INAUGURAL RESEARCH CONFERENCE, INTEL, NOV 5TH & 6TH 2015

Theme: Creating Futures Through Research - Meeting Challenges, Embracing Opportunities & Delivering Impact

Title: Leadership Styles and Organisational Performance:

A case of the United Nations Environment Programme

UNEP), Kenya



Presenter:
Dr. Emmanuel Awuor
The Management University of Africa

INTEL COLLEGE

STRUCTURE OF PRESENTATION:

- Background of the study
- Statement of the problem
- Research objectives
- Conceptual framework
- Research design/ Methodology
- Findings and Results
- Conclusion
- References

Background of the study

- With research evolution in different ages, many scholars presented successively different viewpoints on leadership connotation
- Refer to Stogdill (1948) and Fiedler (1969)
- Leadership style is one of the factors that plays a significant role in the success or failure of an organisation
- It involves establishing a clear vision and sharing that vision with others so that they will follow willingly

Background of the study

- Other studies (for instance, Pfeffer, 1977) suggest that the role of leadership is not so important in achieving the 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
- UNEP is the voice for the environment within the United Nations system

Statement of the Problem

- 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

Research Objectives

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:

- i. To determine the effect of transformational leadership style on organisational performance at UNEP
- ii. To investigate the effect of democratic leadership style on organisational performance at UNEP
- iii. To determine the effect of charismatic leadership style on organisational performance at UNEP

Literature Review

Theoretical underpinning of the study was based on:

- 1. Contingency theory of leadership Filder (1964, 1967), Filder and Garcia (1987) & Fielder and Chemers (1974)
- ii. Situational approach to leadership Blanchard and Hersey (2006) and,
- iii. Behavioural theory of leadership-Bennis (1959), Avolio (2007)
 - Bennis (2007), Hackman and Wagman (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

The empirical literature review addressed:

- i. Transformational Leadership style –Bass(1985), Burns (1978)
- ii. Democratic Leadership style-Besse(1957), Baradrat(1979); and,
- iii. Charismatic Leadership style- Weber (1964), Styrer (2008), Avolio (2008)

Research Design / Methodology

- The study adopted the use of quantitative research design
- The population for the study comprised of all staff working at UNEP as at 31st December 2014
- For the study, forty-one (41) respondents were selected using stratified random sampling, which represented ten percent (10%) of the employees of UNEP
- Data analysis method used was Pearson correlation analysis and a multiple regression model

Findings and Results

- 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.

Findings and Results

- 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.

Findings and Results

- This finding is in line with He (2009) who indicated that organisational leaders have to apply a variety of 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

Conclusion

- Research findings illustrated that the respondents practised transformational leadership
- Respondents considered leadership style practised by overall management at UNEP as valid with regard to its effect on organisational performance
- There is however, need further studies to determine the extraneous factors that enhance practical application of transformational leadership style

References

- Achua, C.F. and Lussier, R.N. (2013) *Effective Leadership*. International 5th Edition.
- Appadorai, P.L. (2005). Intelligence, personality, and interests: Evidence for overlapping traits. Psychological Bulletin, 121, 219–245.
- Avolio, B.J. (2007) Promoting more integrative strategies for leadership theory-building. American Psychologist, 62, 25–33.
- Bass, E. H. (1985) Organization Development: A Jossey-Bass Reader, Jossey-Bass, San Francisco, CA.
- Bennis, W. (2007) The challenge of leadership in the modern world: Introduction to special issues. American Psychologist, 62(1), 2-5.
- Besse, B.M. (1957) Bass and Stogdill's handbook of leadership (3 ed.). New York, NY: Free Press.
- Burns, T. (1978) The Management of Innovation, Tavistock, London.
- Chandran, E. (2004) Research methods: a quantitative approach with illustrations from Christian ministries. Nairobi: Daystar University.
- Chen, D. E. (2002) Fundamental Issues in Strategy, Boston, MA, Harvard Business School Press, 229-246.
- Chi, H.K., Lan, C.H. and Dorjgotov, B. (2012) The moderating effect of transformational leadership on knowledge management and organisational effectiveness. Social Behaviour and Personality, 40(6), 1015-1024.
- Chi, H.K., Yeh, H.R., and Yu, C.H. (2008) The effects of transformation leadership, organisational culture, job satisfaction on the organisational performance in the non-profit organisations. The journal of Global Business Management, 4(1), 129-137.
- Chien, J.A. (2004). *Leadership: The art of empowering others*. Academy of Management
- Executive, 3, 17-24.
- Fenwick, D. and Gayle, R. (2008) What types of leadership behaviors are functional in teams? A meta-analysis. Leadership Quarterly, 17, 288–307.
- Fiedler, F.E. (1969) Theory of leadership effectiveness. New York: McGraw-Hill.
- Fu-Jin, W., Shieh, C. and Tang, M. (2010) *Effect of leadership style on organisational performance as viewed from human resource management strategy*. African journal of business management, 4(18), 3924-3936.
- Galbraith, J. R. (2007) Desingning Complex Organizations, Addison-Wesley, Reading, MA.
- Hackman, R.P. and Wageman, R. (2007) Asking the right questions about leadership discussion and conclusion. American Psychologist, 61(1), 1-41.
- Hambrick, D. C. (2003) Environmental Scanning and Organisational Strategy, in: Strategic
- Management Journal, 3, 159-173.
- He, R.G. (2009) An information processing approach to social perceptions, leadership perceptions, and behavioural measurement in organizational settings. Research in organisational behaviour (Vol. 7, pp. 87–128).
- Hong, G. (2005). How do small companies measure their performance? Problems and perspectives in management, Journal of business management 4(3): 49-68.
- Huang, C. J. (2006), Multivariate Statistical Methods for Business and Economics, Prentice-Hall, Englewood Cliffs.
- http://www.unep.org

