



## **Leadership Style and Organisational Performance: A Case Study of the United Nations Environment Programme, Kenya**

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### **ABSTRACT**

The study's main objective was to identify the leadership style(s) practised in UNEP and to examine its effects on organisational performance. The study addressed the following specific objectives: To determine the effect of transformational leadership style on organisational performance at UNEP; To investigate the effect of democratic leadership style on organisational performance at UNEP; and, To determine the effect of charismatic leadership style on organisational performance at UNEP. The researcher adopted descriptive research design since the information gathered involved administering questionnaires. The population for this study therefore comprised of all staff working at UNEP as at 31st December 2014. For this study, forty-one (41) respondents was selected using stratified random sampling, which represented ten percent (10%) of the employees of UNEP. This comprised of Supervisors (G-7) and Managers (P-D level) of UNEP. Research findings illustrated that majority of the respondents (36.59%) indicated that the respondents practised transformational leadership. Findings also illustrated that majority of the respondents (82.93%) indicated that management had no elaborate ways and methods to make many people work together for a common task. Findings further illustrated that the respondents considered leadership style practised by overall management at UNEP as valid with regard to its effect on organisational performance. Research findings illustrated that the respondents considered transformational leadership style, democratic leadership style, and charismatic leadership style practised by overall management at UNEP. It was concluded that transformational leadership style significantly affects organisational performance at UNEP. The researchers recommended that management should strive at using specific ways and methods to make many people work together for a common task which should be aimed at achieving UNEP's mission and vision. That its leadership focuses on the development of staff members and their needs as this had the highest significance with regard to its effect on organisational performance.

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**Key words: Leadership styles, Transformational leadership, Organisational performance**

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### **Background of the Study**

With research evolution in different ages, many scholars presented successively different viewpoints on leadership connotation. Stogdill (1948) thought that the leadership style means a kind of method and capability aimed at realizing Organisational targets and further affect all Organisational activities. Fiedler (1969) presented that the leadership style refers to a kind of relationship that someone uses his rights and methods to make many people work together for a common task.

Early studies on leadership (frequently categorized as "trait" studies on leadership) concentrated on identifying the personality traits which characterized successful leaders (Mahoney et al., 1960). Trait theories assume that successful leaders are "born" and that they have certain innate qualities which distinguish them from non-leaders. However, the difficulty in categorizing and validating these characteristics led to widespread criticism of this trait approach, signalling the emergence of "style" and "behavioural" approaches to leadership (Stogdill, 1948). Style and behavioural theorists shifted the emphasis away from the characteristics of the leader to the behaviour and style the leader adopted (Likert, 1961). The principal conclusion of these studies appears to be that leaders who adopt democratic or participative styles are more successful. In modern leadership style theories however, five leadership styles are presented, including: charismatic leadership, transactional leadership, transformational leadership, visionary leadership, and culture-based leadership (Yukl, 2006).

Messick and Kramer (2004) argue 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/she finds himself/herself. Achua and Lussier (2013) define leadership as the influencing process of leaders and followers to achieve organisation objectives through change. They have further defined influencing as the process of a leader communicating ideas, gaining acceptance of the ideas, and motivating followers to support and implement the ideas through change.

Consequently, leadership style is one of the factors that play a significant role in the success or failure of an organisation. Leadership is a critical management skill to lead a group of people or an organisation towards a common goal. It involves establishing a clear vision; sharing that vision with

others so that they will follow willingly; providing the information, knowledge and methods to realise that vision; and coordinating and balancing the conflicting interests of all members of the organisation and its stakeholders. A leader is a person who influences, directs, and motivates others to perform specific tasks and also inspires his subordinates for efficient performance towards the accomplishment of the organisation's objectives. The research objectives were: To determine the effect of transformational leadership style on organisational performance at UNEP; To investigate the effect of democratic leadership style on organisational performance at UNEP; and, To determine the effect of charismatic leadership style on organisational performance at UNEP.

### ***Effect of Leadership Style on Organisational Performance***

Business management attributes their successes to the leadership efficiency, that is, the leadership style of administrative supervisors has a considerable effect on the organisational performance (Terry, 2010). Elenkov (2002) indicates that the leadership style of a leader has a considerable influence on the work performance of employees. Further still, the leadership style also affects the organisational performance. The leadership style determines the organisational performance that subordinates need to realize, and gives suggestions and feedback to execution. In this course, subordinates can know the requirements of their role and executives can know the demands of subordinates at the same time. Thus, under the leadership style of executives, subordinates can make organisational requested performance and get their rewards. Research results showed that the leadership style has a significantly positive correlation with the organisational performance. Therefore, the leadership style should be properly and carefully used to guide and motivate subordinates.

Relationship between leadership style and organisational performance has been discussed often. According to Michael (2010) leadership has a direct cause and effect relationship upon organisations and their success. Leaders determine values, culture, change tolerance and employee motivation. They shape institutional strategies including their execution and effectiveness. Successful leaders influence those around them in order to reap maximum benefit from the organisation's resources, including its most vital and expensive: its people.

