Does the Leadership Style Affect Team Members’ Project Satisfaction: Case Study of Sri Lankan IT Sector

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Abstract

Effective teamwork is an indispensable factor in the achievement of IT project success. Effective leadership is a key contributor to team member satisfaction, ensuring their active involvement and contentment within the IT project, all of which collectively lead to favorable project outcomes. This study assessed the effect of leadership style on team members’ project satisfaction in IT companies. The study collected data from 81 IT team members working in ten IT companies from a population of over 35 IT companies. The results showed that the transactional leadership style had the greatest impact on team members’ satisfaction with project completion. Interestingly, the study also found that the most prominent leadership style in the IT industry in Sri Lanka is the transformational leadership style. This study highlights the importance of selecting the right leadership style to ensure the success of IT projects.

Keywords: Information Technology, Project Satisfaction of Information Technology (IT), Transformational Leadership Style, Transactional Leadership Style

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Introduction

Information technology aids in the growth and development of the organization, resulting in improved outcomes. The speed at which businesses generate revenue has become significantly shorter thanks to advancements in information technology. To streamline their workplaces and increase productivity, companies, organizations, and governments are investing substantial amounts of money in IT projects.

Sri Lanka's IT sector currently has more than 500 companies and provides services to more than fifty different industries. This sector is the nation's second-largest source of export revenue (Sri Lanka Export Development Board). Due to Sri Lanka's performance in this area, export revenues in the IT sector grew from US$ 166 million in 2006 to reach US$ 1.2 billion in 2021 with more than 120,000 employees. (Sri Lanka Export Development Board). With over 90% of the jobs having high value-added, it has significantly impacted Sri Lanka's economic development. However, to maintain a competitive edge over other nations, the IT industry must focus on reducing IT project failure rates. By doing so, Sri Lanka can continue to grow and thrive in the global IT market.

By utilizing project-related information and advanced project methodologies and frameworks, the IT industry has improved project outcomes and assisted in addressing the low success rates it experienced previously (Joslin & Müller, 2016; Standish Group, 2019). However, despite substantial progress in project management methods and practices, a high rate of failure in IT projects is still prevalent (Johnson, 2006). According to the Standish Group, 52.7% of projects are completed over budget, behind schedule, or without the promised features, while 31.1% of projects are considered failing due to abandonment or cancellation (Standish Group, 2019).

As per the International Council on Systems Engineering (INCOSE), technology projects are known for their complexity (Sheard et al, 2015). Because they are distinguished by high complexity and high possibilities of project failure, IT projects are distinct from and possibly more challenging than other engineering projects. They differ from other engineering initiatives in certain ways, which raises the possibility of failure (Rodriguez-Repiso et al, 2007).

Literature on IT/IS project management in recent times has highlighted the importance of leadership as a critical success factor (Carter, 1998; Cleland, 1995). Leading a project team to a successful conclusion is not an accident (Frese & Sauter, 2003). A strong leadership style enables team empowerment. The ability of a team to adjust to a evolving landscape of innovation and technology requires strong leadership (Batchelder, 2023).

The leadership style of the project manager determines whether the project is successful in reaching its goals and objectives. It is crucial for managers to realize that their leadership style can significantly impact the satisfaction, engagement, and productivity of their employees. A leadership style can be described as a collection of managerial attitudes, behaviors, traits, and abilities based on organizational and personal beliefs, leadership interests, and the dependability of their team members in various contexts (Mosadeghrad, 2003).

As a project manager, it is essential to have a wide range of interpersonal skills to effectively oversee the work of the project team and influence other involved parties (Hardy, 2012; Kumar, 2009). These skills include leadership, communication, organization, team building, coping, risk management, conflict resolution, planning, administration, resource allocation, and change management (Kerzner, 2009). It is widely acknowledged that technical staff
members often lack the leadership abilities necessary to successfully manage people (Jiang et al, 2001).

It is evident from the literature that project-based organizations tend to have either transactional or transformational leadership styles among their managers, specifically team leaders. However, there is a lack of research on the impact of leadership style and skills on worker satisfaction in IT project teams in Sri Lanka. To address this issue, a study is being conducted to determine which leadership style, either transactional or transformational, has a greater impact on IT project team member satisfaction in Orion City’s information technology industry.

Research Question

Does the leadership style affect IT project team members’ project satisfaction?

