# The Relationship between Leadership Styles and Employees' Performance in Organizations (A Study of Selected Business Organizations in Federal Capital Territory, Abuja Nigeria)

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# Abstract

Every organization is set up with the expectations of effective and efficient performance, growth in terms of increase in productivity, revenue generation, profit maximization, customer's satisfaction and increase employees' performance. The extent to which this performance and growth objectives are achieved is mostly determined by the type of leadership style used in the organization which accounts for its efficiency and effectiveness. This study was carried out to look at the extent to which this trend has continued and specially, the relationship between leadership style and employee performance in an organization. This study was conducted in Federal Capital Territory Abuja with the use of questionnaire and interview to gather relevant data that was statistically analyzed using Correlation analysis with the help of SPSS, the findings shows that there is a significant relationship between leadership style and performance in an organization, This study has observed that leaders and leadership style in organizations have affected the ability of their organizations to achieve corporate goals and objectives. The study concluded and recommends that efficiency is a function of perceived reward. Good motivation is critical for achieving organizational objectives. Therefore, recognizing worker's needs is an essential step to planning and motivational effort. Hence, every action taken by a leader stimulates a reaction in the employees. Therefore, the attainment of the objectives of most business organization would be borne out of the fact that leadership recognizes the needs of the workers, employ appropriate motivational tool such as promotion of staff based on merit and relevant skill. Also provision of suitable working environment and employ an appropriate leadership style that will encourage free flow of information among leaders and employees as this will lead to good organization and employee performance.

Keywords: Leadership, Performance, Employee's, Style, Nigeria.

# 1. Introduction

Leadership has become the most widely studied aspect of organizational behaviour and a number of theories have emerged focusing on the traits, styles and the situational approach to leadership. As a result of evergrowing interest in the field of leadership, behavioural scientists and sociologists began to analyze the possible consequences of leadership behaviour and variables are used to predict the leader's behaviour. Since it is the duty of leaders to get things done through the coordinated efforts of others, it is assumed therefore that leadership styles will translate into the subordinates' performance. (Rollinson et. al 2001). It is a known fact that for any group to be formally organized there must be a well known leader. Leadership is a two-way process. Leadership is an attribute which is highly prized in most organizations and this has resulted in the topic becoming one that is extensively explored and debated in organization behaviour. (Adair 2003)

Leadership is an inevitable function of the social world we inhibit. There is a widely held belief that leadership is one of the factors that determines whether a group, an organization or even a nation will be successful. This is partly because a leader can have a strong influence on the behaviour and performance of group members. Leadership is therefore very important to the survival and effectiveness of organization's performance. As organisations grow and expectations about their performances increase, demand for good leadership tends to multiply. Leadership ability is a valuable skill and those who possess it reap high rewards. Therefore, from every indication, there seems to be a strong link between leadership style and performance of employees in an organization. Leadership is a social influence process in which the leader seeks the voluntary participation of subordinates in an effort to reach organization goals (Omolayo, 2000), a process whereby one person exerts social influence over other members of the group (Bamigboye, 2000), a process of influencing the activities of an individual or a group of individual towards goal achievement in given situations (Akanwa, 1997) and a relational concepts involving both the influencing agent and the person being influenced (Eze, 1995). Effective leadership is the extent to which a leader continually and progressively lead and directs his/ her followers to the agreed destination as defined by the whole group.

Furthermore, leadership style is the pattern of behaviours engaged in by leader when dealing with employees. Lewin, Leppit, and White (1939) identified three leadership styles which are autocratic, democratic and lassie-faire. Autocratic leadership style involve the leader making all the decisions, wielding absolute power, assigning task to members of the group and maintaining a master-servant relationship with members of the group. On the other hand, democratic leadership style involves the use of consultative approach, encourages group participation in decision making and maintaining a master-servant relationship with group members. (Omolayo, 2007). The lassie-faire leadership style involves non interference policy, allows complete freedom to all workers and has no particular way of attaining goals. However, there is no one best style of leadership.

The effectiveness of a particular leadership style is dependent on the organizational situation (Omolayo, 2004). However, whichever way leadership and its style is defined, one thing that is certain and generally acknowledged among scholars is that from time immemorial, the role of leaders in ensuring excellent organizational performance and workers commitment to work cannot be over emphasized.