Hong (2005) expressed that leaders have to have the ability of using the human resource management strategy in addition to their leadership style if expecting to lead an organisation to the sustainable operation and management or ever-green foundation. Strategy-oriented organisational leaders take the human resource management strategy as the core of organisational leadership. In an organisational environment, they are supposed to select a proper and effective human resource management strategy, and use a suitable leadership style to lead organisational members to their targets (Liao, 2005). Therefore, leaders take the human resource management strategy as the core of the leadership style and use the interaction of communication, excitation and integration to effectively implement the process of the human resource management strategy (Hong, 2005).

Despite most prior literature suggesting that the role of leadership is critically important for achieving the performance of organisations, some other studies (for instance, Pfeffer, 1977) suggest that role of leadership is not so important in achieving the organisational performance. Therefore, these contradictory findings about the role of leadership in organisational performance suggest that there is more need to study the role of leadership in organisational performance. Wang Tsuil, and Xin (2011) suggest that there is need to study more the role of leadership in organisational performance because of the limited but contradictory results from previous studies.

### ***United Nations Environment Programme (UNEP)***

The United Nations Environment Programme (UNEP) was established in 1972, with its headquarters in Nairobi, Kenya. UNEP is led by a United Nations Under Secretary-General. Its work comprises of assessing global, regional and national environmental conditions and trends; developing international and national environmental instruments; and strengthening institutions for the wise management of the environment. UNEP is the voice for the environment within the United Nations system. Its mandate is to be the leading global environmental authority that sets the global environmental agenda, that promotes the coherent implementation of the environmental dimensions of sustainable development within the United Nations system and that serves as an authoritative advocate for the global environment. UNEP works through its divisions, regional, liaison and out-posted offices, plus a growing network of collaborating centres of excellence. It also hosts several environmental conventions, secretariats and inter-agency coordinating bodies ([www.unep.org](http://www.unep.org)).

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

With research evolution in different ages, many scholars presented successively different viewpoints on leadership connotation. Stogdill (1948) thought that the leadership style means a kind of method and capability aimed at realizing organisational targets and further affect all organisational activities. Fiedler (1969) presented that the leadership style refers to a kind of relationship that someone uses his rights and methods to make many people work together for a common task. With regard to the relationship between the leadership style and the organisational performance, most research results showed that the leadership style has a significant relation with the organisational performance, and different leadership styles may have a positive correlation or negative correlation with the organisational performance, depending on the variables used by researchers (Sun, 2002; Huang, 2006; Terry, 2010).

Effective leadership and employee job satisfaction are two factors that have been regarded as fundamental for organisational success. A capable leader provides direction for the organisation and lead followers towards achieving desired goals. In similar vein, employees with high job satisfaction are likely to exert more effort in their assigned tasks and pursue organisational interests. Leadership style in an organisation is one of the factors that play significant role in enhancing or retarding the interest and commitment of the individuals in the organisation (Mureithi, 2012).

From most previous studies, it can be concluded that the success of an organisation is often tied to the effectiveness of its leaders, especially in managing human resources. Managers continually strive to improve their leadership styles to increase organisational performance and they suppose that employees are accepting them. However, gaps exist in the relationships between leadership theory and practice. The study seeks to explore why there exist gaps between theory and practice, drawing on the leadership at UNEP and the broader leadership literature. For example, in theory, it is understood that transactional leadership focuses on the exchange of goals and rewards, while transformational leadership focuses on values, inspiration and motivation, leading to employee motivation and organisational growth. In practice, however, applying either of these styles may not necessarily lead to the desired outcome. Gaps also exist in organisational leadership as there happens to be some generalized differences between senior management and middle management leadership styles. Both levels of management may have a different way of doing things, tackling problems and managing their units. The style of leadership practised is important to ensure a linkage between strategic and operational activities.

Leadership is very crucial for a non-profit making organisation to achieve its mandate. In most instances, organisational performance determines availability of funding from the donors. Moreover, due to economic recession being experienced worldwide, there have been budget cuts and/or no growth and the organisations are expected to do more with less financial resources. Hence, there is need to effectively coordinate and motivate the employees by an effective leader. Unfortunately, some organisations fail to notice the leadership style adopted by their managers. This study therefore examines the leadership style and organisational performance in UNEP; offers suggestions as to how closer alignment between theory and practice can be achieved in the leadership at UNEP; and provides some recommendations to unify the strategic and operational leadership at UNEP in order to increase organisational performance.

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## Literature Review.

### Theoretical Literature Review of Leadership

The backbone of any organisation is leadership and its importance cannot be underrated. Leadership has been identified as an important subject in the field of organisational behaviour. Leadership is one with the most dynamic effects during individual and organisational 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 subordinates’ potential to enhance efficiency but also meets their requirements in the process of achieving organisational goals.

Many authors have studied this phenomenon, but there is no conscious definition of what leadership is, no dominant paradigm for studying it, and little agreement regarding the best strategies for developing and exercising it (Bennis, 2007; Hackman and Wageman, 2007; Vroom and Jago, 2007). Jeremy et al (2012) state that leadership style is viewed as the combination of traits, characteristics, skills and behaviours that leaders use when interacting with their subordinates. Ngodo (2008) views leadership to be a reciprocal process of social influence, in which leaders and subordinates influence each other in order to achieve organisational goals.

