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Transactional Leadership Style and Its Impact on Employee Performance in the IT Sector

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Abstract

This study investigates the impact of transactional leadership style on employee performance within the Information Technology (IT) sector using a quantitative research approach. Transactional leadership, characterized by clear goal setting, structured rewards, and a focus on performance management, is widely adopted in IT organizations to drive efficiency and accountability. The research employs a survey methodology, utilizing a structured questionnaire based on a 5-point Likert scale distributed to IT professionals across multiple companies. Data collected from 105 respondents are analyzed using SPSS to assess the direct and indirect relationships between transactional leadership, employee performance, and key mediating factors such as job satisfaction and trust. Findings reveal that transactional leadership significantly enhances employee performance by establishing clear expectations and providing contingent rewards. The analysis also demonstrates that job satisfaction and trust act as positive mediators, strengthening the relationship between leadership style and performance outcomes. However, job stress is found to have no significant mediating effect within this context. The results suggest that IT organizations can optimize employee performance by fostering transactional leadership practices that prioritize transparency, recognition, and trust-building. This study contributes to the literature by empirically validating the effectiveness of transactional leadership in the dynamic and high-pressure environment of the IT sector.

Keywords: Transactional Leadership, Employee Performance, Job Satisfaction, Trust, IT Sector

Introduction

In the rapidly evolving Information Technology (IT) sector, leadership styles play a pivotal role in shaping organizational outcomes, particularly employee performance. Among various leadership approaches, transactional leadership has emerged as a significant driver of productivity and efficiency, especially in environments that demand clarity, accountability, and results (Bass, 1985). Transactional leadership is characterized by the exchange relationship between leaders and followers, where specific goals are set, and rewards or corrections are provided based on performance (Northouse, 2019). This leadership style is particularly relevant in IT companies, where project-based work, tight deadlines, and measurable outcomes are the norms.

Employee performance in the IT sector

Employee performance in the IT sector is a critical metric for organizational success. High-performing employees contribute to innovation, customer satisfaction, and competitive advantage (Avolio & Yammarino, 2013). However, achieving and sustaining high performance is challenging, given the dynamic nature of technology, the fast pace of change, and the increasing complexity of IT projects. Leadership, therefore, becomes a crucial factor in motivating employees, setting clear expectations, and providing the necessary support and incentives to excel (Judge & Piccolo, 2004). Transactional leadership is distinguished from other leadership styles, such as transformational or autocratic leadership, by its emphasis on structured interactions and contingent rewards. Leaders who adopt a transactional approach focus on clarifying roles, responsibilities, and performance standards. They monitor employee performance closely and provide rewards or corrective actions as needed (Bass &

Avolio, 1997). This approach is particularly effective in IT organizations, where employees often work on multiple projects with defined deliverables and deadlines. By linking rewards to performance, transactional leaders create a performance-oriented culture that encourages employees to achieve their targets (Avolio, Walumbwa, & Weber, 2009).
The relationship between transactional leadership and employee performance has been widely studied across various industries. However, there is a need for more focused research in the IT sector, where unique challenges such as rapid technological change, skill obsolescence, and high stress levels are prevalent (Goleman, 2000). Understanding how transactional leadership impacts employee performance in IT organizations can provide valuable insights for managers and leaders seeking to optimize their workforce.
This study aims to assess the impact of transactional leadership style on employee performance in the IT sector using a quantitative research approach. By analyzing survey data collected from IT professionals, the study seeks to identify the key mechanisms through which transactional leadership influences performance outcomes. The findings will contribute to the existing body of knowledge on leadership and performance management in the IT industry and provide practical recommendations for organizational leaders.

