



Relevance of Management Leadership Styles on Organizational Productivity

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ABSTRACT

The relationship between leadership and organizational performance has been a hot topic lately. Research has shown that leadership has a positive relationship with organizational performance, and different leadership styles can positively or negatively impact organizational productivity. Organizational culture has an enormous influence on organizational productivity, employee satisfaction, and employee engagement. Some researchers have argued that managers use effective leadership to motivate their employees and help them compete. Therefore, the use of a good leadership style by leaders is relevant to the attainment of organizational productivity. However, it is truism that no single leadership style can enhance organizational productivity. The combination of two or more will boost organizational efficiency and productivity. The following leadership styles and their relevance are succinctly discussed. These are: bureaucratic leadership, laissez-faire leadership, affiliative leadership, democratic leadership, visionary leadership, autocratic leadership and transformational leadership styles.

KETWORDS: Management; Leadership Style; Organizational Productivity

Introduction

Leaders should be able to know whether their leadership skills affect their followers when motivating them or not (Saleem, 2015). This can affect the behavior of employees who follow the leader. A follower or employee who has no respect for the leader will be discouraged, which may lead the employee to want to leave. Some researchers have concluded that leadership can affect employees' job satisfaction and that job satisfaction is a function of leadership (Iqbal, 2015). It shows that culture or behavior affects job satisfaction and satisfaction and intention to leave the organization. It should be noted that regardless of the meager amount, good leadership at all times can always motivate employees to do their best in the company.

Leadership has a direct relationship with the organization and its work. Managers determine the values, culture, tolerance for change and motivation of employees. It creates a working method, with efficiency and implementation. It must be said that leaders are found in all organizations and are not limited to leaders (Igbaekemen, 2015). Thus, leaders influence everyone to help achieve team and company goals. However, the use of appropriate leadership at a given time has been shown to mediate organizational performance. Leadership is the heart and soul of any business and its importance should not be overlooked. According to Armstrong (2015), leadership is the method leaders use to achieve leadership. It is considered to be a particular behavior used by company leaders to motivate employees to achieve organizational goals. Leadership plays an important role in business today. Leadership is how a supervisor or manager wants to behave with their employees or colleagues and how they perform their leadership tasks (Xenikou, 2017).

Bureaucratic Leadership

Max Webber developed this theory. He described bureaucracy as a formal organizational system where an institution follows laid down principles, rules and procedures, hierarchy, and where all decision-making powers rest with the top management. Max was of the opinion that organizational hierarchy be strictly adhered to. The chain of command must be duly followed to ensure compliance which is expected to yield the objectives of the organization.

It makes use of formal communication channels to communicate with employees at the lower levels of the hierarchy. The chain of command flows from top to bottom and the focus of this leadership style is geared towards increasing organizational efficiency and achieving goals by defining the roles and responsibilities of each member of the organization.

One of the core practices of bureaucratic leaders is that emphasis is on maintaining the status quo and preserving order, rather than taking risks, seeking challenges, or thinking of creative solutions. They try finding solutions to the organization problems by relying on formal policies and procedures. Procedures and policies also guide them in decision-making rather than personal intuition or experience. This style of leadership can be effective in large

organizations or government agencies where stability and consistency are important. However, it may be less effective in dynamic or fast-paced environments that demand flexibility and adaptability.

When to use Bureaucratic Leadership style

The concept of leadership has evolved over the years. While traditional leadership focused more on a hierarchical structure, establishing control, and setting clear rules and boundaries, modern leadership styles emphasize more on freedom of thought, the autonomy of work, and less hierarchy. The modern leadership style is the preferred choice for many organizations, but some organizations still need bureaucratic leadership to function effectively. It is essential in government agencies or organizations like the army and navy that require strict discipline, defined authority, and a clear chain of command. To elucidate further, bureaucratic leadership according to Emeritus Institute of Management (2022) can be used in the following scenarios:

- Large and complex organizations require a defined hierarchical structure for smooth management
- When the work environment demands a high level of predictability and consistency
- When there is a requirement for strict adherence to rules and procedures to ensure compliance with laws, regulations, or industry standards
- Intelligence or security agencies that deal with a lot of sensitive data also need a bureaucratic leadership style to set about clear rules or protocols

Relevance of Bureaucratic Leadership style

- Bureaucratic leaders create interpersonal relationships. The purpose of the relationship is to achieve the best possible outcome. That is, friendship or family relations do not affect the process. The strength of these relationships is reserved for the benefit of the team and the organization. Thus, the preferences are deleted.
- Since the chain of command must be duly followed to ensure compliance in bureaucratic leadership style, it does not give room for disorderliness. Where there is orderliness, it can be certain that the expected objectives of the organization can be achieved.
- It is geared towards the attainment of best practices. In many organizations, there is a reason why work is done in a certain way. Because project best practice is to follow the fastest and cheapest way to get the job done without compromising the quality of the final work. Each leadership model has a certain level of innovation that is required for best practice over time. However, with these products, the results are consistent enough that you can use them to create a budget for the future.

