

THE INFLUENCE OF MANAGERIAL LEADERSHIP STYLES ON EMPLOYEES'  
JOB PERFORMANCE. "A CASE STUDY OF HANMAX VENEER AND  
PLYWOODCOMPANY KAASE, KUMASI"

BY  
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A Thesis submitted to the Department of Managerial Science, Kwame Nkrumah  
University of Science and Technology in partial fulfillment of the requirements for the  
degree of

MASTER OF BUSINESS ADMINISTRATION (HRM OPTION)

SCHOOL OF BUSINESS, KNUST

College of Art & Social Science

August, 2012

## DECLARATION

I hereby declare that this submission is my own work towards the Master of Business Administration (Human Resource Management Option) and that, to the best of my knowledge, it contains no material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been made in the text.

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## **ABSTRACT**

The purpose of the study was to investigate the influence of managerial leadership styles on employees' job performance. The problem of the study therefore emanated from the fact that Hanmax Veneer and Plywood Company ensure the delivery of quality products to its market, yet its employees' job performance has remained poor, despite the various interventions by the policy makers and implementers. Thus the thesis aimed at investigating the reasons for the poor performance by investigating the influence of managerial leadership style on employees' job performance. The Hanmax Vineer & Plywood Company was used as a case study. A sample of 170 respondents was purposively chosen for the study. The sample comprised 30 management members, 30 supervisors and 110 employees or junior workers. In the process, both qualitative and quantitative data was sought for using a researcher made questionnaire and an interview guide. Whilst the quantitative data were analyzed with frequency counts and simple percentages, the qualitative data were analyzed under themes and patters and presented with direct quotations from the interviewees. The findings of the study revealed among others that: performance of the workers depended on the type of leadership style at Hanmax Vineer and Plywood Company and the preferred leadership style as required by the workers was democratic style of leadership. It was also revealed that the problem of poor performance was due to lack of respect and recognition not salary. In this regard, it was recommended among others that: Hanmax Vineer and Plywood Company leaders should practice democratic leadership style and also, organizational leaders should seek ways of improving the working environment of employees, who were found to have low levels of work commitments.

## ACKNOWLEDGEMENT

This project work has come into fruition by the help of some personalities who need to be acknowledged. In the first place, my sincere thanks go to the omnipresent God, out of whose grace and mercies I obtained the strength and knowledge to write this thesis. I say To God be the Glory.

Secondly, I wish to express my profound gratitude to my able supervisor, Mr. J. K. Turkson, of the Department of Managerial Science, University of Science and Technology, Kumasi, whose excellent supervision and motivation has brought me this far.

I also wish to thank all my lecturers at the Department of Managerial Science (KNUST), especially Mrs. Rosemary and the Ag. Dean Prof. J. M. Frimpong for their superb lectureship.

I also thank Ekow Abraham for proof reading this thesis, not forgetting Brother Jacob Adusei who typed the manuscript.

## DEDICATION

This work is dedicated to my father Dr. Adusei Asare, for his encouragement, care, love and support and my mother Madam Akosua Serwaa , not forgetting Adwoa Kunadu Prempeh and other sisters.

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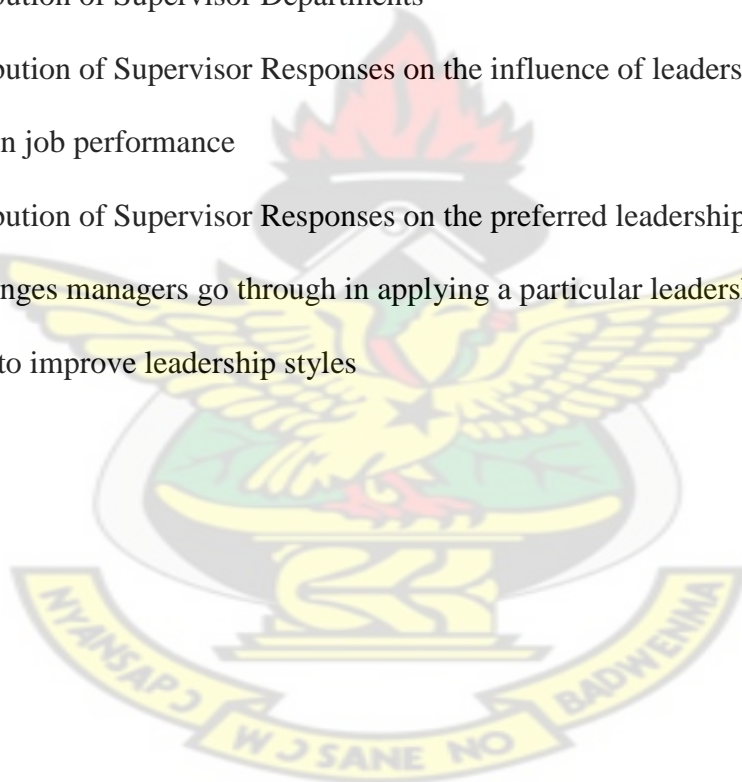


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## CHAPTER ONE

### INTRODUCTION

#### 1.0. Background to the Study

In today's rapidly changing environment, organizations must learn to adapt in order to survive and prosper. However, organizations may encounter many problems as they endeavour to adapt to the various challenges of the world. There are many factors that lead to these challenges, and these factors have caused tremendous adverse impact on the development of the organizations themselves. Therefore, a proper environmental scrutinizing is important, especially on the operation of the open system organization. Such organizations are vulnerable to various external factors, although the vulnerability is of course subject to the resources and legitimacy of each organization.

Moreover, business strategy is an important organizational element. An appropriate strategy can propel an organization towards achieving its goals. A business strategy contains the basic objectives of an organization, which are based on various perspectives involving goals, policies and action sequences underlying rational planning as a cohesive whole (Emery and Barker, 2007). Therefore, managers must be able to formulate strategy as a guide to organizational behavior.

Essentially, leadership has influence over organizations via strategic decision-making, determining organizational structure and managing the organizational process. Effective leadership in an organization is evident in direct action, decisions and behaviors (Schyns, 2006).

A leader can be likened to a rudder, which gives direction to a ship. A leader oversees and regulates the overall functioning of an organization. In order for their organizations to perform well, leaders should have an innovative vision that will move the organization in the right perspective and direction. Therefore, an ideal leader should have strong perceptual resources such as intelligence and knowledge. Moreover, a leader with good perceptual resources would contribute to higher performance (Afful-Broni, 2004).

Leadership, or more specifically effective leadership, is every bit as crucial (if not more so) in organizations as it is throughout the world. Ghanaian organizations are no different from others worldwide in terms of striving for performance in order to be globally competitive. The situation in Ghana, however, is incredibly complex as many organizations are caught in the middle of a web of authoritarian hierarchies and traditional leadership approaches, as well as bureaucratic hierarchies mixed with modern approaches to leadership.

Effective leadership and employee job performance are two factors that have been regarded as fundamental for organizational success. A capable leader provides direction for the organisation and lead followers towards achieving desired goals. In similar vein, employees with high job performance are likely to exert more effort in their assigned tasks and pursue organizational interests.

It is argued that effective leadership has a positive influence on the performance of organizations. Ultimately it is the performance of many individuals that culminates in the performance of the organisation, or in the achievement of organizational goals. Effective leadership is instrumental in ensuring organizational performance. As a result, many leadership theories have been proposed in the last fifty years which are claimed to have

influenced the overall effectiveness of the organizations where they have been employed. In the competitive world business environment it is vital that organizations employ leadership styles that enable organizations to survive in a dynamic environment (Maritz, 1995).

Performance is an increasingly important concern for businesses. Performance has been defined by Hellriegel, et al (1999) as the level of an individual's work achievement after having exerted effort. Whetten and Cameron (1998) believe that performance is ultimately an individual phenomenon with environmental variables influencing performance primarily through their effect on the individual determinants of performance – ability and motivation. It has been widely accepted that effective organizations require effective leadership, and organizational performance will suffer in direct proportion to the neglect of this (Maritz, 1995).

It has been suggested that there are two views of leadership – the traditional view of transactional leadership, involving an exchange process between leader and subordinate, and a view of transformational leadership that allows for the development and transformation of people (Botha, 2000). Transactional leaders are considered to enhance the subordinates' readiness to perform at expected levels, by offering rewards for acceptable performance, thus resulting in the desired outcomes defined by the leader (Meyer and Botha, 2000). Transformational leaders, on the other hand, inspire their subordinates to adopt the organizational vision as their own, while attempting to heighten their values, concerns and developmental needs (Cacioppe, 1997).



In terms of the discussion presented thus far, the broad objective of this research is to examine the relationship between managers' leadership styles and employee performance.

### **1.1 Statement of the Problem**

Although it is the objective of Hanmax Veneer& Plywood Company to ensure the delivery of quality products to its markets, yet its employees' job performances has remained poor, despite the various interventions by policy makers and implementers. The researcher, residing near the environment has heard various complaints about the managerial leadership gaps frustrating the staff. This has motivated the researcher to investigate to determine if managerial issues really affect the job performance of the employees. It was also thought that an investigation in this area would shed light on the factors affecting performance and in particular the effect of leadership styles on staff performance.

### **1.2. Objectives of the Study**

The objectives of the study are grouped into two. These are general objective and specific objectives.

#### **1.2.1. General Objective of the Study**

The general objective of this study is to establish the influence of managerial leadership style on employees' job performance.

#### **1.2.2. Specific Objectives**

The specific objectives of this study are:

- a) To investigate whether employees' performance is dependent on the leadership style at Hanmax Veneer& Plywood Company



- b) To elicit the viewpoints of employees on the preferred leadership styles at Hanmax Veneer& Plywood Company
- c) To find out the challenges managers go through in applying a particular managerial leadership style at Hanmax Veneer& Plywood Company.
- d) To explore the various leadership styles available at Hanmax &Veneer Plywood Company
- e) To make recommendations for the improvement of leadership styles at Hanmax Veneer& Plywood Company

### **1.3. Research Questions.**

- a) How is employees performance is depended on leadership style at Hanmax Veneer& Plywood Company?
- b) What is the preferred leadership style at Hanmax Veneer& Plywood Company?
- c) What challenges do managers go through in applying a particular leadership style at Hanmax Veneer& Plywood Company?
- d) What leadership styles are available at Hanmax Veneer& Plywood Company?
- e) What in your opinion are some of the things that would improve of leadership styles at Hanmax Veneer& Plywood Company?

### **1.4. Significance of the Study**

The findings of the study will help to provide reference to the policy makers on leadership styles in organizations. The study will throw light on the relationship between leadership styles of head or leaders of firms and the employees' job performance. This will be useful to authorities who appoint and deploy organizational leaders as well as those who monitor the performance of employees. The findings could also be used by those involved in

supervision and training of personnel, where special emphasis will be placed on the factors which influence the employees' performance in organizations. By focusing on the specific leadership factors which influence performance, the study might motivate future researchers to identify other factors with a view to establishing the role each factor play in the overall organizational performance. In terms of the system of performance appraisal of firm managers, the findings of the study may also indicate the strength of leadership styles, and their contribution to the welfare and performance of staff of Hanmax Veneer& Plywood Company.

For those responsible for organizing induction courses for newly appointed managers, the study would provide some lessons to draw on. The study will also shed light on the view of leadership as involving more than the leader's personality and focusing on leaders as dominated by leadership.

### **1.5. Methodology**

The research study employed qualitative and quantitative methods which were found to be suitable for this project. Both primary and secondary data were collected. Data collection for this study was done through interviews, observations, field notes and structured questionnaires.

### **1.6. Scope of the Study**

A part from investigating the influence of leadership styles on employees performance at Hanmax Veneer& Plywood Company in Kumasi, the researcher could have also researched into the relationship between the motivation and the leadership style in all the branches of Hanmax Veneer& Plywood Company Ghana and probably also other

organization but lack of time, financial and other logistics. Researcher limited the study to only Hanmax Veneer& Plywood Company Kumasi, Ghana. It is noteworthy to stress that this study is limited by its sample size and focus to only Hanmax Veneer and Plywood Company at Kaase in Kumasi.

### **1.7 Limitations of the study**

In conducting a research of this nature, there are problems and issues that crop up for which the researcher may not have control over. Most of the respondents were reluctant to give reliable answer to questions probably for fear of being sanctioned or victimized by their superiors. Again, the educational standard of considerable number of the respondents is very low so the researcher has to take the trouble to explain the questions to them in their local dialect and this demand a lot of time. Again, only Kumasi branch Hanmax Veneer& Plywood Company was used for the study because it would required a lot of money, time and other resource to undertake research of this nature in many organizations.