Similarly, common problems pronounced against organization performance, in Nigeria business and institutions, social, economic and particularly government establishments are poor organizational performance, bad attitude to work among Nigerian workers, Inefficiency in most circles. Some writers critically examine this aid pointed out that organizations in Nigeria are managed through a management system that is strange to the country's culture (Akpala, 1998). The number of small scale industries spring up yearly in Nigeria are so much but at the end of the day, many of them go downhill because of a lot of inappropriate usage of leadership style.

It is a well known fact that leadership plays a vital role in every organization. Although, progress has been made in understanding leadership traits, however there are needs to realize that much were not known about these activities i.e. how can we effectively apply the leadership styles in organizations to enhance performance? Having known the benefits of managerial leadership, how can business organizations adopt it and how does it help the business organizations in achieving their corporate goals especially for attaining a desired level of workers' performance? The only solution to these problems is the adopting of effective leadership styles which will boost performance in the organization.

The study sought to answer questions such as how effective managerial leadership style enhance employee performance, To what extent does the leadership style used in the organization offer senses of job satisfaction and career development to employees. This study evaluates the relationship between leadership styles and employees' performance in an organization; employees are usually regarded as the most effective machinery through which the organizational goals and objectives can be easily achieved. The major objectives of this study include identifying the best leadership approach to be adopted by leaders in order to enhance employee performance, to determine the correlation between leadership style and employees performance, to determine the extent at which leadership style offer sense of job satisfaction and careers development to employee's of an organization and to determine the extent at which workers attitude to work influenced their leader's behavior. The significance of this study is to help managers and leaders in the organization to know the style of leadership preferred by their subordinates to enhance their performance.

# 2. Literature Review

The subjects of leadership and also that of workers' performance have become a serious scientific study in the last three decades. This could be clearly seen from the large number of studies that had concentrated on this area. The reason for this is largely connected to the growth of complex industrial societies and the problems associated with it, both in terms of those studies has been to enhance performance and productivity and in the same vein to understand the human relation problems in the organization, with the objectives of improving them. There had

been various investigations by authors in studying the style of managerial leadership in terms of its effectiveness on worker's performance. Early studies of leadership were primarily attempt to identify unique traits of leaders. These studies were probably guided by the belief that some people are "born-leaders", whereas other people could never be successful as leaders. The trait approach to leadership began to give way to a conception of leadership in terms of various functions which must be performed in order to ensure that the group attains its goals and remains a viable, cohesive entity. One important implication of this new approach was the shift of attention from leadership traits to leaders' behaviour.

The leadership behaviour and style used in one situation may not be appropriate in a totally different situation. Concerns for behaviour also led to an awareness of the importance of situational variables such as the personality and expectations of subordinates, the nature of the group's task is noted, according to (Heinz Weihrish, and Harold Koontz, 1999). Also, Gbolahan, G. (2000) was against the assumption that leadership is totally situation and devoid of any personal effects. He concluded that there are probably no universal leadership traits because there are some traits that are likely to be crucially important in a selected range of situations. Rollinson and Edwards (2001) have also carried out research based on the outcome of "The Ohio State University Studies, in an attempt to identify relationship that exists between independent categories of leadership by analyzing the relationship among hundreds of specific acts performed by a variety of leaders. This research revealed that leadership behaviour could be classified into independent categories or dimension, were labelled "consideration" and "initiating" structures. A sizeable number of leadership studies have tested and analyzed the hypothesis that leaders who allow subordinates to be productive in decision making will have more satisfied and productive groups.

From the study carried out by Stogdill (1999) on the effects of subordinates' participation, it was found out that there was a strong support for the hypothesis that participation leads to greater subordinates' satisfaction and performance. The results were explained in terms of group of dynamics and the effect of the participation on the motivation of subordinates. According to Kouzes and Pasner (2007), autocratic leaders had higher productivity than leaders with participative management from their experiment which were subjected to series of arguments. This was later revised that production in the democratic groups is usually higher as a result of cooperation that exist among the group members, whereas adverse attitude within the autocratic groups usually result in high labour turnover, absenteeism which reduce performance thus reduce productivity.

The study of Rollinson (2001) reveals that there are significant relationships between the leader's behaviour and labour grievances and employee's turnover in their work groups. Chemers (2002) explicitly dramatizes the question of the human factor through his use of the two sets of assumptions, theory X and Y. In theory X, there were assumptions that the average workers naturally dislikes work and would avoid it if he can, avoid his responsibility, requires direction and control, has little ambition and requires security above all others. Theory Y on the other hand, believes that the average people is naturally active and enjoys achieving goals that commit him the objectives which is related to the rewards associated with the achievement, that ingenuity, imagination and creativity are widely distributed in the population and that people would accept and seek responsibility given the right environment. It could be concluded here that those two sets of assumptions are fundamentally different in evidence. Clearly, theory X is pessimistic, static and rigid. Control is primarily essential, that is, imposed on the subordinate by the superior. In contrast, theory Y is optimistic, dynamic and flexible, with an emphasis on self-direction and the integration of individual needs with organizational demands.