Laissez-faire Leadership Style

Laissez-faire managers oppose investing in the development of their employees because they think they should take care of themselves (Puni et al., 2014). These leadership styles have not proven effective in the financial sector or in non-governmental organizations that allow managers and executives to contribute to decision-making and get the job done to ensure the success of the organization. This is described as a style of leadership in which the leader refuses to make decisions, is not present when needed, but is unwilling to take responsibility for their inability to lead. Laissez-faire leaders do not exercise power or lead by example. It is considered an unacceptable form of bad leadership. This style encourages one to create a good working environment. This lowers morale and reduces teamwork. With this style of leadership, the leader tries to transfer the burden of decision making to the team. The team is not good because the leader does not respect the culture. The laissez-faire style is associated with unhappiness, inefficiency, and ineffectiveness. But this is debatable. In this culture, decisions are made by whoever is willing to accept them.

Laissez-faire leaders have an attitude of trust towards their employees. They don't micromanage or get too involved, and they do not give much advice or suggestions. Instead, laissez-faire leaders let employees use their creativity, resources, and experience to help them achieve their goals. This kind of leadership is despicable. Leaders trust their employees and are confident in their abilities. While leading and taking responsibility when needed, this style of leadership means that subordinates and teams are true leaders.

Not all managers and employees like this culture. Each manager chooses a different management style that they think is best for their organization. To find the best leadership style, it is important to understand each model and how it works, learn about laissez-faire leadership and how to become an effective leader in an organization.

Relevance of laissez-faire leadership.

According to WGU (2020), there are many relevance of laissez-faire for employees and managers alike, including:

- Higher retention. Laissez-faire leaders often see greater retention from their subordinates. Employees who are trusted feel confident in their work and want to stick around in an environment that makes them feel relaxed and relied on.

- Accountability. Laissez-faire means that subordinates are accountable for their work. This is a great way to ensure that they do the best they can—ultimately they are on the line for their project, so they want to do the best job possible.
- Relaxed company culture. Laissez-faire leadership often leads to a more relaxed company culture. People don't feel micromanaged or that a manager is constantly looking over their shoulder. This helps them relax, enjoy their work, and interact well with their peers.
- Creative environment. Creativity thrives under laissez-faire. Employees feel they have permission and authority to try new things, think outside the box, and do things they are passionate about. Hands-off leaders help creativity thrive by not giving too many instructions or expectations for how a goal is reached.
- Motivation for employees. Employees are highly motivated by laissez-faire leadership. They aren't motivated by the specific expectations or instructions, rather they are motivated by their own thoughts and ideas. They know they have autonomy over their part of the project, and feel excited about showing what they can do.

Affiliative Leadership Style

This is a type of leadership that promotes support, harmony at work and team spirit. This style of leadership emphasizes building a sense of community and trust through the use of conflict resolution and the building of interpersonal relationships between work and managers. Relationships are about behaviors that foster relationships or emotional connections and problem solving. This type of leadership focuses on resolving team conflict while strengthening teamwork, relationships, and emotional bonds. The goal is to create a strong sense of harmony within the team. These leaders connect personally with each team member and provide a connection between each team member and the others. It can be very helpful when building a new team or when an existing team is experiencing emotional turmoil.

Relevance of Affiliative Leadership Style

- Affiliative leadership style can help create an open, friendly, and welcoming environment in the workplace. Reducing stress can make employees happy to come to work and increase employee retention. A friendly leader is able to focus on the well-being of team members to create a good team relationship.
- They improve the relationship between the team, make the team more harmonious with each other and cooperate better.
- Partners who feel their voice is heard are better able to contribute and take more ownership of their work. Allowing employees to open up and share their thoughts is a great way to make everyone feel welcome and understood. Building trust with your employees motivates them to do their best.
- When partners find it difficult to work together and resolve differences, an affiliative leader helps to facilitate dialogue which in turn will help in conflict resolution

Democratic Leadership Style

A democratic leader enables shared decision-making between the leader and the team. Leaders consult with officers before issuing general orders that give them freedom to act. Supervisors give subordinates time to initiate and contribute. The culture of democracy is like thought, but it is often silenced by a slow decision-making process, and it always takes a lot of time and effort to achieve such results.