Despite the limitations cited above which may limit generalization of the study, it is strongly believed that, the finding of the study can be applied to the head office of Hanmax Veneer& Plywood Company in Ghana.

### **1.8 Organization of the Study**

This study is organised into five chapters. The first chapter, the introduction, comprises the background of the study, statement of the problem, significance of the study, the research questions, limitations; scope of the study, and the organisation of the study. Chapter two focuses on review of related literature to the study. This was made up of both theoretical and empirical review.

The third chapter deals with the methodology adopted for the study. The chapter touched on the research design, the population, sample and the procedure adopted in choosing the sample for the study. The instruments used in collecting data for the study, as well as the data analysis procedure.

In chapter four, the data collected was presented and analysed in order to find answers to the research questions. Chapter five, the last chapter, dealt with the summary, conclusion and recommendations of the study.



## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter reviews literature related to this study. This was done with the expectation that relevant information would be obtained to help shape and enrich the study. Knowledge of what has been done on this topic is important in helping to clarify issues. The literature for this study was organised under the headings below.

#### **2.1. Nature and Definition of Leadership**

Leadership has been around for as long as there have been people to lead. The history of the world abounds with great leaders, from Moses and David in the Old Testament to Napoleon in the 1700s and Nelson Mandela and Luther King in the 1900s (Bass, 1997). Leadership literature is characterized by an endless proliferation of terms and definitions to deal with the construct, coupled with many extraneous connotations that create ambiguity of meaning and an array of imprecise descriptions (Yukl, 1998). There are numerous ways of looking at leadership and many interpretations of its meaning (Mullins, 1999). Generally, leaders are people who are able to turn their beliefs and visions into reality, through the control and influence they exercise over other people. Leaders are also seen as those who have a vision of what needs to be done, as well as the appropriate manner of communicating this vision to others to get them to act together for the common goal. Our understanding of leadership has changed over the years, but the basic constructs have remained the same. Hellriegel, et al. (2004:286) define leadership as being “the ability to influence others to act toward the attainment of a goal”, while Mullins (1999:253) adds that it is “a relationship through which one person influences the behaviour of others”. Having extensively investigated leadership, Gerber, et al 1996:343)

defines leadership as “an interpersonal process through which a leader directs the activities of individuals or groups towards the purposeful pursuance of given objectives within a particular situation by means of communication”. Inherent in these perspectives is the need to be skilled in varying degrees of emotional intelligence, so as to adaptively manage environmental demands. A brilliant business leader must comprehend the importance of employees in achieving the ultimate goals of the organization, and motivating these employees is of paramount importance in achieving these goals (Wall, et al., 1992).

## **2.2 Leadership Theories**

In attempting to understand the nature of leadership and its different aspects, it is necessary to note the different theories of leadership that have developed over time, as various schools of thought have brought their differing ideas and knowledge to this discipline. There are various theories of leadership, which attempt to explain the factors involved in the emergence of leadership, the nature of leadership, or the consequences of leadership (Bass, 1990). These theories attempted to identify various leadership styles, which is the general manner in which leadership is practiced. The various evolutionary approaches to leadership are categorized into trait, behavioural and contingency approaches (traditional in nature) and those that centre on new approaches to leadership, transactional and transformational leadership (Ristow, 1998).

### **2.2.1. Traditional Leadership Approaches**

Three traditional leadership approaches that have been developed over time are the trait approach, the behavioural approach and the situational/contingency approach. Each of these leadership approaches describes different dimensions of leadership, and has its own effect on the association between the leader and his followers (Senior, 1997).



### **2.2.2. Trait Approach**

The earliest research conducted on the concept of leadership focused on identifying the unique qualities or traits that appeared common to effective leaders - the idea that leaders are born and not made (Swanepoel, et al., 2000). The leadership trait model was established in the early 1900s, with its associated theories and perspectives. In essence, this was the first attempt at the theoretical understanding of the nature of leadership. Most leadership research before 1945 suggested that certain traits were inherent in all leaders and were transferable from one situation to another (Hersey and Blanchard, 1988). This research led to the identification of some traits that are inherent in most leaders. The trait approach attempts to explain leadership effectiveness in terms of the personality and psychological traits of the leader. These traits included emotional intelligence; having an extrovert personality (charisma); dominance; masculinity and conservatism and being better adjusted than non-leaders. Numerous studies identified emotional intelligence as a critical element for the success of a leader and as a vital resource for any group.

The fact that leaders were naturally born and developed meant that selection would be the key to effective leadership within an organization, rather than other factors such as training and development. The trait approach, however, focuses almost entirely on the physical and personality characteristics. More recently, researchers moved away from assessing individuals in terms of traits, and towards assessing how leader behaviour contributes to the success or failure of leadership (Draft, 1999).

### **2.2.3. Behavioural Approach**

Alternative approaches to leadership began to develop after the decline in popularity of trait theories (Swanepoel, et al., 2000). Researchers moved away from assessing



individuals in terms of traits, and focused on assessing how leaders' behaviour contributes to the success or failure of leadership (Draft, 1999). It is also the manner in which the leaders relates to or behaves within the environment that determines his level of effectiveness. But the move away from the trait approach ignited research where leaders were studied either by observing their behaviour in laboratory settings or by asking individuals in field settings to describe the behaviour of persons in positions of authority, then applying different criteria of leader effectiveness to these descriptions. This resulted in the development of a leadership-behaviour model which led to the establishment of the "behavioural school of leadership". The behavioural approach to leadership suggests that the leader's behaviour, not the leader's personal characteristics, influence followers. Extensive research has been done in the area of behavioural approaches to leadership. The main behavioural models include the Theory of Lewin, et al (1939), McGregor's Theory (1960).

The restrictions of these behavioural theories are their omission of situational factors on the level of leader effectiveness. One concern is whether one particular method of leading is appropriate for all situations, regardless of the development stage of the organization, the business environment in which it operates, or the type of people employed by the organization (Senior, 1997). The perception of leadership progressed past the view that there is one best way to lead, and the theorists began to focus on how a leader ought to behave in order to be effective.

#### **2.2.4. Situational/Contingency Approach**

Dissatisfaction with the trait and behavioural theories gave rise to the situational /contingency approach to leadership. This approach to leadership examined how

leadership changes from situation to situation. According to this model, effective leaders diagnose the situation, identify the leadership style that will be most effective, and then determine whether they can implement the required style (Mullins, 1999; Swanepoel, et al., 2000). Prominent among these theories are Fielder's Contingency Theory of leadership, the Path-Goal Theory of leader effectiveness which embodies transactional leadership, Hersey and Blanchard's Life-Cycle Theory, the Cognitive- Resource Theory, and the Decision-Process Theory (Bass, 1998). Situational approaches to leadership have come about as a result of attempts to build upon and improve the trait and behavioural approaches to leadership. The situational approaches emphasize the importance of the situation as the dominant feature ineffective leadership, together with the leader and the followers (Mullins, 1999).

Different environments require different types of leadership. Situational leadership does not promote an ideal leadership style, but rather considers the ability of a leader to adapt to the environment. Situational leadership studies the behaviour of leaders and their followers in varying situations (Hersey and Blanchard, 1988).

Hersey and Blanchard (1988) argued that there was no best leadership style, but rather that there could be best attitudes for managers. The major advance of the situational approach is the recognition that for different development levels and different types of situations, different leadership styles are more effective. Leadership styles can therefore be defined as the behaviour of an organization's leader as influenced by the situation surrounding that leader (Senior, 1997). Yukl (1998) states that although situational leadership theories provide insights into reasons for effective leadership, conceptual weaknesses limit the approach's utility. Thus, it is difficult to derive specific testable propositions from the

approach, with the approach not permitting strong inferences about the direction of causality.

There have been many criticisms of the traditional approaches discussed above. One such criticism, by Bass (1990), is that these approaches have not been rigidly tested in practice and are too specific either in defining leadership in terms of traits, behaviours or situation.

#### **2.2.5. New Leadership Approaches**

Organizations and their environments have changed rapidly over the past years and as a result a new style of leadership, one that is less bureaucratic and more democratic, is needed in order to ensure the survival of organizations (Johnson, 1995). There have also been numerous criticisms regarding the traditional approaches already discussed. Consequently, a new style of leadership has emerged in order to ensure the survival of organizations and to overcome limitations of the trait, behavioural and contingency theories of the past. The new theories of leadership evolved in reaction to the increasingly sophisticated traditional models, which became difficult to implement. This new leadership approach suggests that there are two views of leadership – transactional leadership and transformational leadership.

#### **2.3 Autocratic or authoritarian leadership**

This part of the thesis examines the relationship between the autocratic leadership style and job performance. Dubrin (1998) describes the autocratic leadership style as a style where the manager retains most authority for him/herself and makes decisions with a view to ensuring that the staff implements it. He/she is not bothered about attitudes of the staff towards a decision. He/she is rather concerned about getting the task done. He/she tells the

employees what to do and how to do it asserts him/herself and serves as an example for the employees. This style is viewed as task-oriented (Dubrin, 1998:109).

Autocratic leaders are generally disliked, as there is no scope for initiative, consideration, and self-development on the part of followers. Employees for example, whose heads employ the autocratic leadership style, remain insecure and afraid of the leadership authority. This eventually reduces their ability to explore their potential. This style is typical of a leader who tells his employees what he wants done and how he wants it done, without requesting the input/advice of his subordinates. Some people tend to perceive this style as a vehicle for yelling, using demeaning language, and leading by threats and abusing their power. However, under certain conditions the autocratic leadership style is appropriate, especially when one has all the information to solve the problem, when one has little time, and when employees are well motivated. The effect has always been dissatisfaction with work on the part of the employees. Balunywa (2000) argues that autocratic leaders in organizations are more concerned with despotic influence in order to get the job accomplished rather than with the development and growth of subordinates. As far as they are concerned the work and the accomplishment of the goals of academic success matter more than their concern for those being led.

Autocratic leaders create a situation where subordinates who do not want to realize the importance of work are forcefully led to work (Mullins, 2002). According to Mullins (2002) autocratic leaders supervise subordinates very closely to ensure compliance and the completion of work in the designated time. Leadership is meant to be effective even where the situation seems harsh so as to drive organizational intentions towards goal achievement. Research findings by Kasule (2007) on the effect of leadership styles on

employees' productivity indicate that autocratic leaders usually emphasize 'authority' as a means of having the work done. Leaders generally emphasize it, since it reaps results very quickly, as subordinates work under pressure to meet deadlines. Other studies by Storey (1993), however, noted that leaders who use authority to get things done are too strict in the formality by which things are done. This hinders employees' creativity especially in instances where creativity and planning are imperative to anchor the development in the organization.

## **2.4 Democratic leadership**

This style of leadership is grounded on the thesis that the organization is the responsibility of all, even though the leader has the primary role of guiding the rest of the group in arriving at their collective mission.

Decentralization of authority, participatory planning and mutual communication are some of the main features of democratic leadership. However, as Oyetunyi (2006) points out, the major point of focus is sharing; the manager shares decision-making with the subordinates. Even though he/she invites contributions from the subordinates before making a decision, he/she retains the final authority to make decisions (consultative). The manager may also seek discussion and agreement with teachers over an issue before a decision is taken (consensus). He/she may allow the subordinates to take a vote on an issue before a decision is taken (democratic). He/she coaches subordinates and negotiates their demands (Dubrin, 1998:109-110). This type of leadership is viewed as an important aspect of empowerment, teamwork and collaboration. It has been observed that a school is more effective when those who are affected by the organization's decisions are fully involved in the decision-making process. Good as it is, the concern expressed by Dubrin



(1998:110-111) is that the participative style of leadership wastes time due to endless meetings and may lead to confusion and lack of direction. By implication, it is not appropriate for use in times of crisis when the situation demands on-the-spot decision (Oyetunyi, 2006). However, unlike the laissez-faire style, the leader adopting this style maintains the final decision making authority. Using this style is not a sign of weakness; rather it is a sign of strength that one respects the employees' ways of doing things. Using this style is of mutual benefit as it allows staff to become part of the team and allows one to make better decisions.

David & Gamage (2007) argues that effective democratic and participatory administration; leadership and management affect the trust levels of stakeholders. Indicators of participatory administration, leadership and management effectiveness, according to David's study, correlated with the stakeholders' level of trust. The study suggested that leaders wishing to enhance the levels of trust among the stakeholders in their organization should consider these indicators, pertaining to the participatory or democratic leadership approach, in carrying out their leadership duties and responsibilities. They engage subordinates in the decision making process. As pointed out by Kouzes and Posner (2003), heads know that no one does his/her best when feeling weak, incompetent or alienated; they know that those who are expected to produce the results must feel a sense of ownership. In order for a organization to provide quality services, those who have been empowered to lead the transformation of the organization to address the challenges of the new millennium should carefully nurture democratic leadership. Democratic leadership can be effectively utilized to extract the best from people and the most effective and efficient organizational climate can be created in a school when democracy is employed.

