

LEADERSHIP STYLE AND ORGANIZATIONAL CULTURE AS PREDICTORS OF WORKERS' EFFECTIVENESS

Leonard N. Ezeh
Department of Psychology,
Nnamdi Azikiwe University, Awka

AND

Izuchukwu L.G. Ndukaihe
Department of Psychology,
University of Nigeria, Nsukka

Abstract

The study examined the influences of leadership style and organizational culture on workers' effectiveness using one hundred and twenty (120) participants' drawn from two (2) organizations (1 public and 1 private) in Awka, the capital city of Anambra state, Nigeria. The responses derived from the participants were subjected to 2-way- ANOVA statistics. The results of the analysis revealed a significant main effect for leadership style, $F(1,116) = 6.67$ at $P < .05$ with $(M = 80.85, SD = 55.52)$, which confirms hypothesis one. Also, a significant main effect exist for organizational culture, $F(1,116) = 1790.00$ at $P < .05$ with $(M = 80.85, SD = 12.34)$, which confirms hypothesis two. The results have implications for managing modern work organizations.

INTRODUCTION

Effective modern organizations are undoubtedly built by great leaders and great followers. Followers can be in form of well brought up children who will become good students, and subsequently become committed workers with high ethical values both in the private and public organizations. However, Akanwa and Alugbuo (2000) observed that; the effective practice of good leadership is the framework by which trust, credibility, and reliability is ascribed to the organizational climate.

Essentially, this study is inspired by Achebe's (1983) postulation that; 'the trouble with Nigeria is simply and squarely a failure of leadership. The Nigerian problem is the unwillingness or inability of its leaders to rise to the responsibility, to the challenge of personal example which is the hallmarks of true leadership'. In the same vein, Nigeria and her institutions have been less than fortunate in their leadership. A basic element of this misfortune is the absence of intellectual rigour in the thoughts of the organizational leaders - a tendency to pious materialistic wooliness and self-centered pedestrianism (Achebe, 1983).

Eze (1978) stated that, 'in the minds of Nigerian leaders, effectiveness as a leader is achieved by maintaining the master-servant, rider-horse relationships which they inherited from former colonial rulers'. He further outlined the major effects of the weakness of leadership in Nigeria, namely: a redundant characteristic development in both public and private organizations; workforce frequent mismatching; high rate of management-labour conflict; and low motivational tendencies mostly in form of laziness, incompetence, deceitfulness, general low productivity, widespread inefficiency, etc.

One way of uncovering the relationship between culture and leadership is to examine how culture has been conceptualized in organizational theory. As Furnham and Gunter (1993) pointed out: culture represents the 'social glue' and generates a 'we-feeling', thus counteracting processes of differentiations which are an unavoidable part of an organizational life. Organizational culture offers a shared system of meanings which is the basis for communications and mutual understanding. If these functions are

not fulfilled in a satisfactory way, culture may significantly reduce the efficiency of an organization. In contrast, if culture is seen as an integral part of the organization, then the thinking, feeling, and responses of leaders are moulded by the culture (Bass & Avolio, 1993; Schein, 1992).

Schein (1992) observes that organizational culture and leadership are intertwined. He illustrates this inter-connection by looking at the relationship between leadership and culture in the context of the organizational life cycle. Thus, during the process of organizational formation, the leadership of an organization creates and shapes the culture traits of their organization. However, as the organization develops and time passes, the created culture of the organization exerts an influence on the leaders and shapes the actions and styles of the leader. Through this dynamic ongoing process, the leader creates and is in turn shaped by the organizational culture.

Schein (1992) further argues that leadership today is essentially the creation, the management, and at times the destruction and reconstruction of culture. In fact, he says, "the only thing of importance that leaders do is create and manage culture" and "the unique talent of leaders is their ability to understand and work within culture" (1992:5). Leaders must be able to assess how well the culture is performing and when and how it needs to be changed. Assessing and improving organizational culture as well as determining when major cultural transformations are necessary is critical to long-term organizational success. Managing differentiated cultures and creating synergies across these cultures is also a critical leadership challenge. Effective culture management is also necessary to ensure that major strategic and organizational changes will succeed. Basically, culture management is a key leadership and management competency.

In summarizing the consensus of opinion on the links between organizational culture and leadership, Bass and Avolio (1993) mirrored the argument of Schein (1992) by suggesting that the relationship between the two concepts represents an ongoing interplay in which the leader shapes the culture and is in turn shaped by the resulting culture. Bass (1985) demonstrates the relationship between leadership and culture by examining the impact of different styles of leadership on culture.

This emphasis has broadened an earlier interest in organizational climate, exemplified by Likert's (1961) observation that a highly placed autocratic leader, who is low on input and participation from subordinates, can set a climate that limits the ability of leaders below to be participative. Therefore, style in some degree is a function of the climate and culture of the organization.

Individual differences among leaders are perceived as real and do play a role in followers satisfaction and performance outcomes. Leadership style is understood to be more complex than just being typical behaviour. Obviously, it is affected by such situational constraints as role demands, which are related to the leader's level in the organization and the expectation of followers. Style also is a function of the particular followers with whom the leader interacts, as pointed out in the leader-member exchange model (Lawson & Schein, 2008).

Interestingly, few empirical studies have combined the simultaneous examination of organizational culture, leadership style, and effectiveness. While some researchers suggest that (1) the style of a leader affects effectiveness (Judge, 1999; Ndukaihe, 2005), (2) certain types of culture are linked to

superior effectiveness (Scholz, 1987; Dennison & Mishra, 2007), and (3) culture and leadership are related (Schein, 1992), the precise nature and form of interaction between these three concepts is not fully understood clearly. Further research is necessary to identify, explore, and elucidate the character and pattern of association between leadership styles, organizational culture, and effectiveness.

