

Investigate the Effect of Leadership Style on Employee's Performance

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Abstract: *The impact of leadership styles on overall organizational performance cannot be overemphasized. The study examined the effects of leadership styles on employee performance with particular reference to Life Breweries Plc, Onitsha. It discusses the theoretical underpinning of leadership styles and employee performance. The study adopted survey research method in analyzing data generated through questionnaire and oral interview. The hypotheses formulated were tested using chi-square statistical technique to bring out the relationship between leadership styles and employees performance. The study revealed among others that there is a positive and significant relationship between the leadership style in the organization and employees' performance. Based on the findings the following recommendations were made: Leaders of business organization should adopt participative style of leadership to ensure success and growth of their business. Leaders should instill in their subordinates a sense of ownership, direction and belongingness to the organization. Leaders should be honest, patriotic, intelligent brave and above all dedicated to their duties*

Keywords: *Leadership, business organization, leadership style, Onitsha Metropolis*

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1.1 Introduction

Leadership is one of the aspects that play a major role in improving and retaining the interest and commitment of employees in organization. Organization, group, institutions developed or even the emerging economies of the world face leadership problems. The success or failure of any organization depends on the leadership and the styles. Onuegbu, & Okeke, (2018) argued that the degree to which the individual exhibits leadership traits depends not only on his characteristics and personal abilities but also in the characteristic of the situation and the environment in which he finds himself.

Leaders' authority can be great or limited and their legitimacy can rest on moral, rational, or practical foundations (Yusuf Muhammed, & Kazeem, 2014).. Leadership is a dynamic process of

influencing people which, in certain organizational conditions, can have an effect on other members, with the aim of meeting the objectives of the group. Leadership is key as it is an integral element in the life of an individual or that of an organization. The history of mankind reveals that leadership is crucial in every human endeavour, from China with Chairman Mao TseTun who led the cultural revolution, to Lenin in Soviet Union who led the Soviet revolution to Nigeria where we have leaders of note like the late Chief Obafemi Awolowo, it is clear that leadership is an important factor in every human activity and in the realisation of human aims and objectives (Adekunle, 2020). There is no meaningful human endeavour that has been achieved that is not as a result of leadership. The quality of leadership of an organisation plays a significant role in its development for example in a pluralistic society like Nigeria, the art of governance is ought to be a serious affair. Although it has been found that many who are involved in leadership in Nigeria brewery are more concerned about their personal gains and careless about the people they ought to serve and lead (Mamza, Suleiman, & Usman, (2020).

1.2 Statement of Problems

Goal attainment is one of the main purposes of modern organizations including educational institutions. There is a growing interest to determine which leadership style is capable of enhancing employee's morale such that brewery firms can achieve its goals and objectives optimally. Issues of leadership styles in organizations in Nigeria have been raised in many instances, by trying to find out the causes of poor standard of brewery firms in Nigeria. It seem to be out of the mind of most leaders that leadership style in the office is an outstanding determinant of the worker's performance. More so, if workers who are also employees do not portray a good leadership style, it would also serve as a determinant on the companys performance. Issues like this are of utmost importance in a situation where employees seem to have lost the passion and commitment for their job. It is believed that some employees of the life brewery are better in maintaining discipline in their offices through the leadership styles. In life brewery, the leadership qualities of the chief executives become very important because a lot of power resides in the manager of a life brewery and the way this power is wielded determines how the community receives decisions and policies. At the Federal polytechnic, Ilaro leadership has always been an issue. One of the problems of leadership style on employee's performance is the inflexibility of the leadership styles by most leaders. Most leaders fail to adjust their style

The failure is a result of the lack of understanding the fact that no one particular style of leadership can fit into all conditions. Another of the problem of leadership style on worker's performance is the absence of an effective line of communication between the manager and their employees. Communication gaps that exist between leaders and their subordinates in most organisations are reasons why employee's performances are low. Leadership is said to be the backbone of any organisation. If the leadership style of any organisation is poor, it will tell on the overall performance of the organisation. With this understanding, most organisations are faced with the problems of how to investigate the leadership styles and organisational effectiveness. Knowing whether the relationship between leaders and subordinates affect organisational growth and even having broad knowledge of the leadership style adopted by the organisation can improve organisational effectiveness. It is on this ground that this paper aims to assess effect of leadership style on employee's performance: *to Life Breweries Plc, Onitsha*.

1.3 Objectives of the Study

The main purpose of this study is to investigate the effect of leadership style on employee's performance: *A study Life Breweries Plc, Onitsha*. Based on this, this study shall then find out.

