

Influence of Leadership Styles on Job Satisfaction of Employees in Small and Medium Enterprises

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ABSTRACT

This study investigated the influence of leadership styles with a view to determine if income and job status have significant relationship on job satisfaction of employees in Small and Medium Enterprises of South-West, Nigeria. The study was a survey research which employed ex-post facto design. A total number of 560 male and female respondents took part in the study, with a mean age of 39.9 and S.D (9.1). Structured questionnaire format was used for data collection with (LBDQ) scales that were developed and designed to measure perceived leadership styles on job satisfaction. The study utilized both the descriptive and inferential statistics for data analysis. Specifically, the Statistical Package for Social Sciences (SPSS) version 20, computer software was employed for data analysis. The results revealed that employees who perceived their leaders as high on consideration leadership style reported more job satisfaction than employees who perceived their leaders as low on consideration ($t(558) = 15.71, P < .001$). Alternative hypothesis was accepted while the null hypothesis was rejected. Employees who perceived their leaders as high in initiating structure leadership style reported more of achievement motivation than employees who perceived their leaders as low in initiating structure leadership ($t(558) = 2.97, P < .05$). Therefore, the alternative hypothesis was accepted. The result also showed that job status of employees in SMEs significantly influenced job satisfaction ($F(2,557) = 20.85, P < .001$). The alternative hypothesis was accepted and finally, income status of employees significantly influenced achievement motivation in SMEs ($F(5,554) = 35.84, P < .001$ and the alternative hypothesis was accepted while the null hypothesis was rejected. It is therefore concluded that there is no one best way to leadership but as situation arises. However, the study revealed that high Consideration and Initiating Structure Leadership style will lead to achievement motivation and Job satisfaction. However, insufficient education, inability to select qualified workers for the job, low income and job status all affect job satisfaction. It is suggested that mentoring should be used as a means to develop and motivate employees towards entrepreneurship and intrapreneurship in order to achieve organizational sustainability and employee job satisfaction.

Key Words: Leadership style, Job Status, Income Status and Job Satisfaction

Introduction

One criticism of early work on leadership styles is that they looked at styles too much in black and white terms. The autocratic and democratic styles or task-oriented and relationship-oriented styles were described as extremes, whereas in practice the behaviour of many, perhaps most leaders in business will be somewhere between the two. This is because leadership style influences level of employee motivation and job satisfaction and employee motivation is influenced by changing ambitions and/or leadership style he works under or socializes with. There are numerous theories attempting to explain job satisfaction, but three conceptual frameworks seem to be more prominent in the literature. The first is content theory, which suggests that job satisfaction occurs when one's need for growth and self-actualization are met by the individual's job. The second is often referred to as process theory that looks at how well the job meets one's expectations and values while the third includes situational theories, which propose that job satisfaction is a product of how well an individual's personal characteristics interact or mesh with the organizational characteristics. The three theoretical frameworks has been explored and reviewed by countless scholars and researchers, hence the objective of this study is to highlight some of the main theories and theorists in order to provide clarity, relevance and direction to this study.

Literature review

Theories of Job Satisfaction (*Content Theories*)

Maslow's (1954) traditionalist views of job satisfaction were based on his five-tier model of human needs. At the lowest tier, basic life sustaining needs such as water, food, and shelter were identified. The next level consisted of physical and financial securities, the third level included needs of social acceptance, belonging, and love. The fourth tier incorporated self-esteem needs and recognition by one's peers and at the top of the pyramid was reserved for self-actualization needs such as personal autonomy and self-direction. According to Maslow, the needs of an individual exist in a logical order and that the basic lower level needs must be satisfied before those at higher levels. Then, once the basic needs are fulfilled, they no longer serve as motivators for the individual. The more a job allows for growth and acquisition of higher level needs, the more likely the individual is to report satisfaction with his or her job. Furthermore, the success of motivating people depends on recognizing the needs that are unsatisfied and helping the individual to meet those needs. Building on the theories of Maslow, Frederick Herzberg (1974 cited in Worrell, 2004) suggested that the work itself could serve as a principal source of job satisfaction. Herzberg's theory recognized that work characteristics generated by dissatisfaction were quite different from those created by satisfaction. He identified the factors that contribute to each dimension as "motivators" and "hygienes". The motivators are intrinsic factors that influence satisfaction based on fulfillment of higher level needs such as achievement, recognition, and opportunity for growth. The hygiene factors are extrinsic variables such as work conditions, pay, and interpersonal relationships that must be met to prevent dissatisfaction. When hygiene factors are poor, work will be dissatisfying. However, simply removing the poor hygiene does not equate to satisfaction. Similarly, when people are satisfied with their job, motivators are present, but removing the motivators does not automatically lead to dissatisfaction. Essentially, job satisfaction depends on the extrinsic characteristics of the job, in relation to the job's ability to fulfill one's higher level needs of self-actualization.