Zaccaro (2007) who studies the University of Toronto and his colleagues developed what he calls the path-goal theory of leadership, a model that integrated the expectancy model of motivation with the Ohio State University Leadership research. This model describes the leader as responsible for "increasing the number and kinds of personal pay-offs the subordinates for work-goal attainment and making paths to their pay-offs easier to travel by clarifying the paths reducing road blocks and pitfalls and increasing the opportunities for personal satisfaction on route "most effective leaders are those who help subordinates achieve both enterprise goals and their personal goods, such as money, promotion, challenging and interesting tasks and opportunities for growth and development.

According to him (Zaccaro 2007), leaders can only be this by:

- Defining the roles, position and tasks clearly;
- Removing obstacles to performance;
- Enlisting the assistance of group members in setting goals;
- Promoting group cohesiveness and term performances;
- Reducing unnecessary stresses and external controls;
- Making reward expectations clear; and
- Doing other things that meet people's expectation.

Zaccaro and his colleagues expanded the path goals theory by identifying two contingency variables that help determine the most effective leadership styles. The two variables are:-

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- The personal characteristics of subordinates; and
- The environmental pressures and demand in the work place with which subordinates must cope with" Clifford and Cavangah (1998) and gave the following points as the determinants of managerial leadership success.
- i. Creating of managerial leadership success. Services, with the aim to become competitive and this to study in business and provide jobs.
- ii. Instituting supervision: The aim of supervision should be to help people and machines and gadgets to do a better job.
- iii. Driving out fear, so that everyone can work effectively for the economy.

They are of the opinion that if these factors are present in every leader and organization in general, they will experience a high level of development and growth in such organizations.

The concept of leadership is very important to mankind in general and more essentially with organizational work setting. As important as the leadership concept is however, it cannot have much meaning except in relation to the leader-follower relationship. In other words, for there to be a leader, there must be followers i.e. there must be people who will voluntarily subject themselves and their behaviour to be influenced or affected by the acts of an individual known as the leader. While leaders influence their followers, followers often times also determine the style of leadership prevalent at any given time noting their organization. Style in management however, means the way in which managing is done. According to Henry, D (1999), style is just something that exists in the surface that is something you find in some people but not in others. Style must match needs and circumstance. He also said further that management style is a combination of characteristics that indicate how a person influences the things he does, and control the effectiveness with which he does them. There is a wide variety of management styles. Most have some good point and some bad points. Each executive brings to the job his own particular blend of management traits, which add up to his style. On the basis of such dominant trait, ten prevalent management styles have been identified as;

- I. Management by inaction
- II. Management by detail
- III. Management by invisibility
- IV. Management by consensus
- V. Management by manipulation
- VI. Management by rejection
- VII. Management by survival
- VIII. Management by despotism
- IX. Management by creativity
- X. Management by leadership.

Later in this part, detail studies of the above management styles will be examined.

Thus Henry (1999) in analyzing the forces deciding types of leadership practicable as given by Tannabum and Schmidt, included forces in the subordinates that dictate styles of leadership. This confirms the fact that apart from the force inherent in the leaders and the situation in time, subordinates also influences the choice of leadership style which, in turn affects the subordinates in their task performance. Analytically, it can be said that leadership and the climate they create can be seen as the independent variables, while workers task as well as productivity and goal achievement as the dependent variables. At another end, subordinates and leadership are seen as a dynamic process and that the leadership is a two way process which influences both individual and organizational performance.

The process of coordinating group activities and directing efforts of group members by the leader together with the climate created by the followers have both positive and negative effects ion work group performance and organizational effectiveness.

