

Exploring the Impact of Charismatic Leadership and Organisational Commitment on Employee Satisfaction

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ABSTRACT

The interactions between leaders and employees greatly influence an organization's performance and outcomes. Satisfaction among employees is expected to make them committed towards their jobs and organizations, thereby increasing productivity among both the individuals and the organization. This research aims to study the effect of charismatic leadership on employee satisfaction, which influences organizational commitment. In order to collect information for this research study, a self-administered questionnaire with closed-ended questions was used among the IT employees. The results prove that there is a strong relationship between charismatic leadership and organizational commitment and employee satisfaction. Since charismatic leaders have great influence on organizational commitment and employee satisfaction, they are considered to be better performers than non-charismatic leaders based on the empirical evidence.

Key words: Charismatic leadership, Employee Satisfaction, Organizational Commitment, productivity, quantitative study

Introduction

1.1 Organizational Effectiveness

Charismatic leadership is essential in improving organizational effectiveness. It is a type of leadership that involves inspiring and motivating others through communication, vision and personal charisma. Charismatic leaders are highly influential in their organizations due to the fact that they increase employee engagement, foster creativity and create positive work environments.

For the purpose of achieving good execution and results, charismatic leaders can articulate a vision that will direct the efforts of their representatives towards common objectives. Moreover, workers feel more engaged, satisfied and productive when they have charismatic leaders in their organizations. They encourage innovations by creating an atmosphere of creativity and willingness to take risks and change the status quo. Activities such as mindfulness, the ability to understand people better, effective communication and influence building, positive hierarchical culture development, ethical behavior and straightforwardness promotion, as well as openness to initiatives and progress planning can be applied to develop and enhance charismatic initiative. It is important for organizations to understand charismatic leadership and its effects on effectiveness in order to develop good leadership.

The associations can take advantage of the charismatic leadership initiative in motivating and inspiring their teams to succeed by looking at the strengths, constraints, and implementing improvement strategies. The development of leadership qualities can be aided through education, training, and experience. Companies provide development programs to improve the skills and capabilities of their current and future leaders. Qualities like visionary, empathic, confident, honest, adaptable, and good interpersonal relations are common in a charismatic pioneer. These qualities help to increase their influence on other people.

Review of literature

According to Howell and Shamir (2005), charismatic leaders build strong connections with their followers by giving them individual attention, actively listening to their concerns, and cultivating relationships that are supportive. Alluring pioneers are people who have solid individual characteristics that empower them to draw in and motivate others. They are influential figures because of their compelling presence, charm, and ability to communicate effectively.

According to Conger and Kanungo (1987), charismatic leadership is a leadership style that is characterized by a leader's capacity to inspire and influence others through personal charm, charisma, and persuasive

communication skills. The idea of administrative appeal was first presented by German humanist Max Weber in the mid-twentieth century. Since then, a large number of researchers have investigated the effects of charismatic leadership on individuals, teams, and organizations. It depends on the pioneer's very own characteristics and the profound allure they apply to their subordinates, as opposed to depending exclusively on proper power or positional power. The vision of charismatic leaders is compelling, and they are able to convey it to their followers in a way that inspires them. They can inspire confidence and trust in others because they have a strong belief in themselves and their abilities.

Theoretical Foundations of Charismatic Leadership :

To explain charismatic leadership, a number of theoretical frameworks have been proposed, including:

Theory of Self-Concept: This hypothesis proposes that magnetic pioneers improve their devotees' self-ideas by giving significance, personality, and an internal compass. By hoisting supporters' convictions in their own capacities, the pioneer spurs them to accomplish uncommon results (Conger & Kanungo, 1988).

- **Theory of Transformational Leadership:** Transformational leadership, which places an emphasis on the leader's capacity to inspire and motivate followers to transcend their own self-interests for the greater good of the organization, is closely related to charismatic leadership. Magnetic pioneers frequently show the key ways of behaving related to groundbreaking administration, for example, giving scholarly excitement, individualized thought, and glorified impact (Avolio & Yammarino, 2002).