The democratic leadership practices in organization outline procedures to develop and use the potential of all the stakeholders in order to create and foster quality services.

The principles of democratic leadership are flexibly applied in order to create a climate in which all stakeholders are able to express themselves freely and hence feel that they are part of the democratic decision-making process. Stakeholders need to feel that they are able to have an influence over what should happen and not happen at the organization rather than to be subjected to the decisions of those placed in positions of hierarchical power (Rowan, 1993).

### **2.5 Laissez-faire / free-rein leadership style**

The manager delegates almost all authority and control to subordinates. There is no person of authority in the organization. The manager leads the organization indirectly, he/she does not make decisions; rather he/she abides by popular decisions. There is no setting of goals and objectives by the manager. Tasks are done the way the manager thinks it should be done, but he/she gets involved on request and this may lead to the digression from broad organizational policy. Thus, this style of leadership may be effective with well-motivated and experienced employees (Dubrin, 1998:111), but could lead to failure when subordinates are deceptive, unreliable and untrustworthy.

### **2.6 Situational leadership**

The situational theory of leadership presupposes that an analysis of leadership not only involves the individual traits and behavioral approaches to leadership, but also focuses on the situation (Chandan, 2004). The focus is often on the situation and not the leader. Different kinds of situations demand different characteristics and behaviors, because each type of leader faces different situations. The leader is required to size up the situation and



choose the appropriate leadership style that will be effective for a situation, rather than try to manipulate situations to fit a particular leadership style. Oyetunyi (2006) quotes Dunklee (2004:4) who claims that leadership in organization is a situational phenomenon as it is based on the collective perception of people working in the schools, linked to the norms and is affected by the rate of interaction among members of the organization. A successful manager or leader under one set of circumstances may be unsuccessful and/or a failure in another. Chandan (2004) asserts that leadership is the leader's ability to handle a given situation and is based upon the leader's skill in that particular area that is pertinent to the situation. The person most likely to act as a leader is the one who is most competent for the situation of a given group as the case may be. The nature of the situation dictates the style of leadership, because leadership success is dependent on the ability of a leader to fit in the prevailing situation.

The Management Training Manual (2006) sets forth two primary propositions of situational leaders in organizations. Firstly the leadership employed by an individual is relative to the situation and secondly different situations warrant different kinds of behaviors from the organization leaders/managers.

## **2.7 Performance of Organizations**

The topic of performance is not a straightforward one (Corvellec, 1995). An organization is judged by its performance. The word "performance" is utilized extensively in all fields of management. Despite the frequency of the use of the word, its precise meaning is rarely explicitly defined by some authors even when the main focus of the article or book is on performance. The correct interpretation of the word performance is important and must never be misread in the context of its use. Often performance is identified or equated with

effectiveness and efficiency (Neely, et al, 1995). Performance is a relative concept defined in terms of some referent employing a complex set of time-based measurements of generating future results (Corvellec, 1995).

For more than a decade, organizational environments have experienced radical changes. As a result of greater competition in the global marketplace the majority of organizations have greatly streamlined their operations (Collis and Montgomery, 1995). Every moment presents a diverse set of challenges and obstacles: laws and regulations are evolving, the economy is altering, and, most importantly, no one is aware of what problems or obstacles will arise. Furthermore, organizations can also perform well or poorly due to external forces, such as interest rates and taxation. To remain competitive in such an environment, an organization needs to get the most out of its assets, especially the human assets.

For the purpose of this research, it must be noted that the employees continued existence is also threatened. Although, these public corporations were given exclusive franchises in certain industries, the majority of them have performed poorly over the years (Nwankwo and Richards, 2001). Many organizations feel that their people can provide a competitive advantage, and therefore their people contribute to the organization's performance. Employees play a pivotal role in organizational success (Collis and Montgomery, 1995). Employee performance has been shown to have a significant positive effect on organizational performance (Collis and Montgomery, 1995). One of the major pitfalls in an organization occurs when managers believe their organizations are constantly operating at the highest level of efficiency, or that they do not require input from their employees (Foot and Hook, 1999).

Nevertheless, the principal influence on the organization's performance is the quality of the workforce at all levels of the organization. The function that human resources can play in gaining a competitive advantage for an organization is empirically well documented (Brewster, et al, 2003). For organizations to accomplish their goals, they must continually look for better ways to organize and manage their work. There is a growing recognition that the primary source of competitive advantage is derived from an organization's human resources.

This was not always the case, as human resources were traditionally seen as a cost (Brewster, et al., 2003). Due to the realization that people are the most valuable assets in an organization, the importance of performance management has been pushed to the fore (Bartlett and Ghoshal, 1995). The complexity of managing organizations today requires managers to view performance in several areas simultaneously. The performance measurement system employed in an organization must therefore measure the performance of all assets including the human ones.

It can be seen that the individual's performance has an impact on the organization's wider objectives, and it is thus imperative that every employee's performance should be managed. This process of performance management includes group assessments and peer reviews, as well as written reports (Hellriegel, et al., 2004). In recent years performance management systems have become more important because managers are under constant pressure to improve the performance of their organizations (Holloway, et al, 1999). As the performance of organizations influence the organization's continued existence, it is therefore necessary to recognize the notion of managing this performance.

## 2.8 Performance Management

Performance management is ongoing. It involves never-ending process of setting goals and objectives, observing performance and giving and receiving ongoing coaching and feedback. Performance management requires that managers ensure that employees activities and outputs are congruent with organization's outputs goals and consequently, help the organization gain a competitive advantage (Agninis, 2005).

Performance is important to us as people and organizations. In fact, most of us believe that we can, and will, improve at what we do, and we expect others to improve over time as well (Temple, 2002). People are an organization's greatest assets. Individuals and organizations have learned about the importance of the role of people in an organization, and how the success of an organization depends on its people (Bartlett and Ghoshal, 1995). The role of human resources is absolutely critical in raising performance in an organization (Armstrong and Baron, 1998). Ultimately it is the performance of many individuals which culminates in the performance of an organization, or the achievement of goals in an organizational context (Armstrong and Baron, 1998).

Generally, performance management is a continuous process of identifying, measuring, and developing the performance of individuals and team and aligning performance with the strategic goals of the organization.

Performance management is an integral part of effective human resource management and development strategy (Hellriegel, et al., 2004). Performance management is an ongoing and joint process where the employee, with the assistance of the employer, "strives to improve the employee's individual performance and his contribution to the organization's

wider objectives” (Hellriegel, et al., 2004:249). Amos, et al. (2004:64) define performance management as “the process that begins with translating the overall strategic objectives of the organization into clear objectives for each individual employee”. Performance management can also be seen to incorporate all of those aspects of human resource management that are designed to progress and/or develop the effectiveness and efficiency of both the individual and the organization (Amos, et al., 2004). First-class performance management begins and develops with the employee's lucid understanding of the organization's expectations (Hendrey, 1995).

To elevate and sustain the level of work performance, managers must look past individual or team performance to a larger arena of play: the performance management system (Campbell, et al, 1993). The success of a performance management system is reliant on the commitment/support of an organization's management. Performance management systems must be seen to reward personal development and achievement (Hendrey, 1995). Within the performance management field itself, it is important that targets are viewed to be fair and equitable across all groups. It is imperative that employees have confidence in their work and recognize that management supports them. A good performance management system motivates employees to better their own performance, promotes self-motivation, and builds and strengthens relationships via open communication between employees and managers (Baird, 1986).

There are two main purposes driving performance management. Firstly, there are the operational reasons, which lead and control the system (Temple, 2002). Secondly, on the cultural side, the system can feature as part of the overall drive to build a more open relationship with employees (Temple, 2002). The performance management system sets



out to communicate the link between an organization's mission, strategic direction and the required employee performance (Armstrong and Baron, 1998).

A successful performance management system is one that requires full participation between employees and managers through effective communication and goal agreement, resulting in complete common understanding and not unfounded expectations (Campbell, et al., 1993). A well-executed performance management system is a medium for managers and employees to develop an understanding of what work the mission of the organization requires, the manner in which this work should be accomplished, and to what extent it has been achieved. Employees should be empowered and receive support from their manager without removing any of the employee's responsibility (Armstrong and Baron, 1998). As the performance of an organization is dependent on the quality of the workforce at all levels of the organization (Temple, 2002), it is essential to examine the concept of individual performance.

## **2.9 Individual Performance**

Amos, et al. (2004:63) state that "the effective management of individual performance is critical to the execution of strategy and the organization achieving its strategic objectives". Performance cannot be left in anticipation that it will develop naturally, despite the employee's natural desire to perform and be rewarded for it. This desire needs to be accommodated, facilitated and cultivated (Amos, et al., 2004). In return for this performance, organizations extend themselves in various forms of acknowledgement. Individual performance has become a topical issue in today's business environment, so much so that organizations go to great lengths to appraise and manage it (Armstrong and Baron, 1998).

Whetten and Cameron (1998) state that individual performance is the product of ability multiplied by motivation. Furthermore, Cummings and Schwab (1973) concur with the belief that performance is ultimately an individual phenomenon with environmental factors influencing performance primarily through their effect on the individual determinants of performance - ability and motivation. Cummings and Schwab (1973) describe ability as a reflection of capability which is a relatively stable characteristic that enables people to behave in some specified fashion. Motivation reflects effort or energy, which is a dynamic and often fleeting characteristic that determines how vigorously capabilities will be employed in some activity. Both ability and motivation are necessary to some degree before successful job performance is obtainable. Cummings and Schwab (1973) describe the need for at least minimal ability before an employee can carry out a task, regardless of how motivated he may be. Similarly, an abundance of ability will not result in successful performance if the employee is completely unwilling to perform adequately. This view is supported by Vroom (1964) who indicates that factors influencing individual performance within the organization are factors such as the ability of the person and the willingness of the person to exert effort (motivation).

Finally, organizational leadership can be described as the leadership present within the organization, having a direct and indirect effect on individual employee performance. This role of organizational leadership is further substantiated in Hall's (1996) *Competence Process*, which depicts performance as a dependant of collective competence. The competence process is a three-dimensional approach consisting of collaboration, commitment and creativity. In the context of collective competence, each stands for a dimension of organizational life which is manifested in organizational policies, practices and procedures (Hall, 1996). He further states that people who manage the organization



create conditions which give it its basic character. Therefore, the managerial actions create the context for competence. The message conveyed by an organization's leaders may be one that encourages and enables competence and, in turn, performance. Those who lead the organization can set in motion a competence process so that the organization is better equipped for meeting its performance requirements and adaptive demands (Hall, 1996).

Despite the motivation to perform, it is necessary to briefly highlight the barriers that might affect the performance of employees. These barriers may be the result of underdeveloped competencies, inappropriate performance goals, or lack of feedback about performance (Hellriegel, et al., 1999). For organizational purposes, factors affecting overall employee performance may be separated into two groups: internal and external. Internal factors are those factors over which the organization has influence and control, such as job descriptions and employee selection. External factors are those factors over which the organization has little or no control, such as demands for jobs grading systems (Hellriegel, et al., 1999). Having outlined and defined individual performance, it is now necessary, for this research, to review the relationship between performance and leadership.

## **2.10 Performance and Leadership**

Ultimately it is the individual employee who either performs, or fails to perform, a task. In order for an organization to perform an individual must set aside his personal goals, at least in part, to strive for the collective goals of the organization (Cummings and Schwab, 1973). In an organizational context, the very nature of performance is defined by the organization itself (Cummings and Schwab, 1973). Employees are of paramount importance to the achievement of any organization. Thus, effective leadership enables

greater participation of the entire workforce, and can also influence both individual and organizational performance.

The success of an organization is reliant on the leader's ability to optimize human resources. A good leader understands the importance of employees in achieving the goals of the organization, and that motivating these employees is of paramount importance in achieving these goals. To have an effective organization the people within the organization need to be inspired to invest themselves in the organization's mission: the employees need to be stimulated so that they can be effective; hence effective organizations require effective leadership (Wall, et al, 1995).

