Impact of Leadership Style on Employees’ Performance: A Case of Private School in Peshawar

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ABSTRACT:
The primary objective of the study was to explore the leadership style that best enhances workplace performance among employees, and concurrently, assess the influence of leadership styles such as Transformational and Transactional leadership on employee performance. Effectively managing an organization necessitates adept leadership, with various leadership styles associated with distinct outcomes. This investigation delved into the presence of leadership styles, their correlation with employee performance, and the effects of transformational and transactional leadership on concepts like organizational commitment, organizational behavior, and job satisfaction. The City Schools of Peshawar served as the case study. Initially, a questionnaire was distributed to teaching staff to gauge the impact of independent variables on the dependent variable. In theoretical framework, we placed transformational leadership and transactional leadership as repressors and employee performance as regressends. The sample size comprised 140 respondents, with 104 questionnaires selected using the "Yamani" formula. Primary data was collected through a structured 5-point Likert scale questionnaire. Analysis, conducted using SPSS, involved correlation matrix, multicollinearity (VIF) analysis, heteroscedasticity analysis, and regression. The findings affirmed a positive impact of the tested leadership styles on employee performance. The research concluded by recommending that managers emphasize the use of transformational leadership to cultivate higher levels of organizational commitment, organizational behavior, and job satisfaction.

Keywords: Leadership, Employee Performance, Job Satisfaction, Transactional Leadership, Transformational Leadership
Introduction

Fostering employee inspiration is essential for the attainment of organizational goals and objectives. In this context, the relationships between leaders and workers play a pivotal role in achieving employee motivation through the application of effective leadership styles. Leadership is the skill of guiding a group of individuals to act towards a shared objective. A competent leader takes the lead, possessing character, courage, a clear vision, and an ambition for success. A proficient leader encourages the team to consistently perform at their best, thereby driving organizational success. It is crucial to acknowledge employees’ needs and interests, actively supporting them in cultivating positive psychological capital and effective leadership skills. This approach enhances their performance and contributes to the organization's achievement of sustainable competitive advantage (Baig et al., 2021). Theories of total quality management (TQM) emphatically accentuate on the importance of a leadership styles within tom management of an organization, serving as a motivational force for employees participating in quality improvement programs (Teoman et al., 2018). The global economy is evolving towards one where an organization's primary resource is its knowledge (Popli et al., 2016). Consequently, employees must undergo continuous upgrading of their professional knowledge and skills to match the standardized expertise desired for accomplishment of assigned task. Researchers have investigated the leadership styles to evaluate their influence on their performance (Ogbeide et al., 2008). Granting autonomy to employees by leaders results in increased loyalty and motivation, fostering efficient performance and ultimately enhancing organizational productivity with improved outcomes (Kim et al., 2017). In certain situations, leaders may be required to make prompt decisions. Consequently, leaders need to possess the capabilities to take immediate corrective actions (Dixon et al., 2017). As per Hughes (2008), leadership is a complex phenomenon involving the Leader, the followers, and the situation. In the book "Management Principles" (2007), leadership is defined as the process of influencing workers to work enthusiastically toward the achievement of organizational objectives. Leadership is connected to motivation, social conduct, and the management of communication (Mullins, 2007). The leadership style refers to the repetitive pattern of behaviors exhibited by a Leader (Schermershorn et al., 2011). DuBrin (2006) characterizes leadership style as the habitual pattern of conduct that a leader employs to influence their subordinates in achieving organizational goals. Leadership style is the method through which a leader provides guidance, formulates plans, motivates individuals, and manages their approach to all the tasks (Jooste, 2009). Leadership is defined as a process in which an individual influences a group of people to achieve a common goal (Northouse, 2007). In theory, there are essential approaches to explain how individuals become leaders (Bass, 1990):

a. Trait theory of leadership focuses on identifying various character attributes and qualities linked to successful leadership in diverse situations.

b. Great events theory suggests that a crisis or significant event may prompt an individual to rise to the occasion, bringing forth exceptional leadership qualities in an otherwise ordinary person.

c. Process leadership theory posits that leadership is an event dependent on the interaction between the leader and the follower. This theory makes leadership accessible to everyone, rather than limiting it to individuals with unique traits.

