

Leadership Styles and Organizational Productivity: An Assessment of Confluence Fertilizer Company Limited, Agbeji- Anyigba, Kogi State

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Abstract

Over the years, employers of labour have been experimenting with different plans in an attempt to relate effectively, the motivation of workers to their contributions to work. This is the basis of many courses in human relations where supervisors are advised to treat their subordinates as human beings. This means that the relationship between motivation and productivity has come under increasing study. Therefore, opinions and views about factors that influence productivity differs and with controversial conclusions. It is this controversy that spurs the interest in investigating the relationship between leadership styles and productivity in the Confluence Fertilizer Company Limited, Agbeji. Data for this study were collected from both primary and secondary sources using Questionnaires and oral interviews. The study revealed that there is no significant relationship between a worker's perception of his boss's leadership style and productivity in CFC, Agbeji. From the study, bosses do not give free hand to subordinates to participate in decision making process. The paper therefore recommends participative or democratic leadership style in the alternative.

Introduction

Improved productivity has been described as "providing more effective or higher quality services at the same cost or the same services at the lowest cost possible". Effectiveness and efficiency are the key concepts of productivity measurement in organizations. As an organizational factor, productivity is not a new problem in management whether government parastatals or private organizations, the problem of productivity is of great concern because of its financial implications. As far back as 1913, scholars had started showing interest in productivity. For instance, in that year (1913), Munstaberger, an industrial psychologist started indicating interest in productivity. He worked to determine how to find the best man possible, how to produce the best possible work and how to ensure the best possible effects (Munstaberger, 1913). The famous Hawthorne experiments conducted by Mayo and colleagues, were also undertaken between 1920- 1930 to determine the factors responsible for high productivity. Thus, managers need to study their workers with a view to understanding them and their behaviors, why they behave the way they do and what need to be done in order to direct their behaviors toward the attainment of organizational goals. This therefore means that all those who are responsible for the management of any organization must build into the entire system those things that induce workers to contribute as effectively and efficiently as possible (Koontz et al, 1984).

Significance of the Study

In a research of this nature, the questions that come to mind are: How relevant is the work to scholarship? What is the significance of the study? In many organizations, efforts are being made to enhance productivity in order to ensure the survival of the organizations, and to increase the level of motivation which gives rise to increase in the level of productivity. It is against this background that the researcher hopes that the management of Confluence Fertilizer Company Limited, Agbeji and other similar organizations would find the study on the relationship between leadership style and productivity useful in policy making. It is also believed that the findings will highlight the urgent need for organizations to give priority to motivation of workers in order to ensure continuous increase in productivity.

Scope of the Study

The Confluence Fertilizer Company Limited is situated at Agbeji- Anyigba road, in Dekina Local Government Area of Kogi East senatorial District. The company's site accommodates both the factory and the Administrative departments- i.e. administrative and technical sections. The workers in the CFC Ltd; comprises the Junior and senior staff respectively. This paper examines the relationship between leadership style and productivity, and therefore covers both the junior and senior staff of this industrial complex which covers a total land area of about ten hectares. It is hoped that using this industry as a case study will give an insight into what happens in both private and public industrial complexes in the country.

Hypotheses

- (1) That worker's perception of his boss' leadership style will motivate him to perform.
- (2) There is no significant relationship between a worker's perception of his boss' leadership style and productivity among workers at the confluence fertilizer company (CFC) Ltd; Agbeji.

Literature Review

Tannenbaum and Schmidt (1973), classified leadership behaviour available to a manager. According to them, each type of action is related to the degree of authority used by the boss and to the amount of freedom available to his subordinates in reaching decisions. The first type of leadership style includes class supervision, tight controls, rigidly defined tasks and limited upward communication from subordinates. The second type of leadership behaviour includes loose democratic type with few controls and limited direction by the manager.