Fiedler (1967) suggests that leadership style refers to a kind of relationship whereby someone uses his ways and methods to make many people work together for a common task. In modern leadership theories, five leadership styles have been presented, including: charismatic leadership, transactional leadership, transformational leadership, visionary leadership, and culture-based leadership (Yukl, 2006). Tannenbaum and Schmidt (1958) also identify four different types of leaders which have been widely accepted and used. These leadership styles, which connect to Mc Gregor’s Theory ‘X’ and ‘Y’ assumptions are: democratic, autocratic, dictatorial and laissez-faire leadership styles.

### Contingency approach to leadership

Contingency approaches are positioned within management as mid-range theories between the two extreme views which state either that universal principles of organisation and management exist or that each organisation is unique and each situation must be analysed separately. The contingency approach entails identifying commonly recurring settings and observing how different structures, strategies and behavioural processes fair in each setting (Hambrick, 2003).

The essential premise of the contingency approach is that effectiveness, broadly defined as organisational adaptation and survival, can be achieved in more than one way. For example, management theorists and researchers have recognised more than one way to organise effectively, more than one strategy that maximizes profitability and market position, and more than one leadership style that achieves organisational goals. Each way is not equally effective under all conditions; certain organisational actions or responses are more appropriate than others, depending on the situation. The contingency approach suggests, therefore, that we can observe wide variations in effectiveness, but that these variations are not random. Effectiveness depends on the appropriate matching of contingency factors with internal organisational designs that can allow appropriate responses to the environment. Galbraith (2007) suggests that theoretical and practical contributions are achieved through:

1. identifying important contingency variables that distinguish between contexts;
2. grouping similar contexts based on these contingency variables, and
3. determining the most effective internal organisational designs or responses in each major group.

These contingency theory-building steps involve three types of variables; contingency variables, response variables and performance variables. Contingency variables represent situational characteristics usually exogenous to the focal organisation or manager. In contrast, response variables are the organisational or managerial actions taken in response to current or anticipated contingency factors. Performance variables are the dependent measures

and represent specific aspects of effectiveness that are appropriate to evaluate the fit between contingency variables and response variables for the situation under consideration. These steps typically result in contingency theories that focus primarily on outcome or content issues, rather than on processes. They attempt to determine the organisation structure, strategy or leadership style to be used in a particular situation, but do not emphasize the dynamics of the process by which an organisation adapts or a leader becomes effective (Khandwalla, 2007).

### **Situational approach to leadership**

Situational leadership theory is based on the ways people respond to working and being led in groups. Central to understanding situational leadership are the key concepts of task behaviour, the amount of guidance and direction you provide; relationship behaviour, the amount of social and emotional support you provide; follower readiness, exhibited in followers performing a specific task or function or accomplishing a specific objective; and follower development, followers' maturity and ability to manage themselves in an organisational environment. A key point is that the follower determines the leadership style; that is, the follower's behaviour should determine the leadership behaviour most appropriate for you to employ. Specifically, if a follower was an engaged self-starter and able to accomplish a task, you would choose to get out of the way and allow the follower to work independently. On the other hand, if a follower seems timid and uncertain about how to proceed or accomplish the task, you would step in and use task behaviour-instructions, training, and guidance (Yukl, 2006).

According to Blanchard and Hersey (2006) the Situational Leadership Model suggests that there is no "one size fits all" approach to leadership. Depending on the situation, varying levels of "leadership" and "management" are necessary. However, leaders must first identify their most important tasks or priorities. Second, leaders must consider the readiness level of their followers by analysing the group's ability and willingness. Depending on the level of these variables, leaders must apply the most appropriate leadership style to fit the given situation. The four different types of situational leadership are: directing; coaching; supporting, and delegating.

Yukl (2006) also adds that in situational leadership theory, organisational and leadership experts identify four basic leadership styles based on task behaviour, as follows:

1. Directing whereby this leader uses above-average amounts of task behaviour and below-average amounts of relationship behaviour;
2. Coaching whereby this leader uses greater-than-average amounts of both task and relationship behaviours;
3. Supporting whereby this leader exhibits greater-than-average amounts of relationship behaviour and below-average amounts of task behaviour; and,
4. Delegating whereby this leader uses below-average amounts of both relationship and task behaviours.

### **Behavioural approach to leadership**

Both leader traits and behaviours have been investigated in scores of research studies. Despite the theoretical and applied value of these studies, leadership research is plagued by a lack of integration. In fact, scholars dating back to Bennis (1959) and as recently as Avolio (2007) have lamented over the proliferation and lack of integration of leadership theories and constructs. The primary criticism is that leadership scholars create new theories of leadership without attempting to compare and contrast the validity of existing theories.

Yukl (2006) indicates that leadership trait theory focuses on the leader's values and beliefs; personality; need for achievement or acceptance; orientation to power; gender; confidence; and mental, physical, and emotional attributes. Early leadership trait theory assumed that people were born with specific traits and that some traits aligned with strong leadership. People with the "right" traits would become the best leaders.