Objectives

- Identify common leadership styles used by It sector project managers in Sri Lanka.
- Assess the effect of leadership style, on employer satisfaction on IT project.

Literature Review

Leadership Style

A style represents a distinctive or characteristic behavior or a particular way of acting. The term was introduced by Longhofer and Winchester (2023) to describe different types of personality or behavior and is specific to psychology. The ability of the workplace to accommodate each employee’s individual demands is seen as crucial for fostering healthy interactions that will result in outstanding work-life balance (Malalasekara, 2019).

Leadership is dynamic and may motivate teams to accomplish goals (Fitzsimons et al, 2016). In order to fulfill the goals and objectives of the organization, a leader must actively seek out the subordinates' voluntary engagement in the organization (Omolayo, 2007). If the task is highly structured and the leader has a good relationship with the employees, the efficiency of the employees is high (Malik, 2013).

The topic of leadership style has been extensively researched, and its importance cannot be overstated. Several empirical studies have shown that a leader's actions can significantly impact various aspects of an organization, including employee satisfaction, productivity, trust, and commitment (Atmojo, 2012). According to McNeese-Smith (1995), hospital managers' leadership style has a considerable positive impact on employee satisfaction, productivity, and organizational commitment. There are many different leadership philosophies that have been identified by various authors. Some of these classifications of leadership styles are quite well-known, such as visionary, democratic, transactional, and transformational styles etc. Over the past few decades, six different schools of leadership have emerged: the trait school, the behavior school, the contingency school, the visionary school, the charismatic school, and the emotional intelligence school. Within the visionary school, two styles of leadership were identified: transactional and transformational. These two forms of leadership have distinct components, as outlined by Bass and Avolio in 1990.

Transactional Leadership Style

Transactional leadership is a leadership style that emphasizes the importance of exchanges between the leader and the followers. In this type of leadership, followers are rewarded for meeting certain objectives or standards of performance (Trottier, Van Wart, & Wang, 2008). This type of leadership emphasizes a contractual agreement between leader and follower, where expected performance is exchanged for specific benefits (Young et al, 2020). The leader-follower relationship is viewed
as a straightforward trade of consistently high-quality services for a reasonable fee (Wang et al, 2005). A transactional leader will first confirm the link between performance and compensation before offering a suitable reaction that motivates subordinates to perform better (Scott, 2003). The exchange of goals between employees and management is seen as a critical component of this leadership style. As Young et al. (2020), to encourage followers, transactional leaders use contingent rewards, corrective measures, and rule enforcement.

According to Purwanto et al. (2020), the transactional leadership condition resulted in greater group performance. Nurlina (2020) asserts that transactional leaders frequently concentrate on task performance and worker compliance and that these leaders heavily rely on organizational rewards and sanctions to affect employee performance. The second component of transactional leadership, management by exception, refers to a circumstance where the leader only intervenes when something goes wrong (Leithwood & Jantzi, 2000). When assignments don't go as planned, leaders take action. Subsequently, there were two concepts for this factor: passive and active (Bass & Avolio, 1990). Management by exception, a component of leadership, is viewed by some as a bad quality (Geijsel, Sleegers, & Berg, 1999; Silins, 1994). The operational definition of active management by exception, which is "in terms of the search for errors or the application of rules to avoid errors," illustrates how this is especially true (Yukl, 1999; p. 289). The scale's elements emphasize "intrusive and controlling forms of control" without describing the methods the leader uses to address follower mistakes as soon as they are noticed (Yukl, 1999; p. 289).

The procedure of cost-benefit trade-off only produces typical results, according to earlier studies. Visionaries and change agents, transactional leaders inspire others and are adept at handling difficult, confusing, and unpredictable circumstances (Yulivan & Anriani, 2022). When comparing other similar research findings, saying that transactional leadership is a “carrot and stick” approach may be more suited to the day-to-day detail orientation and process management needed to deliver a project on time and within budget (Thomas & Rosado, 2012). It's also worth noting that transactional leadership has been shown to have a positive impact on achieving goals and effectively "getting the job done. Transactional leadership "does not bond leaders and followers in a lasting sense," leading to "a routine, non-creative, but stable atmosphere" (p. 274).

