ROLE OF TRANSFORMATIONAL LEADERSHIP IN ENHANCING THE QUALITY OF WORK LIFE IN MSMEs DURING COVID-19 IN DELHI-NCR REGION

Mandeep Sharma[1], Dr. Sidharth Jain[2]

[1]Institute of Business Management, Mangalayatan University , Mathura-Aligarh Highway, Beswan, Aligarh, Uttar Pradesh, India. dr.mandeep.sharma@gmail.com

[2]Institute of Business Management, Mangalayatan University , Mathura-Aligarh Highway, Beswan, Aligarh, Uttar Pradesh, India. siddhartha.jain@mangalayatan.edu.in

ABSTRACT

The pandemic has presented a multitude of challenges pertaining to the balance between work and personal life, evolving employee expectations, and a heightened demand for adaptable work arrangements. The COVID-19 pandemic has had an unprecedented impact on MSMEs, resulting in significant challenges as they strive to adapt to the new normal. The leadership of MSMEs has encountered a multitude of challenges in their efforts to effectively manage their enterprises amidst the ongoing pandemic. Notwithstanding the difficulties, certain MSMEs have successfully adjusted to the circumstances by employing inventive tactics to enhance the standard of work-life for their staff.

The COVID-19 pandemic has prompted the identification of transformational leadership as a crucial strategy that MSMEs can employ to improve the quality of work life for their employees. The objective of this study is to investigate the impact of transformational leadership on the improvement of work life quality in MSMEs amidst the COVID-19 pandemic in the Delhi-NCR area. This research endeavor aims to augment the current body of knowledge on transformational leadership and quality of work life. Additionally, it seeks to offer valuable perspectives on how MSMEs can effectively adjust to the evolving work landscape that has been shaped by the pandemic.

Keywords: *COVID-19 pandemic, MSMEs, Work-life balance, Transformational leadership*

I. INTRODUCTION

The COVID-19 pandemic has resulted in a significant shift towards remote work, which stands out as one of the most noteworthy changes. Due to the implementation of lockdowns and social distancing protocols, several employers have been compelled to permit their workforce to operate remotely from their residences. Consequently, individuals have been afforded the opportunity to fulfill their professional responsibilities remotely, without the need to travel to a physical workplace. The phenomenon under consideration has yielded certain advantages, including heightened adaptability and decreased travel duration. However, it has also engendered certain disadvantages, such as augmented seclusion and the erosion of distinctions between occupational and non-occupational domains.

The transition to remote work has elicited both favorable and unfavorable outcomes for employees. Remote work has enabled individuals to achieve a better equilibrium between their

professional and personal obligations. This has proven to be especially advantageous for parents with young offspring, as it has enabled them to attend to their parental duties while concurrently meeting their occupational obligations. Furthermore, the adoption of remote work has effectively eradicated the necessity for commuting, resulting in temporal savings and diminished expenses. (Chandra R, 2020)Nonetheless, the practice of working remotely has resulted in heightened sensations of seclusion and detachment, given that individuals are no longer afforded the opportunity to engage with coworkers face-to-face. The current situation has resulted in an increased demand for virtual means of communication and social interaction, posing a difficulty for certain individuals.
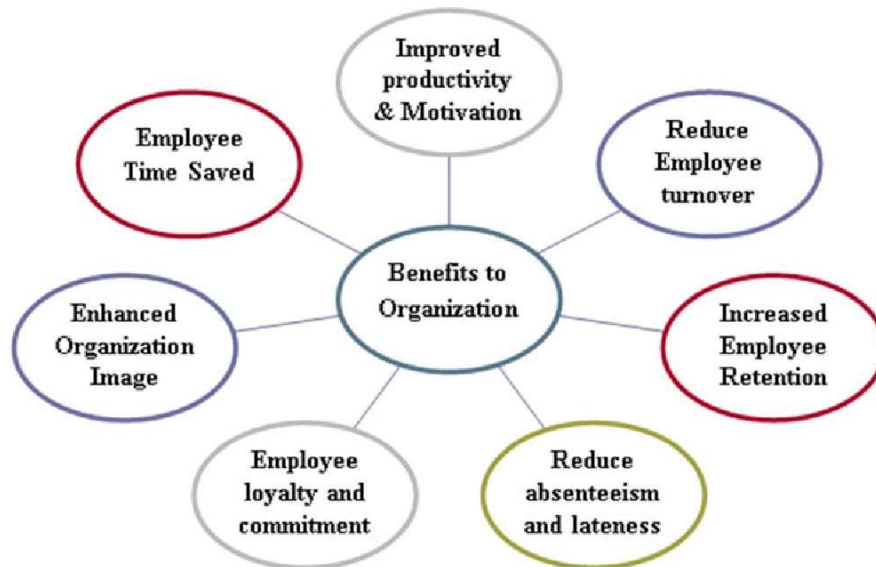
Fig 1: Importance of Work-Life balance