Tannenbaum and Schmidt saw leadership as involving a variety of styles, ranging from one that is highly boss centered to one that is highly subordinate centered. These vary with the degree of freedom a leader or manager grants to subordinates. Instead of choosing between two styles of leadership, that is authoritarian or democratic, this approach offers a range of styles with no suggestion that one is always right and another is always wrong. The author's concept of leadership continuum recognizes that an appropriate style of leadership depends on situations and personalities. They saw the most important elements that might influence a manager's style along this continuum as: (1) The force operating in the manager's personality including his or her value system, confidence in subordinates, inclination towards leadership styles, and feeling of security in uncertain situations. (2) Forces in subordinates that will affect the manager's behaviour; and (3) Forces in the situation, such as organizational values and traditions, how effectively subordinates work as a unit, the nature of a problem and whether authority to handle it can be safely delegated and the pressure of time.

In the final analysis, some researchers have categorized leadership behaviour as "democratic" or "authoritarian." Thus, the boss who made too many decisions himself was thought of as authoritarian and his directive behaviour was often attributed solely to his personality. According to Ubeku (1975), "it is not only the performance of the individual worker that made up the organization, rather, there are some other factors which affect the performance of an organization. Among these factors are environmental conditions and most of all, the leadership demonstrated and the supervision given by the leader will enhance productivity." Fitting into this explanation is the worker's perception of his boss' leadership style as a form of motivation. Thus, in Confluence Fertilizer Company, for example, it is hypothesized that a worker's perception of his boss' leadership style (democratic or participative) leadership will likely improve productivity.

In line with Ubeku, Strauss and Sayles (1980) contributing to the issue of supervision as it relates to productivity, asserted that the most effective supervisor is one who:

1. delegates authority and responsibility;
2. Makes definite assignments and supervises by results;
3. Loses low pressures;
4. Trains subordinates and
5. Spends time on long range rather than short range problems.

These authors said that supervision or leadership alone cannot elicit high productivity as the leadership relation is not determined solely by the supervisor's personal skills.

French and Couch (1985), writing on participative leadership as it enhances productivity, stated that "participative or democratic leadership leads to effectiveness and enhances increased productivity among workers. In their study on the effect of workers' participation in decision making, as regards work changes, they found out that workers that were allowed to take part in making decisions that affect them reached some higher level of output than a comparable group of workers who were merely told to change their methods of work.

Drucker (1984) introduced and developed the concept of Management by Objective (MBO), which is synonymous with participative management. He advocated "the setting of objectives and appraising by results in order to motivate a worker for high productivity, and laid down a philosophy that emphasizes self-control and self-direction." To him, workers' participation and autonomy in decision making, including feedback on performance are capable of improving productivity in any organization.

Management by Objective (MBO), either as a specific technique for appraisal or as a complete system of management, seems to hold enough promise to continue its widespread application. It is readily adaptable and can be used in conjunction with other modern human resource management techniques, such as job enrichment and organizational behaviour modification. Goal-setting, feedback about performance, participative decision making, open two-way communication, and self-control are some of the very positive characteristics of MBO that can improve productivity.

Akinyemi (1993) has stated two basic concepts- efficiency and effectiveness- which are relevant to productivity. Efficiency seeks to compare the resources expended (inputs) with results obtained (out puts). Effectiveness evaluates the degree to which a chosen course of action leads to the attainment of results which it is designed to achieve. The role of management involves organizational planning, techniques, schemes and systems, research development, management of the organization for growth and leadership.

Methodology

The major instruments used for data collection in this research were Questionnaire and Interview. However, the Oral interview method was only used to supplement the questionnaires that were distributed to the respondents. Three hundred (300) questionnaires were distributed to the respondents in various departments of the company, and two hundred and fifty (250), i.e. 83.3% were returned to the researcher. The questionnaires were administered to a sample of workers in the company under the condition of anonymity. The researcher made questionnaires anonymous by deliberately omitting such sensitive questions like name of the respondents because of its usefulness to the research. According to Hollander and Blaire (1994), "the usefulness of anonymity in research, rests on the fact that it presents the individual with a relatively unstructured stimulus situation in which respondents may, with equanimity and without being consciously aware of the process, bring forth feelings that might naturally be repressed through social pressure and other forces." The same view was expressed by Oppenheim (1998), when he stated that "anonymity is often crucial in obtaining frank and revealing responses."

