Management of Leadership Style: An Approach to Organizational Performance and Effectiveness in Nigeria.

Munirat Olafemi Yusuf

Department of Business Administration
University of Abuja
Abuja, Nigeria.
drmrsyusuf@yahoo.com

Umar Danladi Muhammed

Department of Business Administration
University Of Abuja, Nigeria
udmohammed@yahoo.com

Aina Olalekan Kazeem

Department of Business Administration
University of Abuja, Nigeria.
Lekanlism@yahoo.com

Abstract: *Organizations in Nigeria are realizing that, in order to adequately achieve the aims and objectives of the business in the short and long run and also to achieve maximum organization performance and effectiveness, full attention must be given to the management of leadership style. The study focused on the management of leadership style as an approach for organizational performance and effectiveness in Nigeria.Transformational leadership behaviors and performance/outcome considered relevant in the study were charisma, inspirational motivation and intellectual stimulation/individual consideration; and effectiveness, extra effort and satisfaction, respectively. Transactional leadership behaviors and performance/outcome variables were constructive/contingent reward and corrective/management by exception; and effort, productivity and loyalty/commitment, respectively with other form of leadership theories. The study was conducted in Federal capital territory, Abuja, North-central Nigeria with the use of questionnaire and interview to collect data that was statistically analyzed using regression model with the use of Statistical Package for social science (SPSS).The result of the study showed that there is a positive significant relationship between the application of leadership style and performance of business organizations in Nigeria, it therefore, recommended that managers should adopt the appropriate leadership style that suit the organization at the same time taking into consideration the effective management of employees through good leadership in order to increase the level of performance and organization efficiency.*

Keywords: *Leadership, style, theories, Performance, Effectiveness, Nigeria.*

1. INTRODUCTION

The concept and definition of leadership style may differ from one person, or situation, to the other. The word "leadership" has been used in various aspects of human endeavor such as politics, businesses, academics, social works, etc. Previous views about leadership show it as personal ability. Messick and Kramer (2004) argued that the degree to which the individual exhibits leadership traits depends not only on his characteristics and personal abilities, but also on the characteristics of the situation and environment in which he finds himself.

Individual and group are members of an organization in order to achieve certain personal objectives, the extent to which they are active members depends on how they are convinced that their membership will enable them achieve their predetermined objectives. Therefore, an individual will support an organization if he believes that through it his personal objectives and goals could be met; if not, the person's interest will decline. Leadership style in an organization is one of the factors that play significant role in enhancing or retarding the interest and commitment of the individuals in the organization. Thus, Glantz (2002) emphasizes the need for a manager to find his leadership style.

Among the objectives of any small enterprise are profit making and attainment of maturity and liquidity status.

In the pursuit of these objectives, enterprises allocate scarce resources to competing ends. In the process they provide employment, provide goods and services, purchase goods and services and, thus, contribute to the growth of the society and economy at large. Unamaka (1995) observes that in most Nigerian business settings, the effectiveness of this process is greatly determined by the availability of and access to personnel, finance, machinery, raw material and possibility of making their goods and services available to their immediate community and the nation at large.

The extent to which members of an organization contribute in harnessing the resources of the organization equally depends on how well the managers (leaders) of the organization understand and adopt appropriate leadership style in performing their roles as managers and leaders. Thus, efficiency in resources mobilization, allocation, utilization and enhancement of organizational performance depends, to a large extent, on leadership style, among other factors. Akpala (1998) identifies attitude to work, leadership style and motivation as some of the factors that exert negative effect on organizational performance in Nigeria.

Small and Medium Enterprise Development Agency of Nigeria (SMEDAN) in 2008, reports businesses in Nigeria die before their fifth anniversary. Ashibogwu (2008) notes that one of the reasons for this high failure is lack of use of market research to confirm demand and assess suitability of proposed offering as well as maintaining high level of customer patronage. Inappropriate leadership style could be one of the reasons for high failure of business organizations.

The study aligns with the concept of leadership as explained by Taffinder (2006) and, thus, considers leadership within the context of business enterprise as the action of managers of the enterprise to contribute their best to the purpose of the enterprise. This study is intended to evaluate the management of leadership style on the performance of business organizations, contribute to empirical studies on leadership style and business performance, proffer quantitative-based recommendations for policies and programmes to reposition business enterprises as integral part of the engine of economic growth and development in Nigeria.

According to Riggio et al (2008), leadership is a learning process that is not only centered in what needs to be said but also in learning how to say it in ways that others can understand and follow. Thus, this relationship of mutual abilities is the leader-follower relation. Both create it so that both can do the right things. They further states that its an ongoing process in which leaders and followers may change their roles, but leadership and followership always function the same way.

Leadership as viewed by Kouzes and Posner (1987) is an ongoing process of building and sustaining a relationship between those who aspire to lead and those willing to follow. Their views explore common patterns of action at the core of effective leadership. Authenticity, initiative, courage, and inspiration, as well as the abilities to frame engaging opportunities, foster collaboration, and empower others–qualities available to all no matter where they sit in the hierarchy–can enable groups of ordinary individuals to accomplish extraordinary things.