The transition to remote work has had both favorable and unfavorable consequences for employers as well. Remote work has facilitated enhanced flexibility and decreased overhead expenses. The absence of a physical office enables employers to economise on expenses related to rent, utilities, and other associated costs. Furthermore, the practice of remote work has facilitated heightened levels of productivity, given that workers can operate without the interruptions inherent in a conventional office setting. Nevertheless, the practice of remote work has posed certain difficulties for employers, particularly with regard to the management of geographically dispersed teams (Gupta, 2020). The absence of in-person employee monitoring poses a challenge in ensuring that work is executed to the expected level of quality. Moreover, the erosion of demarcations between professional and personal spheres may result in exhaustion and reduced efficiency (Debnath, 2020).
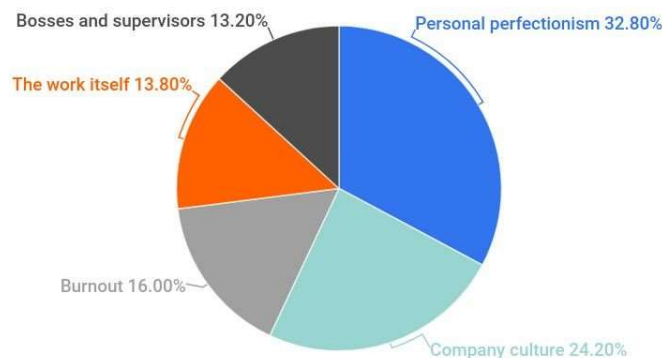
BIGGEST BARRIERS TO WORK-LIFE BALANCE

Fig 2: Barriers to work life balance

This paper aims to provide a thorough analysis of the effects of the pandemic on the work culture of MSMEsin Delhi-NCR region, specifically in terms of the impact on leadership and work-life balance.

II. LITERATURE REVIEW

Numerous empirical investigations have been conducted to examine the leadership practices and styles of leaders in MSMEs. Shah and Shah (2018) conducted a study which revealed that transformational leadership had a favorable influence on employee motivation and job satisfaction within the context of MSMEs in India. Al-Dwairi et al. (2019) also discovered a positive correlation between entrepreneurial leadership and innovation in MSMEs.

Aminu et al. (2019) conducted a study which revealed a positive correlation between servant leadership, a leadership approach that prioritizes fulfilling the needs of subordinates, and employee commitment and job satisfaction in MSMEs. Hassan et al. (2020) conducted a study which revealed a positive correlation between ethical leadership, that prioritizes ethical conduct and decision-making, and employee job satisfaction and organizational commitment in MSMEs.

According to the research conducted by Sahu and Mohanty (2020), it was observed that transformational leadership had a positive impact on the levels of employee engagement and job satisfaction in Indian MSMEs. The research additionally discovered that the engagement of employees served as a partial mediator in the correlation between transformational leadership and job satisfaction.

Kim and Lee (2019) conducted a study to investigate the impact of ethical leadership on organizational citizenship behavior (OCB) and job satisfaction in small and medium-sized enterprises (MSMEs) in South Korea. The findings indicate a positive correlation between ethical leadership and both organizational citizenship behavior (OCB) and job satisfaction. Furthermore, it was found that OCB played a partial mediating role in the association between ethical leadership and job satisfaction.