#### The Concept of Leadership and Leadership Situation

Leadership is generally defined simply as influence, the process of influencing people in order for them to strive willingly towards the achievement of organizational goals and objectives. While the word style is closely equivalent to the way in which the leader influences followers. Therefore, every group of people that perform very close to its entire culpability has some persons as its head that is definitely skilled in the art of leadership. Leadership is concerned with the total manner in which a manager influences action of subordinates. It includes the issuing of orders that are clearly accomplished. It implies a continual training activity in which subordinates are given training activity; instructions to enable them carry out the particular assignment in the existing situation. It necessarily involves the motivation of workers to try to meet the expectation of managers. Leadership consist of maintain discipline and rewarding those who perform properly. In short, leading is the final action of a manager in getting others act according to established rules. The qualities, characteristics and skills required in a leader are determined to a larger extent by the situation in which he is to function as a leader. Stogdill (1999), in his survey of leadership research pointed out that "there are almost as many different

definitions of leadership as there are persons who have attempted to define the concept". Therefore managerial leadership can be summarily defined as the process of directing and influencing the task-related activity of group members. Chemers (2002) summed it all that "A leader is not a person characterized by any particular and consistent set of personality by traits.

## **Relationship between Manager and Leader**

The relationship between manager and leader can be obtained from their definitions and meanings. Management is the process whereby one individual influences other group members towards the attainment of defined group or organizational goal, Smith and Foti (1998). It is also defined as the process of creating a vision for other and having the power to translate it into a reality and sustain it. Burns (1997). Critical analysis of the first definition shows that nothing could be said about how the influence process occurs and would for example, cover situations where coercion in used, which is well outside the brands of behaviour that most people associate with leadership.

The second definition is perhaps rather optimistic. Both definitions infer that leadership is a one-way process in which followers passively respond to what a leader does, or what the leader is, which tends to oversimplify the process at work. The concepts of leadership and management can be distinguished on the ground that the word leadership has two commonly acceptable meanings: Firstly, it can be used to describe a process in which non-cohesion influence is sued to direct objectives. Secondly it is to express the ideas, attributes or characters that enable him exercise influence others. In conclusion, both leadership and management will be used interchangeably without any distortion to their meaning for the purpose of this study.

## Style of Leadership

In many companies today, managers are in leadership crisis. The jobs and their careers are shipping away; things are going wrong, and they do not know what to do about it. Some of these managers can be found among the brightest executives in leadership positions today, they are not unprepared for responsibility, and they are not overly hampered by restriction. They have every chance to succeed, but they are sinking. In so many case the root of the problem does not (i.e. is lack of experience, energy, intelligence or dedication). It stems from a factor often overlooked in analyzing the performance of executives.

It is not enough to be prepared for a job and to work hard for it; your style has to be right. The concept of style seems to be rooted in writing. The world comes from the "latin Stilus", the pointed iron or none instrument used by the Roman to write on their waxen tablets. But its meaning has broadened to include a wide range of human thought and activity Henry (1999). The applicable dictionary definitions today are specific or characteristic manner of expression, execution, construction or design, in any art, period work employment, and the way in which anything is made or done". Golightly (1999). The earlier emerged styles of management (leadership) as stated in previous section would be taken one after the other as follows:

**Management by Inaction:** This style has a number of interesting variations. The extreme form characterized by inertia. One attribute possessed by mist inactive managers is that they are able to look thoughtful even when they are not thinking. The inactive style grows out of fear and uncertainty. It may also grow out of boredom. In general, the inactive manager is the kind of congenital optimist who figures that if you ignore a problem, it will go away or at least get better. However, the inactive style can work pretty well for a while in some spots usually areas of the business where there is a set routine and things run themselves fairly well. The proponent of inactivity is usually left behind in the fast-moving world of modern business. He would do better in a more solidarity occupation. Golightly (1999).

**Management by Detail:** This is a methodological style of management. Management by detail has its strong points. It is a way of imposing order on complex situations. The methodological manager rarely overlooks any really impatient factor. By making an orderly infinitely detailed analysis of situations he assures himself of being in touch. Nevertheless, there are problems with this style. The overly methodological manager is apt to act too late. And even when he does not act too late, his action may be timid and inappropriate. This kind of manager is in danger because he is like a person trying to fit hundreds of small pieces of information into a pattern and will make him lose vision and prospect. Golightly (1999).