The leadership process typically unfolds in one of two ways: transformational or transactional (Burns, 1978). Transformational leaders are often referred to as inspirational leaders who lead by example, employing approaches such as charisma, motivation, or empathy to engage followers. They are characterized by their intensity, determination, and willingness to make sacrifices for the benefit of all. On the other hand, transactional leadership focuses on achieving results, adapting to the organization's existing structure, and gauging success according to its set system of rewards and punishments. Transactional leaders hold formal authority and positions of responsibility within an organization. This type of leader is responsible for maintaining routine operations by overseeing employee performance and facilitating team effectiveness. Performance denotes the stage of accomplishment in attaining specific tasks PJ, S. (2011). This implies that work performance is a milestone representing the successful completion of tasks by an individual within the organization. Several factors significantly impact work performance in an
leadership style that exists in the organization's technical core. Sun (2002) has compared various leadership styles and identified a significant and positive correlation between them and employee performance. Consequently, understanding the impact of leadership on employee performance is essential, as leaders are perceived as pivotal factors in enhancing organizational performance (Obiwuru et al., 2011). The leadership style is extensively studied concerning work performance, with a focus on transformational and transactional leadership (Advani et al., 2015; Baltaci et al., 2012; Riaz et al., 2010). The objectives of the research were to identify the different leadership style that exists in the City Schools of Peshawar; to test the association between leadership style and employee’s performance in the City School of Peshawar, and to investigate the impact of Leadership style on employee performance.

**Literature Review**

**Leadership**

Leadership involves establishing a direction, often requiring the courage to take strategic risks. Moving forward necessitates the willingness to challenge the status quo, acknowledging the importance of finding a balance between actively seeking and judiciously avoiding risks (Drysdale et al., 2020). Over time, leadership has evolved as a robust and dynamic trend, adapting its design and strategy to changing circumstances. Leaders have consistently delved deep into actions, carefully assessing outcomes, and adapting established frameworks and perspectives to align with the demands of the current innovative landscape. They embrace innovation and reevaluate traditional practices, discarding outdated ideas and techniques deemed irrelevant to the current environment, as recognized by Masciulli et al. (2016).

Leaders are individuals capable of energizing, inspiring, and overseeing their followers to fulfill assigned tasks and achieve optimal outcomes (Andersen, 2016). Leadership is the process of influencing a coordinated group to achieve beneficial objectives and successful performance. This is achieved through various styles that effectively impact subordinates and supporters (Saqib et al., 2015). Leadership is a dynamic interaction involving leaders and followers, with the leader taking a central role in guiding the team. Through the examination of group dynamics and various leadership theories, the leader assembles and motivates the team to pursue goals and establish norms (Drzewiecki, 2014). Management style significantly influences the satisfaction and performance of an employee. According to Walumbwa and Hartnell (2011), employees with higher commitment and job satisfaction yield higher performance; this is why an association between performance and leadership style is widely getting momentum among the researchers. Ladkin (2008) contends that effective leadership possesses three predominant attributes: "visionary" by understanding oneself and the situation, "consistency" in alignment with one's own and others' ideas and communication, and "discernment" in the achievement of goals. According to Mullins (2007), to achieve optimal results from employees, a manager should prioritize fostering high motivation, a sense of involvement, cooperation, and a willingness to work. The emphasis on leadership style is based on the belief that employees are more likely to be effective under managers who adopt a specific power style than those who adopt alternative styles.

