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## IMPACT OF LEADERSHIP ON EMPLOYEE PRODUCTIVITY

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### ABSTRACT

This abstract focuses on the impact of leadership on employee productivity. Effective leadership plays a crucial role in shaping the performance and productivity of employees within organizations. The study examines various leadership styles and their influence on employee productivity, considering factors such as motivation, communication, and empowerment. The analysis draws upon a range of theories and empirical studies to explore the relationship between leadership and employee productivity. Transformational leadership, which emphasizes inspiring and motivating employees towards a shared vision, is found to have a positive impact on productivity. This leadership style promotes employee engagement, job satisfaction, and a sense of ownership, resulting in increased productivity levels. Moreover, the study discusses the importance of effective communication in leadership and its direct correlation with employee productivity. Leaders who communicate clearly, provide feedback, and foster open dialogue contribute to a positive work environment that enhances productivity. Furthermore, the research emphasizes the significance of empowering leadership practices. When leaders empower employees by delegating authority, encouraging autonomy, and fostering a supportive culture, employees are motivated to take ownership of their work and exhibit higher levels of productivity. The findings of this study highlight the influential role that leadership plays in driving employee productivity. Organizations should prioritize the development of transformational leadership skills and create a supportive and empowering work environment. Investing in leadership training and promoting effective communication practices can contribute to enhanced productivity levels and overall organizational success.

**KEYWORDS:** Leadership, employee productivity, transformational leadership, communication, empowerment, motivation, organizational success.

### INTRODUCTION

Leadership and employees are two important components of any organization. Due to the criticality of employee in an organization recent trend suggests that they are regarded as stakeholders in the



organization. Leadership refers to the process of influencing and guiding individuals or groups towards a common goal, while employees are the people who work for an organization to achieve its goals. Effective leadership is crucial for the success of any organization. Good leaders have the ability to motivate and inspire their employees to perform at their best, by providing them with clear goals, direction, and support. They also have the ability to communicate effectively with their employees, to listen to their concerns and to address their needs.

Employees, on the other hand, are the lifeblood of any organization. They are the ones who carry out the daily tasks that contribute to the success of the organization. It is important for organizations to treat their employees well, to provide them with a positive work environment, and to offer them opportunities for growth and development. The relationship between leadership and employees is critical for the success of an organization. When leaders treat their employees well and provide them with the necessary support and resources, employees tend to be more engaged, motivated, and productive. In turn, this leads to better results for the organization, including higher profitability, better customer satisfaction, and improved employee retention. Overall, effective leadership and engaged employees are two of the most important components of any successful organization, and they go hand in hand. Recent literature suggest that employees are regarded as stakeholders due to the criticality of the role they play in the organization.

### **Concept of Leadership**

Leadership is a concept which is often talked about, and which has generated a proliferation of literature, especially in the field of management and organizational science Jones (2005). However, despite the almost unanimous agreement on the importance of leadership for the success of public and private sector organizations and institutions, and the countless works on the concept, “the field of leadership studies has not succeeded in articulating a coherent, paradigm-shifting model or approach that both scholars and practitioners can accept and work with”. There is no unanimity as to what ‘leadership’ means. This brief survey sets out a representative sample of some of the ways in which ‘leadership’ has been defined from within a number of very different disciplines and approaches. It concludes with a preliminary working definition of ‘leadership’ in a developmental context.

As will be apparent from what follows, the study of leadership has largely been dominated by scholars and practitioners working in management and organizational science, psychology and other related disciplines Lyne de Ver (2008), but has hardly been a central concern of political scientists Peele, (2005), economists or development theorists. As such, many of the conceptions of leadership in the literature are Western-oriented, Universalist or individualistic, and there are few conceptions which either incorporate a political understanding of leadership as a process or which have developmental salience. Moreover, apart from the many recent claims about the importance of leadership for growth and development, there has been little serious analysis of what this means in practice (and how it can



be enhanced or supported) in the very often unstable, hybrid and evolving institutional contexts which characterize the condition of many developing countries. The work of the Leaders, Elites and Coalitions Research programmed (LECRP) has as one of its basic assumptions that ‘leadership’ needs to be understood politically, that is as a political process, which involves at least three critical aspects.