**Transformational Leadership Style**

Individual sway, spiritual prodding, and intellectual stimulation are traits of transformational leadership (Nanjundeswaraswamy & Swamy, 2014). This style of leadership prioritizes the individual, develops a clear vision and purpose, fosters a culture of openness, entrusts employees to meet their goals, and maximizes the potential of the team.

Transformational leadership, "links leader and followers in a process of collaborative change" (Campbell, 2018) and so enhances the effectiveness of the entire company. Transformational leadership, which fosters a "responsive and innovative environment". A value judgment is included in this impression of leadership styles, favoring transformational leadership over transactional leadership. The concept of transformational leadership has gradually moved to the center of the discourse as principals are expected to provide visionary leadership to the organization, a task not taken on by instructional leaders.

Naber et al, (2017) referred to transformational leadership by saying that followers and their leaders encourage one another to pursue "higher levels of morality and motivation," including fairness and equality.
The Multifactor Leadership Questionnaire (MLQ) was developed by Bass in 1995, and through factor analysis, he identified three sub-factors of transformational leadership: charisma, personal consideration, and intellectual stimulation, as well as two sub-factors of transactional leadership: contingent reward and management by exception. Charisma is the ability to awaken people and lead them to follow the leader's mission and vision, personal consideration is the leader's ability to give personal attention to followers, and intellectual stimulation is the leader's ability to motivate followers to think of innovative and extraordinary solutions to problems. Transformational leaders exude charisma, foster pride, respect, faith, and vision, and inspire and challenge followers with novel ideas and methods (Jabbar, 2022). Traditional leaders and transformational leaders both pay attention to the worries of specific team members, but Bass, 1995 argued that transformational leadership is the only way to achieve the performance standards required of subordinates in contemporary environments.

Both inferiors and superiors rate transformational leaders as being more successful (Fiol et al, 1999; Lowe et al 1996; Chi et al, 2011). Zaman et al, (2020) found that project managers would be better suited for transformational leadership, but they discovered no conclusive evidence of this.

The relationship between the project manager's leadership style and project performance has been studied in previous research. According to Muller and Turner's (2007) analysis, various project categories call for different leadership philosophies, and different leadership philosophies are suitable for different stages of the project life cycle. On complex change projects, Higgs and Dulewicz (2004) discovered a bias for transformational leadership style and, on straightforward projects, a preference for transactional leadership style.

Bass and Avollo (1990) also stated that transformational leaders increase the power of followers to think for themselves, develop new ideas, and challenge archaic operating rules. Dvir et al, (2002) also found in their work that transformational leaders had a direct impact on the empowerment, morality, and motivation of followers. Researchers have also found that transformative leadership can have a positive effect on the group.

Other determinants of employees’ satisfaction with project success are explained briefly in next few paragraphs.

**Sponsorship**

Sponsorship has been described as an exchange between a sponsor and a sponsored entity (also known as a "property") in which the sponsor makes an investment in a property for money or in kind in order to obtain the right to capitalize on the commercial potential associated with that association (Lin et al, 2020). The person who will serve as the project champion and provide organizational resources and guidance as necessary can be the client, customer, or organization boss Marchewka, 2016).

Sponsorship can be used to successfully communicate specific brand values to internal audiences (Grimes and Meenaghan, 1998). Hickman et al, (2005) concluded that sponsorship enhanced employee perception and attitude.

Given the well-known link between attitudes and beliefs (Homer, 2006), a person's views about sponsorship may influence their attitude toward their employer's use of it. In this instance, the employee's beliefs might influence their attitude toward sponsorship, which is probably positive.
Number of Team Members Involved In The Project

From the first studies of Ziller (1957) and Wang et al, (2021) to more recent theories of team effectiveness, team size has been recognized as a critical structural variable affecting team processes and, as a result, the performance of the team. Smaller teams enable more effective intra-team communication and more effort from all team members (Cha et al, 2015).

Duration Of The Project

Time or duration typically refers to the period of time agreed upon or authorized for finishing a project. When a project has an aggressive timetable, it can cause design uncertainty and frequent changes, leading to non-value-added and corrective adjustments during the implementation stage. This cycle can cause additional pressure on the schedule and waste time (Low Sui & Quek Tai, 2006).