Mullins (2007) broadly categorized leadership styles toward followers and the focus of power into three main directions: the authoritarian (or dictatorial) style, democratic style, and laissez-faire (hands-off) style. Leadership represents one of the oldest concepts of guiding and directing, constituting a universal phenomenon in human governance that fosters peace and harmony in governing environments. Consequently, leadership has played a crucial role in the development of groups, societies, and nations (Choi, 2007). Leadership is a significant process that can influence employees, leading to the generation of optimal results (Jong & Hartog, 2007).
Transactional leadership

Zhang recorded a negative correlation between classical leadership and staff work, as well as between transactional leadership and employees’ work (Popli & Rizvi, 2016). However, some studies indicate a positive relationship between organizational performance and the transactional leadership style. These studies suggest that organizational performance is contingent on employees' performance (İşcan et al., 2014). The transactional leadership involves acknowledging high-achieving employees through a reward system (Batista-Taran et al., 2013). Transactional leadership primarily focuses on management and organization. Its objective is to improve performance and ensure compliance with rules and regulations. This style is more task-oriented than people-oriented, emphasizing adherence to established protocols rather than human considerations. Transactional leadership is often considered suitable for environments such as security agencies, banks, and scientific institutions. Burns (1978) has conceptualized transactional leadership as an exchange relationship between leaders and followers, where Howell and Avolio (1993) assert that relationship between leader and follower depends on contingent rewards.

Transformational leadership

This style is people-oriented, giving importance to human emotions, making it more adaptable, supportive, and participative. It influences the followers through metaphors, storytelling, personal reflection, and images instead of depending on punishment. According Baig et al. (2021), transformational leadership style contributes to foster higher commitment and motivation. Theories of total quality management largely emphasize on the significance of effective leadership styles among top management. This emphasis is crucial for motivating employees and ensuring the realization of quality enhancement programs, ultimately enhancing the performance of employees (Teoman & Ulengin, 2018). Transformational leaders are identified as individuals who positively envision future scenarios for organizations, actively contribute to boosting employees' confidence by helping them realize their potential, communicate an attainable mission and vision of the organization to employees, and engage with workers to identify their needs and collaborate in meeting those needs (Peterson et al., 2009). In contrast, whereas, transactional leadership emphasizes on the exchange relationship between a leader and followers. Yet, according to Bass (1999), transformational leadership drives immediate interaction and it acmes the leader's behavior rather than the economic relation between a leader and an employee (Avolio, 1999; Avolio & Bass, 1985; Judge and Piccolo, 2004). It reported by studies that an employee adopt the values promoted by a leader and recognize them consistent with their self-concepts (Bono & Judge, 2003; Dvir et al., 2002; Shamir et al., 1993).

Theoretical Framework

In the provided theoretical framework depicted in the figure, transactional leadership and transformational leadership serve as independent variables. In contrast, employee performance is represented as the dependent variable.

Source: Paracha et al., (2012)
Method

The study in hand was quantitative and used cross sectional survey design to collect data from the respondents as suggested by Do Sul et al. (2014) and Krauss et al. (2005). A questionnaire was distributed among the sample respondents. Population of the study belonged to City School Peshawar. The data collection exclusively targets teaching staff members of The City School. Using the below formula suggested by Yamane (1967) data was collected from 104 sample respondents from the six branches in Peshawar.

\[ n = \frac{N}{1+N\epsilon^2} \rightarrow \text{Equation I} \]

The questionnaire used in this study has been adapted from Paracha et al. (2012), specifically from their research work titled "impact of leadership style on employee performance & mediating role of job satisfaction: A study of private schools in Pakistan. In Paracha's research, a standardized questionnaire was distributed among the selected population of private schools in Peshawar to gather their views and insights regarding the impact of leadership style on employee performance. The following are the segments of the questionnaire: [details of the questionnaire sections:

1. Section A: Profile of Respondent
2. Section B: Questions regarding Transactional Leadership
3. Sections C: Questions regarding Transformational Leadership
4. Section D: Questions regarding Employee Performance.

This survey was designed on a rating scale ranging from 1 to 5, where respondents are expected to provide their feedback based on the level of commitment for each factor. Using the data analysis approach of Saunders et al. (2009) data collected underwent statistical analysis using SPSS software. Regression analysis was run to examine the association between the dependent and independent variables.

