The Impact of Transformational Leadership on Employee Performance: A Study Based on Operational Level Employees in ABC Company

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Employee performance is vital to any organization as it is an important aspect of employee work-related behavior. Over the last five years, researchers have extensively studied antecedents of employee performance and they have found that employee motivation, working environment, and rewards are predictors of employee performance. Moreover, recent studies have found that leadership is crucial for employee performance, more especially, transformational leadership. However, these studies are based on samples from western and we do not know how western understanding of these relationships applicable to culturally and economically different economies, i.e. Sri Lanka. Thus, the purpose of the study is to examine the impact of transformational leadership on employee performance. Based upon prior literature, the researcher developed one hypothesis and data were collected from 82 operational level employees in ABC Company which was one of the leading companies in the apparel industry in Sri Lanka, at one point in time. Primary data were collected using a structured questionnaire and simple linear regression were used to analyze data. According to the findings of the study, transformational leadership had a significant impact on employee performance which is consisted of prior research findings. Thus, this study recommends managers to develop the transformational leaders in the organization to enhance employee performance.

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