1. To review whether the adoption of a particular leadership style has any correlation with employee's performances.
2. To determine whether there is significant and positive relationship between the nature of job and a manager's choice of leadership style

1.4 Hypotheses

Hypothesis One

Ho: There is no significant and positive relationship between the type of leadership style adopted and employee's performance.

Hypothesis Two

Ho: There is no significant and positive relationship between the nature of job and a manager's choice of leadership style

REVIEW OF RELATED LITERATURE

2.1 Theoretical Review

Traits and Behavioral Theory

The trait perspective was one of the earliest theories of leadership in the 1940's which assumes that great leaders are born with distinguished personality traits that make them better suited for leadership and make them different from other people or their followers. Stogdill's (1948) survey of the leadership literature came up with the most comprehensive list of traits. Stogdill's observation that leadership situations vary significantly and place different demands on leaders, destroyed trait theory, leading to the emergence of situational and behavioral approaches. Behavioral theories of leadership state that it is the behavior of leaders that distinguishes them from their followers. It focuses on the actions of leaders rather than on mental qualities or internal states with the belief that great leaders are made, not born. According to this theory, people can learn to become leaders through teaching and observation. Behavior theories examine whether the leader is task oriented, people oriented, or both. Studies conducted at the University of Michigan and Ohio State University in 1945, established two major forms of leader behavior namely: employee-centered and production-centered (Hersey and Blanchard, 1988).

2.2 Empirical Review

Ojokuku, Odetayo,. & Sajuyigbe, (2012).conducted a research on the Impact of leadership Style on Organizational Performance: A Case Study of Nigeria Bank in Nigeria. The sample size used by the researchers is 60. The study contained twenty of random picked banks in Ibadan, Nigeria. A structured questionnaire was used to collect data from the heads of accountants, heads of operations, and branch managers on face-to-face basis. Inferential statistical tool was used and one hypothesis was formulated to analyse data. Regression analysis was used to study the dimensions of significant effect of leadership style on followers and performance. The findings showed that there was positive and negative correlation between performance and leadership style. There was 23 percent variance of performance found in leadership style jointly predict organizational performance. This study concluded that transformational and democratic

leadership styles have positive effect on both performance and followers, and are highly recommended to banks especially in this global competitive environment.

Dalluay & Jalagat (2016) conducted a research on title Impacts of Leadership Style effectiveness of Managers and Department Heads to Employees' job Satisfaction and Performance on Selected Small-Scale Businesses in Cavite, Philippines. The sample size used is 150. Survey questionnaires were designed to study the effects of manager leadership styles on employees' performance and satisfaction. 150 respondents were selected from corporations in Cavite, Philippines through random sampling with Slovin formula with $n = \frac{N}{1+Ne^2}$. Data were analysed by using weighted mean, percentages, multiple regression and correlation coefficient. Percentages specifically were used to analyse demographic variables (gender, age, length of service and leadership styles). Weighted mean were used to survey questionnaires on leadership styles, and correlation coefficient and multiple regression were used to study the relationship between variables on leadership style, job performance and job satisfaction. The finding concluded that corporations should constantly making the most of leadership style which enhances employees performance and employee job satisfactory level even though there is still rooms for improvements.

Widayanti & Putranto (2015) on Analysing the Relationship between Transformational Leadership and Transactional Leadership Style on Employee Performance in PT.TX Bandung in Indonesia. The sample size used by the researcher is 92. The objective of this research is to find the relationship between transactional and transformational leadership to employee performance and the significant relationship between these two variables. This research consists of primary and secondary data. Primary data was collected through Multifactor Leadership Questionnaire (MLQ) based on Slovin Theory method. Secondary data was collected from the office assessment of employee performance. Validity and reliability test were used to measure quality of data. Multiple regression analysis is used to find the relationship because it has more than one independent variable. Data was sent for pass the classic assumption tests such as multicollinearity test, normality test, heteroscedasticity test and autocorrelation test before multiple regression analysis. The result proved that transactional and transformational leadership has positive relationship and it effects to employee performance either concurrently or partially.

Akram, Alam, Ali, & Mughal, (2012) conducted a research title How Leadership Behaviours Affect Organizational Performance in Pakistan. Sample size used by the researchers is 1000, where 500 questionnaires were distributed to managers and another 500 to employees of various private and public sector companies in 66 cities through random selection. Non-probability sampling technique is used in this study. Two questionnaires were designed for managers and employees. Questions were related to leadership behaviours and organizational performance. Five point Likert scale was applied. Correlation analysis and regression analysis were applied to analyse the relationship and the effect of leadership behaviours on performance. SPSS version 16 was used to analyse the reliability of questions, and the reliability was checked in term of Cronbach's Alpha. The findings concluded that leadership behaviours are interrelated and have high positive impact with employee performance.