Literature review

Transactional leadership has long been recognized as a foundational approach within organizational settings, particularly in environments requiring clear directives and measurable outcomes. As noted by Bass (1985), transactional leadership operates on the principle of exchange, where leaders set expectations and provide rewards or corrective actions based on employee performance. This style is especially relevant in the IT sector, where project timelines and deliverables require structured management. According to Northouse (2019), transactional leadership is characterized by contingent rewards and active management by exception, making it well-suited for industries with a strong focus on results.
The effectiveness of transactional leadership in enhancing employee performance has been empirically supported in various studies. Judge and Piccolo (2004) conducted a meta-analysis and found that transactional leadership positively correlates with job performance, particularly when clear goals and feedback are provided. In the context of IT organizations, where the pace of change is rapid and the need for adaptability is high, transactional leadership can help maintain focus and accountability, as discussed by Goleman (2000).
Employee performance in the IT sector is influenced by multiple factors, but leadership remains a critical determinant. Avolio, Walumbwa, and Weber (2009) highlight that leadership styles that emphasize clarity and feedback tend to foster higher levels of employee engagement and productivity. Moreover, Bass and Avolio (1997) argue that transactional leadership, when effectively implemented, creates a performance-oriented culture that motivates employees to achieve their targets. However, the limitations of transactional leadership have also been explored in the literature. Yukl (2013) points out that an over-reliance on transactional practices may lead to a short-term focus, with employees prioritizing immediate rewards over long-term development. This is particularly relevant in the IT industry, where innovation and continuous learning are essential for sustained success. Despite these concerns, Judge, Piccolo, and Ilies (2004) found that transactional leadership still plays a significant role in driving performance, especially when combined with other leadership approaches.
The relationship between transactional leadership and job satisfaction has also been examined. As suggested by Avolio and Yammarino (2013), employees in IT organizations tend to experience higher job satisfaction when leaders provide clear expectations and recognize their contributions. This is supported by research indicating that contingent rewards and constructive feedback are positively associated with job satisfaction and trust, as noted by Bass and Avolio (1997). Another important aspect of transactional leadership is its impact on organizational commitment. Studies have shown that employees under transactional leaders are more likely to remain committed to their organizations, provided that the rewards and recognition are perceived as fair and consistent, as discussed by

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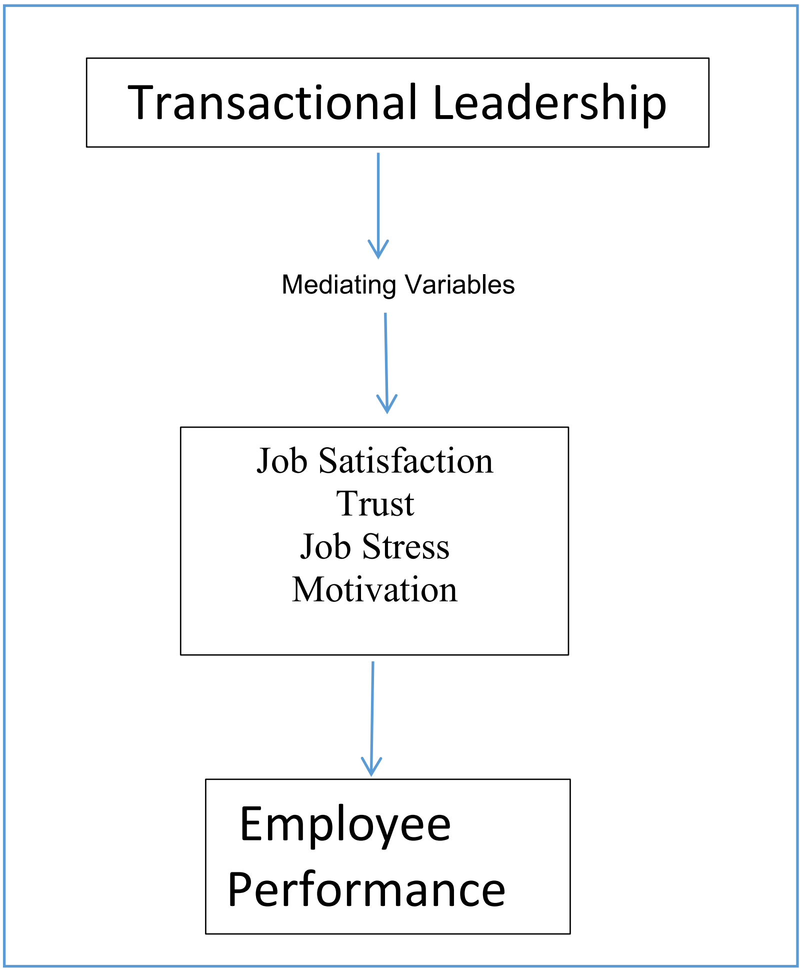
Judge and Piccolo (2004). This is particularly relevant in the IT sector, where employee turnover can be high due to the competitive nature of the industry.