- i. Leadership implies the organization or mobilization of people and resources (economic, political and other) in pursuit of particular ends.
- ii. Leadership must always be understood contextually, occurring within a given indigenous configuration of power, authority and legitimacy, shaped by history, institutions, goals and political culture.
- iii. Leadership regularly involves forging formal or informal coalitions, vertical or horizontal, of leaders and elites, in order to solve the pervasive collective action problems which largely define the challenges of growth and development.

The developmental implications of this should be clear. Some of these ideas have been explored in the research programmed of the LECRP, reports of which can be found on the LECRP website. For the present, then, this brief survey outlines a representative sample of some of the prevailing conceptions of leadership in the literature as a background for developing a more robust and developmentally-relevant definition and understanding of the phenomenon which incorporates the above three elements more directly.

One of the foremost scholars of leadership, Bass (1990), has described leadership as a “universal phenomenon”. He defines leadership as “an interaction between two or more members of a group that often involves a structuring or restructuring of the situation and the perception and expectations of the members. Leaders are agents of change – persons whose acts affect other people more than other people’s acts affect them. Leadership occurs when one group member modifies the motivation or competencies of others in the group...It should be clear that with this broad definition, any member of the group can exhibit some amount of leadership, and the members will vary in the extent to which they do so”

Bass also identifies numerous other definitions of leadership under the following groupings:

- i. **The focus of group processes:** For example, Cooley (1902) states that “the leader is always the nucleus of a tendency”. Influenced by the needs of their followers, he/she then focuses the followers’ energies in a particular direction. The single leader embodies the collective will. Leadership is a function of needs existing, and is a relationship between leader and followers Bass, (1990).



- ii. **Leadership as personality and its effects:** For example, Bowden (1926) “equated leadership with strength of personality: ‘Indeed, the amount of personality attributed to an individual may not be unfairly estimated by the degree of influence he can exert upon others’ Bass, (1990). Or, Bingham (1927) defined leadership as a person possessing of the “greatest number of desirable traits of personality and character” Bass, (1990). Personality theorists “regard leadership as a one-way effect: Leaders possess qualities that differentiate them from followers” Bass, (1990). This does not acknowledge the impact followers have upon leaders.
- iii. **Leadership as the art of inducing compliance:** For example, Munson (1921) stated that leadership is “the ability to handle men so as to achieve the most with the least friction and the greatest cooperation...Leadership is the creative and directive force of morale” Bass, (1990). Moore (1927) stated that leadership can be defined as “the ability to impress the will of the leader on those led and induce obedience, respect, loyalty, and cooperation” Bass, (1990). This perspective also regards leadership as “a unidirectional exertion of influence and as an instrument for molding the group to the leader’s will.” This is seen as possibly “legitimizing an authoritarian concept of leadership” Bass, (1990).
- iv. **Leadership as the exercise of influence:** This reflects a move towards generality or abstraction. Nash (1929) saw leadership as “influencing change in the conduct of people.” Bass (1990). Stogdill (1950) stated that leadership was “the process of influencing the activities of an organized group in its efforts toward goal setting and goal achievement” Bass, (1990). This is a more interactive view of the relationship between leaders and followers. Hemphill (1949) and Bass (1960) state that “an individual’s effort to change the behavior of others is attempted leadership. When the other members actually change, this creation of change in others is successful leadership. If the others are reinforced or rewarded for changing their behavior, this evoked achievement is effective leadership” Bass, (1990). ‘Influence’ reflects the idea that there is a difference in the extent to which individuals affect the group. There is no single leader who influences all equally, without a feedback relation. This allows for a less dominating role for the leader. “Leaders serve as models for the followers.