**Management by Invisibility:** The invisible manager does not only avoid activities, but also stays out of sight. Getting access to him is an adventure. The reason for the adoption of this style by managers may be to protect him from his own faults. Another reason for this style may be shyness. Some executives feel a lot more conformable with numbers that people. Another factor can be intense pre-occupation with priorities and the value of one's time. This style has its advantages. When the boss remains off stage, there is more limelight for his subordinates. Those who are highly motivated by recognition feel that they can get their full share of it when the top brass is never around; subordinates are certainly called upon to develop resourcefulness and self-reliance. They will think their decision through and plan their action in the knowledge that the boss in not going to come around to bail them out. If, for any reason, a manager elects to run things by staying out of sight, he must be absolutely sure he has the people to make it work and that are loyal to him and to the company. Golightly (1999) **Management by Consensus:** Management by consensus can be very important particularly in assuring the

harmonious execution of decisions. It is a management style which ensures effective, collective decision making after series of meetings on such issues with the involved parties i.e. such decision is usually reached and announced when complete agreement on its implementation has been achieved. Consensus affords subordinates the opportunity of acquiring independence and power. However, it might not be so successful when it grows out of the decision makers of taking action by himself. Golightly (1999)

**Management by Manipulation:** All good managers are, to some degree, manipulator. In some circles, it has become fashionable to look upon manipulation as something awful, to be avoided at all costs. But there are many kinds of manipulation, fair and unfair, effective and ineffective, legitimate and illegitimate. Managers with manipulation style usually fairly and effectively manipulate their situations to their own benefits. Golightly (1999)

**Management by Rejection:** Some managers operate with a thoroughly negative style. Their tendency is to say no rather than yes, to reject rather than accept. Some managers do not reject everything out of hand but devil advocates by putting an essentially negative style to work by challenging his subordinates to do their best. Golightly (1999)

**Management by Survival:** Certain executives calculate every move by its value as a technique for their personal survival. That style is to do whatever is necessary to keep the job. Playing sharp game in company politics is an element of business success. But the constructive management politician builds instead of destroying. The mirror image of the survivor is the executive whose aims in life seems to be to do what will be most popular with the greatest number of people. Golightly (1999).

**Management by Despotism:** Some managers feel compelled to call all the shorts. The totalitarianism style is one in which the executive acts as ringmaster, performs all the acts, takes the tickets and even sells the popcorn. There are a number of interesting variations of the totalitarian style, all of them in evidence in executive suites today. The despot can make an organization move all right. There is certainly not much confusion or clash of opinions. When he wants managers' opinions, he tells them what those opinions are. The benevolent despot is usually kind, in dealing with the helpless and very tough on people who have something on the ball. Golightly (1999).

**Management by Creativity:** The creative style can be spectacular. It impresses superiors, subordinates and the world at large. It confers an act of bolding and daring to the executive task. It leads charisma to the managers practicing it. It cuts through none essentials to the heart of a problem and produces tricking and imaginative solution. The instinctive style operates freely in decisions about people. The executives who would never make a move regarding equipment or plant without immerging himself in reams of data will respond to some individuals and mistrust others because of a feeling that swells up from the gut. Instinctive management can lead to spectacular success, but only if it is grounded in the disciplines and the essential of the business.

**Management by Leadership:** This leader is the executive who manages with wisdom, flair and vision. He listens to his troops, prods them for information and ideas and then leads them with banners flying into the arena of the market-place. According to Heitez (1997), "the executive stimulates others to develop themselves whether they are subordinate or colleagues". He sets standards which are not personal but grounded in the requirement of the task. At the same time, they are demands for excellence.

**Summary of the Effective Styles:** There is no one correct style. The genuine leader in management operates in a style that element of a number of styles. However, there are two characteristics of the most successful styles. It is suited for manager who uses it and it is not necessarily something the individual is born with and can do nothing to change. A manager can modify his style, but if the style he manifests in going to makes him an effective leader, it cannot be a phony. Successful managers come in all shapes and sizes and have some personalities. Some are outgoing and friendly; others are introverted and taciturn. Some are even practically invisible. The invisible approach is a very hard one to bring off, but there are those who can make it work. But all successful managers have a sense of the importance of style. They have used their present styles with an eye on the realities.

# The Three Basic Forms of Leadership Style (Given By Lewin et al)

The ten managerial styles discussed above can further be stated concisely in the following three leadership styles modern concepts according to Lewin et al. (1939).

Autocratic Leadership: This leadership style is often identified with dictatorial or unreasonable methods, such leaders use fear, threats, authority setting, this style of leadership is consistent with production – centred supervisors. The leaders mainly seek obedience from subordinates. They usually play the dominant role in making decisions and determining the activities of all group members. There are some dangers to this method. If the leader is quarrelsome and aggressive, his subordinates may react negative to his dominant leadership and may react by restricting output. Also, a pattern of relationship which forces group members to be dependent upon the leader for direction may reduce their effectiveness when he is absent.

