

## Leadership Styles Identifying What Truly Resonates

Sugam Subedi\*, Surendra Prasad Joshi\*\* and Mridul Basnet\*\*\*

### Abstract

*The ever-changing technology and human behavior have awakened the leaders to change the way they lead their subordinates. This study aims to examine leaders' art of influencing their subordinates in the IT sector using transformational, transactional, laissez-faire, and servant leadership styles, and to determine which best suits employees' job satisfaction in the IT industry. The study followed a causal research design with snowball sampling, approaching 400 respondents involved in the IT sector within Kathmandu Valley, and adopted quantitative measures to analyze the influence of leadership styles on job satisfaction. The multiple regression analysis revealed that servant leadership ( $\beta = 0.494, p < 0.01$ ) most strongly predicted job satisfaction among IT professionals, followed by laissez-faire leadership ( $\beta = 0.233, p < 0.01$ ), transformational leadership ( $\beta = 0.162, p < 0.01$ ), and transactional leadership ( $\beta = 0.082, p < 0.01$ ). Servant leadership that promotes a sense of fellowship and independence and minimizes unnecessary interference appears to affect IT workers' satisfaction levels positively. Respondents from the Kathmandu Valley only, and the relations between leadership styles and job satisfaction, were the limitations of this study. However, policymakers, organizational leaders, and HR practitioners can use the study's evidence-based insights to develop more effective leadership development programs and foster more fulfilling, productive workplaces. This research makes a distinctive contribution to the limited empirical literature on leadership styles in Nepal's expanding IT industry. The study offers insights into the leadership style that most effectively improves employee morale and retention, focusing on the public and private IT sectors within a dynamic technological and cultural context.*

**Keywords:** career orientations, cyber incivility, employee silence, freelance, virtual leadership.

### Introduction

The growing number of high-profile scandals and underperformed leaders interests the researcher in an escalation in research on leadership and its theories. Leadership is a crucial functional mechanism for an organization to raise a culture of task completion and stability. Leaders' roles and organizational success depend on the leadership style practiced (Mwai et al., 2018). The leader's style can be enhanced through mindfulness practices that support better strategic decision-making. Many leaders are motivated to support their followers, but workable strategies and tools may not always be readily available (Urrila & Eva, 2024). Leadership in modern corporate entities has also undergone significant transformation (Karki & Maharjan, 2022). Recent developments in the economic and industrial scopes have brought shifts and imbalances in the global human capital market (Amri, 2024; Mohamed et al., 2021). Human resource management (HRM) faces certain

challenges in satisfying its employees, which can be addressed through leaders and their leadership strategies and applications. Choosing the right leadership style leads to higher job satisfaction (Kim et al., 2020; Luu, 2019; Sun & Xia, 2018). Job satisfaction has been linked to numerous external factors, such as leadership styles, which can affect employees' perceptions and attitudes about their work (Batugal & Tindowen, 2019). Job satisfaction can foster creativity and enhance employees' work experience and organizational outcomes (Abidakun & Ganiyu, 2020). Information Technology (IT) has become a tool of social & economic growth, spreading rapidly. The IT industry is complex and dynamic, requiring constant adaptation and innovation (Kolasani, 2023). Artificial Intelligence, blockchain, the Internet of Things, and augmented reality disrupt industries, revolutionize processes, and redefine business models (Bongomin et al., 2020; Pavaloaia & Necula, 2023). Improving the quality of relationships among staff and leaders is necessary

\* Mr. Subedi is an Mphil Scholar at Purbanchal University, Email: sugam.nevermind@gmail.com

\*\* Mr. Joshi is an Mphil Scholar and is currently serving as faculty member at Medhavi College, Kathmandu

\*\*\* Mr. Basnet is an MBA Graduate and is currently serving at Kathmandu University School of Management, Kathmandu, Email: mridulbasnet@gmail.com

to increase job satisfaction and commitment levels and ensure employees' good performance in the IT sectors (Uddin et al., 2016).

### Literature review and hypothesis development

In remote work settings, Ahmad (2025) claimed that transformational leadership is most effective at raising employee motivation by fostering a supportive environment and an empowering culture. In contrast, transactional leadership leads to task-oriented, less emotionally engaged employees, while laissez-faire leadership results in feelings of disconnection and a lack of support. Manda and Abidin (2023) argued that leadership's role in managing information technology change is crucial in the ever-evolving digital era. The study found that TFL and TSL were significantly related to innovative individual behaviour, with empowerment and knowledge sharing as mediating factors (Suryanarayana, 2023). Servant leadership can trigger servant colleagueship among subordinates (Khan et al., 2022).