Yukl (2006) further adds that as the questions about how to measure traits continued to challenge trait theory, researchers began thinking about measuring behaviour. While you cannot easily measure confidence or loyalty in a person, they noted, you can define a behaviour or a set of behaviours that seem to embody the trait. Researchers define behaviours as observable actions, which makes measuring them more scientifically valid than trying to measure a human personality trait. Behavioural theory contains some very different assumptions from trait theory. Trait theory assumes that a leader is born with specific traits that make him or her, a good leader. Behavioural theory, on the other hand, assumes that you can learn to become a good leader because you are not drawing on personality traits. Your actions define your leadership ability.

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## **Empirical Literature Review**

### **Transformational Leadership and organisational performance.**

Among the various theories of leadership and motivation relating to effective organisational 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 organisation.

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".

Transformational leadership style focuses on the development of followers and their needs. Managers who practise transformation leadership focus on the development of value system of employees, their motivational level and moralities with the development of their skills (Ismail et al., 2009). This leadership style acts as a bridge between leaders and followers to develop clear understanding of followers' interests, values and motivational level. As a result, the followers achieve their goals in the organisational setting.

Chi et. al. (2008) indicate that transformational leaders can understand needs, present organisational visions, enact regulations and delegate substantially to their followers. Moreover, transformational leaders know how to create an effective and meaningful workplace for creativity and development.

#### **Democratic Leadership and organisational performance.**

Democratic leadership theory has been largely associated with governments but it has become inevitable to relate it to organisations for proper conduct and effectiveness. As Besse (1957) puts it, the theory was informed two thousand years ago, participation in the religion which has come to dominate the World. The theory is informed by the works of classical and neo-classical theorists such as Aristotle, Plato, Thomas Hobbes, John Locke, Jean Jacques, Rousseau, Edmund Burke, James Madison, John C. Calhoun to mention a few (Baradart, 1979).

The core issue about democracy is the importance it attaches to human personality. It assumes civic capacity on the part of individuals. This capacity involves intelligence, self-control and conscience. Its essence is the right of every man bound by the decision of a government (organisation) to contribute (whatever is in him to contribute) to the making and remaking of those decisions. This right is integral to democracy because it makes possible free discussion and the continuous participation of the people (individuals) in the government (organisation). This implies the obligation to respect the other man, to listen to his arguments and to take into account his point of view. It is through participation that individuals (subordinates) contribute ideas towards the solution of problems affecting their organisation and jobs. Participation can create an asset in morale so that when necessary orders are given, people will respond more co-operatively because they are participating in the affairs of the organisation (Appadorai, 2005). When leaders establish means for obtaining help from subordinates in the making of plans and decisions, they are making them to know that their contributions are sought and appreciated and this creates great benefits and harmony in the organisation.

Tannenbaum and Schmidt (1958) describe democratic leadership as one where decision-making is decentralized and shared by subordinates. The likelihood for poor decision-making and weak execution is, however, significant. The biggest problem with democratic leadership is its underlying assumption that everyone has an equal stake in an outcome as well as shared levels of expertise with regard to decisions, which is rarely the case.

On the other hand, while democratic leadership sounds good in theory, it is seldom bogged down in its own slow process, and workable results usually require an enormous amount of effort (Michael, 2010).

#### **Charismatic Leadership and organisational performance.**

Charismatic leadership in organisations has been recently focused in several organisational studies (like Steyrer, 2008; and Gardner, Avolio, 2008). Origins of charisma discourse dates back to Weber (1964). As Weber (1964) states, charismatic leadership usually arises in times of crisis when the basic values, institutions, and legitimacy of the organisation are brought into question. Genuine charisma is connected with something "new". And in extraordinary situations this "new" thing calls forth a charismatic authoritarian structure so that charisma, at least temporarily, leads to actions, movements, and events which are extraordinary, not routine, and outside the sphere of everyday life. The evocation of pure charisma and charismatic leadership always leads at least temporarily away from the world of everyday life; it rejects or transcends routine life. Because pure charisma and charismatic leadership conflict with the existing, the established order, they work like a catalyst within an organisation. But charisma is the specifically creative force in an organisation only briefly before being unavoidably transformed or routinized into some more solid form.

In general, there is nowadays a tendency to focus on personality issues, like charisma of the leader, in relation to organisational contexts more often compared to earlier times. At the same time dramaturgical perspectives on leadership and charisma have emerged, and fantasies, intuitions, visions and other mental activities have been recognised to have a role also in leadership (AaltioMarjosola, Lehtinen, 2008).

Charismatic leaders have a vision, as well as a personality that motivates followers to execute that vision. As a result, this leadership type has traditionally been one of the most valued. It provides rich ground for creativity and innovation, and is often highly motivational. With charismatic leaders on the lead, the employees simply want to follow. However, one obvious shortcoming is that the charismatic leader can leave the organisation. If this happens, the organisation can tend to lack direction. Charismatic leadership is based upon strength of personality and hence, it usually eliminates other competing strong personalities. Michael (2010) notes that the result of weeding out the competition is a legion of happy followers, but few future leaders.