Process Theories

Process theories attempt to explain job satisfaction by looking at expectancies and values (Gruneberg, 1979 cited in Worrell, 2004). This theory of job satisfaction suggests that workers' select their behaviors in order to meet their needs (Adam, J.S 1963 and Vroom, V 1964, 1982). Adams' suggested that people perceive their job as a series of inputs and outcomes. Inputs are factors such as experience, ability, and effort, while outcomes include things like salary, recognition, and opportunity. The theory was based on the premise that job satisfaction is a direct result of individuals' perceptions of how fairly they are treated in comparison to others. This "equity theory" proposes that people seek social equity in the rewards they expect for performance. In other words, people feel satisfied at work when the input or contribution to a job and the resulting outcome are commensurate to that of their coworkers. According to Milkovich and Newman (1990), this social equity is not limited to others within the same workplace, and the equity comparisons often reach into other organizations that are viewed as similar places of employment.

Vroom (1964, 1982) theory of job satisfaction was similar in that it looked at the interaction between personal and workplace variables; however, he also incorporated the element of workers' expectations in his theory. The essence of this theory is that if workers put forth more effort and perform better at work, then they will be compensated accordingly. Discrepancies that occur between expected compensation and actual outcome lead to dissatisfaction. If employees receive less than they expect or otherwise feel as if they have been treated unfairly, then dissatisfaction may occur. Conversely, overcompensation may also lead to dissatisfaction and the employee may experience feelings of guilt. The compensation does not have to be monetary, but pay is typically the most visible and most easily modified element of outcome. Salary also has significance beyond monetary value and the potential to acquire material items. Vroom (1982) explained that employees would choose to do or not do job tasks based on their perceived ability to carry out the task and earn fair compensation. To illustrate and clarify his ideas, Vroom generated a three-variable equation for scientifically determining job satisfaction. Expectancy is the first variable, and this is the individual's perception of how well he or she can carry out the given task. Instrumentality is the second variable of the equation, and this refers to the individual's confidence that he or she will be compensated fairly for performing the task. Valence is the third variable, which considers the value of the expected reward to the employee. In Vroom's formula each variable is given a probability value, and when all three factors are high, workers will be more satisfied and have more motivation. If any of the factors are low, work performance and employee motivation will decline.

Leadership theories

Leadership theories are incomplete without understanding the concept of Leadership. Hence, a review of the better known classic studies can help set the stage for the traditional and modern theories of leadership and how leadership styles influences employees job satisfaction among employees of selected Small and Medium Enterprises in South West Nigeria.

The traits approach

The Trait Approach arose from the “Great Man” theory as a way of identifying the key characteristics of successful leaders. It was believed that through this approach critical leadership traits could be isolated and that people with such traits could then be recruited, selected, and installed into leadership positions. The problem with the trait approach lies in the fact that almost as many traits as studies undertaken were identified. After several years of such research, it became apparent that no consistent traits could be identified. Some leaders might have possessed certain traits but the absence of them did not necessarily mean that the person was not a leader. Although there was little consistency in the results of the various trait studies, however, some traits did appear more frequently than others, including: technical skill, friendliness, task motivation, application to task, group task supportiveness, social skill, emotional control, administrative skill, general charisma, and intelligence. Of these, the most widely explored has tended to be “charisma”. As a result of the inconclusive studies of trait studies, another approach in the study of leadership had to be found (Bolden, Gosling, Marturano and Dennison, 2003). After the publication of the late Douglas McGregor's classic book *The Human Side of Enterprise* in 1960, attention shifted to ‘behavioural theories’ which emphasize focusing on human relationships, along with output and performance.