Leadership is multidimensional in skill and orientation. Successful leaders need to understand people and organizations, tasks and processes, self and others. They must attend to current realities while envisioning future possibilities, and need confidence and strategies for working competently across a wide range of diverse issues – from fostering the organizational clarity that comes from sound structures and policies to unleashing energy and creativity through bold visions, from creating learning organizations where workers mature and develop as everyday leaders to managing the conflict inevitable in a world of enduring differences (Gallos, 2008).

Kotter (1999) disagreed with some people's views that there has been a dearth of quality leadership throughout history, he stated that what is clear is that the increasingly fast-moving and competitive environment we will face in the twenty first century demands more leadership from more people to make enterprises prosper. Without that leadership, organizations stagnate, lose their way, and eventually suffer the consequences. He believes that leadership gap exists for many reasons and correcting the problem is made difficult for many additional reasons. Instead of nurturing talent, encouraging people to lead and to learn from mistakes and successes, organizations all too often ignore leadership potential, offer no relevant training or role models,

and punish who make small errors while trying to lead. Individuals, too, get in their own way by failing to assess their developmental needs realistically and to proactively seek means of meeting those needs.

The study is divided into five sections. Section one is the introduction, section two is a review of related literature, section three discusses the methodology employed in carrying out the study, and section four is data presentation and analysis, while section five concludes the study and proffers recommendations for policy and business decisions.

2. REVIEW OF RELATED LITERATURE
2.1. Levels of leadership

A leader is anyone who directs and controls a group of people to achieve a set purpose.

However, a social organization has many leaders operating at the same time. They may be rivals but they share the various leadership functions of planning, directing, reviewing, and coordinating. Circumstances may cause changes in leadership pattern thus leading to classification of leadership, based on how it is performed (Hicks and Gullet, 1975, Riggio and Conger, 2007). He stated that there might be two types of leaders:

   i. Unofficial Leader: this leader is often not important in an organization though the power ascribed to such leader may rise and fall.
   ii. Official Leader: the individual holding this position is officially given charge over the subordinates who should be directed and controlled. The subordinates need to be led to value the rewards they obtain from their work this could be money, friendship, status, approval or a combination of any of these. In most cases official leaders could be called supervisors or managers and they reserve the power to reward or punish. To a large extent, the success of such leadership depends on experience and teachers virtuosity, but on their management style at a greater extent.

2.2. Leadership Ability

It is unquestionable that there are unlimited researches on how people acquire leadership ability, however, the aristocrats believe that it is in-born (in the blood) just like monarchy. Most work known today attempts to describe leadership act and techniques, theorize about why leaders emerge; understand people and the dynamics of interpersonal relations. Both near and far, there exist highly talented people with leadership ability. Various informal groups; preparatory to university, family to social institutions, traditional settings to modern setting all have distinguished set of people who have demonstrated superior leadership act. However, teaching this process can be difficult. This could be due to the fact that leadership is a dynamic personal process. Leadership could be said to be dynamic because it varies with circumstances and individuals involved. It is also said to be personal because of the inter-personal influences allowed. However, this process could be difficult, which could be attributed to the fact that leadership is a dynamic personal process (Gerhard, 2002).

Leadership could be said to be dynamic because it varies with circumstances and individuals involved. It is also said to be personal because of the interpersonal influences allowed, meanwhile, this does not necessarily mean direct contact between the leader and the subordinates. While some leaders are known to have direct contact with their subordinates as evidenced in most small scale industries, others are void of this process, possibly because of larger number of subordinates involved.

2.3. Leadership Style and Performance

In the literature, leadership has been identified as an important subject in the field of organizational behavior. Leadership is one with the most dynamic effects during individual and organizational interaction. In other words, ability of management to execute "collaborated effort" depends on leadership capability. Lee and Chuang (2009), explain that the excellent leader not only inspires subordinate's potential to enhance efficiency but also meets their requirements in the process of achieving organizational goals.

Stogdill (1957), defined leadership as the individual behavior to guide a group to achieve the common target. Fry (2003), explains leadership as use of leading strategy to offer inspiring

motive and to enhance the staff's potential for growth and development. Several reasons indicate that there should be a relationship between leadership style and organizational performance. The first is that today's intensive and dynamic markets feature innovation-based competition, price/performance rivalry, decreasing returns, and the creative destruction of existing competencies (Santora *et al.*, 1999; Venkataraman, 1997). Studies have suggested that effective leadership behaviours can facilitate the improvement of performance when organizations face these new challenges (McGrath and MacMillan, 2000; Teece, Pisano and Shuen, 1997).

On the other hand, organizational performance refers to ability of an enterprise to achieve such objectives as high profit, quality product, large market share, good financial results, and survival at pre-determined time using relevant strategy for action (Koontz and Donnell, 1993). Organizational performance can also be used to view how an enterprise is doing in terms of level of profit, market share and product quality in relation to other enterprises in the same industry. Consequently, it is a reflection of productivity of members of an enterprise measured in terms of revenue, profit, growth, development and expansion of the organization.