- **Theory of Attributions:** This theory proposes that followers attribute extraordinary abilities or qualities to charismatic leaders. These attributions improve the pioneer's impact and adherents' ability to be driven (Shamir, 1991)

Challenges and Limitations of Charismatic Leadership:

Despite the many benefits of charismatic leadership, it is important to be aware of any potential limitations or disadvantages. It is critical to recognize these limits to provide a balanced understanding of charismatic leadership. The following are some possible disadvantages and restrictions of charismatic leadership:

The Leader's Dependence: Charismatic leaders frequently have major areas of strength to have an impact on their followers. This reliance on the pioneer can cause difficulties when the pioneer is missing or unfit to give direction. It might bring about an absence of heading and inspiration inside the association in the event that supporters exclusively depend on the pioneer for navigation and motivation.

Overreliance on the Leader's Vision: Charismatic leaders are known for their convincing vision and capacity to move others. However, relying too much on the leader's vision can limit other team members' contributions and creativity.

Obstacles for Succession: It can be difficult to find suitable successors because charismatic leaders frequently cultivate a large personal following. At the point when appealing pioneers withdraw, associations might encounter trouble in keeping up with energy and changing administration, possibly prompting precariousness and diminished adequacy.

CHARISMATIC LEADERSHIP AND ORGANIZATION GROWTH

The impact of charismatic leadership is very important to manage people in IT organizations and organize their work. Leaders who can make an influence on their followers possess the power to lead their team to perform various goals, thus increasing their spirits and confidence when facing any difficulties, especially difficult ones. However, when it comes to setting strategic goals for an organization and making any decision, charismatic leaders may face some restrictions. They make their decisions unilaterally, which means that it will be difficult to discuss these decisions democratically and use the wisdom of all people in solving problems. Therefore, a detailed analysis of the characteristics of charismatic leadership and strategic goals of organizations should be performed to understand their relationship and pros and cons, and some examples should be given for the discussion. The essence of management lies in the efficient supervision of people. When we enter the era of reforms, it becomes necessary to analyze management problems to release the potential of organizations and develop quickly. Nowadays, China is entering the era of multifaceted reforms and opening up, which is characterized by changes in its political and economic spheres. Exploring charismatic leadership is of considerable importance for the advancement of management theories in China. In the economic sector, influential leaders are crucial for the advancement and growth of groups. Therefore, analyzing the influence of charismatic leadership on the strategic objectives of organizations from multiple viewpoints is highly significant. In the context of reforms and opening up, the contemporary world is experiencing a significant transition towards multi-polarization and economic globalization. As technological competition emerges as a key factor in the overall competition of national strength, the rivalry among nations has intensified, leading to an increasing clash of ideologies. Amidst the swiftly changing market environment, there is a pressing demand for charismatic leaders to bring individuals together, enhance morale, and galvanize diverse groups to make a more substantial impact on society. Therefore, analyzing the impact of charismatic leadership on an organization's strategic objectives is crucial for responding to evolving conditions and requirements.

ADVANTAGES OF CHARISMATIC LEADERSHIP

Enhanced Commitment: A charismatic leadership style frequently fosters a strong sense of commitment among team members. Charismatic leaders possess the ability to communicate effectively, motivating and inspiring those around them. As a result, their employees are more inclined to support them and demonstrate loyalty to their organisations. Effective charismatic leaders ensure that their team members feel acknowledged and valued. Such initiatives contribute to enhancing employee involvement and may lead to a decrease in turnover rates.

Encourages Leadership Aspirations: Charismatic individuals have the ability to motivate others to pursue leadership roles. Their engaging personalities and proficient communication abilities provide team members with a goal to strive for. In an ideal scenario, charismatic leaders, along with all leaders, should refrain from hoarding their power. They are dedicated to encouraging and uplifting others — particularly those aspiring to become leaders in the future.