**HA1:** *There is a significant impact of transformational leadership on job satisfaction among employees in the IT sector.*

**HA2:** *There is a significant effect of transactional leadership on job satisfaction*

**HA3:** *There is a significant influence of laissez-faire leadership on job satisfaction.*

**HA4:** *There is a significant relationship between servant leadership and job satisfaction.*

### Methodology

The study has used positivist philosophy with a quantitative method to examine the impact of leadership styles on job satisfaction. Using a casual research design and snowball sampling techniques, 400 IT professionals who worked remotely or in person for private and public IT companies throughout the Kathmandu Valley participated. Employees from software development companies, e-commerce, telecommunications companies, and enterprise IT departments (banks, hospitals, and airlines) participated in the study. The appropriateness of the causal research design in this study is that it helps examine the cause-and-effect relationship between leadership styles and

employee satisfaction. At the same time, snowball sampling is suitable for reaching a diverse pool of IT professionals across different organizations in the Kathmandu Valley, where direct sampling frames are difficult to obtain.

### Instrumentation of data

The study has adopted a framework from Specchia et al. (2021). Table 1 presents the study instruments, which use five-point Likert-scale questionnaires.

Table 1 Study Variables

| Latent variables                 | Observed items | Adapted from         |
|----------------------------------|----------------|----------------------|
| Transformational Leadership (TF) | 4              | Nasir et al. (2022)  |
| Transactional Leadership (TR)    | 4              | Marei , (2024)       |
| Laissez- faire Leadership (LSF)  | 4              | Northouse, (2009)    |
| Servant leadership (SL)          | 4              | Ehrhart, (2004)      |
| Job Satisfaction (JS)            | 8              | Bhatti et al. (2012) |

The questionnaire variables were extracted from the above sources and were modified without changing the meaning of the questions. The variables are developed based on the following constructs.

Table 2 Constructs of Variables

| Leadership Styles | Constructs   | Source  |
|-------------------|--|---|
| Transformational  | Idealized Influence<br>Inspirational motivation,<br>Attributive Charisma                         | (Bass, 1990;<br>Keim, 2014,<br>Abera Timbula<br>& Marvadi,<br>2024) |
| Transactional     | Contingent rewards,<br>Management by exception,<br>Contingent rewards<br>Management by exception | (Abera Timbula<br>& Marvadi,<br>2024)                               |
| Laissez-faire     | Autonomy, delegation,<br>and minimum supervision   | (Amanchukwu<br>et al., 2015;<br>Khan & Saleem,<br>2021)             |
| Servant           | Authenticity, Accountability,<br>and Forgiveness   | (Harwardt,<br>2020)   |

**Supportive leadership fosters creativity, commitment, and better organizational outcomes in dynamic IT and corporate environments.**

**In remote and digital work settings, transformational leadership, transactional leadership, laissez-faire, and servant leadership have their own significance.**

**Using a causal research design and snowball sampling, 400 IT professionals from private and public IT organizations were included in the study.**

Table 2 depicts the leadership styles and the constructs' significance in influencing organizational results and employee experiences. It discusses TF, which emphasizes encouraging, motivating, and directing people toward common objectives. While LSL reflects a hands-off approach with little supervision, TR emphasizes structured exchanges and performance monitoring. SL places a higher value on sincerity, responsibility, and consideration for others.

A pilot test was conducted in the study using a 5-point Likert-scale questionnaire with 20-30 respondents to assess the validity of the survey instrument. The instrument's reliability was evaluated using Cronbach's Alpha ( $\alpha$ ), confirming the scale's items' dependability in accurately representing the variables studied. The research ensured validity by employing established, validated measurement scales from the existing literature, thereby confirming that the questionnaire accurately captured the relevant components.

*Table 3 Reliability test*

| Latent variables | Observed items | Cronbach Alpha ( $\alpha$ ) |
|------------------|----------------|-----------------------------|
| TF               | 4              | 0.832                       |
| TR               | 4              | 0.700                       |
| LSL              | 4              | 0.855                       |
| SL               | 4              | 0.813                       |
| JS               | 8              | 0.914                       |

Suggested threshold scales  $\geq 0.70$  (Taber, 2018)

Developed Instruments were from a pilot study.