As Gandhi suggested: ‘clean examples have a curious method of multiplying themselves’ Bass, (1990), Proviso: some think that leadership is a discretionary influence only – i.e., that which is not mandated by the leader’s role. “Thus, managers are leaders only when they take the opportunity to exert influence over activities beyond what has been prescribed as their role requirements” Bass, (1990: 14). E.g. Miller (1973) and Jacobs & Jaques (1987).



- i. **Leadership as an act or behavior:** The followers of this perspective define leadership in terms of actions and behaviors. E.g. Fiedler (1967) – “By leadership behavior we generally mean the particular acts in which a leader engages in the course of directing and coordinating the work of his group members. This may involve such acts as structuring the work relations, praising or criticizing group members, and showing consideration for their welfare and feelings” Bass, (1990).
- ii. **Leadership as a form of persuasion:** Several theorists saw leadership as “successful persuasion without coercion” Bass, (1990). For example, Neustadt (1960) concluded, from his study of U.S. presidents, that presidential leadership stems from the power to persuade. Schenk (1928) stated that “leadership is the management of men by persuasion and inspiration rather than by the direct or implied threat of coercion” (Bass, 1990). This definition is favored generally by students of politics and social movements “and by military and industrial theorists who were opposed to authoritarian concepts.... Persuasion can be seen as one form of leadership” Bass, (1990).
- iii. **Leadership as a power relation:** The view of most political theorists (from Machiavelli to Marx) was that power was the basis of political leadership. “Power is regarded as a form of influence relationship. It can be observed that some leaders’ tendencies to transform any leadership opportunity into an overt power relation, combined with the often-undesirable consequences for individuals and societies, has induced many theorists to reject the notion of authoritarian leadership” Bass, (1990). This is a realist view of leadership; the power relation may be overt, covert or unrecognized and the sources of power may vary too.
- iv. **Leadership as an instrument of goal achievement:** This perspective looks at leadership in terms of its ability to satisfy a group’s needs and meet its goals. It has commonly been used by the classical organizational theorists who “defined leadership in terms of achieving a group’s objectives” Bass, (1990). For example, Davis (1942) “referred to leadership as ‘the principal dynamic force that motivates and coordinates the organization in the accomplishment of its objectives’”. In this sense “leadership transforms followers, creates visions of the goals that may be attained, and articulates for the followers the ways to attain those goals” Bass, (1990).
- v. **Leadership as an emerging effect of interaction:** This perspective sees leadership not as a cause of group action but as an effect of it. For example, Bogardus (1929) stated that “as a social process, leadership is that social inter stimulation which causes a number of people to set out toward an old goal with new zest or a new goal with hopeful courage with different persons keeping different places” Bass, (1990), This theoretical perspective, importantly, called attention to the idea that emergent leadership grows out of the process of interaction. “It can be observed that leadership truly only exists when it is acknowledged and conferred by other members of the group”. Thus,



leaders can emerge passively, through acknowledging the status and responsibility assigned to them by the group.