Projects that last longer than a year are considered longer. In long-term projects where the impact of a reward on behavior is visible, project managers may insist on having the means to reward team members (Baker, 2020). To increase employee commitment to lengthy initiatives, most organizations prioritize compensation, rewards, and coordination procedures (Masters and Frazier, 2007). People who are working in long term projects are more satisfied (James et al, 2006).

Conceptual Framework

This part presents the conceptual framework of the study and the research hypotheses.

Hypothesis

Ha1: Transactional Leadership style (TSLS) has a significant effect on IT project team member satisfaction.

Ha2: Transformational Leadership Style (TFLS) has a significant effect on IT project team member satisfaction.

Ha3: Duration of the project [Months] has a significant effect on IT project team member satisfaction.

Ha4: The number of team members involved in the project has a significant effect on IT project team member satisfaction.

Ha5: IT Project sponsorship affects IT project team member satisfaction.

Research Methods
Population and Sample Selection

Employees in Sri Lankan IT organizations in Orion City who worked in project teams to develop, improve, or maintain software as well as IT infrastructure and services, mobile application development, customization, or maintenance made up the population of the study. All together there were 400 employees in the study population (35 companies). The participating organizations had to be involved in multiple IT projects, each of which had at least two team members and was run by a project manager. From a population of more 400 employees, a sample of 100 Orion City IT employees was selected using the cluster sampling technique.

The questionnaire was sent to 100 employees; only eighty-one members of the information technology responded to the questionnaire.

Data Collection Tool

The survey instrument used to collect data was a pre-tested questionnaire. The questionnaire contained questions about the project manager's leadership style, other factors related to IT projects, and team member satisfaction on IT projects in Orion City, Sri Lanka. The questionnaire was conducted using Google Forms. A total of eighty-one members of the information technology team participated in the research.

Measurement

The first section of the questionnaire contains questions related to the demographic specifics of the respondents. The second section comprises questions related to leadership style. Participants were requested to comment on the specifics of other project-related variable information in the third section of the questionnaire. In the fourth and final section, respondents were asked to rate their degree of satisfaction with the project's work.

Northouse's (2001) leadership style questions are used to assess leadership styles. A 6-point Likert scale was used to evaluate each item, with 1 denoting strong disagreement and 6 denoting strong agreement. The Minnesota Satisfaction Questionnaire (MSQ)'s 20 items were used to assess satisfaction with the project’s success (Weiss et al, 1967). A 6-point Likert scale was used to evaluate satisfaction, with 1 denoting the most extreme dissatisfaction and 6 the most extreme satisfaction. Respondents were required to provide answers based on genuine experiences they had with current or recently finished project.

Data Analysis

The data collected was analyzed using both descriptive and inferential statistics. An ordinal logistic regression model was used to analyze the data since the measurement instrument was a 6-point categorized Likert scale. The model was used to identify which of the five variables that might be able to forecast a team member's satisfaction with the project. The likelihood that a particular leadership style will affect a given project and increase team members’ satisfaction with that project was calculated using the model. IBM SPSS version 26 was used for data analysis.

Ordinal Logistic Regression Model

An ordinal logistic regression model was chosen to analyze the data as the dependent variable is an ordinal response variable. Ordinal logistic regression is intended to take into account the natural ordering or ranking of the dependent variable, it produces more accurate and reliable findings (Norusis, 2008). There are no presumptions needed when using logistic regression to analyze the predictor factors. The independent variables are not required to have equal variance, be normally distributed, or be linked linearly (Field, 2005).
The goal of using logistic regression is to predict the probability of an event occurring. In this study, the event is the leadership style affects the project team member's satisfaction with their project.

The model can be specified as in eq.1.

\[ \text{logit}(p) = a + b_1x_1 + b_2x_2 + \ldots + b_ix_i \]  Eq.1

Where \( p \) is the probability of an IT team Member’s satisfaction is the dependent variable (predictor), and independent variables (explanatory) are the project manager's TSLS, the project manager's TFLS, the duration of the project (month), the number of team members involved in the project, and IT project sponsorship, represented as \( x_1, x_2 \ldots x_i \), and \( b \) coefficients, which are parameters to be estimated.