Table 3 shows the reliability test conducted using Cronbach's alpha, where, according to Taber (2018), each construct exceeds the threshold of 0.70. Each leadership construct and job satisfaction were measured with internal consistency, as demonstrated by the reliability test, which means the measurement scales used in the study are consistently dependable. The reliability of the results is further supported by the consistency of the items used to assess each latent factor, indicating that they were well-designed.

The study used SPSS Version 26 to analyze data statistically, guaranteeing reliable and accurate results. Descriptive analysis presents

key characteristics and patterns of the collected data. Pearson correlation analysis was used to assess the strength and direction of the variables, whereas regression analysis was used to analyze the influence and linkages between variables. The Variance Inflation Factor (VIF) was used to evaluate multicollinearity. The regression model employed in the study is illustrated by Equation (1)

$$JS(Y) = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e \quad (1)$$

JS = Job Satisfaction

X1 = Transformational Leadership (TF) X2 = Transactional Leadership (TR)

X3 = Laissez-faire Leadership (LSF) X4 = Servant leadership (SL)

e = error term

### Analysis and presentation

This part presents and analyzes the study results, demographics, correlation test, regression analysis, and findings.

### Summary insight of demographic profile

The demographic profile of the respondents reveals a workforce that is predominantly male (59%) and situated in the 36–45 age bracket (46.3%), suggesting a mid-career professional population. This is further supported by the fact that over half of the employees (54.3%) possess 4–6 years of experience, and the most common educational attainment is a bachelor's degree (42%). Regarding work environment preferences, on-site remains the dominant mode of delivery at 43.8%, though it is closely followed by hybrid arrangements, reflecting a gradual shift in modern workplace structures.

### Descriptive statistics

Descriptive statistics show high mean scores for all variables (4.11–4.28), indicating strong agreement among respondents. Variability is low ( $SD \approx 0.58$ – $0.62$ ), suggesting consistent responses. Laissez-faire leadership has the highest mean, while transformational leadership shows slightly lower values, reflecting generally positive perceptions across all constructs.

### Correlational analysis

The correlation analysis reveals that all leadership styles are strongly and positively associated with job satisfaction, with Servant Leadership (SL) emerging as the most significant driver ( $r = .848$ ), closely followed by Laissez-Faire Leadership (LSL) ( $r = .800$ ) and Transformational Leadership (TF) ( $r = .765$ ), the latter of which also maintains a high degree of synergy with the Servant Leadership model ( $r = .803$ ).

### Regression analysis

Table 1 Model Summary

| Model | R     | R Square | Adjusted R-Square | Std. Error of the Estimate | R Square Change | F Change | df1 | df2 | Sig. F Change |
|-------|-------|----------|-------------------|----------------------------|-----------------|----------|-----|-----|---------------|
| 1     | .873a | 0.763    | 0.76              | 0.29547                    | 0.763           | 317.585  | 4   | 395 | 0             |

Notes:

- Predictors: (Constant), TF, TR, LSL, SL
- Dependent Variable: JS

Table 1 presents the regression model summary, which shows that the R-square value indicates the extent to which the independent latent variables explain a notable variation in job satisfaction among IT employees.

Table 2 Analysis of variance

| Model      | Sum of Squares | df  | Mean Square | F       | Sig. |
|------------|----------------|-----|-------------|---------|------|
| Regression | 110.903        | 4   | 27.726      | 317.585 | 0    |
| Residual   | 34.484         | 395 | 0.087       |         |      |
| Total      | 145.387        | 399 |             |         |      |

Notes:  
Dependent Variable: JS  
Predictors: (Constant), TF, TR, LSL, SL

Table 2 presents the analysis of variance (ANOVA), which confirms that the overall regression model is statistically significant, indicating that the selected leadership variables meaningfully predict variations in job satisfaction.

Table 3 Regression coefficients

| Variable   | B     | Std. Error | Beta  | t     | Sig.  | Tolerance | VIF   |
|------------|-------|------------|-------|-------|-------|-----------|-------|
| (Constant) | 0.172 | 0.128      |       | 1.343 | 0.18  |           |       |
| TF         | 0.157 | 0.042      | 0.162 | 3.749 | 0     | 0.323     | 3.094 |
| TR         | 0.085 | 0.028      | 0.082 | 3.036 | 0.003 | 0.832     | 1.201 |
| LSF        | 0.227 | 0.046      | 0.233 | 4.985 | 0     | 0.275     | 3.631 |
| SL         | 0.488 | 0.049      | 0.494 | 9.933 | 0     | 0.242     | 4.125 |