Reliability Analysis

Reliability statistics are utilized to assess the dependability of information through a recommended test, namely Cronbach’s Alpha. In line with Uma Sekaran's recommendation (2006), the range of reliability should fall between 0 to 1, with a value closer to 1 indicating higher consistency of the scale and data used. The Cronbach's alpha coefficient tends to increase with either an increase in the number of items (factors) or an increase in the average between-item associations, holding the number of items constant. Sekaran suggests that "reliabilities under 0.60 are seen as poor, those in the 0.70 range as sufficient, and those above 0.80 as excellent and very good."

Table 1

<table>
<thead>
<tr>
<th>Variables</th>
<th>Cronbach's Alpha</th>
<th>No of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transactional Leadership</td>
<td>.722</td>
<td>6</td>
</tr>
<tr>
<td>Transformational Leadership</td>
<td>.766</td>
<td>6</td>
</tr>
<tr>
<td>Employee Performance</td>
<td>.735</td>
<td>5 (EP 3 Excluded)</td>
</tr>
</tbody>
</table>

Santos et al. (1998) specified that a reliability measure should be greater than 0.70, and anything below 0.70 is considered irregular. Following Sekaran's (2006) recommendation, a reliability measure of 0.70 is deemed adequate, while 0.60 is considered poor. Furthermore, a Cronbach’s Alpha range of 0.80 to 0.90 is regarded as great and excellent, respectively. According to Santoos et al. (1998) and Sekaran (2006), Table 1 reflects the reliability of Transactional Leadership, Transformational Leadership, and Employee Performance. These measures are deemed acceptable in the field of Social Sciences since the required value is above 0.70.
Table 2
Descriptive Statistics

<table>
<thead>
<tr>
<th>Variables</th>
<th>N</th>
<th>Min</th>
<th>Max</th>
<th>Mean</th>
<th>SD</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td>T L</td>
<td>104</td>
<td>.67</td>
<td>5.00</td>
<td>3.793</td>
<td>.64837</td>
<td>5.077</td>
</tr>
<tr>
<td>TFL</td>
<td>104</td>
<td>1.50</td>
<td>5.00</td>
<td>4.250</td>
<td>.52357</td>
<td>6.876</td>
</tr>
<tr>
<td>EP</td>
<td>104</td>
<td>1.80</td>
<td>5.00</td>
<td>4.1280</td>
<td>.51837</td>
<td>3.453</td>
</tr>
<tr>
<td>GENDER</td>
<td>104</td>
<td>.00</td>
<td>1.00</td>
<td>.7900</td>
<td>.40936</td>
<td>.092</td>
</tr>
<tr>
<td>Age</td>
<td>104</td>
<td>1.00</td>
<td>4.00</td>
<td>1.9600</td>
<td>.82780</td>
<td>.535</td>
</tr>
<tr>
<td>Qualification</td>
<td>104</td>
<td>1.00</td>
<td>4.00</td>
<td>1.9900</td>
<td>.50242</td>
<td>9.360</td>
</tr>
<tr>
<td>Experience</td>
<td>104</td>
<td>1.00</td>
<td>4.00</td>
<td>2.8100</td>
<td>1.07961</td>
<td>-1.126</td>
</tr>
<tr>
<td>Valid N (list wise)</td>
<td>104</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 2 presents information based on the number of observations in the dataset. It also displays the minimum and maximum values of a variable, along with its mean value, standard deviation, and kurtosis to assess data normality.

Analysis of Leadership Styles and Employees’ Performance

The results for transactional leadership indicate 104 observations in the dataset. The minimum value for transactional leadership is 0.67, while the maximum response received from a respondent is 5. The mean value of the collected data is 3.793, indicating that most respondents tend towards accepting transactional leadership. The standard deviation is 0.64, suggesting that each value deviates from the mean by approximately 0.64 units. The kurtosis value is 5.077, which is greater than 0.05, indicating that the data follows a normal distribution. The results for transformational leadership indicate 104 observations in the dataset. The minimum value for transformational leadership is 1.50, while the maximum response received from a respondent is 5. The mean value of the collected data is 4.25, indicating that most respondents tend towards accepting transformational leadership. The standard deviation is 0.52, suggesting that each value deviates from the mean by approximately 0.52 units. The kurtosis value is 6.876, which is greater than 0.05, indicating that the data follows a normal distribution. The results for employee performance indicate 104 observations in the dataset. The minimum value for employee performance is 1.80, while the maximum response received from a respondent is 5. The mean value of the collected data is 4.128. The standard deviation is 0.51, indicating that each value deviates from the mean by approximately 0.51 units. The kurtosis value is 3.453, which is greater than 0.05, suggesting that the data follows a normal distribution.