#### **Empirical Review of Relationship between Leadership Style and Organisational Performance**

The concept and definition of leadership and style may differ from one person, or situation, to the other. 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. Since human beings could become members of an organisation 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 to achieve their predetermined objectives. Therefore, an individual will support an organisation 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 organisation is one of the factors that play significant role in enhancing or retarding the interest and commitment of the individuals in the organisation. Thus, Glantz (2002) emphasizes the need for a manager to find his leadership style.

On the other hand, according to Chen (2002), organisational performance means the "transformation of inputs into outputs for achieving certain outcomes. With regard to its content, performance informs about the relation between minimal and effective cost (economy), between effective cost and realized output (efficiency) and between output and achieved outcome (effectiveness)". There are number of researches done on the studies related to leadership performance in order to separate the values, motivations and other personality dimensions that are unique to successful leaders (Brockhaus & Horwitz 2006; Ginn & Sexton 2010).

The relationship between leadership style and organisational performance has been studied and reported widely. For instance, Fu-Jin et al. (2010) notes that most research show that leadership style has a significant relationship with organisational performance and different leadership styles may have a positive correlation or negative correlation with the organisational performance, depending on the variables used by researchers. Furthermore, when executives use their leadership style to demonstrate concern, care and respect for employees, it would increase interest of employees in their work and enable them to put up better performance, thereby affecting their job satisfaction positively.

McGrath and MacMillan (2000) report that there is significant relationship between leadership styles and organisational performance. Effective leadership style is seen as a potent source of management development and sustained competitive advantage. A leadership style helps organisations to achieve their stated objectives more efficiently by linking job performance to valued rewards and by ensuring that employees have the resources needed to get the job done.

Mehra, Smith, Dixon and Robertson (2006) argue that when some organisations 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-centred perspective has provided valuable insights into the relationship between leadership and team performance.

Chien (2004) carried out the study on how the organisational performance is improved. The result showed that both the leadership style and the human resource management strategy are important factors affecting the organisational performance. In other words, the human resource management strategy really affects the organisational performance through the leadership style.

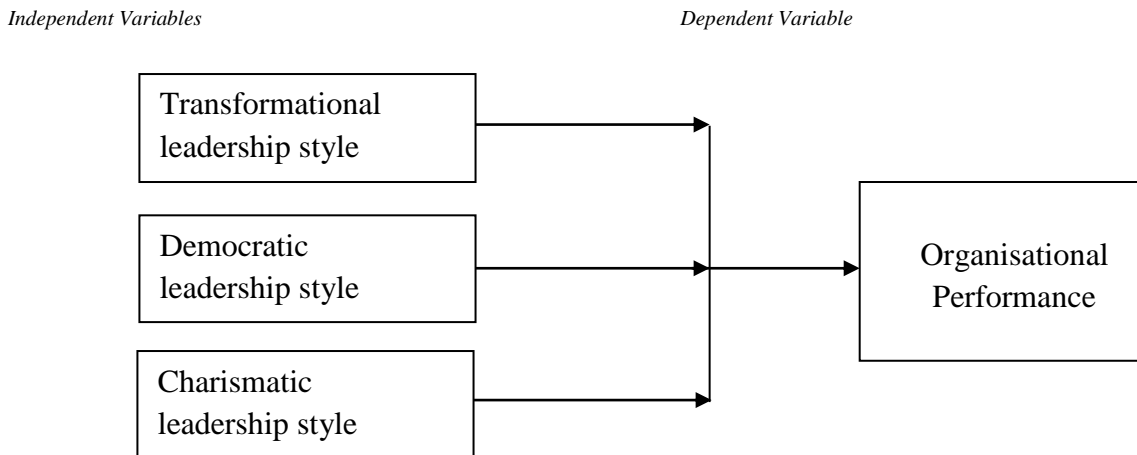
Sun (2002) compared the leadership style with the leadership performance in schools and enterprises, and showed that the leadership style has a significantly positive correlation with the organisational performance in both schools and enterprises. Broadly speaking, the leadership performance is identical with the organisational performance. The transformational leadership has a positive correlation with the organisational performance, higher than the exchange leadership (Huang, 2006).

He (2009) indicated that organisational leaders have to apply methods or techniques to maintain an efficient business operation. Therefore, they have to show different leadership styles appropriately and take planned human resource management strategies. Only in this way, the organisational performance can be expected to be promoted. The effective use of the human resource management strategy cooperated with a suitable leadership style can certainly promote the organisational performance. Therefore, it would affect the organisational performance no matter whether the leadership style of the leaders is good or bad.

Fenwick and Gayle (2008), in their study of the missing links in understanding the relationship between leadership and organisational performance conclude that despite a hypothesised leadership-performance relationship suggested by some researchers, current findings are inconclusive and difficult to interpret. Other scholars have also suggested that leaders and their leadership style influence both their subordinates and organisational outcomes (Tarabishy, Solomon, Fernald, and Sashkin, 2005).

### **Conceptual Framework**

This will explain graphically or in narrative form the main dimensions that will be studied. It seeks to clearly define relationship among variables under study and its usefulness in research studies as it seeks the foundation of how concepts are related.