Analytical Tools

Data collected to test the hypotheses were coded for computer analysis. The analysis was computer based. Simple and Multiple regression analysis were used to determine relationships among the variables in the hypotheses. The regression result (r^2) yields an index of the total variation in a dependent variable (y) explained or accounted for by the corresponding independent variable (x). In other words, it gives an indication of the extent to which the independent variable can be used to predict the dependent variables. For the purpose of this study, "productivity" was treated as the dependent variable while a "worker's perception of his boss' leadership style" was manipulated as the independent variable.

Decision Rule

As a general rule, the R² value is said to be significant at 0.05 level of significance if the Standard Error (S.E) is less than ½, the x co-efficient, i.e. S.E < ½ - (x co-efficient).
 The rule was applied in testing the hypotheses formulated for this study.

Statistical Testing and Interpretation of Results of the Hypotheses

Hypothesis 1 (H_A): A worker’s perception of his boss’ leadership style will motivate him to Perform.

In order to test this hypothesis, respondents were asked the following questions:

1. How do you see your boss’ leadership style?
2. Would you say that your perception of your boss’ leadership style can motivate you to perform?

Hypothesis 2 (H₀): There is no significant relationship between a worker’s perception of his Boss’ leadership style and productivity among workers at the Confluence Fertilizer Company Ltd, Agbeji.

Table 1A: Percentage Score of Respondents to a Worker’s perception of his boss’ Leadership style and productivity

A worker’s perception of His boss’ leadership style	Number of Respondents	Percentage
Can motivate him to performance		
Strongly Agree	17	6.8
Agree	156	62.4
Uncertain	47	18.8
Disagree	17	6.8
Strongly Disagree	13	5.2
Total	250	100

Source: Survey Data

From Table 1A above, 69% of the respondents either strongly agreed or agreed that a worker’s perception of his boss’ leadership style can motivate him to performance in CFC Ltd., Agbeji. While 18.8% of the respondents were uncertain, 12% either disagreed or strongly disagreed.

Table 1B: Statistical Test used:

Regression output

Standard Error of Y Estimate	1.334617
R ²	0.018612
Number of Observation	250
Degree of Freedom	248
X- Co- efficient	0.272888
Standard Error of Co-efficient	0.125828
½ (X Co-efficient)	0.136400

In Table 1B, since SE is greater than ½ (x co-efficient), R² is not significant. The decision therefore was to accept H₀ and reject H_A. Thus, there is no significant relationship between a worker’s perception of his boss’ leadership style and productivity among workers at the confluence fertilizer company, Agbeji.

Discussion of Results

The null hypothesis was tested as an independent variable and productivity as dependent variable. It was found out that there is no significant relationship between the worker’s perception of his boss’ leadership style and productivity. This has also validated some existing literature which



postulated that the regression analysis R^2 (co-efficient of determination) at 0.05 level of significance of a worker's perception of his boss' or supervisor's leadership style alone does not improve productivity. The test found no significant relationship between a worker's perception of his boss' leadership style and productivity in the Confluence Fertilizer Company. As R^2 value showed, the worker's perception of his boss' leadership style as a variable, only explained or accounted for an insignificant 1.86 percent of productivity. This implies that a worker's perception of his boss' leadership style only minimally influences productivity (by 1.86%) in confluence fertilizer company, Agbeji, and that is both statistically insignificant and negligible.

Conclusion

The test on significant relationship between the worker's perception of his boss' leadership style and productivity among workers in CFC Ltd; Agbeji was accepted in the null. It follows that there is no significant relationship between the worker's perception of his boss' leadership style and productivity at CFC Ltd. Agbeji. It would appear from the study that bosses do not give free hand to subordinates to participate in decision making process. This act is capable of causing dissatisfaction in the work place.

Recommendation

The management should encourage participative or democratic leadership, since participative leadership is one of the factors of motivation advanced by French and Cosh; and Amitai Etzioni to be responsible for high productivity in their various studies. This no doubt, will prevent dissatisfaction and increase satisfaction in the work place which will in turn lead to higher productivity in the organization.

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