Understanding the effects of leadership on performance is also important because leadership is viewed by some researchers as one of the key driving forces for improving a firm's performance. Effective leadership is seen as a potent source of management development and sustained competitive advantage for organizational performance improvement (Avolio, 1999; Lado, Boyd and Wright, 1992; Rowe, 2001). For instance, transactional leadership helps organizations achieve their current objectives more efficiently by linking job performance to valued rewards and by ensuring that employees have the resources needed to get the job done (Zhu, Chew and Spengler, 2005). Visionary leaders create a strategic vision of some future state, communicate that vision through framing and use of metaphor, model the vision by acting consistently, and build commitment towards the vision (Avolio, 1999; McShane and Von Glinow, 2000). Some scholars like Zhu *et al.* (2005), suggest that visionary leadership will result in high levels of cohesion, commitment, trust, motivation, and hence performance in the new organizational environments.

Mehra, Smith, Dixon and Robertson (2006) argue that when some organizations seek efficient ways to enable them outperform others, a longstanding approach is to focus on the effects of leadership. Team leaders are believed to play a pivotal role in shaping collective norms, helping teams cope with their environments, and coordinating collective action. This leader-centered perspective has provided valuable insights into the relationship between leadership and team performance (Guzzo and Dickson, 1996). Some studies have explored the strategic role of leadership to investigate how to employ leadership paradigms and use leadership behavior to improve organizational performance (Judge, Bono, Ilies, and Gerhardt, 2002; Judge and Piccolo, 2004; Keller, 2006; McGrath and MacMillan, 2000; Meyer and Heppard, 2000; Purcell, Kinnie, Hutchinson and Dickson, 2004; Yukl, 2002). This is because intangible assets such as leadership styles, culture, skill and competence, and motivation are seen increasingly as key sources of strength in those firms that can combine people and processes and organizational performance (Purcell *et al.*, 2004).

Previous studies led the expectation that leadership paradigms will have direct effects on customer satisfaction, staff satisfaction, and financial performance. In general, however, the effects of leadership on organizational performance have not been well studied, according to House and Aditya's review (1997), who criticized leadership studies for focusing excessively on superior-subordinate relationships to the exclusion of several other functions that leaders perform, and to the exclusion of organizational and environmental variables that are crucial to mediate the leadership-performance relationship. Another problem with existing studies on leadership is that the results depend on the level of analysis. House and Aditya (1997), distinguished between micro-level research that focuses on the leader in relation to the subordinates and immediate superiors, and macro-level research that focuses on the total organization and its environment. Other scholars have also suggested that leaders and their leadership style influence both their subordinates and organizational outcomes (Tarabishy, Solomon, Fernald, and Sashkin, 2005).

Fenwick and Gayle (2008), in their study of the missing links in understanding the relationship between leadership and organizational performance conclude that despite a hypothesized leadership-performance relationship suggested by some researchers, current findings are inconclusive and difficult to interpret.

From this review of related literature, it is evident that although some scholars believe that leadership enhances organizational performance while others contradict this, different concepts of leadership have been employed in different studies, making direct comparisons virtually impossible. Gaps and unanswered questions remain.

Consequently, the current study is intended to re-examine the proposed leadership-performance relationship and, thus, contribute meaningfully to the body of growing literature and knowledge in this area of study.

2.4. Theories of Leadership

Among the various theories of leadership and motivation relating to effective organizational change management, perhaps the most prominent is the transformational-transactional theory of leadership. As explained in Saowalux and Peng (2007), Burns (1978), conceptualizes two factors to differentiate "ordinary" from "extraordinary" leadership: transactional and transformational leadership. Transactional leadership is based on conventional exchange relationship in which followers" compliance (effort, productivity, and loyalty) is exchanged for expected rewards. In contrast, transformational (extraordinary) leaders raise followers" consciousness levels about the importance and value of designated outcomes and ways of achieving them. They also motivate followers to transcend their own immediate self-interest for the sake of the mission and vision of the organization.

Such total engagement (emotional, intellectual and moral) encourages followers to develop and perform beyond expectations (Burns, 1978; Bass, 1985). Burns (1978), observes that transformational leadership involves the process of influencing major changes in organizational attitudes in order to achieve the organization's objectives and strategies. Bass (1985), observed that transactional leaders work their organizational cultures following existing rules and procedures, while transformational leaders change their cultures based on a new vision and a revision of shared assumptions, values and norms. When an organization must adapt to changes in technology, its leadership is a critical factor in its successful change.

Bass (1985), operationalized the work of Burns (1978) by developing a model of transformational and transactional leadership, referred to in more recent publications as the "full range leadership model" (Bass and Avolio, 1997).