**Figure 1.0: Conceptual Framework Diagram**

In order to determine the effects of leadership style on organisational performance at UNEP, the researcher developed a conceptual framework that highlights transformational, democratic and charismatic leadership styles as the independent variables in line with the study's specific research objectives. The dependent variable was organisational performance

#### Operational Framework

As illustrated by the study's conceptual framework, the dependent variable (DV) was organisational performance as translated from individual employee performance at UNEP whereas the independent variables (IV's) were the leadership styles namely: transformational, democratic and charismatic leadership. The variables were measured using subjective measures of organisational performance based on a five point Likert Scale. Mezas & Starbuck (2003) point out that subjective measures ask supposedly well informed respondents about organisational performance. This allows them to be strongly tailored to the dimensionality of the context of interest. Table 1.0 illustrates the study's operational framework.

**Table 1.0: Operational Framework**

Variable	Measurement	Purpose
Organizational Performance (DV)	Subjective measure based on a five point Likert Scale	Indicates the extent to which respondents validate the effect of leadership style(s) on organizational performance at UNEP
Transformational leadership style (IV)	Subjective measure based on a five point Likert Scale	Indicates the extent to which respondents validate UNEP's leadership as focusing on the development of followers and their needs
Democratic leadership style (IV)	Subjective measure based on a five point Likert Scale	Indicates the extent to which respondents validate UNEP's leadership as being one where decision-making is decentralized and shared by subordinates
Charismatic leadership style (IV)	Subjective measure based on a five point Likert Scale	Indicates the extent to which respondents validate UNEP's leaders as having a vision, as well as a personality that motivates followers to execute that vision

#### Research Design Methodology

In order to identify the leadership style(s) practised in UNEP and to examine its effects on organisational performance, the researcher adopted descriptive research design since the information gathered involved administering questionnaires. The major purpose of this design is to describe systematically a situation or area of interest factually and accurately. It is useful for addressing questions related to what, why, whom and how much can be used to measure the incidence of a phenomena (Kerlinger, 1969).

The target population for this study therefore comprised of all staff working at UNEP as at 31st December 2014. According to the staff register maintained by the organisation's human resource department, there were 406 staff members, as illustrated by table 2.0

**Table 2.0: Target Population**

<b>Number of Staff at UNEP Headquarters in Nairobi, Kenya</b>			
	<b>Staff category</b>		
<b>Division</b>	<b>Professional</b>	<b>General Service</b>	<b>Total</b>
Communications and Public Information	16	14	30
Early Warning and Assessment	27	21	48
Environmental Law and Conventions	17	21	38
Environmental Policy Implementation	46	34	80
Evaluation Office	3	2	5
Executive Office	10	12	22
Office for Operations	43	48	91
Regional Support Office	29	23	52
Secretariat of Governing Bodies	5	6	11
Technology, Industry and Economics	17	12	29
<b>Total</b>			<b>406</b>

A sample is a way of selecting a portion of the population which adequately represents the entire population (Chandran, 2004). Simple random sampling method is the sampling technique to be adopted in this study because it is the fundamental method of probability sampling. This method uses the principles of randomisation, which is a procedure of giving every subject in the population an equal opportunity of being selected UNEP Division.

According to Mugenda and Mugenda (2008), the rule of the thumb should be to obtain as big a sample as possible. However, time and resources tend to be major constraints in deciding on the sample size to use. They further state that there must be a ration for defining the accessible population from the target population which is based on some theory, previous studies or professional experience. Generally, the sample size depends on factors such as the number of variables in the study, the type of research design, the method of data analysis and the size of accessible population. Mugenda and Mugenda (2008) further suggest that for descriptive studies, ten percent (10%) of the accessible population is enough. For this study, forty-one (41) respondents were selected using stratified random sampling, which represented ten percent (10%) of the employees of UNEP. This comprised of Supervisors (G-7) and Managers (P-D level) of UNEP.

Primary data was used for the study. The researcher collected quantitative data relating to the leadership style(s) practised and organisational performance at UNEP. This was achieved by the use of a structured questionnaire containing closed ended questions. The questionnaire was divided into various sections each section addressing a specific objective of the study. The respondents were UNEP supervisors and managers and the questionnaires were electronically mailed to the respondents. The questionnaire was the preferred data collection instrument. According to Robson (2002) large amounts of data at relatively low costs in a short period may be collected using questionnaires alongside a big allowance of anonymity which encourages frankness from the respondents especially in sensitive issues like governance.

Quantitative data was edited, coded and analysed using descriptive statistics such as percentages, frequencies, cumulative frequencies and mean. In addition, to determine the effects of leadership style(s) practised on organisational performance at UNEP, data analysis method was also based on Pearson correlation analysis and a multiple regression model which will take the form of:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$$

Where: Y = Dependent variable

X1, X2, and X3 = Independent variables

$\beta_0$  = Constant

$\beta_1, \beta_2, \beta_3$  = Regression coefficients or change included in Y by each X value

$\epsilon$  = error term



The dependent variable was organisational performance as translated from individual employee performance at UNEP whereas the independent variables were the leadership styles namely: transformational, democratic and charismatic leadership. The variables were measured using subjective measures of organisational performance based on a five point Likert Scale. According to Mezias & Starbuck (2003) subjective measures ask supposedly well informed respondents about organisational performance. This allows them to be strongly tailored to the dimensionality of the context of interest.