It has been widely accepted that effective organizations require effective leadership and that organizational performance will suffer in direct proportion to the neglect of this (Fiedler and House, 1988). Furthermore, it is generally accepted that the effectiveness of any set of people is largely dependent on the quality of its leadership – effective leader behaviour facilitates the attainment of the follower's desires, which then results in effective performance (Fiedler and House, 1988; Maritz, 1995). Preliminary research undertaken by Booysen and Van Wyk (1994) in Swanepoel, et al (2000) found that outstanding leaders, in terms of effectiveness, are perceived to show a strong and direct, but democratic and participative leadership style, and are seen as agents of change and visionaries who increase organizational performance.

Maccoby (1979) in Botha (2001) concludes that the need of firms to flourish in the world of escalating competitiveness, of technological advances, of altering government regulations and of changing employee attitudes, requires an advanced level of leadership

more than ever before. His views further demonstrate the importance of leadership in the business arena. According to Bass (1997), in the modern business environment much research has proved that leaders make a difference in their subordinates' performance, and also make a difference as to whether their organizations succeed or fail. Furthermore, other researchers argue for the ever-increasing importance of leadership in organizations, because of significant shifts in the business environments, such as the change in competitive intensity and the need for more participation of the total workforce.

Leadership is perhaps the most thoroughly investigated organizational variable that has a potential impact on employee performance (Cummings and Schwab, 1973). Winning leaders understand what motivates employees and how the employee's strengths and weaknesses influence their decisions, actions, and relationships. Cummings and Schwab (1973) mention the connection between leadership traits or leadership behaviours and employee performance. However, they stress that the literature was not based on empirical evidence and therefore has become discredited over time (Cummings and Schwab, 1973; Fiedler and House, 1988).

There is agreement in the literature (Maritz, 1995; Bass, 1997) that leadership is a critical factor in the success or failure of an organization; excellent organizations begin with excellent leadership, and successful organizations therefore reflect their leadership. Leaders are effective when the influence they exert over their subordinates works towards achieving organizational performance (Jones and George, 2000). Furthermore, leadership is often regarded as the single most critical success factor in the success or failure of an institution (Bass, 1990:8). Afful-Broni (2004) believes that leadership is undoubtedly the critical determinant of the success of an organization, and thus determines organizational

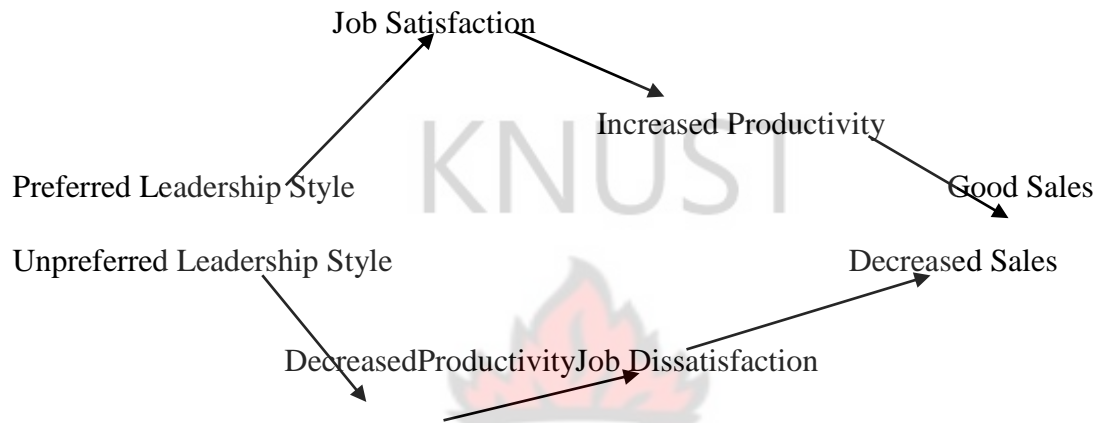
performance in the competitive global market. Research into organizational behaviour in different environments found that transformational leadership has a positive influence on employee performance, and therefore organizational performance (Bass and Avolio, 1994; Ristow, 1998).

However, through research by Pruijn and Boucher (1994) it was shown that transformational leadership is an extension of transactional leadership (Bass, 1997). The difference between these two models is that followers of transformational leadership exhibit performance which is beyond expectations, while transactional leadership, at best, leads to expected performance (Bass and Avolio, 1994). Ristow (1998) states that transactional leaders were effective in markets which were continually growing and where there was little or no competition, but this is not the case in the markets of today, where competition is fierce and resources are scarce.

Research data (Brand, et al., 2000) has clearly shown that transformational leaders are more effective than transactional leaders, regardless of how “effectiveness” has been defined. Brand, et al.,(2000) study points towards the marginal impact transactional leaders have on the performance of their followers in contrast to the strong, positive effects of transformational leaders (Brand, et al., 2000). This can be further supported by research conducted by Ristow, et al.(1999), which concluded that there was a positive relationship between certain styles of leadership and organizational effectiveness.

## 2.11 The Conceptual Framework on Leadership Styles and Employees Job Performance

The ideal conceptualization of leadership and performance in organization is built on the idea that leadership is power and influence that directs people to effectively perform as illustrated in Figure 1.



**Figure 1: Conceptual framework of the study**

**Source: Field Survey, 2012**

The framework above explains that the employees preferred leadership lead to their job satisfaction which in turn breeds increased productivity and finally yielded good sales. The opposite holds true.

## CHAPTER THREE



## **METHODOLOGY AND ORGANISATIONAL PROFILE**

### **3.0. Introduction**

This chapter describes the research methodology used in the study. The research design, population and sampling used in the study have been presented. The two instruments used for data collection, as well as the third variable of employee performance have been described in detail. A description of the data analysis and statistical techniques utilized in the study has also been provided. Finally, this chapter highlights the ethical considerations that needed to be taken into account.

### **3.1 Research Design**

The research study employed a qualitative, descriptive which was found to be suitable. Mouton (2005) states that the research design is a plan or blue print of how you intend conducting the research. McMillan and Schumacher (1993) justify this by stating that “research design is a plan for selecting subjects, research sites and data collecting procedures to answer the research question.” The research design indicates who will be studied, when, where and under what circumstances they will be observed in their own environment. The research design acted as a guide to which path to follow from the beginning to the end of the research. The qualitative researcher often goes to the site (home, office) of the participants to conduct the research (Creswell 1998). A qualitative researcher conducts detailed examinations of the cases that arise in the natural flow of the social life of participants (Neuman 2003). The focus of the study was to determine, explore and describe the challenges, perceptions and experiences of females in managerial positions at schools using qualitative methods such as unstructured interviews, field notes and observation.



Data collection methods for this study were interviews. The interviews were done at the organization. The researcher went to the participants in their natural setting at their respective workplace and interviewed them.

### **3.2 Sources of Data**

The data collected for the study comprised of primary and secondary data.

#### **3.2.1 Primary Data**

The primary data which is first hand information were collected through the use of interview and structured questionnaires by the researcher and were analyzed qualitatively. The primary data were obtained from workers, supervisors and managers.

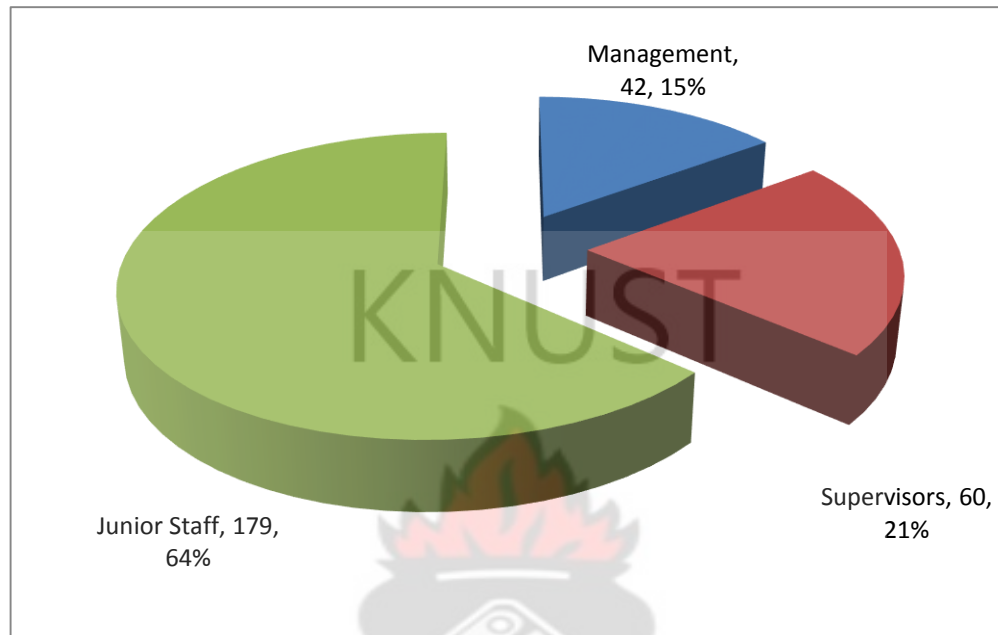
#### **3.2.2 Secondary Data**

Secondary data were data collected from published journals and books. This category of data was mainly in qualitative form. Access to this data was not a problem as these were published for public consumption. The researcher had easy access to the secondary data. First, this was less expensive to collect, in terms of time and money. It afforded the researcher the opportunity to collect high quality data which would not have been of the same quality if the researcher were to collect from primary source.

### **3.3 Population for the Study**

A population is considered to be any group of people, events, or things that are of interest to the researchers and that they wish to investigate (Sekaran, 2000). The target population for the study is made up of all employees at Hanmex Veneer and Plywood Company,

Kumasi that comprised of two hundred and eighty one employees. Figure 3.1 below illustrates the study population.



**Figure 3:1 Distribution of the study population**

**Source: Field Survey, July 2012**

### **3.4. Sampling Technique**

Hussey and Hussey (1997) emphasized on two main sampling techniques namely; probability and non-probability sampling. Probability sampling technique is the sampling process whereby randomness is essential and key element in the process, while non-probability sampling technique is based on the judgment of the researcher.

From the target population, a sample of 170 of them was purposively chosen for the study using convenient sampling method. Convenience sampling is a sampling procedure where the respondents are selected conveniently. The sample comprised of 30 management members, 30 supervisors and 110 employees or junior workers.

### **3.5 Tools of Data Collection**

The data collection tools employed were structured and semi-structured questionnaires and interviews.

#### **3.5.1 Structured questionnaire**

Structured questionnaires were used for data collection. These structured questionnaires were chosen because they ensured the confidentiality of responses and saved time. In addition, they are widely used in social science research and education. Kakinda (2000) writes that 90% of the research in the social sciences is conducted using questionnaires. However, the questionnaires were found to be disadvantageous in that many people who received them did not return them on time. According to Amin (2005), the disadvantage of the questionnaire is a low rate of return. In order to deal with this problem, however, the researcher trained research assistants who were responsible, for amongst other duties reminding the respondents to fill out the questionnaires and to return them in the required timeframe.

This questionnaire consists of 12 items. It was 21-item instrument on a four -point Likert-type scale (Strongly Disagree = 1, Disagree = 2, Agree = 3, and Strongly Agree = 4). where item 1 to 3 measures democratic leadership style, 4 to 6 measures authoritarian, 7 to 9 measures situational leadership, while 10 to 12 measures laissez – faire.

#### **3.5.2 Interviews**

Interview guides are data collection instruments used through direct and verbal interaction with respondents. They involve the use of question and answers. More and more data were collected through in-depth interviews and probing. Creswell (1994) argues that

interview guides are important in sourcing for volumes of qualitative data. Twenty five management's members and 30 employees or subordinates were interviewed with each informant given the leeway to choose the convenient time and venue for the interview. The informants were notified two weeks in advance about the purpose of the study and the interviews through letters written and sent to them directly.

### **3.6 Testing Validity and Reliability of the Instrument**

The validity of research instruments was ensured by assessing the questionnaire items during their construction. Questions were discussed with the supervisor for verification. This was to clear any lack of clarity and ambiguity.

Reliability refers to the consistency of the instruments in tapping information from more than one respondent. Through a pilot study conducted at Hanmax Kaase in Kumasi Metropolis that was not part of the sample used for the study.

### **3.7 Data Collection Procedure**

The researcher handed the questionnaire to the manager in charge of each department and explained to him the expectation of the researcher. The managers gave the questionnaire to their subordinates who participated in the study. The researcher collected the questionnaire later when he was informed about their completion.

In addition, the researcher used interview guide to measure the opinion of 25 employees on their perception on the subject under investigation. It was a face-to- face interview. This was useful for gathering in-depth information on the subject under investigation.