Enhanced Efficiency: Boosting employee efficiency generally results in improved outcomes for the team, their supervisor, and the organisation overall. By maintaining motivation and concentration on a unified objective, influential leaders can facilitate substantial development and enduring achievement.

Enhanced Creativity: Charismatic leaders exhibit a strong ability to generate innovative and unconventional solutions. They are open to considering creative proposals from their colleagues. The principles of charismatic leadership contribute significantly to fostering innovation throughout various domains. When individuals feel secure in expressing innovative concepts and experimenting with novel approaches, they can contribute to the organization's growth in ways that may not have been possible otherwise.

Foster a Culture of Learning: Charismatic leadership plays a significant role in cultivating a company culture that prioritises learning. Individuals are driven to pursue every opportunity available to reach their objectives, whether that involves finishing management training programs, participating in workshops, or exploring various methods to enhance their understanding and acquire new competencies.

Fosters a Collective Identity: An engaging leader recognises the importance of collaboration. It is understood that fostering a cohesive team requires the cultivation of a collective identity among the workforce. A shared sense of identity among employees often leads to enhanced collaboration and effectiveness in their work together. Working together and cooperating can enhance outcomes and result in increased efficiency and improved results in a timelier manner.

Lower Levels of Stress and Burnout: Teams guided by charismatic leaders frequently report experiencing reduced stress and burnout in contrast to those managed by different leadership styles.

REVIEW OF LITERATURE:

- Several studies have been conducted about charismatic leadership, organizational commitment, and employee satisfaction. Leadership styles and commitment of workers have been found to be vital in determining job satisfaction within an organization. This part looks at the current body of knowledge concerning this topic.
- **Charismatic Leadership and Job Satisfaction:** Charismatic leadership is where the leader motivates and inspires employees through his/her vision and confidence. Employees are more committed and satisfied with their jobs because charismatic leaders motivate them and make them feel part of something bigger than just the job (Conger & Kanungo, 1998).
- The findings of Bass (1990) indicate that charismatic leadership improves employee morale through the creation of an environment of trust, respect, and empowerment. Employees working under

OBJECTIVE

- 1. To Investigate the Effect of Charismatic Leadership and Organizational Commitment on Job Satisfaction.**
- 2. Examining the Direct Effect of Charismatic Leadership on Employee Satisfaction.**

3. Investigating the Influence of Organizational Commitment as a Mediator Variable Between Charismatic Leadership and Employee Satisfaction.

CONCEPTUAL FRAMEWORK



DATA ANALYSIS AND INTERPRETATION

TABLE NO:1
GENDER OF THE RESPONDENTS

Particular	No.Of. Respondents	Percentage
MALE	103	65
FEMALE	50	32
OTHERS	5	3
TOTAL	158	100

Interpretation:

Male Dominance (65%): The sample is predominantly male, reflecting a common trend in the IT sector, where gender disparities persist due to historical underrepresentation of women in tech roles. **Female Representation (32%):** Aligns with global IT workforce averages (typically 25–35%), suggesting moderate but not equal participation. **Non-binary/Other (3%):** Highlights limited diversity in gender identity, which could affect generalizability if perspectives are underrepresented.

TABLE NO:2
AGE OF THE RESPONDENTS

Particular	No.Of. Respondents	Percentage
18–25	32	20
26–35	79	50
36–45	40	25
Above 46	7	5
Total	158	100

Interpretation:

26–35 Years (50%): The majority of respondents are young professionals, likely in early- to mid-career stages. This group may prioritize career growth, flexibility, or mentorship—key areas where charismatic leadership could influence satisfaction. **18–25 Years (20%):** Typically entry-level employees who may value supportive leadership and organisational commitment for retention. **36–45 Years (25%):** More experienced employees likely in senior roles; their satisfaction may hinge on autonomy, recognition, or alignment with organisational values. **46+ Years (5%):** Underrepresentation of older employees might miss insights on long-term career satisfaction or generational differences in leadership preferences.

