

**JIMMA UNIVERSITY  
FACULTY OF BUSINESS  
DEPARTMENT OF MANAGEMENT**

**THE EFFECT OF DIFFERENT LEADERSHIP  
STYLE ON EMPLOYEES PERFORMANCE IN  
A MANUFACTURING ENTERPRISES.  
A CASE STUDY IN KALITY METAL WORKS  
FACTORY**

*Submitted By  
Dawit Deresse*

**SUBMITTED TO:**

**Ato Dugassa Tessema  
Ms. Claire Moxham**

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## **ABSTRACT**

There is probably no topic more important to business success today than leadership. Leading as a major function of management is the most important aspect of achieving one's goal. Leaders can affect employees performance depending on how they lead their subordinates. This paper is intended to identify which leadership style achieve best results through employees performance regardless of different employees performance affecting factor.

The research is to be conducted in Addis Ababa; case study: Kality Metal product Factory and data to be collected using questionnaires.

Berou

The questionnaires are to be distributed among different department's employees and their respective managers. The questionnaires that will be given to employees are intended to entail questions that can identify which kind of style is followed by their managers. On the other hand, questions that will be given to managers at different level of Management are designed to contain questions that measure performance of employees.

Finally analysis will be made to categorize the managers as task oriented and people oriented and comparison will be made to identify which leadership style achieve best in terms of employees performance.

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## **Acknowledgment**

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በጥያቄዎቹ መሠረት የክፍል ኃላፊዎ በተለያዩ ሁኔታዎ ላይ ምን ዓይነት የአመራር የሥራ ፀባይ እንዳላቸው x ምልክት በማድረግ ይግለጹ።

ለትብብርዎ በቅድሚያ አመሰግናለሁ።

የተገምጋሚው ስም \_\_\_\_\_  
 የገምጋሚው የሥራ ክፍል \_\_\_\_\_

ተ/ቁ	መጠይቅ	ሁልጊዜ	አብዛኛውን ጊዜ	አልፎ አልፎ	በጭራሽ
1	አለቃዎ ከቨርታይምን ያበረታታል?				
2	አለቃዎ ሙሉ የሥራ ነፃነት ይሰጥዎታል? ✓				
3	የበላዩ ሥራ-ነክ ችግሮችን በራስዎ ግምገማ መሠረት እንዲፈቱ ይፈቅዱልዎታል? ✓				
4	የክፍል ኃላፊዎ ወጥ የሥራ ሥርዓቶችን እንዲከተሉ ያበረታታል? ✓				
5	አለቃዎ በድንገት ለበለጠ ሥራ ያነቃቃሉ? ✓				
6	አለቃዎ ሐሳባቸውን/ዕቅዳቸውን/ በቡን የመተግበሩ ብቃት አላቸው? ✓				
7	አለቃዎ የቡድንዎ አባላት የላቀ ብለው በሚያስቡት መልኩ ሥራቸውን እንዲከውኑ ይፈቅዳሉ?				
8	አለቃዎ ለሥራ እድገት ብለው ነው የሚሠሩት				
9	አለቃዎ የሥራ መተላለፍንና በበቂ መረጃ ላይ ያልተደገፈን ውሳኔ/የሥራ ሂደት በመቻቻል መንፈስ ያልፏቸዋል? ✓				
10	አለቃዎ ሥራ በተፋጠነ መልኩ እንዲከወን ያለስለስ ጥረት ያደርጋሉ?				
11	የክፍሉ ኃላፊዎ የቡድኑ አባላት ሥራቸውን ባለኛቸው ፍጥነትና ወቅት እንዲያከናውኑ ይተውቀዋል ✓				
12	ኃላፊዎ ግጭቶች ወይም ቅራኔዎች በክፍልዎ ሠራተኞች መሐል በሚከሰቱበት ጊዜ በአፋጣኝ መፍትሄ እንዲያገኙ ያደርጋሉ? ✓				
13	አለቃዎ በተራ ዝርዝር የሥራ ሂደቶች ይጠመዳሉ?				
14	የሥራ ኃላፊዎ በድንገት /የሥራ ክፍሉን/ ይወክላሉ?				
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16	አለቃዎ ምን ዓይነት ሥራና በምን መልኩ መከናወን እንዳለበት ውሳኔ ያስተላልፋሉ?				
17	አለቃዎ የምርት ዕድገት ያበረታታሉ?				
18	አለቃዎ የተወሰኑ የሥራ ሂደቶችን በበታላቸው ወክለው ያሠራሉ?				
19	በሥራ ክፍሉ ኃላፊ የታቀዱ ነገሮች በዕቅዳቸው መሠረት ይተገበራሉ?				