### **3.8 Data analysis and interpretation**

Mouton (2005:108) states that analysis involves the breaking up of data into manageable themes, patterns, trends and relationships. McMillan and Schumacher (1993:479) state that qualitative data analysis is primarily an inductive process. They further state that inductive analysis means that categories and patterns emerge from the data rather than being imposed on data prior to data collection. The interviews were the main data collecting tool in this study. Prior to data analysis the researcher first had to read through all the interviews and policies. The data was then categorized and patterns identified. The researcher then had to organize the information into relevant headings.

The data collected were re-organized coded in the format for computer entry by using Statistical Package for Social Sciences (SPSS). SPSS presented the data in frequency tables, pie and bar charts which were used in the analysis.

### **3.9 Ethical Consideration**

The major ethical problems experienced in this study were infringement on the privacy and confidentiality of the respondents. The study did not in any way use force to gather the data. The respondents were given the chance to respond freely with no salient intimidation or force or promise of reward. To end this, the researcher ensured that the research process was adequately explained to participants and that they were made aware that any information given out that should not be reported and would be kept as they wished.

### **3.10 Organizational Profile**

#### ***3.10.1 Brief History***

Hanmax Veneer and Plywood company was founded in 1986 under the dynamic and visionary leadership of Mr. Maxwell Owusu. Hanmax manufacturing facility is well equipped with machines and resources to change raw materials to finished good. Research and development is at the core of Hanmax's success story. The research and development efforts have resulted in continuous produce upgrading, innovation and new product development.

Their wood veneers are selected for blueprint specification to match in colour and character for the desired project. They are carefully assembled to appearance for fixture manufacturing or wall paneling; thus achieving desire beauty that architects and designer's prefer over other materials.

#### **Main Objectives of Hanmax Veneer and Plywood Company**

- a) To achieve unity of participants in the wood industry the government and business sectors can effectively interact with.
- b) To promote the sustainable management of natural and plantation forests that will increase their capacity to supply the wood requirement of, and enhance their capability to provide ecological balance for the country.
- c) To advance the efficient utilization of timber into quality lumber, plywood, pulp and paper, and other wood products that are competitive in the market.
- d) To service and protect the market of the wood industry against unfair trade practices.



- e) To attain public appreciation for the role of wood industry in the social, economic, and environmental development of the country.

### **Mission, Vision and Values**

The road map of Hanmax Veneer and Plywood Company start with their mission which is enduring. It declares their purpose as a company and sets as the standard against which they weigh their actions and decisions.

#### ***Mission***

Hanmax Veneer & Plywood Company is built on principles that are embodied in their mission statement, their action, attitudes, and relationship with customers, co-workers, and suppliers are based on “service, integrity, value, trust, respect and innovation.

- a) Creating a sustainable source of quality wood from natural and plantation forest: improving the global competitiveness of its wood products.
- b) Making accessible to consumers plywood products at affordable prices.
- c) Improving the welfare of affected communities to the national economy while maintaining a wholesome environment.

#### ***Vision***

Their vision serves as the framework for their road map and guides every aspect of their business by describing what they need to accomplish in order to continue achieving sustainable quality growth.

- a) People: Be a great place to work where people are inspired to be the best they can be
- b) Portfolio: Bring to the world a portfolio of quality plywood to satisfy people's desire and needs.

- c) Partners: Nature a winning network of customers and suppliers, together they create mutual, enduring value.
- d) Profit: Maximize a long-term return to shareowners while being mindful of their overall responsibilities.
- e) Productivity: Highly effective in fast moving organization.

### Staffing

The staff strength is about 281 workers.

**Table 3.1 Total Population of Hanmax, Vinner and Plywood Company**

Category of Staffs	No	Percentage
Management Staff	39	13.88
Supervisors	44	15.66
Junior Staff / Employees	198	70.46
<b>Total</b>	<b>281</b>	<b>100.00</b>

**Source: Field Survey, July 2012**

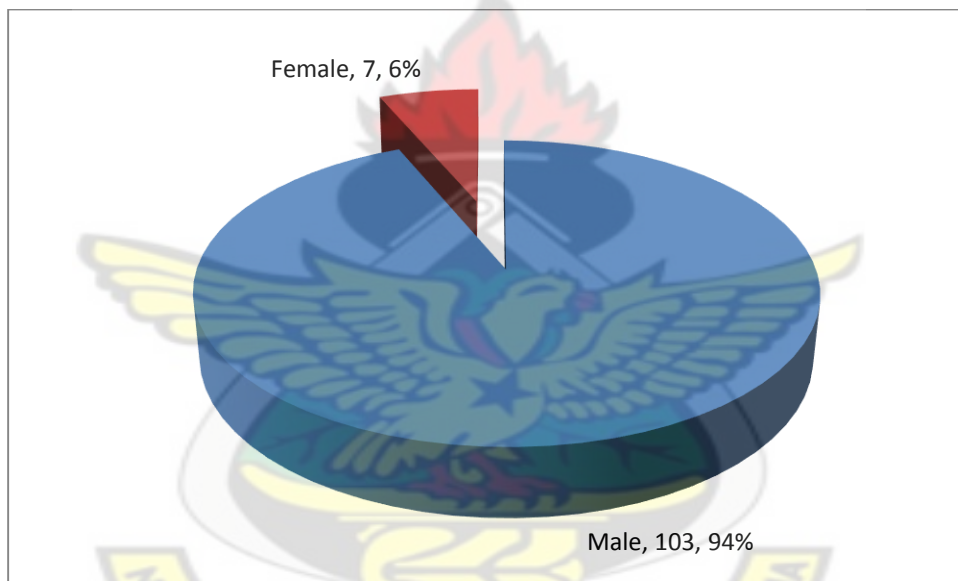
## CHAPTER FOUR

### DATA PRESENTATION, ANALYSIS AND DISCUSSION

#### 4.1 Introduction

The chapter presents the demographic characteristics of the respondents. This is followed by responses to key questions. In doing this, the analysis is based on qualitative data analysis, interpretation and discussion.

#### 4.2 SECTION A – Demographic Characteristics of Employee Responses



**Figure 4.1: Gender distribution of respondents**

**Source: Field Survey, July 2012**

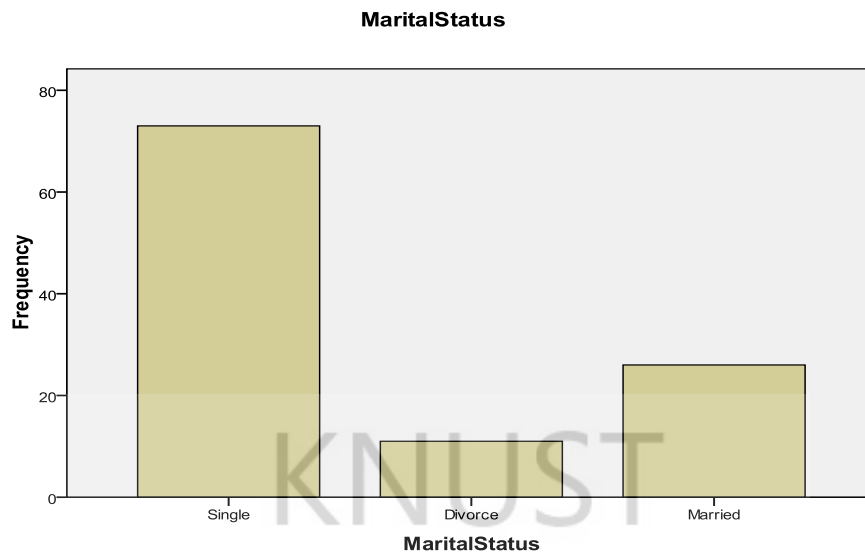
The data in figure 4.1 above depicts the gender distribution of employees in the company. Majority of them numbering 103 (94%) are male whilst 7 (6%) of them are females. This means that Hanmax Veneer and Plywood Company is male dominated.

**Table 4.1 Age Distribution of Respondents**

<b>Age</b>	<b>Frequency (Respondent)</b>	<b>Percentage</b>
Less than 20 years	13	11.8
Between 21 - 25 years	33	30.0
Between 26 - 30 years	15	13.6
Between 31 - 35 years	18	16.4
Between 36 - 40 years	14	12.7
41 years and above	17	15.5
<b>Total</b>	<b>100</b>	<b>100</b>

**Source: Field Survey**

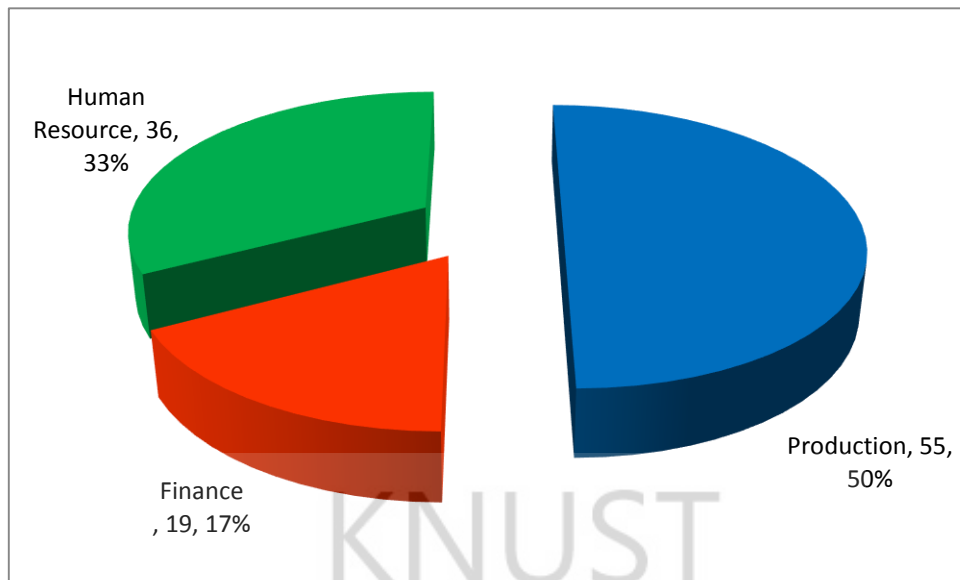
The data in Table 4.1 above show that the dominant age group of the respondents ranges between 21 and 25 (30%) with the lowest age group being less than 20 years (11.8%). This portrays the fact that the company has an energetic and a vibrant labour force hence it is likely that productivity will increase.



**Figure 4.2: Distribution of marital status of respondents**

**Source: Field Survey**

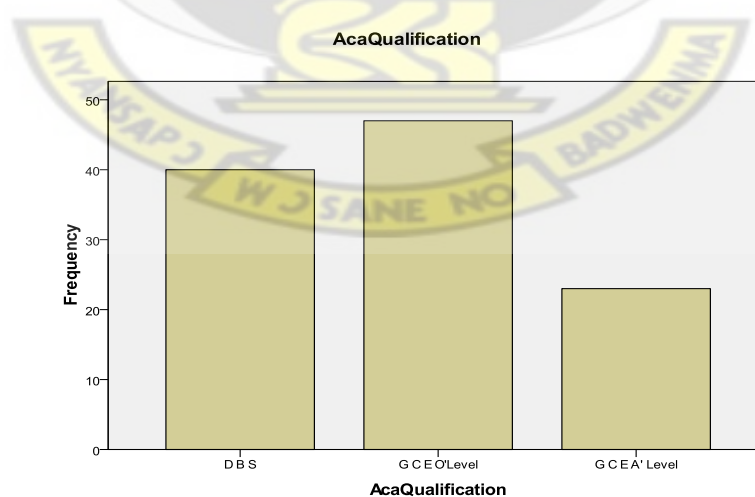
In figure 4.2 above, the respondents marital status indicates that 73 (64%) of them are single, 11 (10%) are divorcee whereas 26 (23.6%) are married. It is obvious that the labour force is dominated by people who are not married. This implies that the incidence of people going on maternity leave which will affect the production level of the company.



**Figure 4.3: Distribution of Respondents' Departments of work**

**Source: Field Survey, 2012**

The study included the identification of the employees' department. Out of the 110 employees chosen for the study, 55(50%) were working at Production Department, 19(17.3%) were at Finance Department, while 36(32.7%) were found working at the Human Resource Department. Figure 4.3 above indicates that majority of the production participants were more than the staff from the other departments.