Democratic leadership, also known as participatory leadership, is a type of leadership in which group members are more involved in the decision-making process. Democratic leadership style encourages employees to participate in the decision making process of the organization. On the other hand suggest that there is potential for poor decisions to be made by the subordinates as a result of the leader depending on the contributions made by the employees or subordinates ([Nwokocho & Iheriohanma, 2015](#)).

Relevance of Democratic Leadership Style

The democratic leadership style can benefit both employees and employers. When it comes to employees, human beings have an innate need to have control over their lives. They need to feel that their [efforts are recognized](#) and that they can make valuable contributions to the world. When these needs are fulfilled, employees are more likely to stay with their current organization (Yashi, 2022).

A democratic management style is shown to have the following relevance:

- Although team members are encouraged to share ideas and opinions, and the leader has the final say in decisions, team members are involved in various ways and creativity is encouraged and rewarded.
- Subordinates are encouraged to share their thoughts. This can lead to better ideas about problems and better solutions.
- Employees are also more interested in the end result as they feel more involved and committed to the project.

- Democratic leadership is believed to increase the effectiveness and productivity of the organization which they exert energy.
- It improves [employee engagement](#) because employees are given opportunity to make quota to the growth of the organization
- Increases job satisfaction and [employee experience](#). When workers are carried along, they feel accomplished and that will increase productivity.
- [Democratic leadership style boosts employee morale](#). It is not only financial benefits that make employees to be productive. When they feel appreciated and their ideas are sought for in the process of decision making, their morale is spurred towards achieving more.
- It [builds synergy and trust between employees](#), teams, and management.

Many of these benefits ladder into one another. And they all feed into the makings of a satisfied, [retained workforce](#) (Yashi, 2022).

Visionary Leadership Style

Visionary leadership is a type of leadership that focuses on creating a vision for the future and inspiring others to achieve that reality. This includes setting clear goals, creating a sense of purpose, and motivating those around you to achieve what is desired. The visionary leader has the ability to communicate well, be a coach and see the big picture while encouraging the team to work together. They are also creative problem solvers who can break down stereotypes and find new solutions to the toughest problems.

These leaders have the vision to achieve this relationship with the vision of the organization. Therefore, he works with people who can buy his vision of success. He is dedicated and determined to achieve the objectives of the organization and seeks to motivate his employees to carry out the planned projects. These leaders come up with new ideas and make positive changes that will define the future of the company or industry.

Visionary leadership is essential to drive changes in an organization. Leaders with a clear vision can inspire teams, challenge the status quo, and set new directions for organizations to thrive. They have the courage and confidence to take risks and try new ideas, while encouraging their team to do the same. By effectively communicating their vision to those around them, visionary leaders can have lasting impact and change.

Relevance of Visionary Leadership Style

- One of the best parts of visionary leadership is that leaders are not afraid to take risks. They believe they can achieve their goals and would not want to wait to take risks. They do not jeopardize the reputation of the company. However, they understand that making big decisions is important to the growth of the organization.
- A visionary leader does not rely on others to provide insight into the achieving organizational goals. They think and lead teams differently from traditional leaders. They provide a clear vision and a path to achieve the goals.
- Visionary leadership instills trust in teams and encourages them to work together in an inclusive culture. The focus is on achieving different goals, even in different contexts. All departments work together to improve productivity.
- A visionary leader can inspire their team to think what they want. When employees see how empathetic their leaders are, they also try to catch up. Encouraging your team to think outside the box will grow your team and benefit your business. Visionary leaders inspire more people like them by giving them the freedom to think in a novelty manner.

Autocratic Leadership Style

Autocratic leadership can be defined as a leadership style where an individual takes control of decision-making and manages the subordinates with little or no input. Autocratic Leaders takes decisions based on their own beliefs, ethics, and moral values. They do not seek advice from others and go by their knowledge and experience.

Autocratic leadership is a [leadership style](#) characterized by an individual exercising total control over all decisions and allows little or no input from group members. Autocratic leaders typically make choices based on their ideas and judgments and rarely accept advice from followers. Autocratic leadership involves absolute, authoritarian control over a group.

Relevance of Autocratic Leadership

- Autocratic leadership provides leaders with the ability to dictate work methods and processes
- Autocratic leaders believe that paying workers in advance for labor is a fair trade and that workers are only motivated by bonuses.
- The decision-making process is centralized. Autocratic leaders accept full responsibility for making decisions and controlling the actions of their followers.

- It tends to create highly structured and very rigid environments
- Autocratic leadership establishes rules and tends to be clearly outlined and communicated
- These leaders value honesty and commitment, and are characterized by self-determination and a desire to follow strict rules.