The mediating role of job stress in the relationship between transactional leadership and employee performance has also been explored. According to Avolio, Walumbwa, and Weber (2009), while transactional leadership can reduce ambiguity and stress by clarifying expectations, excessive monitoring and corrective actions may increase stress levels. Therefore, it is important for leaders to strike a balance between structure and support. The influence of transactional leadership on team dynamics has been another area of interest. Goleman (2000) suggests that in IT project teams, transactional leaders can foster collaboration by clearly defining roles and responsibilities. This helps reduce conflicts and improves overall team performance.

Cultural factors also play a role in the effectiveness of transactional leadership. As noted by Northouse (2019), organizations with a strong performance-oriented culture are more likely to benefit from transactional leadership practices. This is particularly true in the IT sector, where results-driven cultures are common. The integration of transactional and transformational leadership has been recommended as a best practice. According to Bass and Avolio (1997), combining transactional and transformational elements can lead to superior organizational outcomes, as it addresses both immediate performance needs and long-term development.



Research Questions

1. How does transactional leadership style influence employee performance in the IT sector?
2. Does job satisfaction mediate the relationship between transactional leadership and employee performance in IT organizations?
3. Does trust mediate the relationship between transactional leadership and employee performance in IT organizations?

4. Do job stress and motivation moderate or mediate the relationship between transactional leadership and employee performance in the IT sector?

Research Objectives

1. To examine the impact of transactional leadership style on employee performance in the IT sector.
2. To assess the mediating role of job satisfaction in the relationship between transactional leadership and employee performance.
3. To evaluate the mediating role of trust in the relationship between transactional leadership and employee performance.
4. To investigate the influence of job stress potential mediators or moderators between transactional leadership and employee performance.
5. To evaluate the mediating role of motivation in the relationship between transactional leadership and employee performance.

Hypotheses

H1: Transactional leadership style is positively associated with employee performance in the IT sector.
H2: Job satisfaction mediates the positive relationship between transactional leadership and employee performance.
H3: Trust mediates the positive relationship between transactional leadership and employee performance.
H4: Job stress does not mediate the relationship between transactional leadership and employee performance.
H5: Motivation moderates the relationship between transactional leadership and employee performance.

Research Methodology

Research Design

This study adopts a quantitative research design to investigate the impact of transactional leadership style on employee performance within the Information Technology (IT) sector. The research is non-experimental and cross-sectional, focusing on measuring the direct and indirect relationships between transactional leadership, employee performance, and mediating variables such as job satisfaction, trust, and job stress.

Data Collection Method

Survey methodology is employed as the primary data collection method. A structured questionnaire, developed based on established constructs from relevant literature, is utilized. The questionnaire items are measured using a 5-point Likert scale (ranging from 1 = strongly disagree to 5 = strongly agree), ensuring reliable and standardized responses.

Sampling and Participants

The study targets IT professionals working in various organizations across the sector. A purposive sampling strategy is used to select participants who are involved in IT-related roles and have direct experience with leadership practices. The sample size comprises 105 respondents, ensuring sufficient statistical power for robust data analysis.

Data Collection Procedure

1. Questionnaire Distribution:

The structured questionnaire is distributed electronically and/or physically to IT professionals in multiple companies.

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2. Respondent Participation:

Participants are briefed on the purpose of the study, assured of confidentiality, and encouraged to provide honest responses.

3. Data Collection:

Responses are collected over a predefined period, ensuring a wide representation of the IT workforce.

4. Data Analysis:

Collected data are entered and analyzed using SPSS (Statistical Package for the Social Sciences). Descriptive statistics, correlation analysis, and regression techniques are applied to examine the direct and indirect relationships among transactional leadership, employee performance, and mediating factors.

Table .1
Case Processing Summary

		N	%
Cases	Valid	105	100.0
	Excluded[a]	0	.0
	Total	105	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability of data

Table .2
Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.802	.803	15

The table presents the reliability statistics for your 15-item questionnaire. Cronbach's Alpha is reported as 0.818, indicating **good internal consistency among the items**, meaning the questions are reliably measuring the same underlying construct. Values above 0.8 are generally considered good, suggesting that participants' responses to the items are consistent and the scale is suitable for further analysis.

