that more study and research is required. Different authors have defined leadership in different ways, but one way that it is always defined is through communication. A leader can transfer everything into others' hearts through communication, which creates a charismatic effect. This is how leaders gain the respect and confidence of their followers, which opens the door to instilling one's vision. Since followers' individual qualities and differences produce distinction in how followers receive leaders' influence, even fewer leaders are aware of their exact effect on followers. This is because followers' individual characteristics and differences determine whether followers follow in a good or negative way.

Three components make up a leadership style: implicit leadership ideology, style traits, and a set of management abilities specific to each style. Leadership philosophy describes a leader's position and presumptions about

people, whereas leadership style describes a focus on performance and people. On the other hand, style aspects of management skills are also included in management skills. As a result, a leader's approach to setting direction, inspiring followers, and carrying out plans may be characterized as their leadership style.

Organizational Culture

Sociology, anthropology, and social psychology have all studied national and ethnic distinctions, which gave rise to the idea of culture. A society's culture can be thought of as its social legacy. It is a set of solutions that have been found, created, or manufactured over a society's history to deal with issues that come up from interactions between its people and their surroundings. By example and instruction, these answers are imparted to the new members if they are seen to be the proper ways to see, feel, think, and behave. Culture determines what is considered right or wrong, acceptable or unpleasant, significant or inconsequential, and practicable or impractical. It includes all that is learned and transmitted, including assumptions, ideas, customs, values, and knowledge, as well as attitudes, behavior, dress, symbols, heroes, rituals, and language.

A culture's physical or visible features are its symbols, heroes, rituals, and so forth. The actual cultural significance of the behaviors is intangible and only becomes apparent when the people of society interpret the rituals (Hofstede, 2011).

'Competing Values Framework (OCAI)' was created by organizational culture researchers Cameron and Quinn (1999). It consists of four competing values. Yu and Wu (2009) proposed a model that distinguishes between four types of organizational cultures, each of which is a unique blend of these four types. The four primary cultural types in OCAI that have been postulated are the adhocracy, market, clan, and hierarchy. In the first place, a codified and organized work environment is referred to as the hierarchical culture. The processes and regulations dictate what employees do since these formal policies and conventions keep the organization together. The ultimate goals are task efficiency and stability as well as results.

Reliability in delivery, ease of scheduling, and affordability characterize the success. The leaders take great satisfaction in their ability to plan and coordinate, paying attention to efficiency. Efficiency, promptness, consistency, and uniformity are key values for these businesses. Second, an organization that prioritizes completing tasks and getting things done is referred to as the market. Employees are more concerned towards competitive and goal-oriented too, whereas the leaders are hard drives, producers, and rivals since the organizational culture is built on rivalry. Winning is always prioritized, and this principle unites every company. Success and a good reputation are paramount. Goals and competing activities are the long-term emphasis. Values are driven by market share, objective attainment, and profitability (Linley & et al., 2010). Thirdly, the term 'Clan Culture' describes an extremely welcoming workplace. Workers are like a big family in that they have a lot of similarities. Tradition and loyalty keep the group together. The transparent communication among the faculties inside the company fosters high levels of engagement. The group places a strong emphasis on the long-term advantages of developing human resources. The morale of every employee and the cohesiveness of the organization are very important. The foundation of presence to customer demands and providing for employees is the means of success for this kind of firm. The group encourages cooperation, engagement, and consensus. According to Cameron and Quinn (1999), values are driven by commitment, communication, and development. Lastly, this is a dynamic and creative work atmosphere due to the adhocracy culture. Leaders are perceived as risk-takers by their subordinates. However, it's thought that this outcome encourages experimentation, dedication, and invention. Members of the company view the availability of new goods or services as a critical component of success, and their long-term objective is to expand and acquire additional resources. All of the data indicates that the company supports personal initiative and autonomy.

Leadership Style

The quality of an individual in an organization to "lead" or mentor further individuals, groups, or complete organizations is a field as well as a practical. Different leadership styles are used in different work circumstances, and leadership is a complicated topic with a wide range of contexts in management literature. Regarding managing organization members, each leadership style offers pros and cons for the organization. In this case, the most important factor to keep in mind is how effectively an organization's objectives, culture, and leadership style align. In light of this, several companies provide a range of leadership philosophies within the organization, contingent on departmental needs and duties that must be completed (Chemers, 1997; Chin and Roger, 2015; Trevisani, 2016).