Demographics Analysis

The results for gender indicate 104 observations in the dataset. The minimum value for gender is 0.00, while the maximum response received from a respondent is 1. The mean value of the collected data is 0.79. The standard deviation is 0.40, indicating that each value deviates from the mean by approximately 0.51 units. The results for age indicate 104 observations in the dataset. The minimum value for age is 1.00, while the maximum response received from a respondent is 4.00. The mean value of the collected data is 1.96. The standard deviation is 0.82, indicating that each value deviates from the mean by approximately 0.82 units. The results for qualification indicate 104 observations in the dataset.
The minimum value for qualification is 1.00, while the maximum response received from a respondent is 4. The mean value of the collected data is 1.99. The standard deviation is 0.50, indicating that each value deviates from the mean by approximately 0.52 units. The results for experience indicate 104 observations in the dataset. The minimum value for experience is 1.00, while the maximum response received from a respondent is 4.00. The mean value of the collected data is 2.81. The standard deviation is 1.07, indicating that each value deviates from the mean by approximately 1.07 units.

Table 3
Correlation Matrix

<table>
<thead>
<tr>
<th></th>
<th>TL</th>
<th>TFL</th>
<th>EP</th>
</tr>
</thead>
<tbody>
<tr>
<td>TL</td>
<td>1</td>
<td>.304*</td>
<td>.427**</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.002</td>
<td>.000</td>
</tr>
<tr>
<td>n</td>
<td>104</td>
<td>104</td>
<td>104</td>
</tr>
</tbody>
</table>

Table 3, the Correlation table, demonstrates the level of association among all variables, irrespective of dependent and independent variables. This implies that it doesn't consider the dependent variable in the correlation, and variables are treated as independent. The results indicate that transactional leadership has a positive link with transformational leadership, with a considerable degree of association at 30%, significant at the 0.05 level. Furthermore, the effect also shows that transactional leadership has a substantial link with employee performance, where the degree of association is positive, and the magnitude is 42.7%. When examining the association between transformational leadership and employee performance, a significant 71% degree of association is observed. This result holds significance at the 0.05 significance level, as indicated by the p-value of 0.000.

Multicollinearity (VIF) Analysis

<table>
<thead>
<tr>
<th></th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Model</td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>.738</td>
<td>.314</td>
</tr>
<tr>
<td></td>
<td>TL</td>
<td>.186</td>
<td>.057</td>
</tr>
<tr>
<td></td>
<td>TFL</td>
<td>.631</td>
<td>.071</td>
</tr>
</tbody>
</table>

a. Dependent Variable: EP
The Variance Inflation Factor (VIF) for transactional leadership is 1.102 times, and for transformational leadership, it is also 1.102 times. Both values are less than 10 times, indicating that there is no issue of multicollinearity in the dataset. This suggests that the independent variables are not highly correlated with each other, and there is no problematic level of multicollinearity.

**Heteroscedasticity Analysis**

**Table 5**

*Model Summary*

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R²</th>
<th>Adjusted R²</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.742a</td>
<td>.551</td>
<td>.542</td>
<td>.35084</td>
<td>1.871</td>
</tr>
</tbody>
</table>

*a. Predictors: (Constant), TFL, TL
b. Dependent Variable: EP

The result from the above table shows the value of the Durbin-Watson test, which is 1.871. The value is less than 2.5 and more than 1.5, suggesting that the model is free from the problem of heteroscedasticity. A Durbin-Watson value within this range indicates that there is no significant autocorrelation or heteroscedasticity issue in the model.