In order to identify which of the five variables that emerged from the varimax rotation might be able to forecast a team member's satisfaction with the project; they were all entered into the model as independent variables (covariates). The maximum likelihood estimation technique is used to estimate the model (Field, 2005). The chance that the observed values of the dependents can be predicted from the observed values of the independents is represented by the log-likelihood (LL). The Pseudo R-Square measures the percentage of explained variance in the logistic regression model, much like R-Square does in a linear regression model. There are two varieties of R-Square in logistic regression research. The first is the Cox and Snell R-Square, which is not capable of going all the way to 1, and the second, is the Nagelkerke R-Square, which is capable of going all the way to 1. Nagelkerke R-Square is the most widely reported when interpreting the logistic regression model (Field, 2005). It is preferable to evaluate the model's goodness of fit to the classification tables using a statistical measure of deviance.

**Results and Discussion**

**Sample Characteristics**

Eighty-one members of the information technology team participated in the study; Table 10 shows that nearly 70% of the respondents are men, and 84% of them are between the ages of 20 and 32. The majority of participants (80.7%) had between one and ten years of experience working in the IT sector, and 79% had at least a bachelor's degree in a subject related to IT. 52% of people are married, and 38% of the population has monthly incomes of more than LKR 303,000.

**Table 10: Demographic characteristics of the respondents**

<table>
<thead>
<tr>
<th>Item</th>
<th>Frequency</th>
<th>%</th>
<th>Item</th>
<th>Frequency</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
<td>Highest education level (related to IT field)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>56</td>
<td>69.10</td>
<td>Degree</td>
<td>64</td>
<td>79.00</td>
</tr>
<tr>
<td>Female</td>
<td>25</td>
<td>30.90</td>
<td>Postgraduate degree</td>
<td>17</td>
<td>21.00</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
<td>Monthly Income (LKR.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Between 20 - 32</td>
<td>68</td>
<td>84.00</td>
<td>Below 75,000</td>
<td>7</td>
<td>8.60</td>
</tr>
<tr>
<td>Between 33 - 45</td>
<td>13</td>
<td>16.00</td>
<td>Between 76,000 - 151,000</td>
<td>16</td>
<td>19.80</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Between 152,000 - 227,000</td>
<td>14</td>
<td>17.30</td>
</tr>
<tr>
<td>Marital status</td>
<td></td>
<td></td>
<td>Between 228,000 - 303,000</td>
<td>13</td>
<td>16.00</td>
</tr>
</tbody>
</table>
Project Characteristics

Most of the projects (53.1%) were funded by "international private organizations". More initiatives fall into the category of medium-sized projects.

Table 02: Project Characteristics

<table>
<thead>
<tr>
<th>Sponsor</th>
<th>N</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sri Lankan government sector</td>
<td>11</td>
<td>13.58%</td>
</tr>
<tr>
<td>Sri Lankan private sector</td>
<td>25</td>
<td>30.86%</td>
</tr>
<tr>
<td>International governmental organizations sector</td>
<td>2</td>
<td>2.47%</td>
</tr>
<tr>
<td>International private organizations sector</td>
<td>43</td>
<td>53.09%</td>
</tr>
</tbody>
</table>

Valid 81 100.0%

Size of the IT Project

<table>
<thead>
<tr>
<th>Project</th>
<th>N</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Project</td>
<td>29</td>
<td>35.80%</td>
</tr>
<tr>
<td>Medium Project</td>
<td>39</td>
<td>48.15%</td>
</tr>
<tr>
<td>Small Project</td>
<td>13</td>
<td>16.05%</td>
</tr>
</tbody>
</table>

Valid 81 100.0%

Team Member’s Satisfaction on Project Success

The majority of responses, 56.8%, were either "Moderately Satisfied" or “Extremely Satisfied,” with 27.2% falling in between.

Table 03: Distribution of team member’s satisfaction on project success

<table>
<thead>
<tr>
<th>Team Member’s Satisfaction</th>
<th>N</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Slightly dissatisfied</td>
<td>1</td>
<td>1.235%</td>
</tr>
<tr>
<td>Slightly satisfied</td>
<td>12</td>
<td>14.815%</td>
</tr>
<tr>
<td>Moderately Satisfied</td>
<td>46</td>
<td>56.790%</td>
</tr>
<tr>
<td>Extremely satisfied</td>
<td>22</td>
<td>27.160%</td>
</tr>
</tbody>
</table>

Valid 81 100.0%

Missing

Total 81
Common Leadership Style

To identify common leadership styles that project managers use, a separate frequency analysis was performed on the collected data. The summarizing results are shown in Figure 02. According to the results of 81 employees, fifteen employees’ (19%) rate that their managers have both the TFLS and the TSLS qualities. Thirty employees rate their manager or team leader as having TSLS, and thirty-six employees rate their manager as having TFLS qualities; their percentages are respectively 37% and 44% of the total number. Hence, the most common leadership style, according to the results, is the transformational leadership style.