- vi. **Leadership as a differentiated role:** This takes its basis from role theory, under which each member of a group occupies a position in the community/group as well as in various other organizations/ institutions. Each position is more or less well-defined, and provides the member with a role to play. For example, “according to the leader of Ponape, Heinrich Iriarte, some Micronesians are born to rule while others are born to serve” (Paige, 1977, 65 quoted in Bass, 1990: 16-17). Leadership here is seen as an aspect of role differentiation. For Gordon (1955), “leadership was an interaction between a person and a group or, more accurately, between a person and the group members. Each participant in this interaction played a role. These roles differed from each other; the basis for their difference was a matter of influence – that is , one person, the leader, influenced , and the other persons responded” (Bass, 1990: 17). “Of all the available definitions, the role conception of leadership is most firmly buttressed by research findings....Leadership as a differentiated role is required to integrate the various other roles of the group and to maintain unity of action in the group’s effort to achieve its goals” Bass, (1990: 17).
- vii. **Leadership as the initiation of structure:** Several commentators viewed leadership “not as the passive occupancy of a position or as acquisition of a role but as a process of originating and maintaining the role structure – the pattern of role relationships” Bass, (1990:17). For example, Gouldner (1950) stated that there is a difference between a stimulus from a leader and a stimulus from a follower– “in the probability that the stimulus will structure the group’s behavior. The stimulus from a leader has a higher probability of structuring a group’s behavior because of the group-endowed belief that the leader is a legitimate source of such stimuli” Bass (1990: 17). Stogdill (1959) “defined leadership as ‘the initiation and maintenance of structure in expectation and interaction” Bass (1990: 17). This definition leads to a “consideration of the basic processes involved in the emergence of the leadership role” Bass (1990: 18). But: “if structure is the consistent pattern of differentiated role relationships within a group, we must be sure also to consider the persons, resources, and tasks within differentiated roles” (Ibid.).
- viii. **Leadership as a combination of elements:** Many combine several definitions to cover a larger set of meanings. For example, for Jago (1982) “leadership is the exercise of no coercive influence to coordinate the members of an organized group to accomplishing the group’s objectives. Leadership is also a set of priorities attributed to those who are perceived to use such influences successfully”
- ix. Bass (1990:18), For Tichy and Devanna (1986), also, “the combination of power with personality





defines the transformational leader as a skilled, knowledgeable change agent with power, legitimacy, and energy. Such a leader is courageous, value driven and able to deal with ambiguity and complexity” Bass (1990: 18).

In addition to Bass’s collection, there are also many other different attempts to define ‘leadership’ as a concept, which have had very different results. The sample given below provides an indication of the breadth of the various attempts. Jago (1982), in seeking to combine the ideas of ‘process’ and ‘property’ in his conception of leadership offers a useful definition:

Leadership is both a process and a property. The process of leadership is the use of non-coercive influence to direct and coordinate the activities of the members of an organized group toward the accomplishment of group objectives. As a property, leadership is the set of qualities or characteristics attributed to those who are perceived to successfully employ such influence (Jago, 1982:315).

But he also qualifies this by saying:

*Leadership is not only some quality or characteristic that one possesses or is perceived to possess; it can be something that one does. It therefore can describe an act as well as a person. Leadership does not involve the use of force, coercion or domination and is not necessarily implied by the use of such titles as manager, supervisor, or superior. In this respect, the definition provides a conceptual distinction between leadership processes and motivational processes, the latter being the more appropriate domain for any discussion of the administration of discretionary rewards and punishments made possible by some formal authority structure. Leadership is therefore distinct from ‘supervision’ or what might be termed ‘headship*

Nye (2008), define leaders as those who help a group create and achieve shared goals. Some try to impose their own goals, others derive them more from the group, but leaders mobilize people to reach those objectives. Leadership is a social relationship with three key components – leaders, followers, and the contexts in which they interact. Nye’s conception of ‘good’ and ‘effective’ leadership involves a combination of soft power skills, hard power skills, and what Nye calls contextual intelligence – which is the ability to know when to use which combination of the above skills. Burns (1977) states that leadership arises in the transformation of wants (primal desires like a baby wanting nourishment) into needs (socialized widely sanctioned wants). For example, a baby wants nourishment but will as



easily eat or drink things that are bad for, or harmful to him. The parent transforms this ‘want’ into ‘needs’ for milk, food etc. in pursuit of aims set out by the parents not the baby – this is leadership according to Burns.