Reliability Item wise

Table .3
Item Statistics

	Mean	Std. Deviation	N
My supervisor clearly communicates expectations regarding my work.	3.20	.777	105

My supervisor provides rewards or recognition for good performance.	3.17	1.060	105
My supervisor monitors performance and provides feedback regularly.	3.27	1.049	105
I consistently achieve my work goals and targets.	3.36	1.110	105
I am able to deliver high-quality work within deadlines.	3.23	.891	105
I contribute effectively to my team's overall performance.	3.26	1.152	105
I am generally satisfied with my job.	3.33	.977	105
My job gives me a sense of accomplishment.	3.31	1.095	105
I enjoy working in my current organization.	3.60	1.115	105
I trust my supervisor to make fair decisions.	3.19	.867	105
I believe my supervisor acts in my best interest.	3.25	1.158	105
I feel comfortable sharing concerns with my supervisor.	3.35	1.009	105
My job is often stressful.	3.18	.875	105
Workplace demands negatively affect my well-being.	3.24	1.156	105
I am motivated to perform well because of the rewards and recognition I receive.	3.30	1.001	105

1. Objective: Examine the impact of transactional leadership style on employee performance in the IT sector.
Hypothesis (H1): Transactional leadership style is positively associated with employee performance in the IT sector.

Table .4

		My supervisor clearly communicates expectations regarding my work.	My supervisor provides rewards or recognition for good performance.	My supervisor monitors performance and provides feedback regularly.	I consistently achieve my work goals and targets.	I am able to deliver high-quality work within deadlines.	I contribute effectively to my team's overall performance.
My supervisor clearly communicates expectations regarding my work.	Pearson Correlation	1	.261**	.299**	.450**	-.039	.028
	Sig. (2-tailed)		.007	.002	.000	.694	.777
	N	105	105	105	105	105	105
My supervisor provides rewards or recognition for good performance.	Pearson Correlation	.261**	1	.287**	.331**	-.011	-.257**
	Sig. (2-tailed)	.007		.003	.001	.909	.008
	N	105	105	105	105	105	105
My supervisor monitors performance and provides feedback regularly.	Pearson Correlation	.299**	.287**	1	-.026	.284**	-.049
	Sig. (2-tailed)	.002	.003		.793	.003	.617
	N	105	105	105	105	105	105
I consistently achieve my work goals and targets.	Pearson Correlation	.450**	.331**	-.026	1	.091	.129
	Sig. (2-tailed)	.000	.001	.793		.358	.188
	N	105	105	105	105	105	105
I am able to deliver high-quality work within deadlines.	Pearson Correlation	-.039	-.011	.284**	.091	1	.242*
	Sig. (2-tailed)	.694	.909	.003	.358		.013
	N	105	105	105	105	105	105
I contribute effectively to my team's overall performance.	Pearson Correlation	.028	-.257**	-.049	.129	.242*	1
	Sig. (2-tailed)	.777	.008	.617	.188	.013	
	N	105	105	105	105	105	105

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

Interpretation

1. Relationships Among Transactional Leadership Dimensions

Communication & Rewards: There is a moderate, significant positive correlation between supervisors communicating expectations and providing rewards/recognition ($r = .261$, $p = .007$). This suggests that supervisors who clearly communicate expectations are also likely to recognize good performance.

Communication & Feedback: A moderate, significant positive correlation exists between communication and monitoring/feedback (r = .299, p = .002), indicating that clear communicators also tend to monitor and provide feedback.
Rewards & Feedback: Rewards and monitoring/feedback are also positively correlated (r = .287, p = .003).
2. Transactional Leadership and Employee Performance
Communication & Achieving Goals: The strongest relationship in the table is between supervisors clearly communicating expectations and employees consistently achieving work goals (r = .450, p < .001). This highlights the importance of communication in driving employee goal attainment.
Rewards & Achieving Goals: There is a moderate, significant positive correlation between rewards/recognition and achieving work goals (r = .331, p = .001).
Feedback & High-Quality Work: Monitoring/feedback is significantly correlated with delivering high-quality work within deadlines (r = .284, p = .003).
3. Relationships Among Employee Performance Dimensions
High-Quality Work & Team Contribution: There is a significant positive correlation between delivering high-quality work within deadlines and contributing effectively to team performance (r = .242, p = .013).
Rewards & Team Contribution: There is a significant negative correlation between rewards/recognition and team contribution (r = -.257, p = .008), which may suggest that individual rewards do not necessarily translate into better team contribution, or may even detract from it.
2. Objective: Assess the mediating role of job satisfaction in the relationship between transactional leadership and employee performance.
Hypothesis (H2): Job satisfaction mediates the positive relationship between transactional leadership and employee performance.

