The effects of leadership style on organizational performance (A survey of tertiary institutions in Nyeri town)

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Abstract:

Effective leadership and employee job satisfaction are two factors that have been regarded as fundamental for organizational success. A capable leader provides direction for the organization 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 organizational interests. Since human beings could become members of an organization in other 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 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. Leadership in educational institutions is not an exemption and hence very important in determining the performance of this institutions. The study sought to investigate the effects of leadership styles on organizational performance. The base of the study was tertiary learning institutions in Nyeri Town. The objectives of the study were to investigate the effects of transactional, transformational, democratic, and autocratic leadership styles on organizational performance. Various related literature in leadership were reviewed. These were in form of journals and books that were used to enrich the knowledge of the area of study. This helped the researcher demonstrate and familiarize herself with the area of study and show the gaps in the earlier studies. A conceptual frame was formulated to show the relationship between the variables. The research used the survey design methodology. This attempted to collect data from members of the population in order to determine the current status of the population with respect to the given variables. The study targeted the tertiary institutions in Nyeri town. It focused on the 305 employees of 16 colleges who were categorized into middle management, low level management and the teaching and non teaching staff (others). Simple random sampling was used where a sample of 50% of the total target population were given questionnaires, with structured and unstructured questions. Data collected was analyzed using content analysis and descriptive statistics. Data was presented using tables, charts and graphs. Qualitative data was presented using narratives. The researcher found out that leadership style was a major factor affecting organizational performance. The respondents indicated that in order for an organization to realize its objectives, there was need for the leaders to understand the employees’ perceptions of their leadership styles. Factors such as Education level, skills and knowledge and experience were seen to affect the way they perceive their leader. Leaders can therefore not treat all the employees the same way hence not all styles can fit all levels of employees.