**Democratic Leadership:** It is often referred to as participative, that is, it seeks to persuade and considers the feelings of persons and encourage their participation in decision making. This method gives followers greater job

satisfaction and enables them cooperate better. Recently, there is the recognition of the fact that if democracy is to progress and if organizations within free societies are to press forward towards the fulfilment of the purpose in the increasingly complex social conditions of the next decade, then good leadership of a quantity and in a quantity is already urgently required.

**Laizzes – Faire Leadership:** This type of leader often keeps himself busy with some paper-work and so stays away from their subordinates. Such a leader sets no goals, makes no decision and believes he is the "good fellow". The group has instability and a sloppy low output, frustration, failure and insecurity are typical in this directness group which can rarely produce good performance.

## Leadership Theories

Various approaches have been given out by various authorities' on leadership and these include:

Personality or Trait Approach: The quality or trait theory of leadership forms one of the older approaches to who a leader is and what makes an individual a leader. Principally, this approach is of the assumption that leaders are naturally born and not made. It assumes that leadership consists of certain inherent characteristics, or personality traits, which distinguish leaders from their followers (great person's theory of leadership). According to Zaccaro, in his support for the trait theory, "leadership is of utmost importance and there is no substitute for it". He states however that leadership cannot be created or promoted neither can it be taught or learned. This assumption however, has been subjected to various studies but findings have so far not identified common personality traits or qualities making for effective or ineffective, successful or unsuccessful leaders. Although, the trait theory has been criticized on the basis that leaders are not born but made or developed and that the ability of these personality qualities in making for effective leadership is subjective. It could be realized that the assumptions of this approach are not completely out of place. Miner (2005) in his view of the trait or personality theory of leadership, acknowledges the identification of some correlation between leadership and certain traits by recent studies, for example, a significant correlation between leadership effectiveness and the traits of intelligence, supervisory ability, initiative, self assurance and individuality in the manner in which was done. Miner however, conclude by saying that the important point as whether leaders are born or made and whether it is an art or science, is that they are not mutually exclusive alternatives. Indeed the different studies, leadership training programmes, seminars and symposia arranged in various organizations today for the purpose of developing effective successful leaders with results, could be strong argument that leadership can be taught and promoted in contrasts. In other words, those distinguishing personal elements in a leader must be developed and propelled to greater effectiveness.

**Path Goal Theory:** Path goal of leadership is one of the contingency theories of leadership developed by Zaccaro (2007). The model was based on the belief that subordinates motivation depends on the belief that increased effort to achieve an improved level of performance will be achieve and improved level of performance will be successful, and the expectations that improved performance, in turn, will be instrumental in obtaining positive rewards and avoiding negative outcomes. The theory is of the suggestion that a leader needs to influence follower's perception of work goals, self-development goals and paths to goal attainment. This implies that the leader affects the worker's performance to the extent that the leader is able to support which would not otherwise be provide. The path-goal model has identified certain leadership behaviours. House (1971) identified four leadership behaviours namely: Directive, supportive, participative and achievement oriented. He gave out that "Directive leader" lets subordinates know what is expected of them and gives them specific direction: "supportive leader" employs a friendliness relationship with subordinates, treats employees as equals and shows concerns for their welfare, the "participative leader" makes consultations with subordinates and considers their suggestion before making a decision and the "achievement – oriented leader" is concerned with setting challenging goals, and seeks improvement by subordinates on their performance.

Stogdill (1999) contents that these styles are not mutually exclusive; that in fact, a leader or manager can adopt them at different times and indifferent situations. As to which of the contrasting styles is best from the point of view of maximizing follower satisfaction and motivation, Baron contends that it depends on the contingency factors.

In conclusion, although the path-goal approach of leadership has been criticized on the grounds that the approach has developed only a few hypotheses and that it second the relationship between the directive leaders behaviour and subordinates satisfaction" has received only little support, yet it can be said that the model has contributed positively to the studies of factors of effective leaders. The model has made some improvement in the trait theory. It has also indicated the factors that affect motivation to perform. The model has been identified to introduce both situational factors and individual difference in the examination of leader behaviour and their outcome such as satisfaction and performance.

**Situational Approach:** The situational leadership approach is a model, which has evolved as a result of the inconclusive and contradictory results of the earlier studies of personality traits and path-goal models treated above. The basic assumption of this model is that effective leadership must be characterizing by flexibility and adaptability to differences among subordinates and situations. It suggests that different situation calls for

different types of leaders. This approach is of the view that effective leader involve careful attention to both character abilities, traits skills and situation variables like the task being performed, the availability of needed resources and the like.