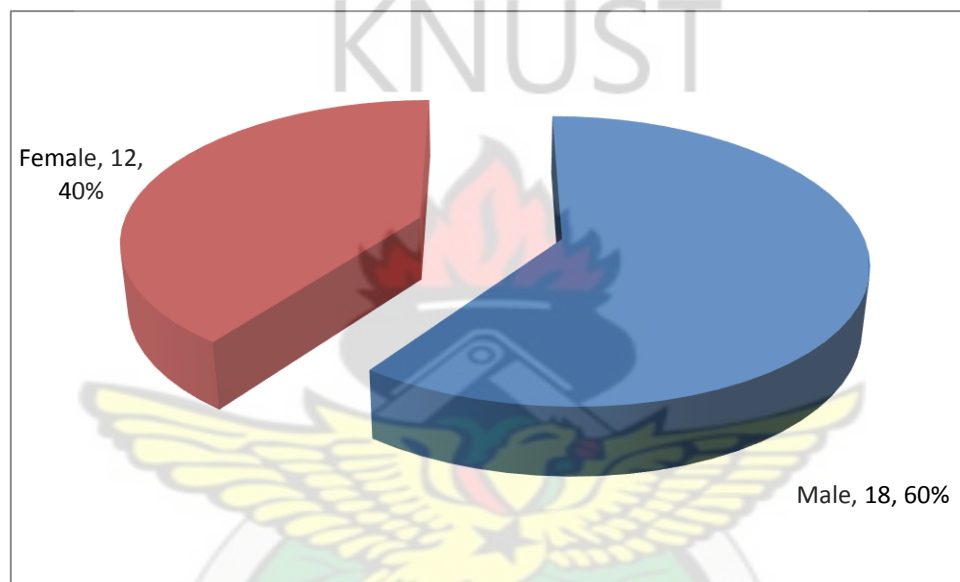
**Figure 4.4: Showing academic qualification**

**Source: Field Survey, 2012**



Figure 4.4 above deals with the qualification of the respondents. Majority of them who contributed to the study were holding GCE/SC Ordinary Level; representing 47 (42.7%) followed by DBS, 40 (34.6%) while GCE Advance Level holders were 23 (20.9%) representing the least.

#### 4.3. SECTION A – Demographic Characteristics of Management Respondents



**Figure 4.5: Distribution of Sex Respondents of Management**

**Source: Field Survey, 2012**

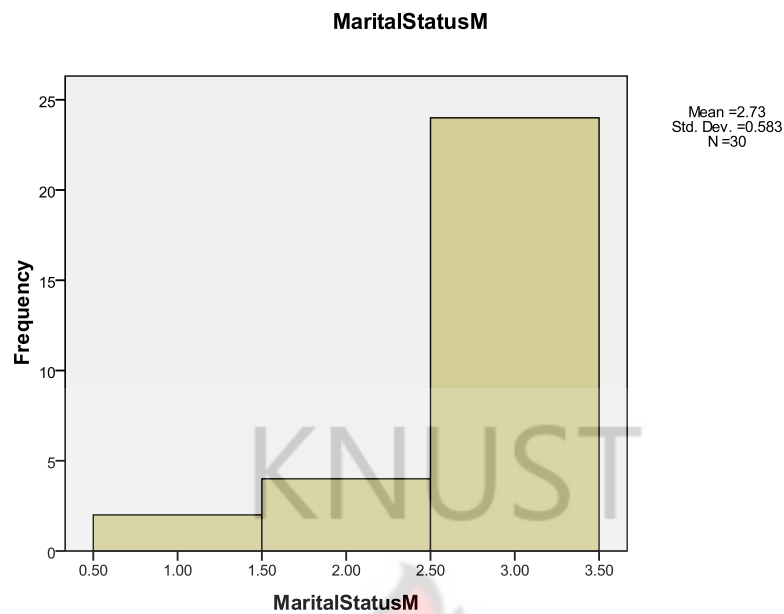
Figure 4.5 above shows the distribution and the percentage of the management personnel who participated in the study in terms of sex. Out of 30 respondents, 18 (60%) were males and 12 (40%) were females. This means that there is gender imbalance in Hanmax Veneer and Plywood Company with regard to its management personnel.

**Table 4.2 Age of the management Respondent**

Age	Frequency (Respondent)	Percentage
Less than 20 years	2	10%
Between 21 - 25 years	3	6.7%
Between 26 - 30 years	4	13.3%
Between 31 - 35 years	11	36.7%
Between 36 - 40 years	6	20%
41 years and above	4	13.3%
<b>Total</b>	<b>30</b>	<b>100</b>

**Source: Field Survey**

Table 4.2 above illustrates the fact that 11 (36.7%) of the 30 management respondents were between 31 and 35 years. An important variable examined in this study is the age group in which the management staff interviewed fall. The age group is a very important factor that plays an important role in the lives of management members as it yielded experience on human relations and leadership styles.



**Figure 4.6: Showing marital status of management respondents**  
**Source: Field Survey, 2012**

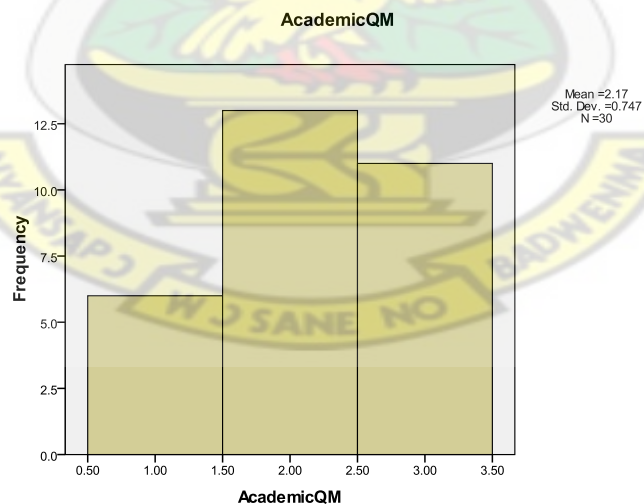
The study included the marital statuses of management members who participated in the study. Out of the 30 management personnel chosen for the study, 2(6.7%) were single, 4(13.3%) were divorcees, while 24(80%) were married. Figure 4.6 above illustrates this relationship. This means that the dependency ratio of the management is high and this will obviously increase the operational cost of the company as it extends or offers certain benefits like free medical care, scholarship among others, to the children of the married respondents provided such facilities are available.

**Table 4.3 Distribution of respondents department of work**

Departments	Frequency (Respondent)	Percentage
Production	13	43.3%
Finance	9	30%
Human Resource	8	26.7%
<b>Total</b>	<b>30</b>	<b>100%</b>

**Source: Field Survey, 2012**

With regard to the respondents' department of work, table 4.3 above indicates that 13(43.3%) were from Production Department, 9(30%) were working at Finance Department, while 8(26.7%) were working at Human Resource Department.

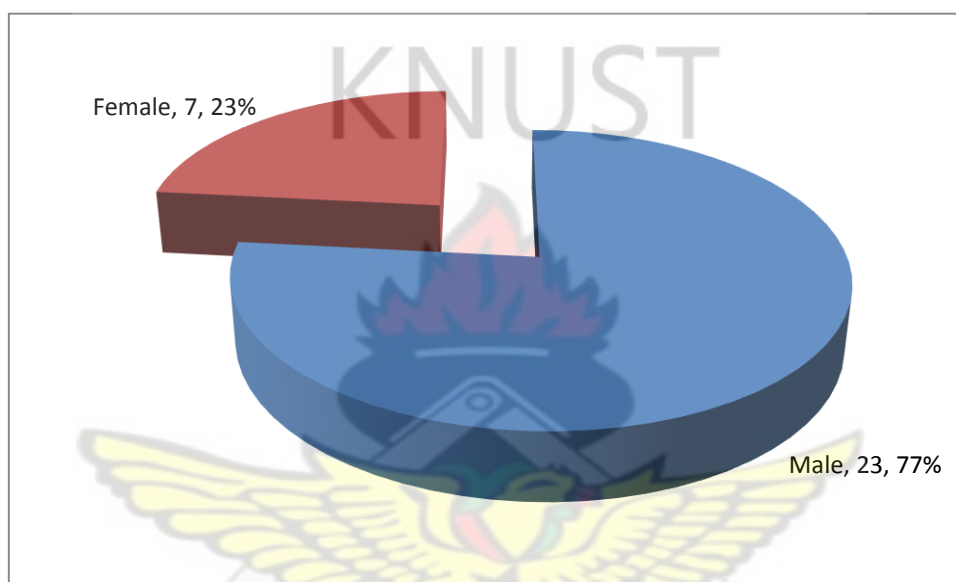


**Figure 4.7: Showing academic qualification of management respondents**

**Source: Field Survey, 2012**

Concerning the academic qualification of the management members who participated in the study, figure 4.7 above reveals that 6(20%) were holding DBS certificate, 13(43.3%), were HND holder while 11(36.7%) were degree holders.

#### 4.4. SECTION A – Demographic Characteristics of Supervisors Respondents



**Figure 4.8: Sex distribution of the supervisor respondents**

**Source: Field Survey, July 2012**

Data in Figure 4.8 shows the gender distribution of the supervisors who participated in the study. The Figure shows that 23(76.7%) of the respondents were males while 7(23.3%) were females.

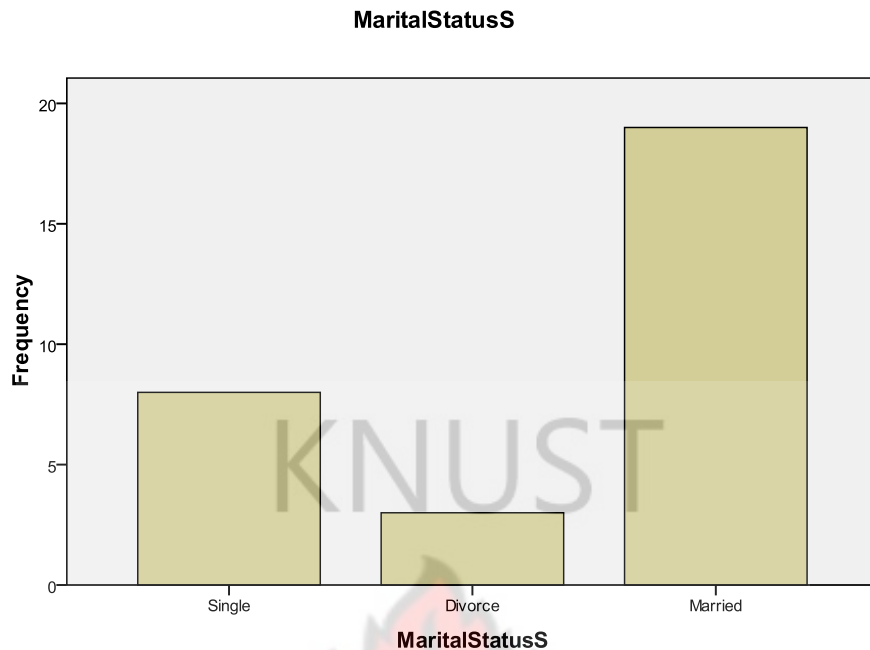
**Table 4.4: Age distribution of supervisor respondents**

Age	Frequency (Respondent)	Percentage
Less than 20 years	4	13.3%
Between 21 - 25 years	6	20%
Between 26 - 30 years	3	10%
Between 31 - 35 years	7	23.3%
Between 36 - 40 years	6	20%
41 years and above	4	13.3%
<b>Total</b>	<b>30</b>	<b>100</b>

**Source: Field Survey, July 2012**

Data in table 4.4 indicate that 4(13.3%) of supervisors who participated in the study were less than 20 years, 6(20%) were between 21 – 25 years of age, 3(10%) were between 26 – 30 years of age, 7(23.3%) were between 31 – 35 years of age, 6(20%) were between 36 – 40 years of age while 4(13.3%) of the respondents were above 41 years of age.





**Figure 4.9: Distribution of marital status of supervisor respondents**

**Source: Field Survey, July 2012**

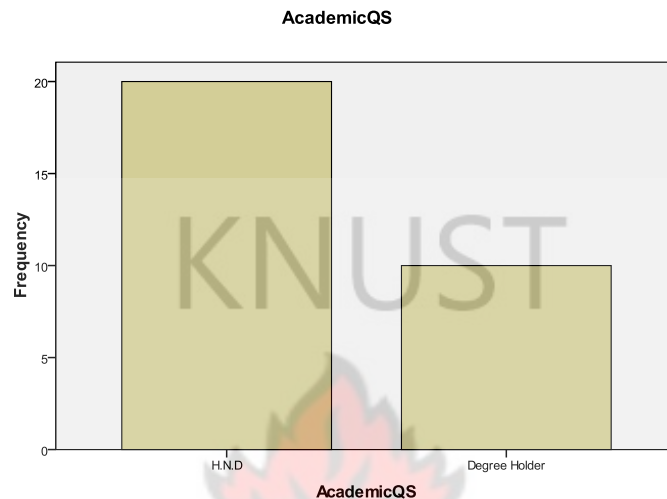
Data in Figure 4.9 shows that 8(26.7%) of the respondents were single, 3(10%) divorced, while 19(63.3%) were married. This means that the incidence of people going on maternity leave which will affect the production level of the company.