2.4.1 Transformational Leadership

The difference between transformational and transactional leadership lies in the way of motivating others. A transformational leader's behaviour originates in the personal values and beliefs of the leader and motivates subordinates to do more than expected (Bass, 1985). Burns (1978), identified transformational leadership as a process where, "one or more persons engage with others in such a way that leaders and followers raise one another to higher levels of motivation and morality".

For transformational leadership style, the follower feels trust, admiration, loyalty and respect towards the leader, and is motivated to do more than what was originally expected to do (Bass, 1985; Katz & Kahn, 1978). The transformational leader motivates by making follower more aware of the importance of task outcomes, inducing them to transcend their own self-interest for the sake of the organization or team and activating their higher order needs.

He encourages followers to think critically and seek new ways to approach their jobs, resulting in intellectual stimulation (Bass et al., 1994). As a result, there is an increase in their level of performance, satisfaction, and commitment to the goals of their organization (Podsakoff et al, 1996).

Bass (1990), proposed four behaviors or components of transformational leadership to include charisma, inspirational motivation, intellectual stimulation, and individual consideration.

Charisma, or idealized influence or attributes, is characterized by vision and a sense of mission, instilling pride in and among the group, and gaining respect and trust (Humphreys & Einstein, 2003). Charismatic behavior also induces followers to go beyond self-interest for the good of the group, providing reassurance that obstacles will be overcome, and promoting confidence in the achievement and execution influence (Conger and Kanungo, 1998; Howell and Frost, 1989) and

followers place an inordinate amount of confidence and trust in charismatic leaders (Howell and Avolio, 1992).

Inspirational motivation is usually a companion of charisma and is concerned with a leader setting higher standards, thus becoming a sign of reference. Bass (1985), points out followers look up to their inspirational leader as one providing emotional appeal to increase awareness and understanding of mutually desirable goals.

This is characterized by the communication of high expectations, using symbols to focus efforts, and expressing important purpose in simple ways. The leader always behaves talking optimistically about the future, articulating a compelling vision for the future and providing an exciting image of organizational change (Bass and Avolio, 1994). The motivation occurs by providing meaning and challenge to the followers‟ work; individual and team spirit are aroused and enthusiasm and optimism are displayed. The leader encourages followers to envision attractive future states, for the organization and themselves (Bass et al, 1997).

Intellectual stimulation provides followers with challenging new ideas and encourages them to break away from the old ways of thinking (Bass, 1985). The leader is characterized as one promoting intelligence, rationality, logical thinking, and careful problem solving. The attributes include seeking differing perspectives when solving problems, suggesting new ways of examining how to complete assignments and encouraging re-thinking of ideas that have not been questioned in the past (Bass and Avolio, 1994). The leader encourages the followers to be innovative and creative by questioning assumptions, reframing problems, and approaching old situations in new ways.

Finally, the fourth dimension of transformational leadership is "individual consideration" which is concerned with developing followers by coaching and mentoring (Bass, 1985; Bass & Avolio, 1990). The leader pays close attention to the inter-individual differences among the followers and act as mentor to the follower. He teaches and helps others develop their strengths, and listens attentively to others‟ concerns (Bass and Avolio, 1994).

Followers are treated individually in order to raise their levels of maturity and to enhance effective ways of addressing their goals and challenges (Bass, 1985).

2.4.2 Transactional Leadership

Transactional leadership involves an exchange process that results in follower compliance with leader request but not likely to generate enthusiasm and commitment to task objective. The leader focuses on having internal actors perform the tasks required for the organization to reach its desired goals (Boehnke et al, 2003). The objective of the transactional leader is to ensure that the path to goal attainment is clearly understood by the internal actors, to remove potential barrier within the system, and to motivate the actors to achieve the predetermined goals (House and Aditya, 1997).

Other theories of leadership include:

2.4.3 "Great Man" Theories:

Great Man theories assume that the capacity for leadership is inherent – that great leaders are born not made. These theories often portray great leaders as heroic, mythic and destined to rise to leadership when needed. The term "Great Man" was used because, at the time, leadership was thought of primarily as a male quality, especially in terms of military leadership. This theory was developed from an early research which included the study of great leaders. The early leaders came from the privileged class and held hereditary titles. Very few people from the lower class had the opportunity to take a lead. The Great Man theory was based on the idea that whenever there is a need of leadership, a Great Man would arise and solve the problems. When the Great Man theory was proposed, most of the leaders were males and therefore, the gender issues were not negotiable. Even the researchers were male, which was the reason for the name of the theory being 'Great Man Theory'.

Trait Theories: Similar in some ways to "Great Man" theories, trait theories assume that people inherit certain qualities and traits that make them better suited for leadership. Trait theories often identify particular personality or behavioural characteristics shared by leaders. If particular traits

are key features of leadership, then how do we explain people who possess those qualities but are not leaders? This question is one of the difficulties in using trait theories to explain leadership.