The Behavioural Studies

The Ohio State group was determined to study leadership, regardless of definition or of whether it was effective or ineffective. These researchers sought to identify independent dimensions of leader behavior. Beginning with over a thousand dimensions, they eventually narrowed the list into two categories that substantially accounted for most of the leadership behavior described by subordinates. They called these two dimensions Initiating structure and Consideration.

Initiating structure refers to the extent to which a leader is likely to define and structure his or her role and those of subordinates in the search for goal attainment. It includes behavior that attempts to organize work, work relationships and goals. The leader characterized as high in initiating structure could be described as someone who “assigns group members to particular tasks,” “expects workers to maintain definite standards of performance” and “emphasizes the meeting of deadlines”.

Consideration is described as the extent to which a person is likely to have job relationships that are characterized by mutual trust, respect for subordinates’ ideas and regard for their feelings. He or she shows concern for followers’ comfort, well being, status and satisfaction. A leader high in consideration could be described as one who helps subordinates with personal problems, is friendly and approachable and treats all subordinates as equals. Extensive research based on these definitions found that leaders high in initiating structure and consideration (a “high-high” leader) tended to achieve subordinate performance and satisfaction more frequently than those who rated low on consideration, initiating structure, or both. However, the “high-high” style did not always result in positive consequences. For example, leader behaviour characterized as high on initiating structure led to greater rates of grievances, absenteeism, and turnover and lower levels of job satisfaction for workers performing routine tasks. Other studies found that high consideration was negatively related to performance ratings of the leader by his or her superior. In conclusion, the Ohio State studies suggested that the “high-high” style generally resulted in positive outcomes but enough exceptions were found to indicate that situational factors needed to be integrated into the theory.

The Contingency or Situational studies

Whilst behavioural theories may help managers develop particular leadership behaviours, they give little guidance as to what constitutes effective leadership in different situations. Indeed, most researchers today conclude that no one leadership style is right for every manager under all circumstances. Instead, contingency-situational theories were developed to indicate that the style to be used is contingent upon such factors as the situation, the people, the task, the organisation, and other environmental variables. The major theories contributing towards this school of thought are:

Fiedler's Contingency Model

Fiedler's contingency theory postulates that there is no single best way for managers to lead. Situations will create different leadership style requirements for a manager. The solution to a managerial situation is contingent

on the factors that impinge on the situation. For example, in a highly routine (mechanistic) environment where repetitive tasks are the norm, a relatively directive leadership style may result in the best performance, however, in a dynamic environment a more flexible, participative style may be required. Fiedler looked at three situations that could define the condition of a managerial task: 1). Leader member relations: How well do the manager and the employees get along? 2). Task structure: Is the job highly structured, fairly unstructured, or somewhere in between? 3). Position power: How much authority does the manager possess? Managers were rated as to whether they were relationship oriented or task oriented. Relationship oriented managers do better in all other situations. Thus, a given situation might call for a manager with a different style or a manager who could take on a different style for a different situation.

The Hersey-Blanchard Model of Leadership

The Hersey-Blanchard Leadership Model also takes a situational perspective of leadership. This model posits that the developmental levels of a leader's subordinates play the greatest role in determining which leadership styles (leader behaviours) are most appropriate. Their theory is based on the amount of direction (task behaviour) and socio-emotional support (relationship behaviour) a leader must provide given the situation and the "level of maturity" of the followers.