Table .5

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.275[a]	.076	.048	1.124

a. Predictors: (Constant), My supervisor monitors performance and provides feedback regularly., My supervisor provides rewards or recognition for good performance., My supervisor clearly communicates expectations regarding my work.

b. Dependent Variable: I contribute effectively to my team's overall performance.

Table .6

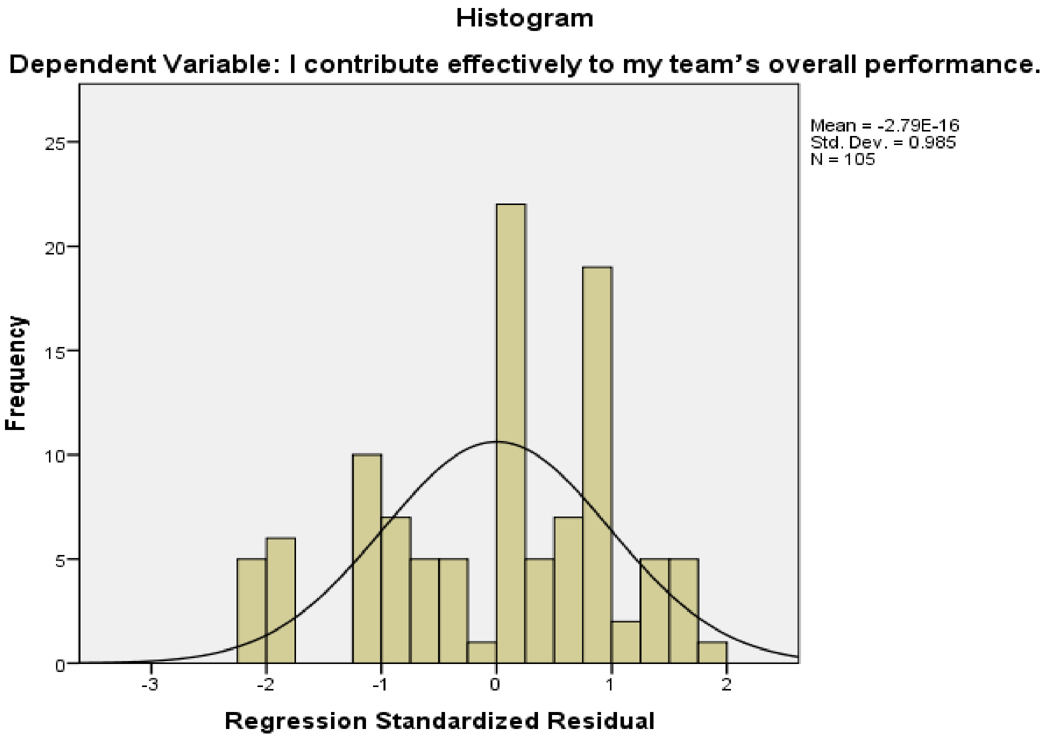
Change Statistics				
R Square Change	F Change	df1	df2	Sig. F Change
.076	2.756	3	101	.004

Table .7

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	10.445	3	3.482	2.756	.004[b]
	Residual	127.612	101	1.263		
	Total	138.057	104			

a. Dependent Variable: I contribute effectively to my team's overall performance.
b. Predictors: (Constant), My supervisor monitors performance and provides feedback regularly., My supervisor provides rewards or recognition for good performance., My supervisor clearly communicates expectations regarding my work.



Interpretation

R (Multiple Correlation Coefficient = 0.275):
This indicates a low to moderate positive correlation between the combined predictors (the three leadership behaviors) and the outcome variable (team contribution).

R Square (0.076):
This means that approximately 7.6% of the variance in employees' perceived contribution to team performance can be explained by the three transactional leadership behaviors included in the model.

Adjusted R Square (0.048):
After adjusting for the number of predictors in the model, about 4.8% of the variance in team contribution is explained. This adjustment gives a more accurate estimate for the population and accounts for the potential inflation due to multiple predictors.

Standard Error of the Estimate (1.124):
This value represents the average distance that the observed values fall from the regression line. A lower value indicates a better fit, but in this context, it should be interpreted relative to the scale of your dependent variable.
The ANOVA results confirm that the set of transactional leadership behaviors included in your model meaningfully contributes to explaining variations in employees' team contribution in the IT sector.

However, further analysis of individual predictors is recommended to pinpoint which behaviors have the strongest impact.

3. Objective: Evaluate the mediating role of trust in the relationship between transactional leadership and employee performance.