When this theory was produced, it was based on the study of the characteristics of successful leaders. The researchers also made an assumption that if people found these leadership traits, they would also become leaders. While researching, certain traits and characteristics were listed. John Gardner researched many leaders of North America and listed the attributes and characteristics of leaders. These traits are as follows:

- Intelligence and judgments based on actions
- Physical stamina and a vital driving force
- Task competency
- Better understanding of the followers and their demands
- Readiness to accept responsibilities
- Ability to deal with people
- Capability to motivate people
- Trustworthiness
- Conclusiveness
- Flexibility

These are some of the few qualities and attributes of leadership. When this theory was researched earlier, researchers believed that a leader has all the listed traits in him/her. The meaning of this theory is that the same leadership attributes are applicable for leadership on a battlefield and the leadership in a school. However, if a person has some of these traits and not all, then it is not possible for him to be a leader! Apart from this question, there was again the problem of gender in a leadership. Even if you make an exhaustive list of leadership traits, these attributes are defined taking into consideration a male leader.

2.4.4 Contingency Theories:

Contingency theories of leadership focus on particular variables related to the environment that might determine which particular style of leadership is best suited for the situation. According to this theory, no leadership style is best in all situations.

Success depends upon a number of variables, including the leadership style, qualities of the followers and aspects of the situation.

2.4.5 Situational Theories:

Situational theories propose that leaders choose the best course of action based upon situational variables. Different styles of leadership may be more appropriate for certain types of decision-making. One of the relatively lesser known leadership theories is the situational leadership theory. The researchers found that leaders emerged as a result of different situations. Therefore, the researchers assumed that leadership qualities were developed depending on the situation. However, there are people who believe that there are different styles of leadership which changes the situation. There are three basic things in a situational leadership; the foremost thing is that the relationship between the followers and the leader must be healthy. The followers must like the leader and support him/her in his goals. The second thing is that the task which is to be accomplished must be known, and the leader should set the goals as per the task to be done. Along with the tasks to be accomplished, the methods and standards to accomplish the task must also be specified in details, as this will make an impact on the followers. The third thing that is important is that the organization must confer the responsibilities of the task upon the leader, as this will strengthen the position of the leader.

2.4.6 Behavioral Theories:

After the trait theory, the researchers started exploring the behaviour of the leaders and made assumptions that the traits and the leadership qualities are not inherited; they can be learned and mastered by any person. Thus, this theory meant that leaders are not born, leaders can be made and so it became a famous management leadership theory and practice. In the behavior theory, you need to assess a successful leader along with the actions of that particular leader. As a

successful leader is assessed, a leader with failure is also assessed; therefore, a second aspect of this theory was built. Apart from the leadership theories and styles which were proposed earlier, the basic leadership ideas remained the same.

Behavioral theories of leadership are based upon the belief that great leaders are made, not born. Rooted in behaviorism, this leadership theory focuses on the actions of leaders not on mental qualities or internal states. According to this theory, people can *learn* to become leaders through teaching and observation.

2.4.7 Participative Theories:

Participative leadership theories suggest that the ideal leadership style is one that takes the input of others into account. These leaders encourage participation and contributions from group members and help group members feel more relevant and committed to the decision-making process. In participative theories, however, the leader retains the right to allow the input of others.

3. RESEARCH METHODOLOGY
3.1 Research Design and Sample Size

The study used a survey to evaluate the management of leadership style as approach to organizational performance and effectiveness in Nigeria. The design was adopted because of its appropriateness in describing the current situation of phenomenon (Kothari, 1990).

The Population of the study are the management of business organization in Nigeria. Nwankwo (1999) stated that the population of any research work is the universe of such group; of people or object which a researcher is interested. In obtaining the sample size of the population, SMEs owners from selected area councils in Abuja, North-Central Nigeria were selected through random sampling. 5 local government areas were selected for the study. We had in these local government areas obtain a sample elements of 100 respondents which also means 20 respondents from each selected local government area through a probabilistic sampling techniques. The primary sources of data collection were through the use of questionnaire, personal observation and interview.

3.2 Research Instrument and Technique

The primary instrument used for the collection of data for this study is the questionnaire. The questionnaire were designed in open and closed ended patterns and administered directly on the management of business organizations. Further, in order to reduce the possibility of questionnaire missing or getting lost in transit, the questionnaire were retrieved the same manner in which they were administered. The data collected were presented in tables and analyzed using regression model statistical technique with the help of statistical package for social sciences (SPSS) in order to confirm the stated hypothesis.

3.3 Research and Reliability of Research Instrument

The validity of an instrument refers to the extent to which it measures what was intended to measure. The validity of the scales utilized in this study was assessed for content and construct validity. After the survey had been completed the reliability of the sales was further examined by computing their p-value and Sig-value.

3.4 Research Findings and Analysis

Research Findings and Analysis

In the course of this study 120 questionnaire were distributed to management of various business organizations in order to critically evaluate the management of leadership style for maximum organizational performance and effectiveness in Nigeria. A total 110 questionnaire were returned out of which 100 was found to be valid and useful for our study. This represents 83% which is good enough, as it is reliable and generalizable.