Transformational Leadership Style

The concept of transformational leadership started with James V. Downton in 1973 and was expanded by James Burns in 1978. In 1985, researcher Bernard M. Bass further expanded the concept to include ways for measuring the success of transformational leadership. This model encourages leaders to demonstrate authentic, strong leadership with the idea that employees will be inspired to follow suit.

The transformational leadership approach encourages, inspires, and motivates employees to innovate and create the change necessary to shape the future success of the company. This is accomplished by setting an example at the executive level through authenticity, a strong sense of [corporate culture](#), employee ownership, and independence in the workplace. Transformational leaders are [change agents](#) in the business, who can identify innovative and shifting trends in technology, and then help the organization embrace that change (White, 2022).

Four main elements according to White (2022) define the transformational leadership model and style. These factors were developed by Bass in 1985 to help define what transformational leadership looks like and how to be successful as this type of leader:

- **Idealized influence:** The most important thing you can do as a transformational leader is to lead by example. Employees will look to you as a role model for behavior in all areas of the workplace. If you lead with authenticity, employees will pick up on that behavior and feel inspired to maintain that high standard for performance. It's not about manipulating employees into working hard, it's about leading by example and positively influencing others through a commitment to trust, transparency, and respect.
- **Intellectual stimulation:** To help create change, it's important to challenge long-standing beliefs in the company and push the status quo by encouraging innovation, creativity, critical thinking, and problem-solving. Transformative leaders should help employees feel comfortable exploring new ideas and opportunities that can inject innovation into the organization. You want to establish an environment that welcomes growth and gets everyone excited about digital transformation and other important initiatives in the organization.
- **Inspirational motivation:** As a transformational leader, you will need to encourage your team to feel attached and committed to the vision of the organization. You want to ensure employees feel as committed to these goals as you do as a leader by giving employees a strong sense of purpose, rather than attempting to motivate them through fear.
- **Individual consideration:** Employees need to feel a sense of independence and ownership in the overall business goals. As a transformational leader, it's important to understand every employee is a unique person within the company and will have specific needs, mentorship styles, and their own contributions to the company. These leaders will tailor their coaching and mentorship styles to the employee and help them reach goals both inside and outside of the organization (White, 2022).

Relevance of Transformational Leadership Style

- Cultural change affects personal development. Transformational leaders are committed to adopting effective strategies and aligning their own principles and values with their organization, team or community. Leaders ensure the moral development of their followers, by ensuring the same values and principles.
- Transformational leadership develops followers who can perform beyond their own and others' expectations. It trains leaders who believe in themselves which increases employee competencies and boost higher productivity.
- Transformational leadership can also help organizations deal with new challenges, such as restructuring, strategic change, or downsizing.
- Transformational leadership can boost sales, help a company redefine its image in the industry, and create a positive environment for its employees.

Leadership Styles and Organizational Performance

Company culture is considered to have a positive impact on business success, employee satisfaction, and employee engagement. Some researchers have concluded that by using positive leadership styles, managers motivate their employees and help them achieve success (Bhargavi & Yaseen, 2016). Managers must use a good leadership style to encourage the level of performance in the development of company employees. Leadership and organizational performance go hand in hand. Good leadership is considered a solid foundation for competitive advantage and growth management (Al Khajeh, 2018).

Leadership models enable organizations to achieve their current goals by connecting employees to support and ensuring employees have the tools they need for effective operation. Without leadership, the chances of success are less and the risk of making mistakes is increased. Of these, leadership plays

an important role in supporting people's desire to achieve their goals and to create, communicate and change culture, as well as support and time. Because the essence of leadership is power, the art of empowering others to struggle more socially can be considered leadership. In today's global economy, where organizations face a changing environment, managers face difficult challenges.

Conclusion

There is a close relationship between leadership and organizational performance. Good leadership is considered a solid foundation for management development and competitive advantage. Leadership styles help organizations achieve their current goals more effectively by linking performance with meaningful rewards and allowing employees to capitalize on their need to work. Without leadership, mistakes will happen more and the opportunities for success will become smaller and smaller. In this way, leadership, along with support and motivation, plays a necessary role in creating, spreading and changing the culture of the organization, promoting support brings people together to achieve common goals.

Leadership is about results. Creating results in today's changing and increasingly competitive world requires a different style of leadership. Leaders in the past ran complex organizations, but now the world is relatively stable and predictable. In today's world, where organizations are adapting to a rapidly changing environment, leaders face new realities. Working in flexible contexts and connected to real-time communication, mobile workers are becoming essential for organizations. What is needed now is a leader who can act as a change agent and center of gravity, maintain a focus on self, enable people and organizations to adapt and exist. Positive changes will occur when leaders are able to choose and make judicious use of leadership styles that would be suitable to the goals of management of their organization.

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