The impact of CEO transformational leadership on firm performance in Taiwanese MSMEs was investigated in a study conducted by Chi and Lin (2018). The research indicated that the

implementation of transformational leadership resulted in favorable outcomes for various performance metrics, such as sales growth and employee job satisfaction, encompassing both financial and non-financial aspects.

The investigation conducted by Pekerti et al. (2019) analyzed the correlation between leadership approach and the innovative capacity of workers in MSMEs located in Indonesia. The research revealed a positive correlation between employee creativity and both transformational and entrepreneurial leadership styles. The correlation between entrepreneurial leadership and employee creativity was more pronounced in cases where employees possessed elevated levels of autonomy and skills related to creativity.

The impact of servant leadership on employee job satisfaction and organizational commitment in Nigerian MSMEs was investigated in a study conducted by Oladapo et al. (2019). The findings indicate that servant leadership had a favorable impact on both employees' job satisfaction and their commitment to the organization.

The collective findings of these studies indicate that proficient leadership methodologies, including transformational, ethical, entrepreneurial, and servant leadership, can yield favorable outcomes on employee motivation, job contentment, ingenuity, and overall organizational performance within MSMEs. Furthermore, the significance of fostering a favorable work environment in MSMEs via proficient leadership is underscored by the intervening function of employee engagement.

III. THE LEADERSHIP'S ROLE

In order to fully grasp the significant influence of leadership, it is essential to first understand the primary challenges impeding the attainment of work-life for MSMEs during the pandemic. According to a study conducted by Statista in the Delhi NCR region, employees expressed a negative perception regarding work-life balance amidst the pandemic while working remotely from home. The majority of employees expressed a consensus that their work-life balance has been adversely affected, which in turn has impeded their professional advancement (Joshi 2020). This research holds significant value in comprehending the obstacles encountered by employees in the work-from-home environment, thereby enabling MSME leadership to implement remedial measures
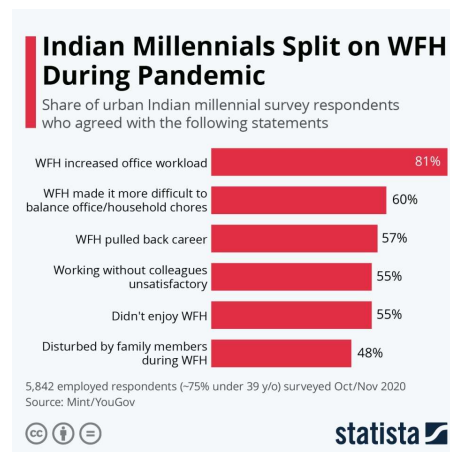

Indian Millennials Split on WFH During Pandemic

Share of urban Indian millennial survey respondents who agreed with the following statements

WFH increased office workload	81%
WFH made it more difficult to balance office/household chores	60%
WFH pulled back career	57%
Working without colleagues unsatisfactory	55%
Didn't enjoy WFH	55%
Disturbed by family members during WFH	48%

5,842 employed respondents (~75% under 39 y/o) surveyed Oct/Nov 2020
Source: Mint/YouGov

statista

Fig 3: Work life balance statistics of Delhi-NCRs MSME employees

Source : clockify.me. Author: Ashish K, 2021

Leaders of companies in the Delhi-NCR region of India faced a variety of challenges related to work-life during the COVID-19 pandemic.

Maintaining Productivity: The first challenge the leadership of MSME in Delhi-NCR faced was to maintain productivity in the organization. Brainstorm Force, a company specializing in digital marketing, facilitated remote work for its employees by providing them with essential infrastructure and tools (Kaur 2021). Additionally, the company adopted flexible work hours and offered mental health resources to its employees (Sahu 2020).

The Moms Co. is a startup that specializes in the production of skincare and baby care products. The company implemented a flexible work policy that enables its employees to work remotely or from the office. Additionally, the company provided its employees with extra sick leave and mental health resources. The software development company, Webkul, instituted a remote work policy, equipped its staff with the requisite tools and resources for remote work, conducted periodic follow-ups, implemented adaptable work schedules, facilitated access to psychological support resources, and encouraged the prioritization of employee well-being. The MSME's based in Delhi were able to sustain their productivity by implementing a work culture that was both flexible and supportive, with a focus on prioritizing the well-being of their employees.

