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## AN EXPLORATION OF IMPACT OF LEADERSHIP STYLES AND EMPLOYEE COMMITMENT

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## **ABSTRACT**

Leadership style which contributes to creating a harmonious and effective work environment, and builds connect and engagement between managers and employees, is the key factor for strengthening employee commitment to the organisation. It is quite evident that Organizational Commitment (OC) has important implications for employees and organizations, as confirmed by past researchers. This study examines the relationship between supervisor's leadership styles and employee commitment, among a random sample of employees of an oil company, with presence across India. The supervisors are the people who are responsible for the working groups in various departments in the organization and have five to ten employees working for them in the group. Primarily, two types of leadership styles namely transformational and transactional leadership styles have been chosen to investigate the impact on organizational commitment.

There is a third style as well, which is laissez fairre, passive and avoidant leadership, but the impact is negative on employee commitment. Fifty Indian executives voluntarily participated in this study. Multifactor Leadership Questionnaire with 29 items was used in this study to co-relate leadership styles and behaviors with employee commitment. MLQ measures individual leadership styles ranging from passive leaders, to transactional leaders (who give contingent rewards to followers), to transformational leaders (who transform their followers into becoming leaders themselves). An instrument with 15 items was used to measure employee commitment. The results have indicated that several dimensions of transactional and transformational leadership have positive relationship with organizational commitment but the impacts are stronger for transformational leadership style. Usage of more of transformational style and idealized attributes, and in some situations transactional style linking rewards to performance, positively predicts employee commitment and improves productivity and achievements of an organization. The aim of this study was to provide recommendations for improvement in leadership behaviours and enhance levels of employee engagement, which can lead to better employee retention and productivity.

**KEYWORDS:** Organizational Commitment, Improved Productivity, Transformational Leadership, Transactional Leadership