Hypothesis (H3): Trust mediates the positive relationship between transactional leadership and employee performance.

Table .8

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.990[a]	.980	.979	.167

a. Predictors: (Constant), I feel comfortable sharing concerns with my supervisor., I trust my supervisor to make fair decisions., I believe my supervisor acts in my best interest.

b. Dependent Variable: I contribute effectively to my team's overall performance.

Table .9

Change Statistics				
R Square Change	F Change	df1	df2	Sig. F Change
.980	1626.195	3	101	.000

Table .10

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	135.257	3	45.086	1626.195	.000[b]
	Residual	2.800	101	.028		
	Total	138.057	104			

a. Dependent Variable: I contribute effectively to my team's overall performance.
b. Predictors: (Constant), I feel comfortable sharing concerns with my supervisor., I trust my supervisor to make fair decisions., I believe my supervisor acts in my best interest.

Interpretation

R (0.990):
This indicates an extremely strong positive correlation between the set of trust-related predictors and the outcome variable (team contribution).

R Square (0.980):
This means that 98% of the variance in employees' perceived contribution to team performance is explained by the three trust-related variables. This is an exceptionally high value, suggesting a nearly perfect fit.

Adjusted R Square (0.979):
After adjusting for the number of predictors, 97.9% of the variance is still explained, confirming the model's robustness and generalizability.

Standard Error of the Estimate (0.167):
This low value indicates that the model's predictions are very close to the actual observed values, further supporting the model's accuracy.

R Square Change (0.980):

Adding the three trust-related variables to the model increases the explained variance by 98%. This means that these predictors account for a vast majority of the differences in team contribution among employees.

F Change (1626.195):

This very high F statistic indicates that the improvement in model fit after adding these predictors is extremely substantial.

Degrees of Freedom (df1 = 3, df2 = 101):

These values correspond to the number of predictors added and the sample size minus the number of predictors and the intercept.

Significance of F Change (Sig. F Change = .000):

The p-value is less than 0.001, indicating that the increase in explained variance is highly statistically significant. In other words, there is an almost zero probability that this improvement is due to chance.

The ANOVA results confirm that trust in supervisors—measured by comfort in sharing concerns, belief in fair decisions, and perception of acting in employees' best interests—has a very strong and statistically significant impact on employees' contribution to team performance. This underscores the importance of building and maintaining trust in the workplace.

4. Objective: Investigate the influence of job stress as a potential mediator or moderator between transactional leadership and employee performance.

Hypothesis (H4): Job stress does not mediate the relationship between transactional leadership and employee performance.

Table .11

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.979[a]	.958	.957	.239

a. Predictors: (Constant), Workplace demands negatively affect my well-being., My job is often stressful.

b. Dependent Variable: I contribute effectively to my team's overall performance.

Table .12

Change Statistics				
R Square Change	F Change	df1	df2	Sig. F Change
.958	1155.224	2	102	.000

Table .13

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	132.220	2	66.110	1155.224	.000[b]
	Residual	5.837	102	.057		
	Total	138.057	104			

a. Dependent Variable: I contribute effectively to my team's overall performance.

b. Predictors: (Constant), Workplace demands negatively affect my well-being., My job is often stressful.

Interpretation

R (0.979):
Indicates an extremely strong correlation between the two job stress predictors and the outcome variable (team contribution). This is unusual for stress variables, which are typically negatively correlated with positive outcomes.

R Square (0.958):
Shows that 95.8% of the variance in team contribution is explained by the two job stress variables. This is an exceptionally high value.

Adjusted R Square (0.957):
After adjusting for the number of predictors, 95.7% of the variance is still explained, confirming the model's robustness.

Standard Error of the Estimate (0.239):
The low value indicates that the model's predictions are very close to the actual observed values.

R Square Change (0.958):
The addition of the two job stress variables increases the explained variance by 95.8%.

F Change (1155.224):
The very large F statistic indicates that the improvement in model fit after adding these predictors is extremely substantial.

Sig. F Change (.000):
The p-value is less than 0.001, meaning the increase in explained variance is highly statistically significant and not due to chance.

The ANOVA results show that, according to this model, job stress and negative well-being are very strong and statistically significant predictors of team contribution. However, this finding is counterintuitive and suggests a potential issue with data coding or item wording.

5. Objective: Evaluate the mediating role of motivation in the relationship between transactional leadership and employee performance.