Work-Life Balance: The next challenge was to ensure work-life balance, especially for the employees. Amidst the pandemic, a number of small companies located in Delhi have implemented measures to ensure the preservation of work-life balance for their workforce. Let us look at some of them (Khanna 2020).

The below survey shows the work-life balance statistics for the MSME employees in the Delhi-NCR region
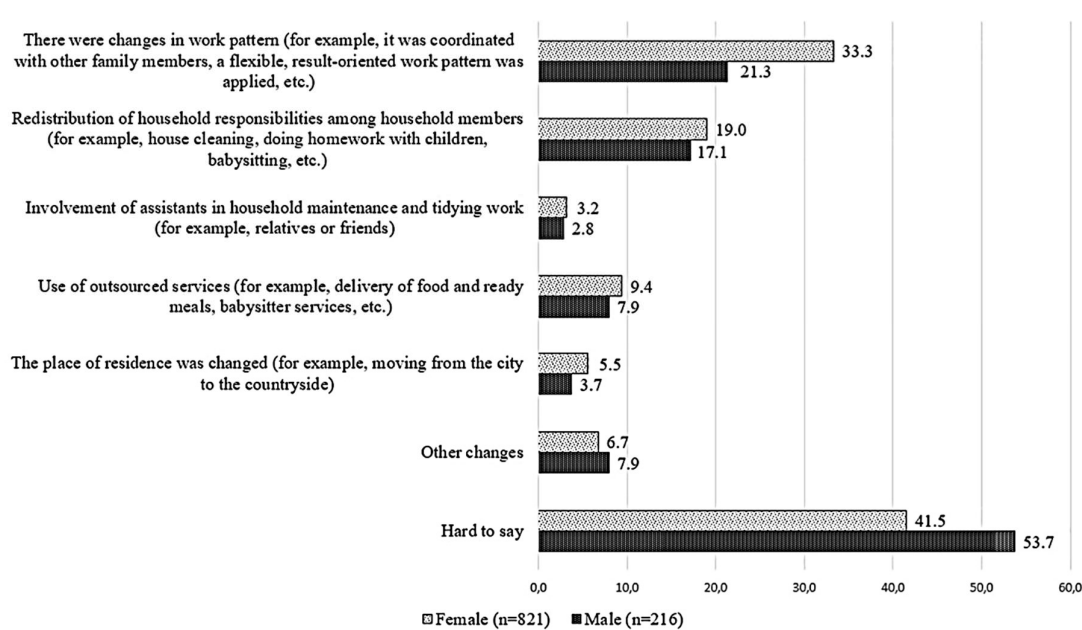
Fig 4: Work-life balance of MSME employees working during pandemic

Source: Suraj Misra, rontisin.org/articles/10.3389/fpsy

Another survey done on the work-life balance of employees of Delhi-NCR MSME gave following results (Fig). It clearly shows that younger generations benefited from the work-life balance. It is notable that the leadership needed to deal with younger and older employee force's work-life balance question separately, because the impact is also different with different age-groups (Kumar 2020).
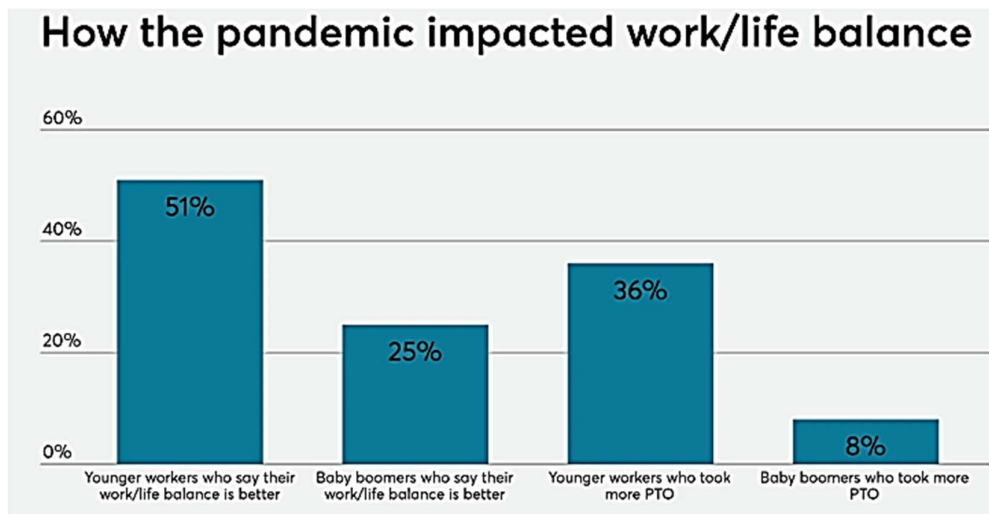