Transactional leadership is a leadership approach wherein leaders utilize both rewards and penalties to encourage conformity from their followers. This kind of leadership has been known as the "traditional model of leadership with its roots from an organizational or business perspective in the 'bottom line'". According to Russell (2011), in order to guarantee the achievement of financial performance, these leaders set up reward and punishment systems to incentivize positive work behaviors and deter negative ones, respectively, as well as precise boundaries, guidelines, rules, and performance standards. A "give and take" dynamic is not the foundation of the 'transformational leadership style', in contrast to the transactional leadership approach. The

actions of the leader inspire and change followers, enabling them to go above and beyond expectations and put the organization's interests ahead of their own (Guay, 2012). As per Burns, transformational leadership facilitates the advancement of leaders and followers towards a superior moral and motivational state. As a role model, they motivate and pique followers' interest in their work by pushing them to assume more responsibility for it. They also help the leader identify the strengths and weaknesses of their team members, which enables them to assign tasks that improve performance. An example of a non-authoritarian leadership style is laissez-faire.

Laissez faire individuals strive to provide their assistants with as small direction as likely and use fewer overt methods to establish control. They believe that people may successfully complete their own tasks when they are allowed to carry out their obligations in their own special ways. As a result, they frequently assign projects to staff members without providing them with any guidance on how to do the work. Here, the team or employees are trusted by the leader to do the task at hand. Even though some scholars criticize this style for having certain unfavorable organizational outcomes, this style may be beneficial when the personnel are knowledgeable, devoted, experienced, and skillful (Chaudhry and Javed, 2012). It is referred regarded as paternalistic leadership because of the relationship it has with power, discipline, and values embedded in it. According to this description, the three main elements of paternalistic leadership are compassion, authoritarianism, and moral leadership.

 One way to define authoritarianism as a leadership style is when a leader exercises power over their followers and expects their allegiance. A leader that practices benevolent leadership leads their subordinates with compassion and shows a personal interest in their welfare. Higher moral standards, selflessness, and self-control are displayed by moral leaders (Rehman and Afsar, 2012). Ethical leadership is an additional type of leadership. This fashion emphasizes the rights and dignity of others, as well as moral principles and ideals. As a result, ideas like justice, charm, honesty, and trust are connected to it.

Ethics generally deals with the sorts of morals and values that are desirable or suitable for a community or for an individual. Furthermore, a leader's decisions are impacted by their moral growth as ethics is concerned with people's moral character and motivations (Freeman and Stewart, 2006). One type of leadership known as "servant leadership" places a strong emphasis on sharing authority in decision-making, fostering a sense of community, holistic work practices, and enhanced service to others. According to Greenleaf (1970), a servant leader is someone who puts service first. It was told that - it begins with the natural feeling that one wants to serve, to serve first, when it comes to the servant as leader. The desire to lead is then brought about by deliberate decision. Later, more academics made contributions to the development of the servant leadership approach. Different definitions of leaders and leadership philosophies may be found in literature. However, they have all come to an agreement regarding leadership styles. Persuasion is a leader's most important tool. The goal of every leader is to persuade their people to follow them in order to accomplish the goal.

Overview of Organizational Culture and Leadership styles.

The concept 'Leadership style' and 'organizational culture' are important ideas for any organizations as this research has already indicated. Furthermore, a amount of research have established as a strong correlation among corporate culture & leadership style. In reality, a number of studies have identified the employee-manager relationship as a social exchange connection. Each organization will have a different leadership style in this circumstance.

The organizational culture's highlighted leadership style directs the way that work is done, how employees and upper management interact, and other aspects of the company. The purpose and vision of a company are also influenced by the organizational culture. As a result, they are impacted by leadership style. For example, not all organizations have written regulations. What they have instead of written regulations are norms, conventions, attitudes, and beliefs. The leader has a critical role in preventing the consequences of failure, ensuring their survival, and maintaining a connection with company culture.