Ordinal Regression

Reliability results of construct

Reliability is a measure of the internal consistency of the constructs of the study. Construct reliability was assessed using Cronbach’s Alpha. A construct is reliable if the cronbach's alpha (α) value is greater than 0.70 (Hair et al, 2013). The results revealed that the Transformational leadership Style scale with ten items has α value of 0.861, and the Transactional leadership Style scale with ten items has α value of 0.848. In the same way, the team member satisfaction scale with eight items was also found to be reliable with a α value of 0.859. Reliability results are summarized in Table 04.

Ordered Logistic Regression

The ordinal regression method was used to model the relationship between the behavioral outcome variable: overall team member satisfaction in the context of IT consultancy service in Sri Lanka.

Model Fitting Information (Ordinal regression analysis)

Model fit is evaluated by contrasting the end model, or the model with all the explanatory variables, with the base model, also referred to as the intercept model only without any explanatory variables. A chi-square value is provided to show whether the end model significantly improves on the intercept-only model in terms of model fit. If it gives a significant result, the final model is said to fit the data better. As shown in Table 05, the -2 log Likelihood value = 164.022, P = 0.000 at the 95% level of significance. Therefore, there is concluded that the final model fits the data better to predict the outcome category than the reference model.

Table 04: Reliability results

<table>
<thead>
<tr>
<th>Constructs</th>
<th>No of Items</th>
<th>Alpha (α)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformational leadership Style</td>
<td>10</td>
<td>0.861</td>
</tr>
<tr>
<td>Transactional leadership Style</td>
<td>10</td>
<td>0.848</td>
</tr>
<tr>
<td>Satisfaction</td>
<td>08</td>
<td>0.859</td>
</tr>
</tbody>
</table>

Table 05: Model Fitting Information

<table>
<thead>
<tr>
<th>Model</th>
<th>-2 Log Likelihood</th>
<th>Chi-Square</th>
<th>df</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept Only</td>
<td>164.022</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Goodness-of-Fit (Ordinal regression)

The phrase "goodness of fit" describes a statistical measure that assesses how well sample data conforms to a population's normal distribution. It simply poses the question of whether a sample is biased or accurately reflects the information that would be present in the general community. A value greater than 0.5 shows that the model can identify the relationship with adequate accuracy.

<table>
<thead>
<tr>
<th>Table 06: Goodness-of-Fit Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi-Square</td>
</tr>
<tr>
<td>----------------------------------</td>
</tr>
<tr>
<td>Pearson</td>
</tr>
<tr>
<td>Deviance</td>
</tr>
</tbody>
</table>

Link function: Logit.

Pseudo R-Square (Ordinal regression analysis)

As index consistently results, Table 07 reports Pseudo R-Square Nagelkerke value is 0.487, implying that 48% of the variance in the outcome variable can be predicted by the explanatory variables. Therefore, the study deduces that the model is a good predictor of the result.

<table>
<thead>
<tr>
<th>Table 07: pseudo R-squared Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cox and Snell</td>
</tr>
<tr>
<td>Nagelkerke</td>
</tr>
<tr>
<td>McFadden</td>
</tr>
</tbody>
</table>

Link function: Logit.

Test of Parallel lines (Ordinal regression analysis)

The proportional odds assumption is the fundamental premise of ordinal regression. The proportionate odds assumption is stated to be fulfilled, in accordance with Frey and Osborne (Carl Benedikt & Michael, 2017), when the relationship between the independent variables is the same for all possible comparisons involving the dependent variable. Based on the results of the parallel lines test, we can conclude that the null hypothesis is accepted. This means that the slope coefficients of the model are the same in all response categories and that lines of the same slope are parallel to each other, indicating that the parallel lines assumption is satisfied. Looking at Table 08, the non-significant results suggest that the assumption of proportional Odds is satisfied, as the p-value is 0.989.