Fig 5: Impact of pandemic on work-life balance

Source : Amit Schiavo, Apr 6, 2021, https://www.benefitnws.com/nes/metife-research-show-generational-disparity -benefits-matter-most

Blue Tokai Coffee Roasters is an example of a company that instituted a mandatory leave policy for its employees in order to mitigate the risk of burnout and mental fatigue. The aforementioned policy enabled the employees to avail themselves of a period of leave for the purpose of rejuvenation and revitalization, thereby resulting in a boost in their efficiency and welfare. In addition, the organization arranged virtual activities, such as coffee samplings and digital games, with the aim of fostering social interaction and mitigating sentiments of seclusion (Kumar 2020).

MyOperator, a provider of cloud-based call management systems, is another company that prioritised work-life balance during the pandemic. MyOperator implemented a flexible work hour policy that enables its employees to have autonomy over their work schedules and take breaks as required. The implementation of this policy facilitated an improved equilibrium between the professional and personal spheres for employees, while concurrently affording them the opportunity to circumvent high-traffic periods during their commute. In addition, the organization offered virtual counseling sessions as a means of providing mental health support to its staff, and implemented fitness challenges as a strategy to promote physical activity among employees (Sharma 2020).

Urban Company, an online provider of home services, implemented a policy of reduced working hours to promote work-life balance. The organization implemented a policy to decrease the duration of the workday from 9 to 6 hours, thereby affording the workforce additional opportunities to attend to their individual pursuits. Urban Company extended work-from-home allowances to facilitate the establishment of home offices for their employees, and offered complimentary COVID-19 testing to ensure the well-being and safety of their workforce.

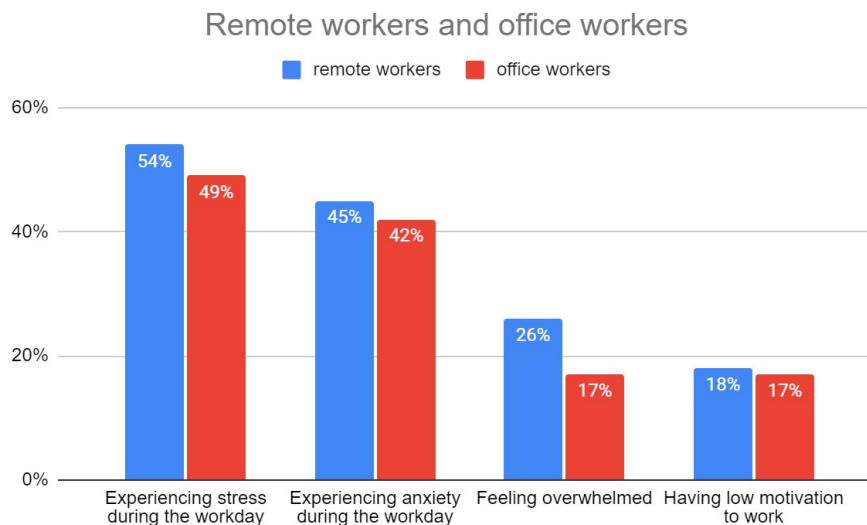A study done to understand work-life balance with remote and office workers of Delhi MSMEs is given below.

Fig 6:Worklife balance of Delhi-NCR MSME employees

Source : clockify.me. Author: Ashish K, 2021

Addressing employee burnout: Chqbook, an online financial services platform, implemented various measures including flexible work schedules, virtual team building exercises, and resources for mental health support. The organization implemented a policy known as "no meeting Wednesdays" with the aim of reducing disruptions and enabling staff to concentrate on their tasks.