**Table 4.5: Distribution of Supervisor Departments**

Departments	Frequency	Percentage (%)
Production	14	46.7
Finance	9	30.0
Human Resource	7	23.3
<b>Total</b>	<b>30</b>	<b>100.0</b>

**Source: Field Survey, July 2012**

Data in Table 4.5 shows that 14(27%) of the respondents were working at Production Department, 9(30%) finance, while 7(23.3%) of the respondents were also working at the Human Resource Department



**Figure 4.10: Showing academic qualification of supervisors**

**Source: Field Survey, July 2012**

With regard to the supervisors' academic qualification, 20(66.7%) were H N D holders and 10(33.3%) were degree holders. Figure 8 below illustrates this relationship. It is obvious that if these supervisors with high academic qualification like HND and degree are given some authority to come out with their own ideas and suggestion to compliment policies and programmes of the management, the company will witness increase efficiency leading to increase output or productivity.

## **4.5. SECTION B – TREATMENT OF RESEARCH QUESTIONS**

### **4.5.1. Research Question One – How performance dependent on the level of leadership style at Hanmax Veneer and Plywood Company**

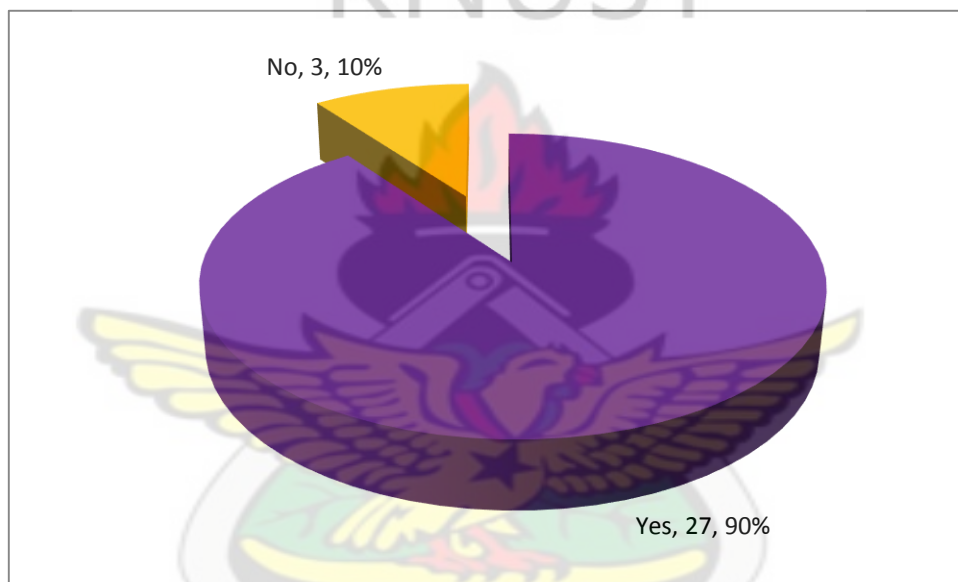
In order to establish whether there was any kind of relationship between performance and the leadership style, the participants were asked different questions. This question was

answered by the employees, management members and the supervisors who participated in the study.

#### **4.5.1.1. Workers' Responses**

On the question of whether a manager's leadership style or behaviour affects job performance?

**Figure 4.11** below presents their responses



**Figure 4.11 Response on whether or not the leadership style affects job performance**

**Source: Researcher's field work 2012**

Data in Figure 4.11 indicates workers' responses on whether or not the managers' leadership. On the question of whether a manager's leadership style or behaviour affects job performance. The data shows that 27(90%) out of 30 workers interviewed accepted that their manager's leadership style or behaviour affects their job performance while only 3(10%) reported that their manager's leadership style or behaviour does not affect their job performance.

One of the workers stated that:

*“Once the leaders do not perform their leadership role effectively, then organization performance will be affected, for example if a leader does not bother or respect the workers, this may affect the job satisfaction which will in turn affect production.*

Another worker commented that:

*“Good leadership style allows interactive approach to organizational issues which brings oneness”*

When the researcher probed further to determine if workers’ job performance really depended on the leadership style of their managers, all of the 30 workers interviewed responded that their managers’ leadership styles actually affect their job performance.

The workers’ perception on the relationship between leadership style and their job performance was supported by the management members interviewed. These were inferred from their responses that leadership styles really increase the organization output.

One management member stated that:

*“It has helped them in their job performance”.*

He emphasized that:

*It has increased the per day output”.*

The supervisors also had similar opinions. The following shows their responses on the influence of leadership style on job performance.

**Table 4.6: Distribution of Supervisor Responses on the influence of leadership style on job performance**

Statements	Strongly Agree		Agree		Disagree		Strongly Disagree		Total	
	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%
My leadership style has influence on employees' performance	24	80	6	20	0	0	0	0	30	100
My leadership style is admirable to all employees	18	60	5	17	4	13	3	10	30	100
I vary my leadership styles depending on the environment	16	53	10	33	4	13	0	0	30	100

**Source: Researcher's field work 2012**

Data in Table 4.5 shows responses from the supervisors concerning leadership style and its influence on employees or workers' job performance. From the table, it could be seen that 24 (80%) strongly agreed and 6 (20%) agreed that their leadership style had influence on their employees' performance. Also, it could be seen that 18 (60%) strongly agreed, 5 (17%) agreed, 4 (13%) disagreed and only 3 (10%) strongly disagreed that their leadership style was admirable to all employees. Furthermore, it could be observed that 16 (53%) strongly agreed, 10 (33%) agreed and only 4 (13%) disagreed that they vary their leadership styles depending on the environment.

This implies that the supervisors reckon that their leadership style has influence on their employees' performance; their leadership style is admirable to all employees and they vary their leadership styles depending on the environment.

It was therefore found that job performance among workers of workers of Hanas Veneer and Plywood Company was largely affected by the leadership style of the managers. This is consistent with the study by Ismail, et al (2009), who examined the relationship between transformational leadership, empowerment and followers' performance in Malaysia. They found that workers' performance was directly related to the type of leadership styles of their superiors. It also agrees with Maritz, (1995) who argued that effective leadership has a positive influence on the performance of organizations. It was also found that good leadership style allows interactive approach to organizational issues which brings oneness. This is similar to the study by Day (2000), who concluded that effective leadership brought about unity and a congenial atmosphere in the workplace.

#### **4.5.2. Research Question Two –The preferred leadership style at Hanmax Veneer and Plywood Company**

This question was designed to find out the type of leadership style preferred in Hanmax Veneer and Plywood Company. All the 30 workers interviewed indicated democratic leadership style. The following sample statements show some of the views of the respondents.

One of the workers said:

*For me, I prefer a leader who listens to your side of the story. With some leaders you can't contribute in any way when it comes to decision making.*

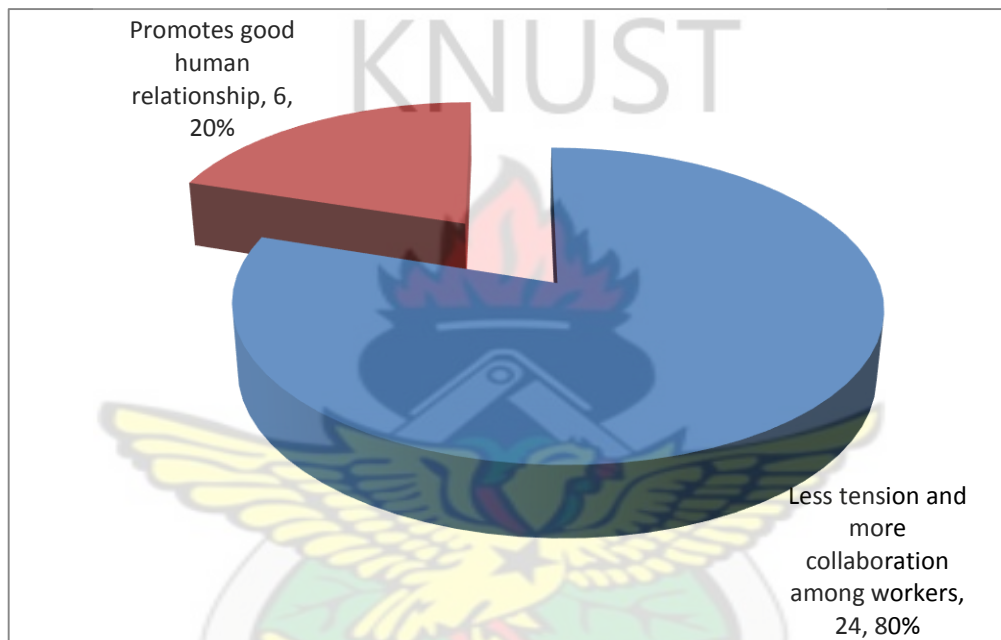


Another worker also states that:

*In my view, a true leader is one that forms consensus with his subordinates.*

*That's the kind of leadership I prefer.*

Furthermore, when the respondents were asked to give reasons why they preferred the democratic leadership style, their views have been shown in Figure 4.12.



**Figure 4.12: Reasons for democratic leadership style**

**Source: Researcher's field work 2012**

Data in Figure 4.12 indicates respondents' views on the reasons why they preferred the democratic leadership style. Twenty-four of them representing 80% explained that it does not promote tension and promotes collaboration among workers, while 6(20%) indicated that it promotes good human relationship.

**Table 4.7: Distribution of Supervisor Responses on the preferred leadership style**

Statements	Strongly Agree		Agree		Disagree		Strongly Disagree		Total	
	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%	<i>f</i>	%
I prefer authoritarian decision making	0	0	0	0	5	16	25	84	30	100
I prefer democratic leadership style to autocratic leadership.	26	87	4	13	0	0	0	0	30	100
I prefer Laissez-fair leadership style to both autocratic and democratic leadership style.	4	13	6	20	15	50	5	17	30	100

**Source: Researcher's field work 2012**

Data in Table 4.7 indicates supervisors' responses on the type of leadership style preferred. The table shows clearly that 25 (84%) strongly disagreed and 5 (16%) disagreed to authoritarian decision making. However, 26 (87%) strongly agreed and 4 (13%) agreed to democratic leadership style than autocratic leadership style. Finally, 4 (13) strongly agreed, 6 (20%) agreed, 25 (50%) disagreed and 5 (17%) strongly disagreed to the preference of laissez-fair leadership style than autocratic and democratic leadership style. This is an indication that the democratic leadership style is what is preferred in Hanmax Veneer and Plywood Company.

Findings on the preferred leadership style at Hanmax Veneer and Plywood Company has indicated that the preferred leadership style is democracy. This finding is consistent with Ismail, et al (2009) who found out that workers perform better under democratic leadership. Also, Oyetunyi (2006) reported that democratic leadership is power sharing;

the manager shares decision-making with the subordinates that breeds comfort and job satisfaction.