According to Miner (2005), the situational approach implies that when one individual occupies a leadership position for an extended period of time, this person must adopt his behaviour to shift in situational factors. In other words, Miner concurs that based on the situational assumptions, leaders must be flexible, and able to respond to change both within and outside their organizations (such as the employee motivation trends, technological innovations, changing patterns of competition, e.t.c.) i.e. the leader must flow with the environmental dynamics.

A summary review of the situational approach of leaders indicates a support to the fact that there is not one best leadership approach that is commonly suited for all situations, hence, leaders should manifest the behaviour that will have the optimum positive effect on employees' performance such that constant increased productivity and achievement of overall corporate, objectives, improvement in employees' motivation, job satisfaction, career enhancement and organizational responsiveness to stakeholders expectations will be attained.

Contingency Theory: One of the major well-known contingency theories is the favourability of leadership situation model developed by Fiedler (1998). In his studies, Fiedler averred that leaders practiced one or other of two styles that is task-oriented leadership and relationship oriented leadership. Fiedler's contingency theory is of the basic assumption that a leaders' contribution to successful performance by his group is determined both by the leader's traits and by various features of the situations in which the group operates. Fiedler identified esteem for least preferred co-worker (PLC) as most important. Fiedler's LPC scale measures tendencies to evaluate the person with whom they find it most difficult to work with in a favourable or unfavourable manner that is the least preferred person to work with. The assumption of this model is the less critical the rating of the least preferred co-worker (LPC) and the more favourable he is evaluated, the higher the leader's PLC score. On the other hand, the more critical the rating and more unfavourably he is evaluated, the lower the leader PLC scores. By implication, it follows then the leader with a high LPC score would derive most satisfaction form interpersonal relationships and when relationship with subordinates needs to be improved, the leader is motivated to act supportively and considerably. Conversely, leader with a low LPC score was considered to derive the most satisfaction from performance of the task and achieving objectives. To this end, to make for leadership effectiveness as well as organization efficiency and effectiveness, everyone in the organizational leadership must be capable of studying all situational factors.

# **Group Performance and Effectiveness**

Organization is made of groups of people. Each group always that the expected task to perform and parameters that measures whether or not it is effective. It should be noted however, that organizational group performance and effectiveness cannot be devoid of leadership. The assertion of "effort of cohesiveness and communication on group effectives" according to Gbadamosi and Adebakin (1996), shows the fact that leaders should see themselves as part and parcel of the organization's work group and that the effectiveness of such group depends on the ability of the leader to make for group consistency and cohesive the group, the more effective the communication within the work group and the more effective the group performs as an integrated part towards the attainment of corporate goals and objectives. To this end, as would normally be expected, the more effective the work group is in performance of their group task, the higher will be the productivity rate which in turn results in organizational growth and corporate effectiveness.

# 3. Research Methodology

The paper evaluated the relationship between leadership style and employee performance in an organization. The primary data from the study was through descriptive survey of leadership style in relation to employee performance. The gross sectional study covered a representative sample of 200 employers/employees regardless of gender or position. The study was conducted in some selected business organizations in federal capital territory Abuja, Nigeria. Simple random sampling technique was used to select the respondents within the selected organization, while the departments in each organization were grouped into sections out of which representatives were chosen. 250 questionnaires were distributed to various business organizations, A total of 210 questionnaire were returned out of which 200 was found to be valid and useful for this study, this represent 80% which is good enough for the study. The data collected were presented in tables and analyzed using regression model statistical technique with the use of statistical package for social sciences (SPSS VERSION 15) in order to confirm the stated hypothesis.

# 4. Research Findings and Analysis

# **Research Hypotheses and Discussion of Findings**

The hypothesized statements were tested using regression model statistical tool with the help of SPSS as earlier

stated. The tests conducted at 95% confidence interval and 0.005 level of significant. The decision rule was that if the calculated P-value is less than the critical value (0.05), we reject the Null hypothesis, otherwise it will be accepted.