Nasir, Nordin, Seman., & Rahmat, (2014) did a research on The Relationship of Leadership Styles and Organizational Performance among IPTA Academic Leaders in Klang Valley Area in Malaysia. The study used correlation methods to measure the relationship between leadership

styles and organizational performance. Five public universities in Selangor were chosen. 201 academic leaders were chosen as the sample size. The questionnaire prepared in a form of closed-ended questions. The survey instruments from Kouzes and Posner Leadership Practices inventory-Individual

Rasool, Arfeen, Mothi, & Aslam,. (2015). studied leadership styles and its impact on employee's performance in health sector of Pakistan and concluded that transformational leadership styles have more positive effect on employee performance than transactional leadership. They found out that transformational leadership can perform better in highly organic environment where focus is on competitive advantages. Results of their study also explored that the impact of transactional leadership was not much stronger as compared to transformational leadership on job performance.

Aboshaiqah, Hamdan-Mansour, Sherrod, Alkhaibary,. & Alkhaibary, (2014) studied nurses' perception of managers' leadership styles and Its Associated Outcomes, demonstrated that staff nurses perceived that transformational leadership and its factors are utilized more often than transactional and laissez-faire leadership styles, again, further analysis showed that there was positive correlation between outcome factors (effectiveness, extra efforts and satisfaction) and transformational and transactional leadership styles and negative correlation with laissez-faire leadership style. They concluded that a combination of transformational leadership styles and behaviors/factors contributed to an increase in extra effort, satisfaction and overall employee performance and perceived leader effectiveness among nurses.

2.4 Research Gaps

The literature on leadership style and employee performance is scattered across countries and across industry. The evidence of the effect of leadership style on employee performance is also varied. While most of the literature reviewed is somehow consistent in suggesting that both transformational and transactional leadership styles are significantly positively related to employee performance and that transformational style's effect is more pronounced than that of the transactional leadership style (Nasir et al, 2014. Ojokuku, et al 2012;),the evidence on the relationship between laissez-faire and performance is not that straight forward. For example while, some are reporting negative relationship, e.g.Aboushaqah et al (2014), others like Dallioy, et al (2014) have reported a positive relationship. This suggests that the evidence on this leadership style is inconsistent.

Therefore, from the preview of literature it is evident that the research evidence on the effect of leadership style on employee performance that leadership style can explain significant number of performance outcomes at individual and organizational level. But the evidence is not evenly distributed across economies at large or even within African economies. It is also evident that evidence from the brewery is lagging behind. It is these facts that have motivated this study in order to contribute evidence from the life brewery industry in Onitsha.

RESEARCH METHODOLOGY

This chapter focuses on the method and procedures adopted for the research work. It deals with the research design, sources of data, the population of the study, sampling procedure, tools for data analysis and the reliability of the research instrument. This study was undertaken within Onitsha Metropolis with particular reference to Life Breweries Plc, Onitsha. Only the employees of Life Breweries Plc, Onitsha were studied. The researcher deemed it suitable to adopt a specific and scientific procedure in carrying out this research - the survey method. This approach is a research method that studies people or objects, their attitudes, belief system, opinions and other behavioral manifestations.

With respect to this research work, the researcher made use of primary and secondary sources of data. The primary sources of data include the questionnaire and the personal interview, while the secondary sources of data include the journals, magazines, textbooks and internet.

In connection with this study, the population of study is made up of all the employees of the Life Breweries Plc, Onitsha. The total number of workers (both skilled and unskilled) in the employment of the Life Breweries Plc, Onitsha as of this date is 148. Hence, they formed the population of this study. The major instrument used in this research work is the questionnaire. Questionnaire was drafted and scrutinized by the researcher which was subsequently distributed to the respondents to elicit important information concerning this research work. The questionnaire was open-ended in nature and was structured in such a way that the respondents will have a clear understanding of the questions.

ANALYSIS AND DATA INTERPRETATION

4.0 Introduction

This chapter dealt with the information collected in the field, as questionnaire was used to support some deductions. The observed data were presented in a frequency distribution table with percentages.

However, out of the one hundred and forty eight (148) copies of the distributed questionnaire, 4 copies got missing in the process. One hundred and thirty five (135) copies were found relevant for the study, whereas 9 of the copies were not properly filled. Therefore, the presentation and interpretation was based on the one hundred and thirty five (135) relevant copies.