ተ/ቁ	መጠይቅ	ሁልጊዜ	አብዛኛውን ጊዜ	አልፎ አልፎ	በጭራሽ
20	አለቃዎ የግል ክፍ ያለ የሥራ ተነሳሽነትን ይፈቅዳሉ?				
21	ኃላፊዎ የቡድኑን አባላት ለተወሰኑ የሥራ መስኮች ላይ ይደለድላሉ?				
22	አለቃዎ እርስዎ ተግተው እንዲሠሩ ጠይቀው ያውቃሉ?				
23	አለቃዎ እርስዎ ተገቢ ውሳኔዎችን ይወስዳሉ ብለው ያምናሉ?				
24	የክፍል ኃላፊዎ ተገቢ ለውጦችን ለማድረግ ፈቃደኛ ናቸው?				
25	አለቃዎ ሥራን በጊዜ ሠሌዳ ይከፋፍላሉ?				
26	ኃላፊዎ ለድርጊቶቻቸው ተገቢውን ገለጻ ለመስጠት እምቢተኛ ናቸው?				
27	አለቃዎ ሐሳባቸውን እንዲቀበሉ በብልሃት ግፊት ያደርግቦታል?				
28	አለቃዎ በራስዎ ፍጥነት ሥራ እንዲያከናውኑ ይፈቅዱልዎታል?				
29	ኃላፊዎ ቡድኑ ቀደም ሲል ያስመዘገበውን ክፍተኛ የሥራ ስኬት እንዲልቅ ያነሣላሉ?				
30	አለቃዎ ቡድኑን ሳያማክሩ ሥራ ይሠራሉ?				
31	ኃላፊዎ ቡድኑ ወጥ የሥራ ሕግንና ደንብን እንዲከተል ያዛሉ?				

## **OBJECTIVES OF THE STUDY**

### **General objectives**

- To show how employees performance is dependent on their managers behavior upon accomplishment of specific task.
- To recommend how managers should handle things to achieve division's and organization's objectives through employees

### **Specific Objectives**

- To identify the type of leadership style followed by managers i.e people oriented, task oriented or others.
- To measure employees performance through their respective managers.
- To make comparison between the two (leadership style employees performance) and reach conclusion about how managers should act on handling situations.



## **SCOPE OF THE STUDY**

Because of the existence of different factors that affect employees performance, it is not always possible to create direct relationship between what motivates employees and how they react to it, however by considering certain factors we can still create relationship between the two.

The study is interested to identify which leadership style i.e. people oriented or task oriented or other achieve best results through employees. The research will try to compare only the leadership style with performance of employees and given conclusion on how managers should lead their subordinates

## Introduction

This study is to identify which leadership perform best in getting employees performance and the research is to be conducted in Addis Ababa case study: Kality Metal Product Factory.

The term leadership reefers to the ability to influence people towards the attainment of organizational goal (Daft. 1997). This definition captures the idea that leaders are involved with people. Understandably, as leaders involve with people they develop leadership style that can affect the performance of employees.

Leadership is probably the most important characteristics people need to have to be effective on the job. leaders can have different styles based on their behavior and situations. Leadership ability is studied from different angles of perspective ( stoner, 1997).

The earliest leadership theory is the classical thought, this theory put forward the idea that, leadership is a trait which enables managers to get things done through other people. For instance, ability of persuasion is regarded as a good leader trait ( Hodgets, 1997).

In the present time, actually there are many authors who wrote about leadership and divided leadership styles based on many factors. However, this paper is concerned with only two leadership styles, task oriented and people oriented.

One way of measuring which leadership style achieve best result through his/her employees is by evaluating subordinate who are under his/her supervision and control and the other methods is by conducting unstructured interview with his immediate supervision.

Organization success largely depends on the leader ability to influence and get things done effectively and efficiently through his/her employees. In the absence of such ability of managers, any organization will face a problem in achieving its objectives ( Hodgets, 1997).

Employees ability and motivation to perform a task depends on the managers behavior. The problem is managers leading style is quite different from one manager as compared to the other, accordingly employees motivation and effort to perform a task vary from one another. Employees initiative to perform atask depends on many factors however managers who have obetten knowledge of what motivates employees can bring a satisfactory result up to the required level. So this research will try to focus on how managers should behave in order to get good result.

Because of time and resource limitation the research will be conducted on one manufacturing enterprise and the data collection will be made with in 15 days. In the organization there are around 392 employees (including managers). Employees that are selected will asked to fill questionnaires based on the response of employees and their respective managers conclusion will be reached.



## Literature review

Every leadership style is backed by power that arises as a result of the leaders position or his or her personal power. Many early research revealed that there are three different leadership styles Authority, democratic and free-rein style (Lussier, 1997).