The following were the result of the tested hypothesis:

# Model Summary(b)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.161(a)	.033	.016	.37532	1.168

a Predictors: (Constant), leadership style

b Dependent Variable: Employee performance

## Coefficients(a)

		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
Model		В	Std. Error	Beta		-
1	(Constant)	3.730	.070		76.604	.000
	Leadership Style	.048	.016	.161	2.367	.016

a Dependent Variable: Employee Performance

## Summary of Regression Results and other Statistics

Α	β <sub>pef</sub>	P. value	R	$r^2$	Τα
4.890	0.048	0.016	0.161	0.63	0.05

## Source: SPSS Version 15

The regression line is (SMEs PERFORMANCE=  $4.890+0.048_{pef}$ ) indicates that employee performance will increase by 0.046% for every 1% increase in good leadership style in the organization. The significant value of P-value 0.016 is less than the t-value of 0.05. We therefore, reject Null Hypothesis and accept the Alternate hypothesis that the relationship between leadership style and employee performance in an organization is significant. The correlation coefficient (r) of 0.161 shows a weak relationship and the coefficient of determination ( $\mathbf{r}^2$ ) of 0.63 indicates that about 63% variation is explained by the role of leadership style or the ability of the regression line to predict employee performance is about 63%.

# Pearson Product Moment Correlation Coefficient (Ppmcc) Results Correlations

		Employee Performance	Leadership Style
Employee Performance	Pearson Correlation	1	.161(*)
	Sig. (2-tailed)		.016
	N	241	241
Leadership Style	Pearson Correlation	.161(*)	1
	Sig. (2-tailed)	.016	
	N	200	200

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

# Source: SPSS Version 15

The above pearson's result revealed a positive and significant correlation between Leadership Style and Employee Performance (given the coefficient and p-value of 0.161 and 0.016) respectively. It also shows that the relationship between the each variable to itself is perfect i.e.1.

# Summary of Findings

The study reveals the importance of a good leadership style as a veritable tool for employee performance and effectiveness as indicated by the high regression between the leadership style and prosperity of the independent variable, employee performance. That by implication, for any percentage increase in good leadership style in an organization, the higher the employee performance and effectiveness. Also there is need for effective leadership style options for business organizations as it has a significant impact on their profit, human resources management, growth and development which in turn has a great impact on the level of growth and development of the economy and towards nation's building. The findings of the study also revealed that effective leaders always get the best out of their workers performance, Leaders who maintain harmonious working relationship with workers will have positive impact on their performance.

# 5. Conclusion and Policy Recommendations

The study evaluated the relationship between leadership style and employee performance in organization which revealed a positive relationship between the two variables. The hypotheses tested in this study showed that the unique achievement of a leader is a human and social one which stems from his understanding of his fellow workers and the relationship of their individual goals to the group goals. Good leaders also attach the workers

self-interest to the interest of employee or the group. They show the best way of encouraging maximum benefits of workers performance. It is obvious from the data analyzed so far, that a very strong relationship exists between the styles of leadership and employees performance. From this study effective style of relationship has its unique features.

It must entail the use of motivational factors like; Job satisfaction, career development, workers participation in a decision making process, promotion and some benefits, challenging tasks, and the others. This is regarded to be one of the best ways of eliciting high participating and performance level of workers in the organization. More so, maintenance of cordial relationship between leaders and followers has also been considered as one of the important factors that enhance high level of workers performance. Leader who give prospect for better future condition of workers also have good command of their present conditions. The point deducted from this is that effectiveness in leadership style affects the level of workers performance in the organizations. It should be noted that aggregate of individual targets of all organizational member is the overall target of the organization because the organization and its members work as a system (integrated parts making a unified whole). When therefore, individuals regularly meet their set target, the result would be that the overall organizational target would be meet. Consequently, when an organization's overall target is regularly met, the result will be organizational growth. In view of these facts, the research has drawn the conclusion that leadership has a significant effect on workers performance and organization growth.

Base on the conclusion reached, the study recommends some intrinsic reward which is a function of efficiency. Good motivation is critical for achieving organizational objectives. Therefore, recognizing worker's needs is an essential step to planning and motivational effort. Hence, every action taken by a leader stimulates a reaction in the employees. More so, the attainment of the objectives of most business organization are usually borne out of the fact that leadership recognizes the needs of the workers, employ appropriate motivational tool such as promotion of staff based on merit and relevant skills. In addition, provision of suitable working environment and application of an appropriate leadership style that will encourage free flow of information among leaders and their employee which will lead to good organization and employee performance should be employ. The organization also has to identify areas of lapses and ensures that all categories of staff are well integrated in the system. If all these are done, there would be effective and efficient coordination of workers' effort by their leaders so as to give the maximum benefits to all individual and the organization as a whole.

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