For Blanchard the key situational variable, when determining the appropriate leadership style, is the readiness or developmental level of the subordinate(s). As a result, four leadership styles result: 1). Directing: The leader provides clear instructions and specific direction. 2). Coaching: The leader encourages two-way communication and helps build confidence and motivation on the part of the employee, although the leader still has responsibility and controls decision making. 3). Supporting: With this style, the leader and followers share decision making and no longer need or expect the relationship to be directive. 4). Delegating: This style is appropriate for leaders whose followers are ready to accomplish a particular task and are both competent and motivated to take full responsibility. To determine the appropriate leadership style to use in a given situation, the leader must first determine the maturity level of the followers in relation to the specific task that the leader is attempting to accomplish through the effort of the followers. As the level of followers' maturity increases, the leader should begin to reduce his or her task behaviour and increase relationship behaviour until the followers reach a moderate level of maturity. As the followers begin to move into an above average level of maturity, the leader should decrease not only task behaviour but also relationship behaviour. Once the maturity level is identified, the appropriate leadership style can be determined.

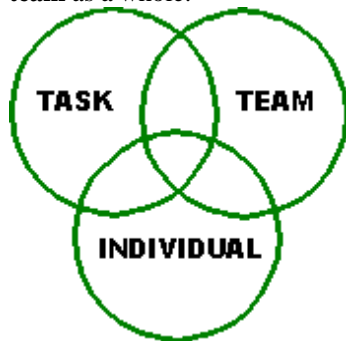
Tannenbaum & Schmidt's Leadership Continuum

Contingency theorists Tannenbaum and Schmidt suggested the idea that leadership behaviour varies along a continuum and that as one moves away from the autocratic extreme the amount of subordinate participation and involvement in decision taking increases. They also suggested that the kind of leadership represented by the democratic extreme of the continuum will be rarely encountered in formal organizations (Bolden, Gosling, Marturano and Dennison, 2003)

Four main leadership styles can be located at points along such a continuum: 1). Autocratic: The leader takes the decisions and announces them, expecting subordinates to carry them out without question (the *Telling* style). 2). Persuasive: At this point on the scale the leader also takes all the decisions for the group without discussion or consultation but believes that people will be better motivated if they are persuaded that the decisions are good ones. He or she does a lot of explaining and 'selling' in order to overcome any possible resistance to what he or she wants to do. The leader also puts a lot of energy into creating enthusiasm for the goals he or she has set for the group (the *Selling* style). 3). Consultative: In this style the leader confers with the group members before taking decisions and, in fact, considers their advice and their feelings when framing decisions. He or she may, of course, not always accept the subordinates' advice but they are likely to feel that they can have some influence. Under this leadership style the decision and the full responsibility for it remain with the leader but the degree of involvement by subordinates in decision taking is very much greater than telling or selling styles (the *Consulting* style). 4). Democratic: Using this style the leader would characteristically lay the problem before his/her subordinates and invite discussion. The leader's role is that of conference leader, or chair, rather than that of decision taker. He or she will allow the decision to emerge out of the process of group discussion, instead of imposing it on the group as its boss (the *Joining* style). What distinguishes this approach from previous discussions of leadership style is that there will be some situations in which each of the above styles is likely to be more appropriate than the others.

Adair's Action-Centered Leadership Model

The Adair model is that the action-centered leader gets the job done through the work team and relationships with fellow managers and staff. According to Adair's explanation an action-centered leader must: direct the job to be done (**task** structuring), support and review the **individual** people doing it; co-ordinate and foster the work **team** as a whole.



Action-Centred Leadership Model (Adair, 1973)

Transactional and Transformational Leadership

James MacGregor Burns writing in his book 'Leadership' was the first to put forward the concept of "transforming leadership". To Burns transforming leadership "is a relationship of mutual stimulation and elevation that converts followers into leaders and may convert leaders into moral agents". Burns went on to also further define it by suggesting that: "Transforming leadership occurs when one or more persons engage with others in such a way that leaders and followers raise one another to higher levels of motivation and morality..." Burns sees the power of transforming leadership as more noble and different from charismatic leadership, which he terms 'heroic' leadership, and executive or business leadership. The goal of transformational leadership is to 'transform' people and organisations in a literal sense – to change them in mind and heart; enlarge vision, insight, and understanding; clarify purposes; make behaviour congruent with beliefs, principles, or values; and bring about changes that are permanent, self-perpetuating, and momentum building. Bass and Avolio, (1994). The transformational leaders are proactive in many different and unique ways. These leaders attempt to optimize development, not just performance. Development encompasses the maturation of ability, motivation, attitudes, and values. Such leaders want to elevate the maturity level of the needs of their associates (from security needs to needs for achievement and self-development).