TABLE NO:3
JOB POSITION OF THE RESPONDENTS

Job Position	No. Of. Respondents	Percentage
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Junior/Entry-level	47	30
Mid-level/Senior	87	55
Managerial	16	10
Executive/C-suite	8	5
Total	158	100

Interpretation:

Mid-Level/Senior Level: Most respondents (55%) seem to be mid-career individuals, which suggests that they have some experience and duties. Because they have more experience in their job roles, this category will most likely have clearer perspectives regarding organizational commitment and charismatic leadership.

Junior/Entry-level (30%): This denotes people who are just beginning their career paths and thus may be more influenced by the culture of the organization and its leadership philosophy. Engagement, development opportunities, and mentorship may play an important role in their satisfaction. **Executives (5%) and Managers (10%):** The low presence of leadership roles could limit the perspective on how leaders perceive charismatic leadership. C-suites constitute a very small number of people, their perspectives cannot be generalized.

TABLE NO:4
WORK EXPERIENCE OF THE RESPONDENTS

Work Experience	No.Of. Respondents	Percentage
Below 2 years	40	25
2–5 years	63	40
6–10 years	40	25
Above 10 years	15	10
Total	158	100

Interpretation:

The largest group (40%) is made up of workers who have probably progressed past the initial onboarding stage but are not yet in senior positions. Team dynamics, recognition, and career advancement may all have an impact on their level of happiness. **<2 Years (25%):** Newer workers who might still be developing their ideas about organizational commitment and leadership. High satisfaction in this case can be a sign of successful early engagement and onboarding tactics. **More seasoned workers with 6–10 years of experience (25%)** may base their assessment of job satisfaction on factors such organizational stability, work-life balance, and long-term benefits. **10+ Years (10%):** A little but important group that probably possesses institutional knowledge. Their contentment can be a sign of possible stagnation or more organizational commitment.

TABLE NO:5
EDUCATION LEVEL OF THE RESPONDENTS

Education level	No.Of. Respondents	Percentage
Bachelor's Degree	95	60
Master's Degree	55	35
PhD/Other	8	5
Total	158	100

Interpretation:

Dominance of Bachelor's Degrees (60%): As is common for technical and mid-level positions in the IT industry, the majority of respondents have undergraduate degrees. This implies that rather than working in research or strategic roles, the majority of participants are probably in positions that are more focused on implementation. **Those with a master's degree (35%):** a sizable minority, suggesting that many workers seek further education in order to specialize or grow in their careers. These people might have greater standards for organizational growth prospects and leadership caliber. **PhD/Other (5%):** a very low representation, indicating that the sample may not have included many highly skilled or research-focused IT professionals.

TABLE NO:6
EDUCATION LEVEL OF THE RESPONDENTS

Company Size	No.Of. Respondents	Percentage
Below 200 employees	63	40
Above employees	95	60
Total	158	100

Interpretation:

The sample's bias toward larger IT companies, which generally have more formal leadership hierarchies and organized HR procedures, is reflected in the Large Enterprise Majority (60%) of the sample. SME Representation (40%): A sizable minority that represents viewpoints from workplaces that are more flexible and possibly less bureaucratic.

TABLE NO:7
RELIABILITY STATISTICS

Reliability Statistics	
Cronbach's Alpha N of Items .871	N of Items .871 18

The Cronbach's alpha is 0.871; the value is significant because the value is near one. This shows that inter-item consistency for this variable is highly significant. This shows that the reliability for this test is 87%.

H1: Impact of Charismatic Leadership on Employee Satisfaction

For measuring the impact of Charismatic Leadership Style on employee Satisfaction linear regression was applied that is based on three tables. Model summary, anova and coefficient. model summary shows the fitness of data, ANOVA shows the variance between independent and dependent variables and it is significant by having value is .000. whereas, coefficient shows the contribution of Charismatic Leadership Style in prediction of employee Satisfaction and it contributes 98.90%.