4. RESEARCH HYPOTHESES AND DISCUSSION OF FINDINGS

The hypothesized statements were tested using regression model statistical tool with the help of SPSS as earlier stated. The tests conducted at 95% confidence interval and 0.005 level of

significant. The decision rule was that if the calculated P-value is less than the critical value (0.05), we reject the Null hypothesis, if not we Accept.

The following were the result of the tested hypothesis:

REGRESSION RESULTS

H_0: There is no positive significant relationship between management of leadership style and performance of business organization in Nigeria.

H_1: There is a positive significant relationship between management of leadership style and performance of business organization in Nigeria.

Model Summary (b)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.151(a)	.023	.019	.39642	1.278

a. Predictors: (Constant), leadership style
b. Dependent Variable: Organization Performance

Coefficients (a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.620	.080		57.406	.000
	Leadership style	.046	.019	.151	2.367	.019

a. Dependent Variable: Organization Performance

Summary of Regression Results and other Statistics

A	β_{pef}	P. value	R	r^2	$t\alpha$
4.620	0.046	0.019	0.151	0.023	0.05

Source: SPSS Version 15

The regression line is (ORGANIZATION PERFORMANCE= $4.620+0.046_{pef}$) indicates that Organization performance will increase by 0.046% for every 1% increase in Good leadership style in Nigeria. The significant value or P-value of 0.019 is less than the t-value of 0.05. We, therefore, reject Null Hypothesis and accept Alternative hypothesis that the relationship between leadership style and performance of business organizations in Nigeria is significant. The correlation coefficient (r) of 0.151 shows a weak relationship and the coefficient of determination (r^2) of 0.023 indicates that about only about 2.3% of variation is explained by the role of leadership style or the ability of the regression line to predict Organization performance is about 2.3%.

Source: SPSS Version 15

The above Pearson's result revealed a positive and significant correlation between Leadership Style and Organizations performance in Nigeria (given the coefficient and p-value of 0.151 and 0.019) respectively.

PEARSON PRODUCT MOMENT CORRELATION COEFFICIENT (PPMCC) RESULTS

Correlations

		Org. Performance	Leadership Style
Org. Performance	Pearson Correlation	1	.151(*)
	Sig. (2-tailed)		.019
	N	100	100
Leadership Style	Pearson Correlation	.151(*)	1
	Sig. (2-tailed)	.019	
	N	100	100

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

4.1 Summary of Findings

The study reveals the importance of a good leadership style as a tool for organization performance and effectiveness as indicate by the high regression between the leadership style and prosperity of organization performance, which indicate that for any percentage increase in good leadership style in Nigeria, the higher the organization performance and effectiveness . Also there is need for effective leadership style options for business organizations as it has a significant impact on their profit, human resources management, growth and development in Nigeria which in turn has a great impact on the level of growth and development of the economy of Nigeria towards employment generation and nation's building.

5. CONCLUSION AND POLICY RECOMMENDATIONS

The study evaluates the management of leadership style for effective organizational performance in Nigeria which revealed that there is a positive significant relationship between leadership style and organization performance in Nigeria. It is therefore mandatory for managers of most business organizations in Nigeria to adopt the best leadership style that suit the structure and policy of their organization at the same time adopting the principle of management by Objectives (MBO) which is a principle that try to achieve the organization objectives together with the employee objectives and goals, It is a well known fact that employees came into the organizations because they believe that their personal goals could be met while they strive to help achieve the organization's objectives. It is expected that owners of small scale business should recognize the needs of their workers, employ appropriate motivational tool such as promotion of staff based on competence and skills, provide suitable working environment and provide appropriate leadership style that will encourage free flow of information among employer, superior officers and other employees (Idowu, 2007). This is in line with Unamaka, and Ewurum, (1995) assertion that good motivation is critical for achieving organization objectives which can only be achieved when leaders/managers shows understanding of the needs of the subordinates. It will then provide energy and focus needed to drive the organization.

This view was supported by Hill and Lineback, (2011) that says this kind of human relationship with the small business owners will be a crucial factor that can determine an employee's level of engagement with the work.

The business owners should not turn themselves into jack of all trade but allow others to use their initiatives in some of the areas where they can display superior competence; this will further enhance leadership role and freedom to use individual discretion at some specific levels thereby ensuring high performance and productivity at the same time. Riggio et al, (2008) were of the opinion that free flow of information and use of own initiative by the staff will create good followership and mentoring will not be difficult.

The study recommended that managers should adopt the appropriate leadership style that suit the organization at the same time taking into consideration the effective management of employees through good leadership in order to increase the performance and effectiveness of organization as it developed, grew and matured.

REFERENCES

Akpala, A. (1998). Igbo Cultural Factors that may bear on Management and Organizational Performance in Nigeria. In Imaga, E. U. L. & Ewurum, U. J. F. (eds.) Business Management Topics, Vol. 1. Enugu, Oktek publishers.