Hooper and Potter (1997) extend the notion of transformational leadership to identify seven key competences of "transcendent leaders": those able to engage the emotional support of their followers and thus effectively transcend change. Heifetz (1994) distinguishes between the exercise of "leadership" and the exercise of "authority" – thus dissociating leadership from formal organisational power roles whilst Raelin (2003) talks of developing "leaderful" organisations through concurrent, collective and compassionate leadership.

Statement of the Problem

In spite of huge losses in investment and failures of some organisations in Nigeria, most empirical studies carried out focused mainly on Finance/Capital inadequacy, environmental factors and political instability amongst others. However, despite the fact that the major linkage to the failure or success of any organisation is the leader and the type of style he adopts to manage men, money, machines and methods for successful operations of his business enterprises. This study therefore looks at how leaders in Small and Medium Enterprises can manage their personnel for effective performance of their jobs through appropriate leadership style, job income and status in order to achieve organizational goals and sustainability.

Objective of the study

This study investigated the influence of leadership styles on job satisfaction specifically to identify various types of leadership styles in organizations and establish the nexus between leadership style and organizational achievement. It also, analysed the challenges facing leaders in enhancing achievement motivation and job satisfaction of employees in SMEs.

Research Questions

1. Will employees who perceive their leaders as high in consideration leadership style report more job satisfaction than employees who perceive their leaders as low in consideration leadership style in SMEs?
2. To what extent will employees who perceive their leaders as high on initiating structure leadership style report more achievement motivation than employees who perceive their leaders as low in initiating – structure leadership style in SMEs.
3. Will job status of employees in SMEs significantly influence their job satisfaction?
4. How will income status of employees significantly influence Achievement Motivation of employees in SMEs?

Statement of Hypotheses

Hypothesis 1:

H₀: Employees who perceive their leaders as high in consideration leadership style will not report job satisfaction than employees who perceive their leaders as low in consideration leadership style in SMEs

H₁: Employees who perceive their leaders as high in consideration leadership style will report more job satisfaction than employees who perceive their leaders as low in consideration leadership style in SMEs.

Hypothesis 2:

H₀: Employees who perceive their leaders as high on initiating structure leadership style will not report more achievement motivation than employees who perceive their leaders as low in initiating – structure leadership style in SMEs

H₁: Employees who perceive their leaders as high on initiating structure leadership style will report more achievement motivation than employees who perceive their leaders as low in initiating – structure leadership style in SMEs

Hypothesis 3:

H₀: Job status of employees in SMEs will not significantly influence their job satisfaction.

H₁: Job status of employees in SMEs will significantly influence their job satisfaction

Hypothesis 4:

H₀: Income status of employees in SMEs will not significantly influence their achievement motivation.

H₁: Income status of employees in SMEs will significantly influence their achievement motivation.

Methodology

This study was a cross-sectional survey, which adopted the ex-post facto design.

The study was targeted at employees of SMEs in South-Western Nigeria. A total number of 560 employees of selected SMEs participated in the study as respondents. The study adopted both the purposive and convenience sampling techniques. Questionnaire was used for data collection. Section A measured socio-demographic characteristics of the participants. These characteristics included gender, age, marital status, educational status, income status, job status etc. Section B of the questionnaire assessed leadership styles of leaders as perceived by their employees. Leader Behaviour Descriptive Questionnaire (LBDQ) was used for data collection. The LBDQ is famous for introducing two dimensions of leadership (consideration and initiating structure or task orientation) that have remained very much constant in leadership studies. The LBDQ is 40-item scale, having a response format likened after Likert, ranging between “Always”, “Often”, “Occasionally”, “Seldom”, and “Never”. Based on the item analysis conducted on this scale, the items were reduced to 25 items. These 25 items were found to have the least item-total of 0.67. The 25 items were therefore used for data collection in the study. A Cronbach alpha of 0.88 was reported for the scale.