Adjusted R Square value and Analysis of Variance (ANOVA) were used to test the significance of the model. In addition, data was also analysed using three major descriptive statistics for each single variable namely: distribution; central tendency; and dispersion. Frequency distribution tables were used to present distribution; Mean was used to estimate central tendency; while standard deviation was used as a more accurate and detailed estimate of dispersion. The researcher then presented the findings using appropriate pie-charts, graphs and tables.

## Data Analysis and Findings

According to the analysis, 82.93% of the respondents indicated that management had no elaborate ways and methods to make many people work together for a common task, while 17.07% indicated that management used specific ways and methods to make many people work together for a common task. This finding indicates that UNEP's overall management leadership style had no elaborate ways and methods of management, hence it can be inferred that individual managers employed different leadership styles within the organisation. The respondents considered the leadership style practised by overall management at UNEP as valid with regard to its effect on organisational performance as the mean drew closer to four (4.00) at 3.9756. This finding indicates that leadership style(s) at UNEP affected organisational performance.

**Table 3.0: Extent to which leadership style affected UNEP's organisational performance**

	N	Minimum	Maximum	Mean	Std. Deviation
Leadership effect	41	1.00	5.00	3.9756	.9080
Valid N (listwise)	41				

Table 4.2 illustrates the extent to which transformational leadership style (tl), democratic leadership style (dl), and charismatic leadership style (cl) practised by overall management at UNEP affected organisational performance, the researcher coded the respondents considerations where "Very invalid" was given the value five (1.0), "Invalid" was given the value four (2.0), "Indifferent" was given the value three (3.0), "Valid" was given the value two (4.0) and "Very invalid" was given the value one (5.0). According to the table, the respondents considered transformational leadership style, democratic leadership style, and charismatic leadership style practised by overall management at UNEP as valid with regard to their effect on organisational performance as their means drew closer to four (4.00) at 3.8780, 3.6585 and 3.7805 respectively. This finding indicates that all the leadership style(s) affected UNEP's organisational performance.

**Table 4.0: Extent to which leadership styles affected UNEP's organisational performance**

	N	Minimum	Maximum	Mean	Std. Deviation
tleffect2	41	1.00	5.00	3.8780	1.0294
dleffect2	41	1.00	5.00	3.6585	1.1316
cleffect2	41	1.00	5.00	3.7805	1.1729
Valid N (listwise)	41				

## Regression Analysis

Data analysis was based on Pearson correlation analysis and a multiple regression model, whereby the dependent variable was organisational performance (orgperf) whereas the independent variables were: transformational leadership style (tl), democratic leadership style (dl), and charismatic leadership style (cl). In this study, the "simultaneous" method (which SPSS calls the Enter method) was used whereby the researcher specified the set of predictor variables that made up the model. The success of this model in predicting the criterion variable was then assessed. Table 5.0 indicates that all the requested variables were entered.

**Table 5.0: Variables Entered/Removed**

Model	Variables Entered	Variables Removed	Method
1	cleffect1, tleffect1, dleffect1	.	Enter

a All requested variables entered.

b Dependent Variable: orgperf

Table 6.0 illustrates the model summary used in this study and indicates the adjusted R Square value which gives the most useful measure of the success of the model, hence from the table it is evident that the model had accounted for 36.8% of the variance in organisational performance of UNEP. This finding indicates that 63.2% of the variance in organisational performance at UNEP was not accounted for by the study's variables, hence it can be inferred that organisational performance at UNEP is largely influenced by extraneous factors not considered in this study.

**Table 6.0: Model Summary**

	R	R Square	Adjusted Square	R Std. Error of the Estimate	Change Statistics				
Model					R Square Change	F Change	df1	df2	Sig. F Change
1	.644	.415	.368	.7220	.415	8.753	3	37	.000

a Predictors: (Constant), cleffect1, tleffect1, dleffect1

Table 6.0 illustrates the Analysis of Variance (ANOVA) which assesses the overall significance of the model. According to the table  $p < 0.05$ , (0.002), indicating that there was sufficient evidence that the model is useful in explaining the extent to which leadership style(s) affects organisational performance at UNEP.

**Table 7.0: ANOVA**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	13.689	3	4.563	8.753	.000
	Residual	19.287	37	.521		
	Total	32.976	40			

a Predictors: (Constant), cleffect1, tleffect1, dleffect1

b Dependent Variable: orgperf

Table 8.0 illustrates the Pearson's correlation between the predictor variables. According to the table, there was significant positive relationship between financial performance (ROE) and all the tested independent variables at 0.414, 0.592 and 0.447 for transformational leadership style, democratic leadership style and charismatic leadership style respectively.