<table>
<thead>
<tr>
<th>Table 08: pseudo-R-squared Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-----------------------------------------</td>
</tr>
<tr>
<td>Null Hypothesis</td>
</tr>
<tr>
<td>General</td>
</tr>
</tbody>
</table>
a. **Link function: Logit**

The results and the discussion of the ordinal regression model

Parameter estimates are the main analysis for predicting the relationship and the magnitude of the relationship between the outcome and the predictor variables. Threshold parameters predict the points (in terms of logit) or categories in which team member satisfaction can be predicted in the higher category. Threshold parameter estimates are not interpreted individually. Table 09 summarizes the results.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Coefficients</th>
<th>Odd ratio (Ex Value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TSLS (Transactional Leadership Style)</td>
<td>2.546** (0.806)</td>
<td>12.76</td>
</tr>
<tr>
<td>TFLS (Transformational Leadership Style)</td>
<td>0.827 (0.668)</td>
<td>2.29</td>
</tr>
<tr>
<td>TQ2 (Duration of the project [Months])</td>
<td>0.007** (0.016)</td>
<td>1.01</td>
</tr>
<tr>
<td>TQ5 (Number of team members involved in the project)</td>
<td>-0.008** (0.003)</td>
<td>0.99</td>
</tr>
<tr>
<td>[TQ4=0] (Sponsor: Sri Lankan government sector)</td>
<td>-1.377 (0.784)</td>
<td>0.25</td>
</tr>
<tr>
<td>[TQ4=1] (Sponsor: Sri Lankan private sector)</td>
<td>-2.020** (0.634)</td>
<td>0.13</td>
</tr>
<tr>
<td>[TQ3=0] (Size of the IT Project: Large Project)</td>
<td>2.007** (0.921)</td>
<td>7.44</td>
</tr>
<tr>
<td>[TQ3=1] (Size of the IT Project: Medium Project)</td>
<td>0.928 (0.730)</td>
<td>2.53</td>
</tr>
</tbody>
</table>

Note: Standard errors are mentioned in parenthesis. **indicates significance at 5% significance level; The chi-square of the model is 44.93 and it is statistically significant at 1% level.

In Table 09, the exponential value of the Exponent (Ex) column of the estimates contains the odds ratios. The estimates (Es) are the log of the odd ratios. This implies that by holding the remaining independent variables constant, the odds ratio reflects the multiplicative change in the dependent variable's chances of being in a higher category for each unit moving away from the base category in the independent variable. An odds ratio greater than 1 indicates an increased probability of the outcome variable being in a higher-level category as the values of an independent variable increase. Whereas ratio negative values suggest a decreasing probability (less probability) of the outcome variable being in a higher-level category with increasing values of an independent variable. An odds ratio of 1 suggests no predicted change in the likelihood of the outcome variable as the values of an independent variable increase.

The findings of this study indicate that the Transactional Leadership style (TSLS), "Number of team members involved in the project" (TQ5), "Sponsor: Sri Lankan private sector" (TQ4=1), Size of the IT project (TQ3=1), and Sponsorship (TQ4) are significant predictors of team member satisfaction.
Project: Large Project (TQ3=0), and Duration of the project [Months] (TQ2) have a significant effect on IT team member satisfaction. The results are consistent with previous research that shows a relationship between transactional leadership and employee satisfaction. However, the Transformational Leadership style (TFLS), Sponsor: Sri Lankan government sector (TQ4=0), and Size of the IT Project: Medium Project (TQ3=1) did not have a significant effect on IT team member satisfaction.

The results are consistent with previous research that shows a relationship between transactional leadership and employee satisfaction. Additionally, the study supports the theory that transformational and transactional leadership have a close relationship with follower motivation and performance improvement (Burns, et al, 1998; Bass, 2005; Bass and Avolio's, 2003; Koh et al, 1995; Tondok and Antarika, 2004). Additionally, Table 09 shows that support for transactional leadership style increases the chance of IT team members' satisfaction with leadership quality falling into the higher category by 12.76 times.

This study's findings also support the theory proposed by Yulk (2007: 320) that transformational and organizational transactional leaders make their followers more aware of the importance and value of themselves and develop skills and confidence to prepare their followers.

However, this finding is contrary to the earlier findings. Research studies have shown that confirms a positive relationship between transformational leadership and project outcomes (Dumdum et al, 2002; Fuller et al, 1996; Ronald & Riggio, 2009).