Also, adopted was 12 item scale meant to measure job satisfaction with a response format ranging between “Not satisfied at all (1), “Somewhat Satisfied (3)” and “Extremely Satisfied (5)”. High scores in this scale indicated more job satisfaction while low scores indicated less job satisfaction. A Cronbach’s Alpha (i.e Reliability coefficient) of 0.75 was reported for the scale in this study. The population covered selected 600 employees of selected 60 SMEs operating in 6 states of South West, Nigeria out of which 560 responses (questionnaire copies) were valid for analysis. The obtained data for the study were subjected to both descriptive and inferential statistical analysis. The Statistical Package for Social Sciences (SPSS) version 17.0 computer software was utilized for data analysis.

Results and Discussion

Table 1.

	Job status: Junior staff Senior staff Top management staff	No of Respondents 248 212 100	Percentage 44.3 37.9 17.9
	Income per month: Less than ₦10,000 ₦10,000 – ₦20,000 ₦20,000 – ₦30,000 ₦30,000 – ₦40,000 ₦40,000 – ₦50,000 Above ₦50,000	12 144 73 125 133 73	2.1 25.7 13.0 22.3 23.8 13.0
	Type of organization: Manufacturing Services	223 337	39.8 60.2
	Number of employees in your organization: 11- 50 51- 100 101- 200 \bar{X} Age = 39.9 years SD of age 9.1 Total Number of Respondents (N) = 560	117 258 185	20.9 46.1 33.0

Source: Field Study 2011

Table 2: Shows the Descriptive Statistics of respondents responses to job satisfaction items

S/no	Job satisfaction items	Not satisfied at all	A little satisfied	Somewhat satisfied	Satisfied	Extremely satisfied	N
1.	General working conditions Hours worked each day	88 (15.7%)	202 (36.1%)	78 (13.9%)	158 (28.2%)	34 (6.1%)	560
2	Flexibility in scheduling	33 (5.9%)	156 (27.9%)	112 (20.0%)	213 (38.0%)	46 (8.2%)	560
3	Location of work	88 (15.7%)	191 (34.1%)	56 (10%)	123 (22%)	102 (18.2%)	560
4	Amount of paid vacation time/ sick leave offered	111 (19.8%)	77 (13.8%)	66 (11.8%)	260 (46.4%)	46 (8.2%)	560
Pay and Promotion Potential							
5	Opportunity for promotion	111 (19.8%)	89 (15.9%)	135 (24.1%)	134 (23.9%)	91 (16.3%)	560
6	Benefits Health insurance, life insurance,	177 (31.6%)	121 (21.6%)	79 (14.1%)	103 (18.4%)	80 (14.3%)	560
7	Job security	89 (15.9%)	167 (29.8%)	56 (10.0%)	158 (28.2%)	(16.1%)	560
8	recognition for work accomplished	134 (23.9%)	189 (33.8%)	78 (13.9%)	137 (24.5%)	22 (3.9%)	560
	Use of skills and abilities						
9	Opportunity to learn new skills	110 (19.6%)	135 (24.1%)	147 (26.3%)	101 (18.0%)	67 (12.0%)	560
10	Support for additional training and education	134 (23.9%)	144 (25.7%)	45 (8.0%)	158 (28.2%)	79 (14.1%)	560
Work Activities							
11	Degree of independence associated	99 (17.7%)	158 (28.2%)	45 (8%)	146 (26.1%)	112 (20%)	560
12	Adequate opportunity for periodic changes in duties	46 (8%)	101 (18%)	34 (6.1%)	121 (21.6%)	259 (46.3%)	560

Source: Field Survey 2011

HYPOTHESES TESTING

Four (4) hypotheses were stated and tested. The study utilized the statistical tests of T-test for independent measures, Pearson, r correlation and one-way analysis of variance

Hypothesis One

H₁: Employees who perceive their leaders as high in consideration leadership style will report more job satisfaction than employees who perceive their leaders as low in consideration leadership style in SMEs.