4.1 Bio-data Analysis of Respondents

4.1.1 SEX

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	MALE	102	74.5	75.6	75.6
	FEMALE	33	24.1	24.4	100.0
	Total	135	98.5	100.0	

Source: SPSS Version 21, 2021

The above table reveals that the one hundred and two (102) of the respondents which represents 75.6% were male respondents, while thirty-three (33) respondents which represent 24.4% were female respondents. By implication, male respondents were more than female respondents by 51.2% in our selected population sample for this study. The implication of this is to enable us to know the number of female and male that successfully returned their questionnaire.

4.1.2 AGE BRACKET

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	BELOW 25 YRS	46	33.6	34.1
	26-35	45	32.8	67.4
	36-40	34	24.8	92.6
	41-ABOVE	10	7.3	100.0
	Total	135	98.5	100.0

Source: SPSS Version 21, 2021

The table above shows that respondents whose age bracket falls below 25yrs were forty-six (46) which represent 34.1 percent. This is followed by those with age bracket of 26-35years with forty-five (45) which represents 33.3%. Also those within age bracket of 36-40yrs were thirty-four (34) which represents 25.2%. This is followed by those with age bracket of 41-above years with ten (10) which represents 7.4%. The implication of this age distribution is to enable us to check if the questionnaire was directed to the right age group.

4.1.3 MARITAL STATUS

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SINGLE	105	76.6	77.8
	MARRIED	28	20.4	98.5
	OTHERS	2	1.5	100.0
	Total	135	98.5	100.0

Source: SPSS Version 21, 2021

In the table above, out of the one hundred and forty-eight (148) respondents, one hundred and five (105) of the respondents were single. While twenty-eight (28) respondents which represent 20.7 percent are married. Two respondents (2) which represent 1.5 answered others. It is therefore glaring that the majority of the respondents were single as at the time of this study. Thus marital status table help us to know the number of single, married, and divorce respondents that answered the distributed questionnaire.

4.1.4 EDUCATIONAL QUALIFICATION

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	GCE/WASCE	23	16.8	17.0
	OND	45	32.8	50.4
	BSC/HND/BA	55	40.1	91.1
	MSC/MBA	12	8.8	100.0
	Total	135	98.5	100.0

Source: SPSS Version 21, 2021

The table above indicates that twenty-three (23) respondents which representing 17% maintain to acquire have acquired GCE/WASCE, while 33.3% of the respondents which represents forty-five (45) ordinary national diplomas. However fifty-five (55) which represent 40.7 percent either have BSC/HND/BA. The respondents that have MS.C/MBA are numbered 12 which represent 8.9%. This is the one of demographic item helps us to identify the education qualification of the respondent.

4.2 Hypotheses Testing

Hypothesis One

Ho: There is no significant and positive relationship between the type of leadership style adopted and employee's performance.

Hi: There is significant and positive relationship between the type of leadership style adopted and employee's performance.

ANOVA

Table 4.3.1

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	139.809	2	34.952	47.346	.000
Within Groups	90.065	133	.738		
Total	229.874	135			

Sources: SPSS Output 2021

In testing this hypothesis, the F-statistics and probability value in table 4.7 is used. Green branding variables have a F-statistics of 47.346 and a probability value of 0.000 which is statistically significant. Therefore, we reject the null hypothesis and accept the alternative hypotheses which state that there is significant and positive relationship between the type of leadership style adopted and employee's performance.

Hypothesis Two

Ho: There is no significant and positive relationship between the nature of job and a manager's choice of leadership style

Hi: There is significant and positive relationship between the nature of job and a manager's choice of leadership style.

ANOVA

Table 4.3.2

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	182.143	2	45.536	40.358	.000
Within Groups	137.652	133	1.128		
Total	319.795	135			

Sources: SPSS Output 2021

Second hypothesis has f-statistics of 40.358 and a probability value of 0.000 which is statistically significant. Therefore, we reject the null hypothesis and accept the alternative hypotheses and conclude that there is significant and positive relationship between the nature of job and a manager's choice of leadership style.

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Summary of Findings

In Analysis, the findings include:

- There is significant and positive relationship between the type of leadership style adopted and employee's performance.
- There is significant and positive relationship between the nature of job and a manager's choice of leadership style.

5.2 Conclusion

The leadership function fulfills the role of procuring employees and creating the necessary atmosphere or environment for them to perform managerial function, success is achieved through good leadership style and quality leaders are the priority of any business organization, the reason attributed to this, the direct use of resources to achieve desired objectives.

From the study carried out, it was discovered that leadership style has a positive and significant relationship with performance employees. The researcher also noticed that the nature of job and the philosophy managers have, affects their style of leadership.

5.3 Recommendations

The following recommendations are made as regards the study carried out.

- ❖ Leaders of business organization should adopt participative style of leadership to ensure success and growth of their business.
- ❖ Leaders should instill in their subordinates a sense of ownership, direction and belongingness to the organization.

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