### a. Dependent variable: JS

Table 8 presents the regression coefficients indicating how job satisfaction is expected to change with a one-unit increase in each leadership style. Each t-statistic confirms the importance of the characteristics in explaining virtual leadership effectiveness, as all p-values were significant at a 5 % significance level. Collinearity statistics (Tolerance and VIF) ensure that each trait contributes to the model independently and without redundancy, confirming the analysis's stability and reliability. The coefficient analysis indicates that all leadership variables significantly influence job satisfaction, with SL having the most substantial impact, followed by LSL, TF, and TR. The findings assess that IT sector employees prioritize leaders who provide support, adaptability, and situational responsiveness. TF and TL contribute positively; however, their influence is relatively modest, suggesting that vision and rewards alone are insufficient to maintain satisfaction in the IT sector.

### Assessing hypotheses

The study hypotheses, including the standardized regression coefficients, significance thresholds, and conclusions about the hypothesis's acceptability, are displayed in the table below:

Table 4 Hypothesis testing

| Hypothesis | Statement  | Standardized Coefficient ( $\beta$ ) | p-value | Remarks  |
|------------|--|--------------------------------------|---------|----------|
| HA1        | Transformational leadership has a significant effect on job satisfaction.            | 0.162                                | 0       | Accepted |
| HA2        | There is a significant effect of transactional leadership on job satisfaction.       | 0.082                                | 0.003   | Accepted |
| HA3        | Laissez-faire leadership has a significant influence on job satisfaction.            | 0.233                                | 0       | Accepted |
| HA4        | There is a significant relationship between servant leadership and job satisfaction. | 0.494                                | 0       | Accepted |

***Servant leadership and laissez-faire were highly preferred among***

***Effective IT leadership necessitates a shift from purely visionary or technical management to a situational, adaptive model that prioritizes Servant Leadership driven by empathy and trust and Laissez-faire autonomy, as these supportive and flexible approaches more significantly impact job satisfaction and innovation than traditional transformational or transactional styles.***

***The study confirms that Servant Leadership (SL) and Laissez-faire Leadership (LSL) are the most effective drivers of job satisfaction in the IT sector due to their emphasis on support and autonomy***

Servant leadership has the greatest impact, underscoring that prioritizing employee well-being and support significantly boosts job satisfaction. Laissez-faire leadership exerts a more decisive influence than transactional leadership, suggesting that autonomy and decision-making freedom can enhance satisfaction. Transformational leadership shows a positive effect, highlighting the role of inspiration and vision in improving satisfaction. Transactional leadership also has a significant but relatively weaker effect, suggesting that rewards and clear structures contribute modestly. The findings provide an intricate summary of how various leadership styles individually impact employee satisfaction in the IT sector, demonstrating that leadership is not a constant factor.

#### Discussion

The study highlights that leadership in the IT industry is most effective when it balances empowerment, flexibility, and structured support to enhance job satisfaction. Among leadership styles, servant leadership emerges as the strongest predictor, emphasizing empathy, trust, and employee well-being, which aligns with Social Exchange Theory. Laissez-faire leadership ranks second, reflecting the importance of autonomy and independence in IT environments where employees value creativity and self-direction. Transformational leadership, although important, shows only a moderate impact, suggesting that inspiration alone is insufficient without practical support. Transactional leadership has the weakest yet significant effect, indicating that rewards and structure contribute to satisfaction but do not

ensure long-term engagement.

The findings differ from some prior studies, showing that while transformational leadership is widely practiced, it is less effective than more supportive and autonomy-focused approaches in IT settings. The study also emphasizes the role of mindfulness in improving emotional regulation, collaboration, and reducing stress among IT professionals. Contrary to the belief that technical expertise alone drives success, the results confirm that leadership plays a critical role in employee satisfaction. Overall, effective IT leadership requires a situational, adaptive approach that combines support, flexibility, and empowerment to foster innovation, loyalty, and sustained organizational performance.

#### Conclusion

The study confirms that leadership styles significantly influence job satisfaction among IT employees, with servant leadership (SL) and laissez-faire leadership (LSL) being the most effective due to their focus on support, flexibility, and autonomy. While transformational (TF) and transactional (TR) leadership have some impact, they lack strong human-centric elements. The findings highlight that adaptive, situational leadership is essential in modern IT environments shaped by remote and hybrid work. Effective leaders not only enhance satisfaction but also foster skill development and career growth. However, the study's cross-sectional design and dynamic IT context limit generalization, suggesting future research should explore remote and gig-based work settings.

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