**Table 8.0: Pearson's Correlation**

	orgperf	tleffect1	dleffect1	cleffect1
orgperf	1.000	.414	.592	.447
tleffect1	.414	1.000	.333	.329
dleffect1	.592	.333	1.000	.542
cleffect1	.447	.329	.542	1.000

#### 4.4 Discussion of Findings

The study's main objective was to identify the leadership style(s) practised in UNEP and to examine its effects on organisational performance. With regard to the leadership style(s) practised in UNEP, research findings illustrate that 36.59% indicated that the respondents practised transformational leadership, 34.15% practised charismatic leadership, while 29.27% practised democratic leadership. This finding is in line with the situational approach to leadership whereby according to Blanchard and Hersey (2006), the Situational Leadership Model suggests that there is no "one size fits all" approach to leadership. Depending on the situation, varying levels of "leadership" and "management" are necessary. However, leaders must first identify their most important tasks or priorities. Secondly, leaders must consider the readiness level of their followers by analysing the group's ability and willingness. Depending on the level of these variables, leaders must apply the most appropriate leadership style to fit the given situation. The four different types of situational leadership are: directing; coaching; supporting, and delegating; this different leadership styles are all reflected in the leadership styles practised at UNEP. This is further supported by research findings which illustrated that majority of the respondents (82.93%) indicated that management had no elaborate ways and methods to make many people work together for a common task.

With regard to the effects of leadership style(s) practised on organisational performance at UNEP, findings illustrated that the respondents considered leadership style practised by overall management at UNEP as valid with regard to its effect on organisational performance as the mean drew closer to four (4.00) at 3.9756. This finding is in line with findings from several researchers, including but not limited to, Glantz (2002) who indicates that leadership style in an organisation is one of the factors that play significant role in enhancing or retarding the interest and commitment of the individuals in the

organisation. Thus, there is need for a manager to find his leadership style. Fu-Jin et al. (2010) noted that most research show that leadership style has a significant relationship with organisational performance and different leadership styles may have a positive correlation or negative correlation with the organisational performance, depending on the variables used by researchers. Furthermore, when executives use their leadership style to demonstrate concern, care and respect for employees, it would increase interest of employees in their work and enable them to put up better performance, thereby affecting their job satisfaction positively. McGrath and MacMillan (2000) report that there is significant relationship between leadership styles and organisational performance. Effective leadership style is seen as a potent source of management development and sustained competitive advantage. Leadership style helps organisations to achieve their stated objectives more efficiently by linking job performance to valued rewards and by ensuring that employees have the resources needed to get the job done. Sun (2002) compared the leadership style with the leadership performance in schools and enterprises, and showed that the leadership style has a significantly positive correlation with the organisational performance in both schools and enterprises. Broadly speaking, the leadership performance is identical with the organisational performance.

Research findings illustrated that the respondents considered transformational leadership style, democratic leadership style, and charismatic leadership style practised by overall management at UNEP as valid with regard to its effect on organisational performance as their means drew closer to four (4.00) at 3.8780, 3.6585 and 3.7805 respectively. This finding was in line with Huang (2006) who reported that transformational leadership had a positive correlation with the organisational performance, higher than the exchange leadership.

The study's regression model had accounted for 36.8% of the variance in organisational performance of UNEP and that there was sufficient evidence that the model is useful in explaining the extent to which leadership style(s) affects organisational performance at UNEP. Findings also illustrated that there was significant positive relationship between financial performance (ROE) and all the tested independent variables at 0.414, 0.592 and 0.447 for transformational leadership style, democratic leadership style and charismatic leadership style respectively. This finding indicates that although the leadership styles tested were significant to UNEP's organisational performance, 63.2% of the variance in organisational performance at UNEP was not accounted for by the study's variables. It can therefore be inferred that organisational performance at UNEP is largely influenced by extraneous factors not considered in this study. This finding is in line with He (2009) who indicated that organisational leaders have to apply methods or techniques to maintain an efficient business operation. Therefore, they have to show different leadership styles appropriately and take planned human resource management strategies. Only in this way, the organisational performance can be expected to be promoted. The effective use of the human resource management strategy cooperated with a suitable leadership style can certainly promote the organisational performance. Therefore, it would affect the organisational performance no matter whether the leadership style of the leaders is good or bad.

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## CONCLUSIONS AND RECOMMENDATIONS

### *Conclusions*

The study's conclusions were made in line with the study's main objective which was to identify the leadership style(s) practised in UNEP and to examine its effects on organisational performance. Research findings illustrated that the respondents practised transformational leadership and that the respondents considered leadership style practised by overall management at UNEP as valid with regard to its effect on organisational performance. It can therefore be concluded that transformational leadership style significantly affects organisational performance at UNEP.

### *Recommendations*

That in as much as the Situational Leadership Model suggests that there is no "one size fits all" approach to leadership, and that depending on the situation, varying levels of "leadership" and "management" are necessary (Blanchard and Hersey, 2006); management should strive at using specific ways and methods to make many people work together for a common task which should be aimed at achieving UNEP's mission and vision. Moreover, UNEP's management should ensure that its leadership focuses on the development of staff members and their needs as this had the highest significance with regard to its effect on organisational performance. Finally, UNEP's management should be informed that organisational performance at UNEP is largely influenced by extraneous factors other than leadership styles; hence they will have to apply methods or techniques to maintain efficient organisational operation.

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