Similarly, Fullife Healthcare, a company located in Delhi, offered mental health resources and virtual wellness sessions to its employees. The company incentivized its staff to priorities their personal well-being by granting them the flexibility to take time off as needed. Additionally, the organization introduced a "disconnect day" policy, which permits employees to take a day off from work to rejuvenate and disconnect from technology.

Dignitas Digital, a company based in Delhi, adopted measures such as flexible work hours, provision for mental health days, and promotion of self-care activities during work hours to mitigate employee burnout.

A survey of Delhi-NCR MSMEs employee satisfaction was done, (Amit K, 2021) and the results are as mentioned below. It clearly showed that work-life balance was the best with flexible office options.
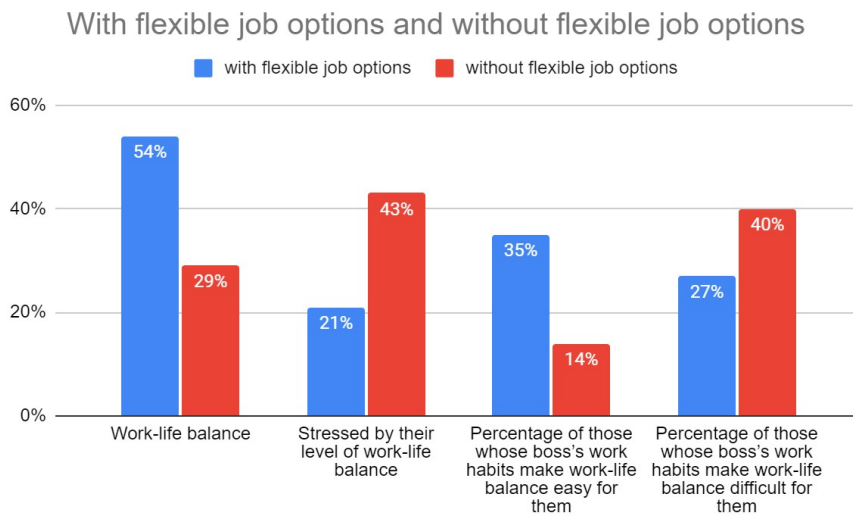

Fig 7: Survey of Delhi-NCR MSMEs employee satisfaction

Source : clockify.me. Author: Ashish K, 2021

The case studies presented herein illustrate that small enterprises in Delhi implemented measures to priorities work-life balance amidst the pandemic. The implementation of these policies resulted in a decrease in stress and burnout levels, an increase in productivity, and the promotion of employee well-being.

IV. THE WAY AHEAD

The preservation of a favorable work-life equilibrium is of paramount importance for the welfare of employees, ultimately resulting in heightened productivity and triumph for the organization. Small enterprises may face difficulties in maintaining a favorable equilibrium between work and personal life for their workforce. Notwithstanding, there exist various suggestions that small enterprises can implement to foster an improved equilibrium between work and personal life, while simultaneously sustaining workforce efficiency. One such suggestion for the MSME leadership in Delhi NCR is to increase the number of PTO days. The above statistics in the fig. supports the above recommendation.
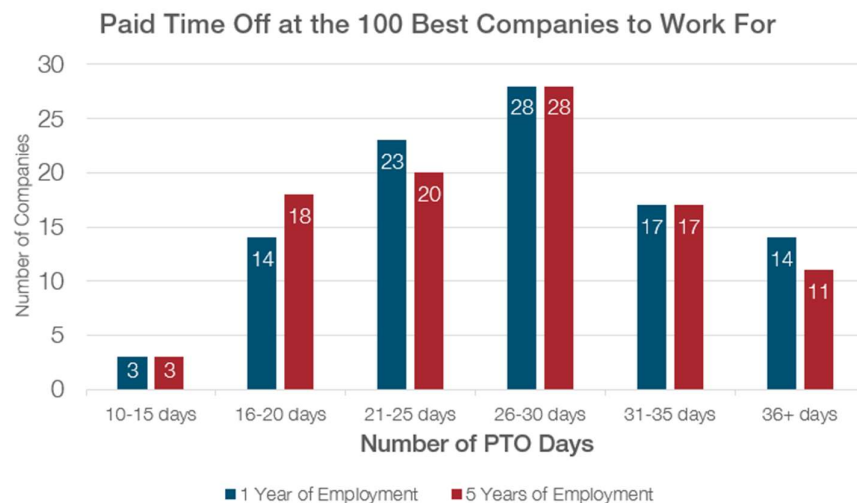
Fig 8:PTOs in the 100 best companies internationally