Leadership is the most talked about, researched and written about management topic (Goleman, 2001) survey results revealed that academicians and practitioners alike agree that leadership is the most important topic with in the realm of organization behavior. According to a leadership study of more than 25,000 employees 69% of employees job satisfaction stems from the leadership skills of managers (Daft, 1997)

As a result of situationality in the late 1960, it become apparent that there are no best leadership style in all situations (Lussier, 1997) managers need to adapt different leadership style to different situations in order to be performance oriented. Ibid.

In recent years research focus has shifted from personality trait to the study of leadership behavior (Daft, 1997). They identified two major behaviors called consideration and initiating structure. Ibid.

Consideration is the extent to which the leader is mind full of subordinates respect their ideas and feelings and establish mutual trust. Consideration leaders are friendly and developer communication (Lussier, 1997). On the other hand, initiating structure is the extent to which the leader is task oriented and direct subordinates work activities towards goal attainment .Ibid.

In most recent years, there are also different researchers who have tried to show significance of leadership style on employees performance. Research conducted in America show that there is a great correlation between employees and the way their leaders act .(Lussier, 1993)

Generally leaders with the ability to motivate achieve objectives. This is because a motivated employee try harder than another employee who is not motivated. Below is a table that show how employees are dependent on leaders to perform best.

### **Employees ability and motivation to perform task AUTOCRATIC**

<b>EMPLOYEES</b>	<b>ABILITY AND</b>	<b>MANAGERS SYSTEM</b>	<b>BEHAVIOR</b>
Behavior Low ability	Motivation employees are unable  To perform a task unable to perform with out coercion	High divisive	Managers tells employees what to do how to do it and <u>closely</u> supervise performance.
Low Motivation		Low supportive	Mangers make decision with out employees input

### **CONSULTIVE**

<b>Employees</b>		<b>Managers</b>	
Low ability high motivation	Employees have moderate ability and are motivated to do the task with director	High directive High supportive	Managers tells employees what to do. Managers includes employees input.

## **Employees**

Low ability high  
motivation

## **Empowerment**

Employees have  
the ability and  
Motivation to  
perform the task  
with out  
direction on  
support

How directive  
How supportive

## **Managers**

Mangers develop  
Motivation by  
developing  
confidence and  
give employees  
authority to do  
the task their  
way employees  
make decision  
with out the  
managers input  
(Lussier,1997))



## Materials and Methods

The study is to be conducted in Kaliti Metal product factory. To balance the effect of different factors all employees from each department are to be included in the research. And because of the limited No of Managers, all managers are also assumed to be included. There are 392 employees who are working different departments.

The question will be distributed and employees are required to fill the question employees respond to the question in the form that clearly identify whether the Manager acts as always, frequently, seldom and Never.

To assess the behavior and differentiate the style of manager the questions will address the following points.

- does the manager allow members complete freedom
- Ones the manager permit members to use their own judgement
- Does he/she depend on position power or personal power.

On the other side, questionnaires are also to be distributed among the leaders of each department. Here the managers are suppose to evaluate employees performance. This questionnaires are prepared based on certain qualities that an individual must perform in his daily activity. Accordingly leaders are required to evaluate their subordinates as excellent, above average, How average and poor. ]

In general the questions are made to evaluate with regard to:-

- Getting along with co-worker
- Cooperatives
- Initiative of work
- Quality at work
- Quantity at work

To support the measure of managers performance, the researcher will conduct unstructured interview with the managers immediate supervisor. The unstructured interview will contain questions like.

- The ability of the manager to meet deadlines
- The quality of product services under his/her division
- The working environment personal relation ship with his/her subordinates

Summary of the above analysis will be used as a guide to judge which leadership style or manager achieve best results through employees performance.

## DATA ANALYSIS

✓ Depending on the information gathered comparison is to be made b/n the identified leadership and employees performance.

✓ First leaders behavior will be differentiated based on their manager behavior in different situations.

1. If an employee responses always and frequently for question 1,2,5,6,10,13,16,18,19,20,22,24,26,28,29,30,32,33 and 34, his/her manager will be regarded as a task oriented approach.
2. If in employee response as seldom and never for the above questions the manager is will be considered as non task oriented.
3. If an employee response as always and frequently for question 3,4,6,7, 8,9,11,12,14,15,17,21,23,25,27,31 and 35 his/her manager will be considered as people oriented.
4. If an employee response as seldom and never for the above questions, the manager will be categorized as non-people oriented.
5. There may be also a response which doesn't clearly show the leadership style in this case the manager will be regarded as task oriented , people oriented or other depending on situations).

On the other hand, the performance evaluation is based on the aggregate score of individual workers. The total aggregate rank is out of 5. Based on the evaluation, employees who get 3.5 and above will be regarded is a good performer.