**Regression**

**Table 6**

*Model Summary*

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R²</th>
<th>Adjusted R²</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.742a</td>
<td>.551</td>
<td>.542</td>
<td>.35084</td>
</tr>
</tbody>
</table>

*a. Predictors: (Constant), TFL, TL

**Table 7**

*ANOVA*

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>14.662</td>
<td>2</td>
<td>7.331</td>
<td>59.559</td>
<td>.000a</td>
</tr>
<tr>
<td>Residual</td>
<td>11.940</td>
<td>101</td>
<td>.123</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>26.602</td>
<td>103</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*a. Predictors: (Constant), TFL, TL
b. Dependent Variable: EP
Table 8

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>.738</td>
<td>.314</td>
<td>2.349</td>
</tr>
<tr>
<td></td>
<td>TL</td>
<td>.186</td>
<td>.057</td>
<td>.233</td>
</tr>
<tr>
<td></td>
<td>TFL</td>
<td>.631</td>
<td>.071</td>
<td>.637</td>
</tr>
</tbody>
</table>

`a. Dependent Variable: EP`

The regression analysis examines the impact of explanatory variables on the dependent variable and assesses the overall significance of the model, capturing variations in the dependent variable due to changes in independent variables. In the model summary above, the R square is 0.551, indicating that 55.1% of the variation in the dependent variable is explained by changes in the independent variables. This suggests that both transactional and transformational leadership contribute to a 55% overall change in employee performance. The ANOVA table further supports the model’s significance, with an F-statistic value of 59.55 and a P-value of 0.000. This implies that the overall model is significant, as the F-statistic is greater than 4, and the P-value is less than the 0.05 level of significance. This indicates that the independent variables collectively influence employee performance. Examining the coefficients, both transactional and transformational leadership variables are significant predictors of employee performance. The P-values for both variables are less than 0.05, and the T-statistics are greater than 2, indicating a significant impact on employee performance. In terms of magnitude, transformational leadership has a greater effect than transactional leadership. The magnitude of transformational leadership is 0.631, suggesting that a one-unit change in transformational leadership corresponds to a 63% change in employee performance. On the other hand, transactional leadership has a magnitude of 0.186, reflecting an 18.6% change in employee performance due to a one-unit change in transactional leadership. Overall, both variables significantly influence employee performance, but transformational leadership has a higher magnitude, indicating a more substantial impact on employee performance compared to transactional leadership.

**Discussion**

The analysis conducted in the previous chapter assumes that the research objectives and hypotheses have been achieved. Based on the findings this study concludes that the first objective was to identify different leadership styles existing in private schools in Peshawar. While several well-known private schools were visited in Peshawar, data was specifically collected from The City School (Pvt) Ltd. The results, obtained through the questionnaire, confirmed the presence of leadership styles in The City School, with a primary focus on studying Transactional Leader Style and Transformational Leader Style. The second objective aimed to test the association between leadership and employee performance. The collected data on the impact of leadership style on employee performance was analyzed. As discussed in the "Data Analysis & Discussion" section, the findings from the questionnaire revealed a positive association between both Transactional Leadership and Transformational Leadership with employee performance, as outlined in Table 4. The third objective was to investigate the impact of leadership style on employee performance. Similar to the second objective, the collected data on the impact of leadership style on employee performance was analyzed. As discussed in the "Data Analysis & Discussion" section, both Transactional Leadership and Transformational Leadership demonstrated a positive association with employee performance, as presented in Table 4. The study encompasses two hypotheses, and the results indicate the acceptance of both hypotheses. The first hypothesis suggests that there is an association between transactional leadership and transformational leadership with employee performance. The second hypothesis asserts that both transactional leadership and transformational leadership lead to
changes in employee performance. The findings from the analysis support and validate both of these hypotheses, emphasizing the significant impact of leadership styles on employee performance.