## **Relationship between Leadership styles and Employee/Stakeholders Performance**

### **Transformational Leadership**

Transformational leadership style suggests that an effective leader can generate and encourage an appropriate idea or image of the organizations. They are more goals and vision oriented leaders who seek to achieve their desired intentions to be fulfilled. According to Bryman (2007), the transformational leadership in the educational setting more likely to sustain the educational system change. In relation to the leadership styles within the higher education settings, many academic leaders are more preferred to transformational leadership (Lustik, 2008). The transformational leader motivate their followers to fully aware the importance of their tasks outcomes and inducing them to exceed their own self-interest for the sake of the organizations by achieving their higher needs (Obiwuru et al., 2011). One of the main element of this type of leadership is transformational at its core elevates both leaders and the followers (Thrash, 2009).

Avolio (2007) supports the theory that transformational leadership is morally inspiring, a quality that differentiates it from other leadership styles. As the overall of this theory dictates that the leaders must have the capability to response to the demands in any circumstances (Northouse, 2007). Particularly, leaders who operate under this leadership must be aware about their environment surrounding, abilities of their employees, and to be flexible in their leadership approach (Bledsoe, 2008).

### **Transactional Leadership**

Transaction literally mean “exchange” therefore, transaction leadership deals with the exchange between leader and his followers (Paracha et al., 2012). In other word, transactional leadership as supported by Bass and Riggio (2006) is based on the expected reward in return that will be received by the followers with their determinations, productivity and trustworthiness. The objectives of the transactional leaders are to ensure the path to goal accomplishment is clearly understood by the followers, to remove potential barriers within the organization, and to motivate them to achieve the predetermined goals (House and Aditya, 1997). Obiwuru et al., (2011) in their study point out that transactional leadership display both constructive and corrective behaviour. Constructive behaviour involves contingent reward, and corrective measurements determined management by exceptions. Contingent rewards comprise the clarifications of the work required to attain rewards and the use of the incentives and contingent rewards to employ the influence.





### **Laissez-faire Leadership**

Many researchers believed this theory of Laissez-faire leadership were perceived the weakest and most ineffective style of management (Amzat et al., 2011). According to Altalib (1991), he defined the Laissez-faire leader as a leader who has little confidence in his leadership ability, sets no goals for the group and minimize communication and group interaction. The great advantages of this type of leadership is that the leaders have little work to deal with their subordinates and significantly when the group member can be 'self-independence' the leader has very little to look good as more decisions are under the control of their followers (Northouse, 2007). Looking from another angle, due to their damaging effects on the bottom line and overall productivity, these types of leaders either elect to leave voluntarily or are terminated from their positions (Kelloway et al., 2003). On the other hand, the laissez-faire technique at the university level is usually only appropriate when leading a staff of highly motivated and skills lecturers, who have produced excellent works in the past (Amzat et al., 2011).

In respect to the overall leadership styles and their impact as well as influence on the organizational development and employees, the literature and citations above have confirmed the effectiveness of the transformational leadership in organization (Eran, 2007). Thus, this shows the success of benefits gained by individuals and decision making can be seen through participations. The literature also speaks of the transactional leadership as well as the unproductive nature of the laissez-faire leadership on the organization and the followers (Amzat et al., 2011).

### **Theories of Leadership**

There are many theories to show the relationship between effective leadership and employee/Stakeholders. With regard to this seminar, it is most important to briefly explain few of this theory. Some of these theories include traits theory, contingency theory, situational theory and transformational theory.

#### **Traits theory**

The traits theory is based on body humor. It believes that effective leaders show common traits or characteristics that cause them to behave in certain ways Gill, (2006:37). Those traits are Integrity, maturity and energy, business acumen, people acumen, organizational acumen, curiosity, intellectual capacity and global mindset, superior judgment, an insatiable appetite for accomplishment and results, motivation to grow and convert learning into practice. It talks about the internal qualities that a person is born with. The theory believes that leaders are born not made. The problem with the trait's theory is that it deals with the generalities of social strata rather than with the analysis of the personalities and behavior of leaders. Leadership does not only involve the power of control but also the power to motivate Gill, (2006:37). The traits theory can be seen as imperfect in the sense that not all leaders behave or have the same or common traits to conclusively give reason that leaders need to possess



those traits to become the best leaders Crainer, (1998: 108).