References

- Ismail, A., Halim, F.A, Munna, D.N., Abdullah, A., Shminan, A.S.A, Muda, A.L. (2009) The mediating effect of empowerment in the relationship between transformational leadership and service quality. Journal of business management, 4(4), 3-12.
- Jeremy, M., Melinde, C. and Ciller, V. (2012) *Perceived leadership style and employee participation in a manufacturing company in the Democratic Republic of Congo.* African journal of business management, 6(15), 5389-5398.
- Judge TA, Colbert AE, Ilies R. (2004). *Intelligence and leadership: A quantitative review and test of theoretical propositions*. Journal of Applied Psychology, 89, 542–552.
- Lee, A. and Chuang, M. (2009) Management of organisational behaviour. Upper Saddle River, NJ: Prentice Hall.
- Likert, R. C. (1961) A longitudinal-study on the early development of leader member exchanges. Journal of Applied Psychology, 78, 662-674.
- Mahoney, T. A. (1960) A Model of Corporate Performance as a Function of Environmental, Organisational, and Leadership Influences, in: The Academy of Management Journal, 24, 3, 453-470.
- McGrath, G.R. and MacMillan, I.C. (2000) Entrepreneurial Mindset: Strategies for continuously creating opportunity in an age of uncertainty. Havard Business School Press Books.
- Messick, M. and Kramer, J. (2004) Consequences of differentiated leadership in groups. Academy of Management Journal, 53, 90–106.
- Michael, A. (2010) Leadership style and organisational impact. (Retrieved from: http://www.ala-apa.org)
- Mugenda, O.M. and Mugenda, A.G. (2008) Research methods: quantitative and qualitative approaches. Nairobi: Acts press.
- Mugenda, O.M. and Mugenda, A.G. (2003) Research methods: quantitative and qualitative approaches. Nairobi: Acts press.
- Ngodo, O.E. (2008) Procedural justice and trust: The link in the transformational leadership-organisational outcomes relationship. International journal of leadership studies, 4(1), 82-100.
- Pfeffer, J. (1977) The external control of organizations: A resource dependence perspective. New York: Harper & Row.
- Robinson, C. (2002) Real world research: A resource for social scientists and practitioner-
- researchers (2nd ed.).Malden: Blackwell publishing.
- Saowalux, W. and Peng, D. (2007) A review of the relationships between personality and performance in small groups. Psychological Bulletin, 56, 241–270.
- Stogdill, R.M. (1948). Manual for the leader behaviour description questionnaire: Form XII. Columbus, OH: Ohio State University Bureau of Business Research, College of Commerce and Administration.
- Sun, R.Y. (2002) The relationship among the leadership style, organisational culture and organisational effectiveness based on competing value framework: An empirical study for the Institute of Technology in Taiwan. Doctoral dissertation, National Taipei University, Taipei, Taiwan.
- Terry, E.P. (2010). Leadership in teams: A functional approach to understanding leadership structures and processes. Journal of Management, 36, 5–39.
- Vroom, V.H. and Jago, A.G. (2007) The role of the situation in leadership. American Psychologist, 62(1), 17-24.
- Weber, M. (1964) The Theory of Social and Economic Organization, Free Press, New York.
- Yukl, G. (2006) Leadership in organisations. 5th Edition. Upper Saddle River, NJ: Prentice-Hall.