**Conclusion**

Leadership plays a crucial role not only in the success of an organization but also at a national level. Although leadership is often associated with management studies, it is a process that influences a coordinated group to achieve common goals and success. The choice of leadership style significantly impacts subordinates and followers. Two primary models of leadership styles are transactional and transformational leadership. Transactional leadership relies on rules and their strict enforcement, often being resource-focused. Examples of transactional leadership styles include dictatorial and autocratic approaches. In contrast, transformational leadership styles encompass democratic and participative approaches. Based on the literature reviewed, transformational leadership appears to be more popular among employees. Transformational leaders empower followers, transcend individual interests, serve as role models, create a vision, initiate and implement new directions, and articulate emerging values and principles of the organization. Different leaders with varying leadership styles gain popularity among the masses. This research aimed to determine which specific leadership style is more popular among the employees of The City School. The findings indicate that transformational leadership style is more favored than transactional leadership style among the employees. The statistical tests have confirmed a relationship between both transformational and transactional leadership styles. However, upon further investigation, it was revealed that transformational leadership tends to be more sought after and favored among employees. Regression tests examining the predictor and model variables demonstrated that the transformational leadership style gained more popularity and acceptance than the transactional style. Consequently, this study posits that employees exhibit a greater preference for the transformational leadership style, as it aligns more with human development and interest-oriented approaches. Moreover, the study highlights that even leaders traditionally considered transactional were popular, particularly if they incorporated characteristics associated with transformational leadership. This implies that a transactional leader who possesses traits of a transformational leader and emphasizes human-centered development is likely to be more popular among employees.

**Recommendations**

This research primarily aimed to test the leadership models, namely Transactional Leadership and Transformational Leadership, and assess their impact on employee performance. The findings indicated a positive association and presence of both Transactional and Transformational Leadership in The City Schools of Peshawar, influencing a change in employee performance. The recommendation is for The City School management to prioritize the development of Transformational Leadership qualities to enhance organizational objectives and achievements more effectively. Employees, particularly teachers, are likely to work with higher morale and without fear under a Transformational leadership style, potentially improving teaching methods and, consequently, student performance. Additionally, introducing training programs for leaders within the institution can further amplify the impact on employee performance. This recommendation extends to other private and public institutions, suggesting the adoption of the Transformational Leadership Style for more effective achievement of organizational objectives.

**Limitations**

The scope of this research is limited to private schools in Peshawar. Therefore, the findings and conclusions of the study cannot be generalized to private schools in the entire province or country. Furthermore, government schools were not included in the study due to resource limitations, and as a result, the research may not provide insights into the leadership styles and their impact on employee performance in government educational institutions. The data collection process posed several challenges for the researcher, including:

1. Resistance and Refusal: Many schools were hesitant and refused to share the necessary data, which hindered the data collection process.
2. Inadequate Data from Local Schools: During the initial stage of data collection, both local schools with a single branch and those with multiple branches were selected. However, the collected data from these schools did not meet the researcher's requirements, possibly due to a lack of an effective management system.

These challenges may have impacted the overall quality and completeness of the collected data, potentially influencing the study's outcomes.

**Future Research Implications**

Expanding the current study could involve several avenues for further research:

1. Additional Traits, Theories, and Styles: Include a broader range of traits, leadership theories, and styles in the study to provide a more comprehensive understanding of leadership's impact.
2. Extension to Public Sector and Corporate Sector: Explore how leadership styles affect employee performance in public educational institutions and corporate sectors. This comparative analysis could reveal similarities or differences in leadership effectiveness.
3. Comparative Study between Public and Private Institutions: Conduct a comparative study between public and private educational institutions to identify any variations in leadership styles and their impact on employee performance.
4. Longitudinal Studies: Consider longitudinal studies to observe changes in leadership styles and their effects over an extended period, providing insights into the sustainability of leadership practices.
5. Broader Geographical Scope: Expand the geographical scope of the study to include institutions from various regions, allowing for a more diverse and representative sample.

These recommendations can contribute to a more nuanced and comprehensive understanding of leadership's role in different contexts and sectors.

**Deceleration of Interest**

The authors declare that there was no clash of interest.

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