Statement of the Problem

Many firms fail within a few years of its founding as a result of poor leadership practices and an incapacity to form and maintain a robust organizational culture, set of rules, and set of values. One of the possible causes of the high rate of organizational failure in the nation might be an inappropriate leadership style combined with a bad organizational culture. Every organization's foundation is made up of its leadership and culture. They help to improvise the efficacy, productivity, and performance of the organization. Effective achievement in an organization is contingent upon the leadership style that is implemented within it. The degree to which subordinates participate in organizational decision-making and the administrative procedures followed by the company are determined by the leadership style that is utilized within it. Leaders that exhibit extreme bossiness are typically found in organizations with low efficiency. Their decisions are the only ones that matter. The issue with the majority of corporations is that their leaders don't treat their subordinates democratically. They set the tone and are the focal point of their companies' management. The ineptitude of leaders chosen for positions inside companies is another issue with leadership styles in those settings. Most of the time, CEOs and leaders are not chosen on the basis of their qualifications. The majority of the time, their appointment is determined by their network. As a result, these firms end up with inept leaders who are unable to use the right leadership styles

to assist employees and accomplish stated goals and objectives. Furthermore, strong organizational culture creators and managers are rare in most firms. In light of the explanation above, the study challenge is to determine if organizational culture and leadership style have an influence on performance in order to comprehend how these factors improve an organization's productivity or performance. Therefore, the purpose of this study is to investigate the relationship between performance and organizational culture and leadership styles.

Review of Literature

Research "explains the association among transformational leadership style, organizational culture, and performance" was carried out by **Sarraf and Rokhchekar (2018).** Through research in libraries, the necessary facts were gathered. The findings demonstrated that there are distinct and noteworthy correlations between the elements and that leadership style has a favorable impact on both organizational culture and performance. **Jafari Harandi and Najafi (2017)** was titled, The Impact of Leadership Style on Human Resource Performance Mediated by Organizational Silence. Structural Equation Modeling (SEM) was utilized in the correlational investigation. The sample population comprised 430 workers from Sepah Banks located in Sari city. 203 workers were chosen for the sample size utilizing Cochran's algorithm, random sampling, and multi-stage clustering. The results showed that whereas exchange and transformational leadership styles have a positive and significant link with organizational success, organizational silence has a negative correlation with organizational performance. Exchange leadership lowers performance through organizational quiet, but transformational leadership raises performance by mediating organizational silence. Organizational quiet has a negative link with transformational leadership, but a favorable relationship with exchange leadership.

A research named "Explaining the role of transformational leadership style in organizational culture" was carried out by **Samadi Miarkalaei et al. (2016).** 102 individuals were chosen as the research sample from among the 113 workers of the Mazandaran province's Education Department, which makes up the statistical population of this study. The results demonstrated a statistically significant and beneficial association among organization culture and transformative leadership styles. Additionally, there is a favorable and significant relationship between corporate culture and all facets of transformational leadership styles.

Aghajani et al. (2012). The Pars Industrial Company of Kaveh employed 242 people that made up the statistical population. Using SMART PLS 2.0 software, Structural Equation Modeling (SEM) conducted a two-part analysis of the data obtained through a questionnaire: a structural portion and a model measurement part. In the first section, the technical aspects of the questionnaire were assessed. The research hypotheses were put to the test in the second section using the model's structural coefficients. The impact of leadership styles and organizational culture on employee performance was investigated in Turkey by **Ozcan and Ozturk (2020)**. This was a quantitative study, with data collected from private bank personnel and SPSS 24 software used for analysis. The findings demonstrated that employee performance and leadership style are significantly influenced by company culture. The performance of the employee is significantly impacted by the leadership style as well. The study conducted by **Castiglione (2016)** discovered that an organization's culture plays a crucial role in fostering individual innovation. In order to determine the correlation between employee performance in Malaysian educational institutions and transformational leadership, organizational culture, emotional commitment, and commitment, **Ramanido (2011)** performed research. He discovered a favorable correlation between transformative leadership, corporate culture, and worker performance. Moreover, transformational leadership acts as a mediator in the connection between worker performance and company culture. Moreover, an organization's effectiveness is greatly impacted by its culture.