### **Contingency theory**

The contingency leadership approach and the situational theory on the other hand emphasizes that leadership shifts from analysis of personal traits to a study of personality, roles and relationships Crainer,(1998). This means that different circumstances require different forms of leadership. For example, there are times when a leader has to be autocratic so that performance can improve. People who according to Annunzio's 20/60/20 Rule (2001:28) who fall under the bottom 20% are those who need to be pushed to do things they are supposed to do. Regarding the 20% that falls under those people who do their work without being followed, the leader can be democratic. The reason for not following them is that they can be trusted to perform their work diligently. The democratic leader would in this same situation allow people to use their skills without following them all the time. This allows the employees to be creative and innovative therefore impacting on service delivery positively.

### **Situational theory**

The situational leadership measures the amount of direction a person needs and the amount of facilitation that a person needs. A leader should be able to know the people who needs less facilitation and more direction and those who need more facilitation and less direction. In this way service delivery can be improved Bell, (2006:185). Leaders may emerge who have the characteristics and skills to meet the needs of their group, organization or society. Their leadership depends on the interaction between the goals of the followers and the leader. The emergence of natural leaders is usual in politics. The ability or desire to serve the needs of other people is usually the reason why leaders emerge.

The example is that of Nelson Mandela who served 27years in prison because he believed that Africa was entitled to freedom and a better life. Great leaders serve others. They become servant leaders Gill, (2006:40). The problem that leaders have with this leadership is that it is inconsistent with their self-image. It becomes difficult to differentiate between the leader and the servant. The leaders believe that the leaders should lead and servants should serve. They argue that if leaders are going to be servants, then what are servants going to do and who is going to do the leading Crainer, (1998:39). Two kinds of leaders are identified namely the strong natural leader who takes charge, makes decisions and gives the orders and the strong natural servant who assumes the leadership role because they see it as a way in which they can serve Gill, (2006:41). Strong natural leaders are assertive and driven by the need for acquisition or dominance whereas strong natural servants are driven by the need to serve a cause. Emergent and servant leadership theories ignore the wider organization or society that presents many demands in addition to those of a particular group of followers. For example, Nelson Mandela is an emergent leader who did address such demands (Gill, 2006:42).



**Herzberg’s Two Factor Theory of Motivation**

Fredrick Herzberg (1961) and his associates made a significant contribution to the theory of motivation by differentiating motivational and maintenance factors in the job situation. Herzberg investigated the question “what do people want from their job? The response to the question was categorized. Therefore, from these categorized responses, Herzberg concludes that the replies given when people feel good about their job are significantly different from the replies given when others feel bad consistently released dissatisfaction. Herzberg labeled the factors that produce job satisfaction as motivators. His analysis indicated that these factors are directly related to job content, reflecting a need for personal fulfilment. Motivators include achievement, recognition of work itself, responsible advancement and personal growth. One of the factors that led to job dissatisfaction in hygiene is related more to the work setting or job context than the job content. Hygiene factors includes thing such as company policies and administration, supervision, relationship with one’s supervisor or peers, working conditions and pay.

**Herzberg Motivators and Hygiene Factor**

MOTIVATOR	HYGIENE (DISSATISFACTION)
Achievement	Policy and administration
Personal growth	Salary
Recognition	Supervision
Responsibility	Interpersonal relations
Advancement	Working condition
Work itself	Job security

Based on this dichotomy, it was concluded that only motivators produce job satisfaction whereas, hygiene merely prevents job dissatisfaction.

**Abraham Maslow’s Need Hierarchy Theory**

According to Maslow (1943), human beings have needs that can be arranged in a hierarchy of needs. If these needs are satisfied, human beings will be motivated to perform; however, a satisfied need is no longer a motivator. Maslow identified five (5) level in his need hierarchy briefly as;

1. Physiological needs
2. Security or safety
3. Social needs
4. Esteem
5. Self-actualization

1. Physiological Needs: - They consist of primary needs for sustaining the human body. They are



need for oxygen, food, water, clothing and shelter.