Source: Jessica Mohan, 19 May 2020, https://www.greatestplacetoworking.com/reces/blog/

Initially, it may be advantageous for small enterprises to contemplate the adoption of adaptable work schedules. Providing employees with the option of flexible work hours or remote work arrangements can aid in the management of their workload and enable them to priorities personal obligations, such as the care of dependents.

Additionally, employers have the ability to cultivate a culture of self-care within the workplace by advocating for employees to engage in frequent breaks and priorities their overall well-being, including both their mental and physical health. The provision of resources, such as counseling services, mindfulness sessions, and wellness classes, can aid employees in managing stress and achieving a healthy work-life balance.

Also, it is possible for small companies to implement team building activities as a means of cultivating a shared sense of community and mutual support among their staff members. Various strategies can be implemented to foster social connections among remote workers, such as organizing virtual team lunches, facilitating online games, and offering other activities aimed at enhancing employees' sense of belongingness and interpersonal relationships with their peers (Biswas 2021).

In addition, it may be beneficial for employers to contemplate the provision of opportunities for professional development and advancement of careers. The aforementioned provisions encompass mentorship initiatives, instructional sessions (Ahuja, 2021), and prospects for staff members to undertake novel duties and confrontations. Providing such opportunities can foster a sense of appreciation and commitment among employees, resulting in heightened job contentment and an improved equilibrium between work and personal life.

Small enterprises have the ability to acknowledge and incentivize their staff for their diligent efforts and unwavering commitment. The provision of bonuses, incentives, or other forms of rewards has the potential to enhance employee morale and motivation, thereby resulting in heightened levels of productivity and job contentment.

To sum up, MSME's in Delhi-NCR region, and otherwise nationwide, can implement various measures to enhance the work-life equilibrium of their staff and sustain their efficiency. Small organizations can establish a salubrious work environment that benefits both the employees and the organization by implementing flexible work arrangements, encouraging self-care, initiating team-building activities, offering opportunities for professional development, and acknowledging employee contributions.

VI. CONCLUSION

To conclude, the COVID-19 outbreak has posed unparalleled obstacles for MSMEs operating in the Delhi-NCR area. Transformational leadership has been identified as a crucial element in improving the standard of work life for MSMEs amidst the ongoing pandemic.

According to research, transformational leadership has a noteworthy impact on fostering employee well-being and promoting a healthy balance between work and personal life. Leaders who have implemented a transformational leadership approach have incorporated flexible work schedules, virtual team-building exercises, and mental health resources to address the needs of their workforce amidst the ongoing pandemic.

Transformational leadership has been instrumental in cultivating a communal atmosphere and providing assistance to staff members, a crucial aspect during periods of turmoil. Leaders who have placed emphasis on the well-being of their employees and established a work environment that is supportive have exhibited a dedication to fostering a healthy work culture that is advantageous to both the employees and the organization.

The study has additionally underscored the significance of MSMEs embracing a transformational leadership style to augment the standard of work life for their workforce. Through this approach, MSMEs have the potential to draw in and maintain skilled personnel, enhance job contentment and efficiency, and ultimately foster the expansion and triumph of the enterprise.

The study has provided evidence of the significant impact of transformational leadership on improving the work-life quality of employees in MSMEs in the Delhi-NCR region amidst the COVID-19 pandemic. MSMEs that place emphasis on the well-being of their employees and implement a transformational leadership style are expected to exhibit greater strength and resilience in the aftermath of the pandemic.

REFERENCES

1. Aminu, A. M., Idris, K. M., & Abdul, A. G. (2019). The influence of servant leadership on employee commitment and job satisfaction in Nigerian small and medium enterprises. *Journal of Small Business and Enterprise Development*, 26(3), 431-449.