The aggregate score of individual can be completed using =

$$= \text{Individual average rank} = \frac{\text{Summation of oratories rank}}{\text{number of criteria}}$$

$$\text{Average rank of employees under one manager} = \frac{\text{Summation of employees rank}}{\text{No. of employees evaluated}}$$



To support the measure of managers performance, the researcher will conduct unstructured interview with the manager's immediate supervisor. The unstructured interview will contain questions like

- The ability of the manager to meet deadlines
- The quality of product or services under his/her division
- The working environment personal relation ship with his/her subordinates

Summary of the above analysis will be used as a guide to judge which leadership style or manager achieve best results through employees performance.

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### PROPOSED RESEARCH PROJECT WORK PLAN

Activity	December				January				February				March				April				May		
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3
◆ Discussing the topic	→																						
◆ Literature review			→																				
◆ Proposal development					→																		
◆ Questionnaire preparation							→																
◆ Data collection									→														
◆ Data analysis													→										
◆ Report writing																	→						
◆ Presentation																					→		

12-230

860

482

### PROPOSED BUDGET

	DURATION			UNIT COST		TOTAL	
	QUANTITY	MONTH	DAY	BIRR	CENTS	BIRR	CENTS
➤ Personal cost							
. Researcher	1	10		30	00	300	00
. Secretary	1	6		25	00	150	00
➤ Supplies/Stationary							
. Pen	5			1	00	5	00
. Pencil	10			0	25	2	50
. Paper	6			25	00	150	00
. Stencil	5			1	00	5	00
. Transparency	10			2	00	20	00
➤ Others							
. Transportation	4			30	00	120	00
. Contingency				150	00	150	00
Total						902	50

873.1

877.6  
87.70



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**T- P LEADERSHIP QUESTIONNAIRE**  
**CIRCLE HOW YOUR MANAGER ACT ON DIFFERENT**  
**SITUATION AS ALWAYS, FREQUENTLY, SELDOM**  
**NEVER OR PUT X MARK.**

S. No	Always	Frequently	Seldom	Never
1 <sup>-</sup>	Does your manager act as a spokes person of the group			
2 <sup>✓</sup>	Does your manager encore age over time			
3 <sup>x</sup>	Does your manager allow complete freedom			
4 <sup>x</sup>	Does /he/she permits you to use your own judgement in problem solving			
5 <sup>✓</sup>	Does he/she encourage the use of uniform procedures			
6 <sup>x</sup>	Does he/she speak as a representative of the group			
7 <sup>x</sup>	Does he/she needle the group for greater effort			
8 <sup>x</sup>	Is he/she capable of trying out his/her idea in the group.			
9 <sup>x</sup>	Does he/she let members do their work they way they think best			
10 <sup>-</sup>	Is he/she works for promotion			
11 <sup>x</sup>	Does she tolerate postponement and uncertainty			
12 <sup>x</sup>	Does your manger speak for the group if there were where visitors			
13 <sup>✓</sup>	Does he/she keep the work at a rapid pace.			
14 <sup>x</sup>	Does he/she turn the members loose a job and let them go to it			
15 <sup>x</sup>	Does he/she settle conflict when they occur in the group?			
16 <sup>✓</sup>	Does he get swamped by details			
17 <sup>x</sup>	Does he/she represent the group?			
18 <sup>✓</sup>	Is he/she reluctant to allow members any freedom of action?			
19 <sup>-</sup>	Does he/she decide what should be done and how it showed be done			



20 ✓	Does he/she encourage for increased production?			
21 ✗	Does he/she delegate?			
22 ✓	Does things predicted turnout as planned?			
23 ✗	Does he/she allowing degree of initiative?			
24 ✓	I would assign group members to a particular task?			
25 ✗	Have you ever asked by your manage to work hard?			
26 ✓	Does he/she trust you to exercise good judgement?			
27 ✗	Is he/she willing to make changes			
28 ✓	Does he/she schedule the work to be done?			
29 ✓	Does he/she refuse to explain his/her action?			
30 ✓	Does he/she persuade you to accept his or her ideas?			
31 ✗	Does he/she permits you to set your own pace?			
32 ✓	Does he/she urge the group beat its previous record?			
33 ✓	Does he/she act with out consulting the group?			
34 ✓	Does he/she ask or order group members to follow standards, rules and regulations (Daft. 1997)			

Performance evaluation form. Please complete this form on each of your employees and also evaluate each facet of separately.

S. No	Facet	Excellent	Ratings above average	Average	Blow average	Poor
1	Quality at work					
2	Quantity of work					
3	Dependability at work					
4	Initiative at work					
5	Cooperatives					
6	Getting along with others					
7	Flexibility at work					
8	Personal characteristics					
9	Assuming responsibility					

The form is scored as follows excellent=5 above average = 4 average =3 below average = 2 and poor = 1 the score for each facet are endeared in the right hand.

**SUMMARY**

Strength \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

List this person's three major weakness

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

List this persons major accomplishments

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_



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