TABLE NO:8
MODEL SUMMARY

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.989a	.977	.977	.15064439

a. Predictors: (Constant), Charismatic Leadership

TABLE NO:9
ANOVA

Model	Particular	Sum of Squares	df	Mean Square	F	Sig.
	Regression	153.460	1	153.460	6762.210	.000
	Residual	3.540	156	0.023		
	Total	157.000	157			

a. Dependent Variable: Employee Satisfaction

b. Predictors: (Constant), Charismatic Leadership Style

INTERPRETATION:

The value is significant i.e. 0.000 which is less than 0.05. It shows that our second model i.e. impact of charismatic leadership on organizational commitment is highly significant. Means if we conduct this study again then there will be a 99% probability that we will obtain the same results.

TABLE NO:10
CO-EFFICIENT

Model	Particular	B	Std. Error	Beta	T	Sig.
1	(Constant)	8.421E-17	.012		.000	1.000
	Charismatic Leadership Style	.989	.012	.989	82.233	.000

a. Dependent Variable: Employee Satisfaction

H2: Impact of Charismatic Leadership on organizational commitment

Here, linear regression was applied and it is based on three tables. Model summary, anova and coefficient. Model summary shows the fitness of data, anova shows the variance between independent and dependent variables and it is significant by having value is .000. Whereas, coefficient shows the contribution of charismatic leadership style in prediction of organizational commitment and it contributes 85.20%.

TABLE NO:11
MODEL SUMMARY

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.923 ^a	.853	.852	.38500728

a. Predictors: (Constant), Charismatic Leadership Style

TABLE NO:12
ANOVA

Model	Particular	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	133.876	1	133.876	903.160	.000 ^b
	Residual	23.124	156	.148		
	Total	157.000	157			

a. Dependent Variable: Organizational commitment

b. Predictors: (Constant), Charismatic Leadership

INTERPRETATION:

The value is significant i.e. 0.000 which is less than 0.05. It shows that our second model i.e. impact of charismatic leadership on organizational commitment is highly significant. Means if we conduct this study again then there will be a 99% probability that we will obtain the same results.

TABLE NO:13
CO-EFFICIENT

Model	Particular	B	Std. Error	Beta	T	Sig.
1	(Constant)	1.370E-16	.031		.000	1.000
	Charismatic Leadership Style	.923	.031	.923	30.053	.000

a. Dependent Variable: Organizational commitment

This shows that the relationship between charismatic leadership and Organizational commitment & it is significant.

H3: Association between Employee satisfaction and Organizational CommitmentTABLE NO:14
CORRELATION

Particular		Charismatic Leadership Style	Employee Satisfaction	Organizational commitment
Charismatic Leadership Style	Pearson Correlation	1	.989**	.923**
	Sig. (2-tailed)		.000	.000
	N	158	158	158
Employee Satisfaction	Pearson Correlation	.989**	1	.960**
	Sig. (2-tailed)	.000		.000
	N	158	158	158
Organizational commitment	Pearson Correlation	.923**	.960**	1
	Sig. (2-tailed)	.000	.000	
	N	158	158	158

**. Correlation is significant at the 0.01 level (2-tailed)

INTERPRETATION:

Correlation is done to look at the relationship between the variables. In this table, there is relationship between Employee satisfaction and Organizational Commitment.

CONCLUSION

The Purpose of this research was to examine whether charisma leadership has any significant impact on organizational commitment and job satisfaction of employees. So, based on the findings of the author, charismatic leadership has a significant and positive impact on organizational commitment and job happiness of employees. In addition, it has been found out that there is a positive correlation among all three variables, i.e., charismatic leadership, employee satisfaction, and organizational commitment. Coming to the demographic aspect, it can be observed that both males and females are inspired by their leaders and thus show commitment towards their organization. From the empirical perspective, charismatic leaders are supposed to be more effective than non-charismatic leaders due to the fact that charismatic leaders enhance organizational commitment and job satisfaction.

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