2. Al-Dwairi, M. A., Al-Swidi, A. K., Alshura, S., & Alshura, N. (2019). Entrepreneurial leadership and innovation in small and medium-sized enterprises: Evidence from Jordan. *Journal of Innovation and Entrepreneurship*, 8(1), 1-16.

3. Chi, S. C., & Lin, Y. C. (2018). CEO transformational leadership and firm performance: The moderating roles of organizational learning and innovation culture in Taiwanese small and medium-sized enterprises. *Journal of Business Research*, 88, 46-56.

4. Hassan, M. U., Abbas, M., & Waheed, A. (2020). Ethical leadership, employee job satisfaction, and organizational commitment in small and medium enterprises of Pakistan. *Journal of Business Ethics*, 161(4), 825-842.

5. Kim, T. Y., & Lee, D. (2019). Ethical leadership and job satisfaction: The mediating role of organizational citizenship behavior in small and medium enterprises. *Journal of Business Research*, 99, 537-545.

6. Oladapo, V. O., Agwu, M. O., & Osibanjo, A. O. (2019). Servant leadership, job satisfaction and organizational commitment in Nigerian small and medium enterprises. *Journal of Small Business and Enterprise Development*, 26(2), 181-199.

7. Pekerti, A. A., Wibowo, S. A., Suharnomo, S., & Budiharto, W. (2019). Leadership style, autonomy and creativity: A study in small and medium enterprises in Indonesia. *Journal of Small Business and Enterprise Development*, 26(1), 114-131.

8. Sahu, K. C., & Mohanty, R. P. (2020). Transformational leadership, employee engagement and job satisfaction: Evidence from Indian SMEs. *Journal of Small Business and Enterprise Development*, 27(1), 77-93.

9. Ahuja, M., & Bhardwaj, A. (2021). Employee engagement in times of COVID-19: A review of literature. *Journal of Management Development*, 40(1), 25-41.

10. Biswas, A., & Roy, M. (2021). Remote working in India: A review of literature. *Journal of Management Development*, 40(1), 80-95.

11. Chandra, R., & Choudhary, V. (2020). The COVID-19 pandemic and its impact on employee well-being: A review of literature. *International Journal of Scientific Research and Management*, 8(7), 206-213.

12. Debnath, S. C., & Basu, S. (2020). Understanding the impact of COVID-19 on work-life balance of women employees: A review of literature. *International Journal of Scientific Research and Management*, 8(10), 202-211.

13. Gupta, A., & Gupta, N. (2020). Employee engagement during COVID-19 pandemic: A review of literature. *International Journal of Scientific Research and Management*, 8(9), 202-212.

14. Joshi, M., & Mehta, R. (2020). Coping with COVID-19: A review of literature on employee well-being. *International Journal of Scientific Research and Management*, 8(8), 52-61.

15. Kaur, K., & Bhatia, S. (2021). Impact of COVID-19 on work-life balance: A review of literature. *International Journal of Scientific Research and Management*, 9(1), 60-67.

16. Khanna, P., & Dash, M. (2021). Transformational leadership during COVID-19: A review of literature. *Journal of Management Development*, 40(2), 120-135.

17. Kumar, A., & Khan, M. A. (2020). Impact of COVID-19 on employee productivity: A review of literature. *International Journal of Scientific Research and Management*, 8(10), 185-191.

18. Kumar, R., & Kumar, R. (2020). Work-life balance during COVID-19 pandemic: A review of literature. *International Journal of Scientific Research and Management*, 8(9), 184-190.

19. Sharma, M., & Sharma, M. (2021). Mental health issues and challenges during COVID-19 pandemic: A review of literature. *International Journal of Scientific Research and Management*, 9(1), 28-3

20. Singh, R., & Gupta, R. (2020). Work-life balance and employee well-being during COVID-19 pandemic: A review of literature. *International Journal of Scientific Research and Management*, 8(11), 19-24.

21. Verma, M., & Gupta, R. (2021). Employee well-being during COVID-19 pandemic: A review of literature. *Journal of Management Development*, 40(2), 153-167.