#### **4.5.3. Research Question Three –Challenges managers go through in applying a particular leadership style at Hanmax Veneer and Plywood Company**

There are challenges in any situation not excluding workplaces and for that matter implementing decisions. This question was posed to management who seek the affairs of the organization to identify the challenges they go through in applying a particular leadership style. Their responses were themed and presented in table 4.7 below

**Table 4.8: Challenges managers go through in applying a particular leadership style at Hanmax Veneer and Plywood Company**

<b>Departments</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Feeling about discriminated	4	13.3
Difficulties in delegation	8	26.7
Thwarted ambitions	6	20.0
Poor relations subordinates or colleagues	12	40.0
<b>Total</b>	<b>30</b>	<b>100.0</b>

**Source: Researcher's field work 2012**

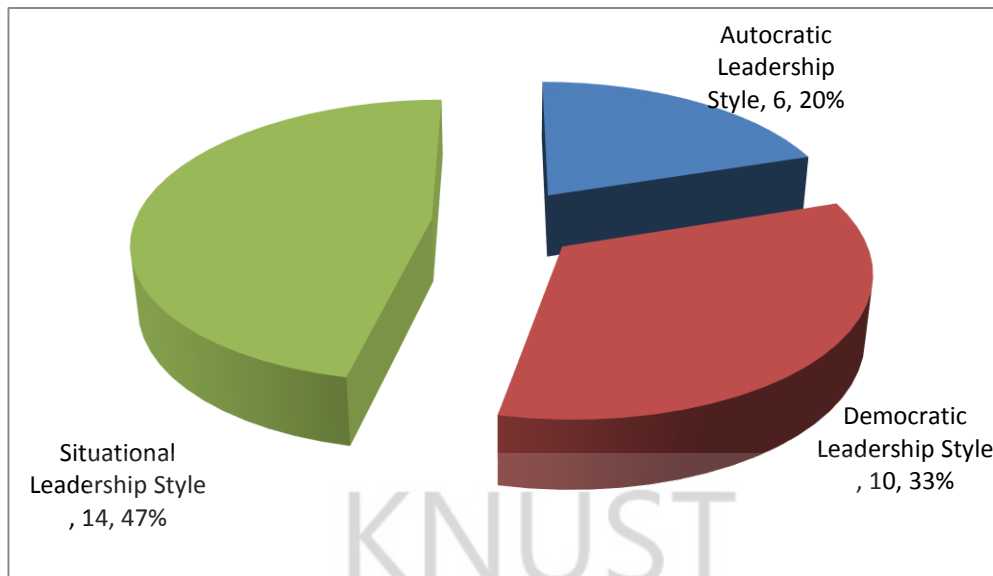
Data in Table 4.8 shows managers' responses on the challenges they face. The table shows that while 13.3% of the managers claimed that they felt discriminated when they intended to apply a particular leadership style they desired, 8(26.7%) indicated that when they want to apply a particular leadership style they found it difficult to delegate on their behalf, 6(20%) reported that they saw that their ambitions were being thwarted in an attempt to

apply a particular leadership style that was not in favour of the staff, while 12(40%) pointed out that they experienced poor relations with their subordinates or colleagues.

The findings indicated that at Hanmx Veneer and Plywood Company, managers are mostly faced with the challenge of poor human relations among subordinates or colleagues. Poor human relations among subordinates or colleagues is tantamount to poor working environment. This finding is in contrast with Bermosa (2008) who hinted that one of the most influential factors to motivate teachers was to maintain a harmonious relationship among members of the faculty and make sure that all the teachers including staff are properly motivated and encouraged from time to time. Similarly, creating a harmonious relationship among workers at Hanmax Veneer and Plywood Company is what is needed to boost the morale at the workplace.

#### **4.5.4. Research Question Four – The type of leadership styles available at Hanmax Veneer and Plywood Company.**

This research question sought to find out the common leadership styles available at Hanmax Veneer and Plywood Company. Both supervisors and workers were asked to respond to this question.



**Figure 4.13: Workers responses on leadership styles available at Hanmax Veneer and Plywood Company.**

**Source: Researcher's field work 2012**

Data in figure 4.13 shows that 6 (20%) mentioned the autocratic leadership style, 10 (33%) mentioned the democratic leadership style and 14 (47%) mentioned situational leadership style.

Findings in research question four indicated that to a large extent, the management of Hanmax Veneer and Plywood Company were not democratic in their leadership style. However, the workers could not indicate the kind of leadership style that dominated in the workplace. This finding does not agree with Mankoe (2007) who described the democratic leadership style as the best leadership style in management and administration.

#### **4.5.5. Research Question Five –Some of the things that would improve leadership styles at Hanmax Veneer and Plywood Company**

This research question was posed to find out the opinion of workers on the possible ways that would improve leadership styles at Hanmax Veneer and Plywood Company.

**Table 4.9: Ways to improve leadership styles at Hanmax Veneer and Plywood Company**

<b>Responses</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Involving employees representative(s) in decision making	6	20
Contacting employees regarding changes	14	47
Power distribution	10	33
<b>Total</b>	<b>30</b>	<b>100.0</b>

**Source: Researcher's field work 2012**

Table 4.9above shows the workers responses' on how to improve leadership styles at HamaxVeneer and Plywood Company. From the table, it could be seen that 14 (47%) of the respondents suggested contacting employees regarding changes. The table also shows 10 (33%) suggesting power distribution and 6(20%) suggesting that involving employees representatives in decision making would help improve leadership in the company.



## **CHAPTER FIVE**

### **SUMMARY OF FINDINGS CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1. Introduction**

This chapter summarizes the research findings and draws conclusions and provides recommendations.

#### **5.2. Summary of Findings**

The findings of the study can be summarized as follows:

##### **5.2.1 Performance of the workers depended on the leadership style**

The study revealed that the current performance of the workers depended on the type of leadership style at Hanmax Veneer and Plywood Company. The workers' perception on the relationship between leadership style and their job performance was supported by the management members interviewed.

##### **5.2.2 Democratic Leadership style is preferred leadership style at Hanmax Veneer Plywood Company**

The study also revealed that the employees preferred democratic leadership style to other leadership styles. This is because, if a leader adopts this style, he is more likely to encourage supervisors and other workers to be loyal and co-operative. Hidden potentials and more likely to be revealed and used to the advantage of the Hanmax Veneer and Plywood Company.

### **5.2.3 Poor relation with subordinate and colleagues**

The study further revealed that the major challenges managers go through in applying a particular leadership style at Hanmax Veneer and Plywood company results in poor relationship with subordinates and colleagues and this results in low morale on the part of subordinates and also little imitative on the part of the workers.

### **5.2.4 Managers see themselves as democratic but supervisors saw them as situational leaders**

The study again revealed that as managers themselves claimed to be democratic, workers saw their managers as autocratic who alone dream, determine and set out policies, and also assign tasks to them without previous consultation with them. The supervisors also saw the managers as situational leaders who adopt a particular leadership style depending on the environment or situation. It is therefore clear from the supervisors that leaders in Hanmax Veneer and Plywood Company adopt particular leadership style due to the prevailing circumstances.

### **5.2.5 Managers and supervisors find it difficult to delegate authorities to the workers**

Findings from the field of research through interview indicated that managers and supervisors find it very difficult to delegate authorities to workers because they will be held responsible and accountable for the performance of the company. Since the managers want to achieve the best results, they often shy off from delegating. This means both the managers and the supervisors do not have confident in the workers. This explains why workers see managers as autocratic.

#### **5.2.6 Though the workers receive attractive salary, productivity is low owing to lack of recognition, opportunities to learn and employment security.**

The study has revealed that the problem of poor performance in Hanmex Veneer and Plywood Company is due to lack of respect and recognition for the workers. There is very little real communication between management and the workers. The management and supervisors issues directive without considering other expert's input first. This explains why the workers could not indicate the kind of leadership style dominated in the work place.

#### **5.3. Conclusion**

Effective research reveals that there is a very significant leadership effect not only on the employees' performance, but also on an array of organization conditions as well. Leadership is a very strong predictor of employees' performance. This study established that among the pillars on which organization is anchored leadership is pivotal. For example, if leadership per se is expected to have a pronounced effect on job performance, it must be democratically shared. This chapter therefore provides the summary of the study findings, conclusions and proposes to make recommendations on the basis of the research findings.

It was also noted that as managers themselves claimed to be democratic, worker saw their managers as autocratic, while the supervisors also saw the manager as situational leaders, the worker preferred democratic leader who will involve them in decision making that will yield less tense and enhances more collaboration among workers.

It is thus apparent from this study that there is a significant relationship between leadership styles and workers job performance and that if the organization hope to operate as successful entities; the leadership will have to adopt approaches that take cognizance of the diverse needs of all stakeholders that it purports to serve.

## **5.4 Recommendations**

### **5.4.1 Democratic leadership style**

The study has revealed that, workers in Hanmax Veneer and Plywood Company preferred democratic leadership style to all other leadership styles. It is therefore recommend that management should consider as a matter of urgency, to go by the preferred leadership style to improve employees job performance.

### **5.4.2 Decentralization**

The study also revealed that supervisors experience poor human relation with their employees and management when they want to apply a particular leadership style. It is therefore recommend that, whenever possible, Hanmax managers should decentralize control and reduce the number of levels of management. This way, there will be greater need to delegate certain responsibilities, as this will help managers to tap the employees creative capacity and provide them with control over their work environment.

### **5.4.3 Motivation**

The study revealed that the motivational level is very low in the area of leadership, morale, inner drive, conviction or zeal. It is therefore recommended that management should consider as a matter of urgency, the need to increase the salary or give bonuses and

clothing allowances or leave allowances. It is believed that this helps to increase zeal on the part of workers, and often increases productivity.

#### **5.4.4 Delegation**

It is quite normal to come across worker who is content with his salary but unhappy with the supervisor because varied talents among the staff are hardly seen. It is therefore remanded that managers and supervisors of Hanmax Veneer and Plywood Company should delegate and instills confidence in workers and improve the problem solving skills. When the tasks are not enormous, the manager can “test” the ability of the workers by allocating them duties which are made for the managers.

#### **5.4.5 Employees should have a thorough knowledge of the performance management system, mission and objective of the company**

The management should explain to the employees the company’s mission, vision and objectives. This will help the employees to feel part of the organization. It is also recommended that both the employee and the supervisor should evaluate employees performance. Workers involvement in the process increases employee ownership and commitment to work.

#### **5.4.6 Effective communication**

There should be a effective communication, coordination among the employers, supervisors and the employees in Hanmax Veneer and Plywood Company and this will improve a very good human relationship and team work among the employees, supervisors and employers. When this happen the employees will feel free to share their

problems and the feelings with the employers and this will promote cordial relationship in the job environment.

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## APPENDIX A

## LEADERSHIP (SUPERVISORS) QUESTIONNAIRE

In this section, you need to choose from the items; 1. Strongly Disagree 2. Disagree 3.

Agree 4.Stronlgy Agree.

Statements	Strongly Disagree	Disagree	Agree	Strongly agree
1. My leadership style has influence on employees' performance				
2. My leadership style is admirable to all employees'.				
3. I vary my leadership styles depending on the environment				
4. Leaders in this organization focus on the environment and the people when making decision				
5. Different kinds of situations demand different leadership styles				
6. Leaders allow employees to make decision				
7. I do invite my employees' on decision regarding to the organization process				
8. Leaders in the organization prefer collective decision making in this organization				
9. I prefer authoritarian decision making				
10. I prefer democratic leadership style to autocratic leadership.				
11. I prefer Laissez-fair leadership style to both autocratic and democratic leadership style.				
12. I do not delegate authority to my employees because of perfection.				
13. I face challenges when I adopt leadership style that are not preferred by employees				
14. Only preferred leadership by employees can increase the employee's job performance.				



## **APPENDIXB**

### **MANAGEMENT INTERVIEW GUIDE**

1. Has your organization got a particular leadership style? Yes [ ] No [ ]
  - (a) If yes, what is the style? Autocratic [ ] Democratic [ ]  
Laissez-faire [ ] Others [ ]
  - (b) If no, why? .....
2. What do you think is the relationship between your leadership style and employees performance in the organization? .....
  - (b) Please, how? .....
  - (c) Why? .....
3. Do you have the direction to use a leadership style that suits you and your employees? Yes [ ] No [ ]
  - (a) If yes, which style do you use? .....
4. What challenges do you go through in applying particular leadership style in your Organization? .....
5. Could you explain how the management/leadership approach that you have adopted in your Organization leads to performance excellence? .....  
.....
6. What leadership style is likely to yield the best high job performance?  
Autocratic [ ] Democratic [ ] Laissez-faire [ ]  
Other .....



## **APPENDIX C**

### **WORKERS (HAMAXVENEER& PLYWOOD COMPANY)**

#### **INTERVIEW GUIDE**

1. How do you rate your job performance in this organization?  
  
a) High [ ]                      b) Moderate [ ]                      c) Low [ ]
2. Do you think your manager leadership styles or behaviours affect your job performance?      Yes [ ]      No [ ]  
  
If yes how.....  
  
If No how.....
3. Does your job performance depend on the leadership style of your manager?  
Yes [ ]                      No [ ]
4. What leadership style is available at Hamax Veneer& Plywood Company?  
Autocratic [ ]    Democratic [ ]    Laissez-faire [ ]    Transactional [ ]  
Other .....
5. What type of leadership styles do you think can help you to increase your work output or performance?    Autocratic [ ]    Democratic [ ]    Laissez-faire [ ]  
Transactional [ ]    Other .....
6. What leadership style do you admire most?  
Autocratic [ ]    Democratic [ ]    Laissez-faire [ ]    Transactional [ ]  
Other .....
7. Why do you admire the selected leadership style?
  - a. Because it less tension and more collaboration among workers [ ]
  - b. Because it promotes good human relationship [ ]

- c. It increases job performance [    ]
- d. Others (Specify) .....
8. What recommendations can you make for the improvement of manager's leadership styles?

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