In order to find out the reason behind the non-significant relationship between transformational leadership and team members satisfaction with project success, authors conducted personal interviews with some of the team leaders (project managers) and the team members. Accordingly, it was revealed that transformational leadership is ineffective in the Sri Lankan context as followers lack the confidence to take initiative by themselves, even though they have the knowledge and the skills. Similarly, most of the followers think the managers and team leaders are the most important individuals in the organization.

A similar result has been observed by, Druskat and Kayes, (2000). They recommended that team procedures be adjusted in accordance with the project's duration. White and Mennecke (2003) reviewed the literature on specific and permanent teams working on very short-term (1-6 hours) and long-term (3-6 months) tasks. They concluded that the time scale of the task had a significant influence on the effectiveness of team intervention strategies. When performing very short-term tasks (50-120 minutes), team members were focused on the task, and attempts to promote interpersonal relationships within the team were ineffective in improving work results and team factors such as satisfaction and results. For longer-term projects (4-15 weeks), such forms of intervention were useful, particularly if the team was ongoing and working on a short- or longer-term sequence of tasks.

One would expect people work in teams for a longer period, to interact with one another, so that their satisfaction level is high (and possibly more productive) than transient teams working on short tasks.

The number of team members involved in the project has a significant negative effect on IT team member satisfaction, with smaller teams providing for more direct and efficient intra-team communication. The significance value p= 0.005, Es= - 0.008, Exponent (Ex)= 0.99 means that with each unit increase in TQ5, the chances of IT team
member satisfaction falling into the category lower decrease by 0.99 times.

Findings confirmed with previous research that suggested smaller teams provide for more direct and efficient intra-team communication (Bray et al., 1978; Latane et al., 1979).

Also, investigating the effects of team size based on data from 58 software development projects, it was found that the top five teams in terms of teamwork quality ranged in size from 3 to 6 members, with an average of 4.4 members. In contrast, the bottom five teams ranged in size from 7 to 9 members, with an average of 7.8 members. Moreover, teams of three members achieved, on average, 63% of the teamwork quality of the best team, while teams of nine members achieved, on average, 28% of the teamwork quality of the best team (Martin Hoegl, 2005).

Sri Lanka's private sector (TQ4 = 0) has a significant negative effect on IT team member satisfaction as compared to the sponsor, international private organizations sector. IT employees who work on projects sponsored by international organizations are more satisfied than other employees who work on projects sponsored by the private sector. Also, sponsor being the Sri Lankan government sector found to have no impact on the project success as compared to international organizations.

The results of this study are also supported by Golejewska (2011), an employee chooses to work for foreign direct investment/sponsorship (FDI) companies over local companies. A large number of empirical studies have indicated that FDI firms pay higher wages for their projects than domestic firms engaged in similar activities in developing countries. According to Hijzen et al. (2013), the wage difference between foreign and domestic companies ranges from 10 to 70%. From the employee's point of view, a job in an FDI company can be more satisfying than a job in a local company.

Finally, the Size of the IT Project: Large Project (TQ3=0) has a positive significant effect on the IT Team member satisfaction, with team members working on large projects being more satisfied about project success compared to those working on small or medium-sized projects. Significance values of, Exponent (Ex) = 7.44 means that with each increase of one unit of TQ3 = 0, the chances of IT team member satisfaction falling into the upper category increases by 7.44 times.

Conclusion and Recommendations

Based on the research findings, the study concludes that Transactional Leadership Style (TSLS) significantly improves the satisfaction of IT project team members. On the other hand, the Transformational Leadership Style (TFLS) does not have a considerable effect on team member satisfaction in the context of IT consulting in Sri Lanka. Therefore, it is crucial to train leaders to develop transactional leadership traits in them.

Managers can enhance transactional leadership skills by receiving appropriate training that provides them with knowledge and skills in goal setting, performance feedback, and contingent building.

The study also found that project duration, team size, and sponsorship from the public and private sectors of Sri Lanka have varying effects on IT project team member satisfaction. The results suggest that management can increase engagement in the organization by modifying their leadership style, selecting sponsorship, and allocating sufficient team members to a project.

Though the finding of the study confirmed that transactional leadership has a greater effect on team members' satisfaction, it does not shed lights on the role of organizational factors in determining the effect, thus, the study recommend future studies in this area.
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