H₀: Employees who perceive their leaders as high in consideration leadership style will not report job satisfaction than employees who perceive their leaders as low in consideration leadership style in SMEs.

This hypothesis was tested by t-test for independent measures. The result is shown in table 2 below.

Table 3: A summary table of t-test for independent measures showing the influence of perceived consideration leadership styles on job satisfaction among employees in SMEs

Perceived consideration leadership styles	N	\bar{X}	SD	DT	T	P
Higher	306	56.22	7.51	558	15.71	<.001
Lower	254	47.16	5.81			

Source: Field Survey 2011

The result in table 3 revealed that employees who perceived their leaders as high on consideration leadership style reported more job satisfaction than employees who perceived their leaders as low on consideration (t (558) = 15.71, P<.001). This therefore connotes that the alternative hypothesis was accepted while the null hypothesis was rejected.

Hypothesis Two

H₀: Employees who perceive their leaders as high on initiating structure leadership style will not report more achievement motivation than employees who perceive their leaders as low in initiating – structure leadership style in SMEs

H₁: Employees who perceive their leaders as high on initiating structure leadership style will report more achievement motivation than employees who perceive their leaders as low in initiating – structure leadership style in SMEs

The hypothesis was tested by t-test for independent measures and the result is shown in table 4 below

Table 4: A summary table of t-test for independent measures showing the influence of Initiating – Structure Leadership Style on Achievement Motivation in SMEs

Initiating structure leadership style	N	\bar{X}	SD	DT	T	P
Higher	284	15.75	4.47	558	2.97	<.05
Lower	276	14.78	3.14			

Source: Field Survey 2011

The result in table 4 revealed that employees who perceived their leaders as high in initiating structure leadership style reported more of achievement motivation than employees who perceived their leaders as low in initiating structure leadership (t(558) = 2.97, P<.05). Therefore, the alternative hypothesis was accepted while the null hypothesis was rejected.

Hypothesis Three

H₀: This states that job status of employees in SMEs will not significantly influence their job satisfaction.

H₁: Job status of employees in SMEs will significantly influence their job satisfaction

Table 5: A summary table of t-test for independent measures showing the influence of job status on job satisfaction among employees in SMEs

Sources	Sum of Squares	df	Mean Square	F	P
Between Group	2584.36	2	1292.18	20.85	<.001
Within Group	34521.99	557	61.98		
Total	37106.36	559			

Source: Field Survey 2011

The result in table 5 showed that job status of employees in SMEs significantly influenced job satisfaction (F(2,557) = 20.85, P<.001). Therefore, the alternative hypothesis was accepted while the null hypothesis was rejected.

Hypothesis Four

- H₀: This states that income status of employees will not significantly influence achievement motivation in SMEs
 H₁: This states that income status of employees will significantly influence achievement motivation in SMEs.

Table 6: A summary table of one-way Analysis of variance showing the influence of income status of employees on achievement motivation

Sources	Sum of Squares	df	Mean Square	F	P
Between Group	2077.74	5	415.55	35.84	<.001
Within Group	6423.00	554	11.59		
Total	8500.73	559			

Source: Field Survey 2011

The result in table 6 above revealed that income status of employees significantly influenced achievement motivation in SMEs ($F(5,554) = 35.84, P < .001$). therefore, the alternative hypothesis was accepted while the null hypothesis was rejected.

Discussions

It was established in this study that perceived leadership styles (either consideration style or initiating structure style) have significant impact on employees' job satisfaction and achievement motivation. Therefore, supervisors, managers and other top cadre staff should be encouraged using either of the styles in respect of the situation they may find themselves. When employees are satisfied, they tend to care more about work quality, they show higher levels of organizational commitment, they have higher retention rates, and they are generally more productive (Bravendam Research Incorporated, 2002). Spector (1997) suggested that job satisfaction data is fundamental in evaluating the emotional wellness and mental fitness of employees. Employees (306) who perceived their leaders as high on consideration styles reported more achievement motivation than those who reported their leaders low (254) respondents. This is in line with Solo Leadership that "a leader shapes and shares a vision which gives point to the work of others." It was also in line with Ohio State studies that a leader High in Consideration style will have concern for followers' comfort, well-being, status and satisfaction.