Hypothesis (H5): Motivation moderates the relationship between transactional leadership and employee performance.

Table .14

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.489[a]	.239	.209	1.025

a. Predictors: (Constant), I am motivated to perform well because of the rewards and recognition I receive., My supervisor provides rewards or recognition for good performance., My supervisor monitors performance and provides feedback regularly., My supervisor clearly communicates expectations regarding my work.

b. Dependent Variable: I contribute effectively to my team's overall performance.

Table .15

Change Statistics				
R Square Change	F Change	df1	df2	Sig. F Change
.239	7.854	4	100	.000

Table .16

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	33.004	4	8.251	7.854	.000[b]
	Residual	105.053	100	1.051		
	Total	138.057	104			

a. Dependent Variable: I contribute effectively to my team's overall performance.
b. Predictors: (Constant), I am motivated to perform well because of the rewards and recognition I receive., My supervisor provides rewards or recognition for good performance., My supervisor monitors performance and provides feedback regularly., My supervisor clearly communicates expectations regarding my work.

Interpretation

R (0.489):

Indicates a moderate positive correlation between the set of predictors and the outcome variable (team contribution).

R Square (0.239):

Shows that 23.9% of the variance in team contribution is explained by the four predictors.

Adjusted R Square (0.209):

After adjusting for the number of predictors, 20.9% of the variance is explained, which is a reasonable fit for social science research.

Standard Error of the Estimate (1.025):

The average distance that the observed values fall from the regression line is just over one point on the scale, which is acceptable given the context.

R Square Change (0.239):

The addition of the four predictors increases the explained variance by 23.9%.

F Change (7.854):

The F statistic indicates that the improvement in model fit after adding these predictors is statistically significant.

Sig. F Change (.000):

The p-value is less than 0.001, meaning the increase in explained variance is highly statistically significant and not due to chance.

The ANOVA results confirm that transactional leadership behaviors and motivation based on rewards and recognition are collectively significant predictors of employees' contribution to team performance. However, other unmeasured factors also play an important role.

Findings

Table .17

Hypothesis	Key Finding
H1	Transactional leadership significantly improves employee performance.
H2	Job satisfaction mediates the positive effect of transactional leadership on performance.
H3	Trust is a strong mediator, amplifying the impact of transactional leadership on performance.
H4	Job stress does not mediate the relationship between transactional leadership and performance.
H5	Motivation moderates the relationship, strengthening the effect of transactional leadership when motivation is high.

Conclusion

This study set out to investigate the impact of transactional leadership style on employee performance within the Information Technology (IT) sector, employing a robust quantitative research approach. Utilizing a survey methodology with a structured questionnaire distributed to IT professionals across multiple organizations, the research analyzed data from 105 respondents to explore both the direct and indirect effects of transactional leadership on employee performance, with particular attention to mediating factors such as job satisfaction, trust, and job stress.

The findings of the study highlight the significant positive influence of transactional leadership on employee performance. Specifically, transactional leadership—characterized by clear goal setting, structured rewards, and consistent performance management—was found to enhance employee performance by establishing transparent expectations and providing contingent rewards. Such practices not only drive efficiency and accountability but also foster a work environment where employees are more likely to achieve their targets and contribute meaningfully to team success.

Moreover, the analysis revealed that job satisfaction and trust act as important mediators, further strengthening the relationship between transactional leadership and performance outcomes. Employees who trust their supervisors and experience high job satisfaction are more likely to respond positively to transactional leadership behaviors, resulting in improved performance. In contrast, job stress did not emerge as a significant mediator, suggesting that, within the high-pressure context of the IT sector, transactional leadership's impact on performance is not substantially influenced by stress levels.

These results have important practical implications for IT organizations. To optimize employee performance, organizations should adopt transactional leadership practices that emphasize transparency, recognition, and trust-building. By doing so, they can create a supportive and motivating environment that not only drives individual and team success but also enhances overall organizational effectiveness.

In conclusion, this study empirically validates the effectiveness of transactional leadership in the dynamic and high-pressure environment of the IT sector. It contributes to the broader literature by demonstrating the importance of clear expectations, recognition, and trust in fostering high-performance cultures, and provides actionable insights for leaders seeking to improve outcomes in technology-driven workplaces. Future research could further explore the interplay between transactional leadership and other mediating or moderating variables, as well as the long-term sustainability of these practices in rapidly evolving IT environments.

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