Research Objectives:

- To examine the leadership styles implemented and its effect.
- To analysis the effect of leadership styles and its relationship towards organisational culture.

Research Hypotheses:
- Significant relationship between the Organizational culture and leadership styles.

RESEARCH METHODS

Explanatory research design is the method used in this investigation. Because explanatory research design entails analyzing the links between variables—in this example, organizational culture, leadership style, and performance—it was chosen. Furthermore, the entire study makes use of secondary data. All secondary data was gathered by looking through published books, E-Journals, earlier studies, media stories, etc. The sample size for this investigation is established using the Simple Random Sampling Technique. Using simple random sampling, each unit in the population has an equal chance (or probability) of being included in the sample.

Analysis and Results: As previously indicated, the relationship between organizational culture and leadership style is put out in the study's major premise. The means, standard deviations, and correlations of two

variables are shown in this context in Table. Overall, the data indicates that, on a middle level of the study model, there are statistically significant correlations between the variables. First, there is a substantial positive association (r=0,784; p<.01) between organizational culture and "leadership style."

Table 1 Means, Standard Deviations, Correlations of Variables

	Mean	SD	1	2
Leadership Style	3.98	0.54	1.000	1.654(*)
Organizational Culture	3.5	0.50	0.654(*)	1.000

Source: Primary Data - *p < .01

One way variance analysis was used to determine whether organizational culture and leadership styles differed significantly. The findings are displayed in Table 2.

Table 2 ANOVA Analysis

Leadership Style	Transformational		Transactional		Ethical		Servant		Paternalistic	
Dimensions of Culture	F	Sig.	F	Sig.	F	Sig.	F	Sig.	F	Sig.
Clan	.722	.571	.768	.684	.543	.864	2.57	.003*	9.746	.000*
Adhocracy	2.456	0.019*	.108	1.24	3.64	1.78	2.64	.456	1.543	.467
Market	16.672	0.012*	24.67	.131	1.532	.23	2.78	.001*	.786	.432
Hierarchy	11.82	.41	9.38	.000*	2.62	.12	8.72	.08	10.54	.001*

Source: Primary Data

Based on assessments of statistically significant differences between two variables, the ANOVA results were determined. The results of the ANOVA analysis showed a statistically significant difference in each variable's sub-dimensions, as indicated in Table 2.

In general, several sub-dimensions differed statistically significantly from one another. First, clan cultures vary greatly in terms of paternalistic and servant leadership styles. In contrast, there are no statistically significant changes in the current variable based on other leadership aspects. Second, transformational leadership claims that adhocracy culture only changes little. There aren't any notable distinctions between this dimension and the others. Thirdly, market culture was observed to differ statistically significantly. The market cultures of transformational and servant leaders are quite different. The cultures of hierarchy vary greatly depending on whether the leadership is transactional or paternalistic. Lastly, there is no significant mean difference in impact size seen between organizational culture dimensions and laissez-faire leadership style.

SUMMARY AND CONCLUSION

The link between organizational performance, leadership styles, and culture was the primary focus of this research study. Stated differently, the study examined the relationship between an organization's performance and its culture and leadership style. The study's conclusions demonstrated that leadership philosophies and organizational cultures may affect performance in both good and bad ways. An organization's performance may be enhanced by a strong and positive culture as it inspires employees to adhere to the rules, values, and philosophy of the firm. An outstanding organizational culture fosters collaboration among members and makes communication and decision-making easier, which is another way that organizational culture may impact performance. Employee collaboration improves performance, and when individuals perform better individually, the performance of the entire business performs better. In a similar vein, rapid information transfer from upper management to lower-level staff members and quick decision-making are possible when communication and decision-making are easy. Eventually, this will lead to better performance inside the organization. The results of this investigation have also demonstrated the noteworthy impact that leadership styles have on the functioning of organizations. Although it lowers performance, the autocratic leadership style is not a good way to lead; instead, the autocratic leadership style produces great overall performance.

Additionally, the study's findings indicate that both transformational and transactional leadership philosophies promote excellent organizational performance.

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