2. Security or safety Needs: - This need is concerned with assuming the individual that satisfaction of this basic needs will be continued. In other words, man needs protection against changes, economic disaster, and protection from harm in the work place.
3. Social Needs: - This is the need for love, friendship, affection and acceptance that is the desire to associate with others. It has to do with giving and receiving love and affection
4. Esteem Needs: - This need for esteem includes the desire for social approval, self-assertion and self-esteem. A ratification of this need for esteem contributes to the works, feeling of self-confidence, with and capacity.
5. Self-Actualization: - This need is the final and the highest according to Maslow. Maslow stated that self-actualization, involved the desire in the individual to become more and more what one is or to become everything one is capable of becoming. Although the desire for self-actualization was the highest level need in terms of its motivating capabilities, it was of the lowest priority since it only dominant, when all the other needs have been fairly well satisfied.

### **PORTER AND LAWLER MOTIVATION THEORY MODEL**

Porter and Lawler (1968) elaborate on Vroom's theory of expectancy and produced by their performance model, these are efforts, performance, reward and satisfaction. Actually, the model is developed to investigate the relationship between manager's attitude towards pay and performance of workers. The effort that a worker puts in relation with these abilities, traits and skills together with his role perception to result in performance. The worker is then rewarded for his performance either intrinsically or extrinsically. Good performance according to Lawler leads to reward and rewards on the hand lead to performance.

### **Impact of Leadership Style on Employee**

There is a strong relationship between leadership styles and Employee performance in any organization. To this extent Khan et al (2012) posits that leadership undeniably has played an importance role in the outcome of any project in which all identified leadership styles have variable outcomes under different situations. Fry (2003) explains further that leadership plays as a strategic tool to motivate the staff to enhance their potential growth and development. The quality of radiological services is dependent on the styles of leadership adopted.

The aim of good management is to provide services to the community in an appropriate, efficient, equitable, and sustainable manner. This is can only be achieved if key resources for service provision, including human resources, finances, hardware and process aspects of care delivery are brought together at the point of service delivery and are carefully synchronized. Critical management considerations for assessment and planning, managing the care process, human resources, interacting



with the community, and managing information are covered in the Planning, Human Resources, Integration and Monitoring.

According to Kotter (1999:73), leadership initiates changes and management deals with the question of coping with the complexity brought about by the changes in question. A leader is required to be able to determine direction for quality service delivery. A leader should be able to gather a broad range of data and provide correct interpretations. A leader is able to direct and guide from the premise of a vision and strategies that are beneficial to the people, organization and the employees. In the literature on impact of leaders on qualitative services, leadership is seen as a process that is shared among different stakeholders. Senior leaders are viewed as leaders among leaders. They are responsible for promoting leadership development and growth at various levels of the organization. This context has a flatter and more integrated organizational structure and participants, who share common values and purposes (Covey, 1993:29). The interactive nature of this leadership style promotes the democratic principles of leadership, consultation and negotiations and recognizes interdependency between followers and leaders. This approach recognizes the important role played by followers in aiding or resisting the imposition of the leader's ideas on the group. It recognized the idea that leaders are there to serve others as well as to lead at the will of their followers. According to Covey (1992:33), there are characteristics that distinguish people who are principle-centered leaders and these are people acumen, organizational skills, intellectual capacity and self-confidence. A leader needs to have certain characteristics that will distinguish him or her from other people.

Leadership has been recognized as a vital focus in the field of organizational behaviour in which it is one of the dynamics effect during individual and organizational interactions (Obiwuru et al., 2011). On the other hand, organizational performance refers to ability of an organization to achieve certain objectives and goals such as good financial results, high organization profit, and produced high quality products by using effective strategies adopted (Koontz and Donnell, 1993).