A higher positive response of 284 respondents preferred high initiating structure leadership styles as a means of getting achievement motivation. This shows that a leader high in initiating structure style that includes behavior that attempts to organize work, work relationships and goals, assign members to particular tasks and expects definite standards of performance, with stipulated deadline will achieve subordinate performance satisfaction more frequently than those who are rated low. This result is in agreement with Ohio State University findings. Also, SMEs are characterized with semi-skilled labour (248 (44.3%) junior Staff who are not well experienced on the job, as such, role model in form of leadership, giving directives on how a task must be performed is an idea employees did not see as autocratic but participative leadership styles when carrying out the assigned work. However, too much leader's directives and involvement in the work can be regarded as Theory X leadership style as postulated by McGregor, Blake and Mouton Managerial Grid 9.1 managers (sometimes referred to as autocratic task managers), who are concerned only with developing an efficient operation, but have little or no concern for people, and who are quite autocratic in their style of leadership. or Adair's Action Centered Leadership (task structuring).

The Study also revealed that Job status of employees in SMEs significantly influenced their job satisfaction. While traditional employees in SMEs are concerned with status symbols (those who do not have the need to become entrepreneurs), others who are entrepreneurship or intrapreneurship oriented are more concerned with, independence, and freedom to start their own business, unfortunately SMEs in the South-West comprised of mostly junior level employees who used SMEs as a means of apprenticeship to start their own business. Finally, Income status of employees will significantly influence achievement motivation in SMEs especially in a situation where 229 (40.8% employees receives less than N30,000.00 as income per month which is economically low considering the inflationary rate in Nigeria. This is important as (Cromie, 1985, O'Brien, 1981, Schwatz, 1976 and Scot, 1986) suggested that adequate income enables the individuals have more money, financial independence and fulfill the desire to be one's own boss. This will also boost employees' morale towards self actualization and have the sense of equity in order to meet their needs like their colleagues with the same qualification in other organisations (Maslow 1954, Adam, 1963 and Vroom, 1964, 1982).

Conclusion

Leadership Styles (Consideration and Initiating Structure) is known and practiced by leaders/managements as a means of achievement motivation and job satisfaction of employees in the selected SMEs covered in this study. Employees were motivated through promotion, mutual trust, respect for subordinates' ideas and their feelings,

also work was structured, deadlines for carrying out jobs were initiated, roles and standard of job were strictly followed by subordinates. However, the leadership styles did not include mentoring of subordinates towards entrepreneurship or intrapreneurship development that can lead to achievement motivation i.e self independence, opportunity and starting ones' own business. Even though SMEs are formed by entrepreneurs who had worked, developed and gained necessary experience from larger organizations or family businesses, this is not encouraged to be replicated in SMEs.

Instead, the leadership is based on mood or discretion of the founders/management as influenced by the organization culture, situation and profit making of the business. Also, there is a lot of secrecy and confidentiality in the business because the owners do not want to think about succession plan but the fear of subordinates taking over the business. It was also noted that none of the theories of Leadership Styles, Job Satisfaction and Achievement Motivation fits all situations of SMEs studied rather a combination is required depending upon the demands of the position, the character of personnel, situation, personality standards and expectations of the leader. As a result, despite the fact that the SMEs studied leaders embraced the use of Consideration and Initiating structure leadership styles this is seen as a "disguised" Theory X and Theory Y leadership style (stick and carrot approach) and more autocratic in nature. It involves a lot of hard work, humility and "godfatherism" for employees to accomplish achievement motivation as suggested by Ohio State University Research.

Therefore, it is suggested that Leaders of SMEs should be careful in their use of High-High leadership styles (High Consideration and High Initiating Structure) even though this may lead to high subordinates performance and satisfaction, than those with Low-Low leadership style, it can also lead to greater rates of grievances, absenteeism and turnover, lower levels of job satisfaction for workers performing routine tasks therefore, there is no one best way to manage employees but leadership style must be based on situation as it arises bearing the employees expectation in income and status as a means of achieving both employees and organizational goals.

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