Ashibogwu, M. (2008). Common Failures of Family Business. Business Day, Monday, May, 18.

Avolio, B.J. (1999). Full Leadership Development: Building the Vital Forces in Organizations. Thousand Oaks: CA Sage.

Bass, B. M. (1990). Bass and Stogdill" s Handbook of Leadership: Theory, Research, and Managerial Applications. (3rd ed.). New York: Free Press.

Bass, B. M., & Avolio, B. J. (1997). Full Range Leadership: Manual for the Multifactor Leadership Questionnaire. Palo Alto, CA: Mind Garden.

Bass, B. M., & Avolio, B. J. (1994). Improving organizational Effectiveness through Transformational Leadership. Thousand Oaks, CA: Sage.

Bass, B. M. (1985). Leadership and Performance beyond Expectations. New York, Free Press.

Boehnke, K., Bontis, N. Distefano, J., & Distefano, A. (2003). Transformational Leadership: An Examination of Cross-national Differences and Similarities. Leadership and Organization Development Journal, 24(1/2), 5-17.

Burns, J. M. (1978). Leadership. New York: Harper & Row

Conger, J.A. (1999). Charismatic & Transformational Leadership in Organizations: An Insider's Perspective on these Developing Streams of Research. The Leadership Quarterly, 10(2): 45-169.

Conger, J.A. & Kanungo, R.N. (1987). Towards a Behavioral Theory of Charismatic Leadership in Organizational Settings. Academy of Management Review, 12(4), 637-467.

Fenwick, F. J. & Gayle, C. A. (2008). Missing Links in Understanding the Relationship between Leadership and Organizational Performance. International Business & Economics Research Journal, Volume 7.

Fry, L. W. (2003). Towards a Theory of Spiritual Leadership. The Leadership Quarterly, 14, 693-727.

Gallos, J.V 2008: Business Leadership, 2nd ed. John Wiley & Sons, Inc. San Francisco CA 94103-1741

Glantz, J. (2002). Finding Your Leadership Style. A Guide for Educators; Association for Supervision and Curriculum Development.

Guzzo, R. A. & Dickson, M. W. (1996). Teams in Organizations. Annual Review of Psychology, 47(1):307-338

Gerhard, P.J. 2002: International Operations Management, Copenhagen Business School Press.

Hicks, G.H., and Gullet, C.R. 1975: Organizations: Theory and Behaivour. New York: McGraw-Hill.

Humphreys, J. H., & Einstein, W. O. (2003). Nothing New under the Sun: Transformational Leadership from a Historical Perspective. Management Decision, 41(1/2), 85-95.

House, R. J. & Aditya, R. N. (1997). The Social Scientific Study of Leadership: Quo Vadis? Journal of Management, (23)3: 409-473.

Howell, J. M., & Avolio, B. J. (1992). Transformational Leadership, Transactional Leadership, Locus of Control, and Support for Innovation: Key Predictors of Consolidated-Business-Unit Performance. Journal of Applied Psychology, 78, 891-902.

Howell, J., & Frost, P. (1989). A Laboratory Study of Charismatic Leadership. Journal of Organizational Behaviour and Human Development Processes, Vol 43, 243 – 269.

Idowu Abiola. (2012). Evaluation of leadership and organizational performance on small scale industries in Nigeria. British journal of Arts and Social Sciences. ISSN 2046-9578, Vol.7, No.1.

Judge, T. A., Bono, J.E., Ilies, R. and Gerhardt, M.W. (2002). Personality & leadership: A Qualitative & Quantitative Review. Journal of Applied Psychology, 87(4): 765-780.

Judge, T. A. & Piccolo, R. F. (2004). Transformational & Transactional Leadership: A Meta-analytic Test of their Relative Validity. Journal of Applied Psychology, 89(5): 755-768.

Judge, T. A. and Ilies, R. (2002). Relationship of Personality to Performance Motivation: A meta-analytic review. Journal of Applied Psychology, 87(4): 797-807.

Katz, D., & St. Kahn, R. L. (1978). The social psychology of organization (2nd ed.). New York:Wiley.

Keller, R. T. (2006). Transformational Leadership, Initiating Structure & Substitutes for Leadership: A Longitudinal Study of Research & Development Project Team Performance. Journal of Applied Psychology, 91(1): 202-210.

Koontz, H. & Donnell, C. (1993). Introduction to Management. McGraw-Hill Inc., New York.

Lado, A. A., Boyd, N. G. & Wright, P. (1992). A Competency-based Model of Sustainable Competitive Advantage: Toward a Conceptual Integration. Journal of Management, 18(1): 77-91

Kotter, J.P. 1999: What Leaders Really Do? Harvard Business School Press. Boston, MA 02163.

Kouzes, J.M., and Posner, B.Z 1987: The Leadership Challenge: How to Keep Getting Extraordinary Things Done in Organizations. Jossey-Bass Wiley Imprint, San Francisco CA 94103-1741.