Under certain circumstances, transactional style of leadership lead to a successful working of the organizations even though it does not give the followers as much right as transformational leadership does (Boseman, 2008) but it does give the follower a sense of identity and job satisfaction. On the contrary, other study suggested that transformational leadership had a greater role to play regarding followers' performance and creativity compared to the transactional leadership (Boerner, 2007).

Further, the discussion on the relationship between leadership styles and the performance has been discussed widely by many scholars. Many scholarly studies which have been carried out earlier on showed the results that leadership styles have significant relation with the organizational performance, in which different style of leadership can determine the relationship between the leadership styles and



the organizational performance either it may have positive correlation or negative correlation (Wang, Shieh, and Tang, 2010). Sun (2002) compared the leadership styles and the organizational performance has significant results where the finding showed that there is a positive correlation between leadership styles and performance. By understanding the effects of the leadership on performance is important because it is perceived as vital driving forces for improving a firm's performance (Obiwuruet al., 2011).

### RECOMMENDATIONS

Based on the review of leadership concepts, theories, and empirical studies, as well as the impact of leadership on employees and stakeholders, the following recommendations are provided:

- I. Emphasize the development of transformational leadership: Organizations should prioritize the development and promotion of transformational leadership within their ranks. This style of leadership has been proven to positively impact employee motivation, engagement, and performance. Leaders should be trained in transformational leadership techniques, such as inspiring a shared vision, providing intellectual stimulation, and offering individualized consideration to employees.
- II. Foster a supportive and empowering leadership culture: Leaders should create an environment where employees feel supported and empowered. This can be achieved by encouraging open communication, providing opportunities for growth and development, and involving employees in decision-making processes. When employees feel valued and empowered, they are more likely to be motivated and committed to achieving organizational goals.
- III. Implement a situational leadership approach: Leaders should adopt a situational leadership approach, recognizing that different situations and individuals may require different leadership styles. Leaders should be flexible and adaptive in their leadership approach, adjusting their style based on the specific needs and capabilities of their team members. This will ensure that employees receive the guidance and support they need to perform at their best.
- IV. Continuously invest in leadership development programs: Organizations should invest in ongoing leadership development programs to enhance the skills and competencies of their leaders. This can include training programs, workshops, mentoring, and coaching initiatives. By investing in the development of their leaders, organizations can create a pipeline of effective and capable leaders who can drive organizational success.
- V. Promote a culture of ethical leadership: Ethical leadership should be emphasized and promoted within organizations. Leaders should lead by example, demonstrating integrity, transparency, and ethical behavior in their actions and decision-making. This will create a culture of trust and ethical conduct, which is vital for employee morale, stakeholder relationships, and organizational reputation.





VI. Conduct regular assessments and feedback: Organizations should implement mechanisms for regular assessments and feedback on leadership effectiveness. This can include employee surveys, performance evaluations, and 360-degree feedback processes. Gathering feedback from employees and stakeholders can provide valuable insights into the strengths and areas for improvement of leaders, allowing for targeted development efforts and continuous improvement.

By implementing these recommendations, organizations can enhance their leadership effectiveness, foster a positive work environment, and maximize the potential of their employees and stakeholders towards achieving organizational goals and objectives

## CONCLUSION

A review of the concept of leadership, theories, empirical studies and the impact of leadership on employee/stakeholder was undertaken. Leadership was seen as a universal phenomenon where a group of persons are controlled and influenced in decision making, where such persons are classified as stakeholder. Leadership is imperative for the achievement of organization goals. The paper identified some of the universally proven styles of leadership such as situational, traits, contingency theories as well as some motivational theories such as Herzberg two factors, Abraham Maslow theory. Leadership styles such as transformational, transactional and laissez-faire leadership styles were reviewed. However, transformational leadership is regarded as one that is invoked to help achieve organizational goals and objectives which among others include influencing the employee. This is because transformational leadership involves motivating and empowering employees to work towards a common goal.

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