Lee and Chuang (2009). The Impact of Leadership Styles on Job Stress and Turnover Intention: Taiwan Insurance Industry as an Example. www.hclee@ttu.edu.tw

McGrath, G. R and MacMillan, I. C. (2000). Entrepreneurial Mindset: Strategies for Continuously Creating Opportunity in an Age of Uncertainty. Harvard Business School Press Books.

McShane, S. L. and Von Glinow, M. A. (2000). Organizational Behavior. Burr Ridge, IL: Irwin/McGrawHill.

Mehra, A., Smith, B., Dixon, A., & Robertson, B. (2006). Distributed Leadership in Teams: The Network of Leadership Perceptions and Team Performance. Leadership Quarterly, 17: 232-245.

Messick, D. M. & Kramer, R. M. (2004). The Psychology of Leadership: New Perspectives and Research. Lawrence Erlbaum Associates, Publishers. New Jersey.

Meyer, G. D. and Heppard, K.A. (2000). Entrepreneurial Strategies: The Dominant Logic of Entrepreneurship. New York, NY: Irwin University Books.

Podsakoff, P. M., McKenzie, S. B., & Bommer, W. H. (1996). Transformational Leader Behavior and Substitutes for Leadership as Determinants of Employee Satisfaction, Commitment, Trust, and Organizational Citizenship Behaviors. Journal of Management, 22(2), 259-298.

Obiwuru, Okwu and Nwankwere. (2011). Effects of leadership style on organizational Performance. Journal of Business management and Research, vol.1, No.7.

Purcell, J., Kinnie, N., Hutchinson, S., Rayton, B. & Swart, J. (2004). Understanding the People & Performance Link: Unlocking the Black Box. Research Report, Chartered Institute of Personnel and Development.

Riggio, R.E, and Conger, J.A, 2007: The Practice of Leadership: Developing the Next Generation of Leaders. Jossey-Bass Wiley Imprint, Inc. San Francisco CA 94103-1741.

Rowe, W. G. (2001). Creating Wealth in Organizations: The Role of Strategic Leadership. Academy of Management Executive, 15: 81-94.

Santora, J. C., Seaton, W. & Sarros, J. C. (1999). Changing Times: Entrepreneurial Leadership in a Community-based Nonprofit Organization. Journal of Leadership Studies, 6(3-4); 101 – 109.

Saowalux, P. & Peng, C. (2007). Impact of Leadership Style on Performance: A Study of Six Sigma Professionals in Thailand. International DSI/Asia and Pacific DSI, July, 2007.

SMEDAN. (2008). Small and Medium Enterprises Performance in Nigeria: A report presented at African Entrepreneurship Seminar Organized in Collaboration with the Scientific Committee on Entrepreneurship of the University of Essex. United Kingdom on the 5th of June.

Stogdill, R.M. & Coons, A.E. 1957. Leader Behavior it‟s Description and Measurement. Ohio: Bureau of Business Research, The Ohio State University, 88, 1-27.

Taffinder, P. (2006). Leadership Crash Course: How to Create Personal Leadership Value. 2 Edition, London; GBR Ltd.

Tarabishy, A., Solomon, G., Fernald Jr., L.W. & Sashkin, M. (2005). The Entrepreneurial Leader's Impact on the Organization's Performance in Dynamic Markets. Journal of Private Equity, 8(4): 20-29.

Teece, D.J., Pisano, G. & Shuen, A. (1997). Dynamic Capabilities & Strategic Management. Strategic Management Journal, 18(7): 509-533.

Unamaka, F. C. (1995). Business Administration in Enugu. Enugu; Precision Printers and Publishers.

Venkataraman, S. (1997). The distinctive Domain of Entrepreneurship Research: An Editor's Perspective, in J. Katz & J. Brodkhaus (eds), Advances in Entrepreneurship, Firm Emergence, and Growth. Greenwich, CT: JAI, Press, 3: 19-38.

Yammarino, F. J., Spangler, W. D. & Bass, B. M. (1993). Transformational Leadership & Performance: A longitudinal Investigation. The Leadership Quarterly, 4(1): 81-102.

Yukl, G. (2002). Leadership in Organizations. 5 rd Edition. Englewood Cliffs, NJ: Prentice-Hall.

Zhu, W., Chew, I. K. h. & Spangler, W. D. (2005). CEO Transformational Leadership & Organizational Outcomes: The Mediating Role of Human-Capital-Enhancing Human Resource Management. The Leadership Quarterly, 16(1): 39-52.

AUTHORS' BIOGRAPHY

Munirat Olafemi Yusuf (PhD)

Former Dean and head of Department,

Department Of Business Administration,

University of Abuja, Nigeria.

E-mail-drmrsyusuf@yahoo.com

Umaru Danladi Mohammed (PhD)

Senior Lecturer,

Department Of Business Administration,

University of Abuja, Nigeria.

E-mail-udmohammed@yahoo.com

Aina Olalekan Kazeem

Department Of Business Administration,

University of Abuja, Nigeria.

E-mail-lekanlism@yahoo.com