However, some literature-based conclusions can be drawn. First, the purported relationship between leadership style and effectiveness is based largely on anecdotal evidence (Nicholls, 1988; Quick, 1992; Simms, 1997), while the links between organizational culture and effectiveness are supported by empirical studies (for example, Denison, 1990). On the basis of studies which suggest that leadership style shapes the nature of organizational culture (for instance, Bass & Avolio, 1993; Schein, 1992), it is possible to propose that: the link between leadership styles and organizational effectiveness is mediated by nature and form of organizational culture.

Organizational culture as an important supporting framework for leader development efforts is very critical to understand. This is because, organizations nowadays have become less hierarchical and more diffuse (AvoJio, 1999), and there is less formal structure in place to provide the guidance for standards and norms of behaviour. As managerial structures have been replaced or decoupled from the organization, which is consequently becoming increasingly more relevant to providing the necessary guidance for standards and norms of behaviour and is an essential component for building an optimal leadership development system (Avolio, 1999).

With regards to this study, some questions are necessary to be asked as they may help in throwing light on the problems of the study. Do the style of leadership and organizational culture being adopted by Nigerian leaders affect their workers effectiveness? Could incentive be the only feature that motivates Nigerian workers irrespective of how they are managed? Is there any significant relationship between leadership styles, organizational cultures, and workers' effectiveness? Answers to these questions is hoped to contribute to a large extent to proper conception and appreciation of leadership styles and organizational cultures and their influences whether jointly or singly applied to the overall organizational effectiveness.

Workforce in any organization is valued by the society because they represent the totality of the inherent abilities, talents, and skills of the employees. This is why any given organization should be able to place high value on its effectiveness. So, in order to achieve satisfaction in these areas, an organization's strategy needs to be aligned with the external environment. As Davidson and Griffin (2002) argued; 'if leaders (managers) can identify where they want the organization to be relative to their environment, they can put in their best to achieving organizational effectiveness'. Most importantly, this study will attempt to determine whether leadership styles adopted by organizational leaders have any effect on workers' effectiveness. And also to determine whether values of organizational culture has any effect on workers' effectiveness.

It is hypothesized therefore that; there will be a significant effect of leadership style on worker's effectiveness. In the same vein, there will be a significant effect of organizational culture on workers' effectiveness.

METHOD

Participants

The participants of the study were one hundred and twenty (120) male and female workers drawn from Power Holdings Company of Nigeria (PHCN) and Millennium industry limited located in Awka, the capital city of Anambra State, Nigeria. These companies were selected because; they have the highest workforce in both the public and private organizations in Awka metropolis where you can easily assess your research participants.

The participants were selected through random sampling techniques using table of random numbers. The ages of the participants ranged from 18-52 years with the mean age of 29.1 years. Also, their academic qualifications ranged from Senior School Certificate Examination (SSCE) to Master of

Science (M.Sc.) Degree. The participants were made up of 60 senior married and unmarried workers as well as 60 junior married and unmarried workers.

Instruments

Two Instruments: The Leadership Survey Questionnaire (LSQ) and the Organizational Performance Assessment Scale (OPA) were used in this study. The LSQ (Clark, 2002) is a 30 - item questionnaire designed to measure aspects of leadership behaviour and organizational culture. Eze (2004), provided its psychometric properties for Nigerian samples, while the reliability for this study using Cronbach Alpha, yielded a coefficient (r) of 0.81.

The OPA was originally developed by the Center Point for Leaders (2005), to measure workers effectiveness and performance in work organizations. Its psychometric properties for Nigerian samples has been provided by Ndukaihe (2005). A split half reliability coefficient (r) of 0.79 was obtained for this study.

Procedure

The data collection exercise lasted for 6 consecutive days. Each organization was assigned three days by the researchers for administration and collection of the research instrument. That is, the first day was used for the administration of the instrument while, the remaining days were used for collection of instrument administered. However, out of 150 questionnaires administered, 120 copies were completed and returned, representing 80%. Some copies were discarded for improper completion and some were lost.

Design and Statistics

A2 x 2 factorial design was used in the study based on 2 styles of leadership (autocratic/democratic) and two types of organizational culture (positive/negative), which served as independent variables in relation to workers' effectiveness that is the dependent variable.

Based on the design used, 2-way-ANOVA statistics was employed to analyze the data and test the hypotheses.

RESULTS

The results were stated in order of which the hypotheses were presented.

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Table I: Means (\bar{X}) and Standard Deviation (SD) of Leadership Styles and Organizational Culture on Workers' Effectiveness.

| Participants | Mean (\bar{x}) | Standard Deviation (SD) | N |
|------------------|--------------------|-------------------------|----|
| Autocratic | 38.78 | 27.78 | 60 |
| Democratic | 42.07 | 27.74 | 60 |
| Positive culture | 67.32 | 8.88 | 60 |
| Negative culture | 13.53 | 4.46 | 60 |

Table 11: Test of Between Subject Effects

Dependent variable: WORKERS EFFECTIVESS CULTURE

| Source | Sum of Square | df | Mean Square | F | Sign. |
|----------------------|---------------|-----|-------------|---------|-------|
| LEADERSHIP | 323.4 | 1 | 323.4 | 6.67 | 0.05 |
| CULTURE | 86779.4 | 1 | 86779.4 | 1790.00 | |
| LEADERSHIP * CULTURE | 0.02 | 1 | 0.02 | 0.00041 | |
| ERROR | 5624.51 | 116 | 48.48 | | |
| TOTAL | 92727.33 | 119 | | | |

A R squared = .352 (adjusted R squared = .3(1).

Observations in the table above reveal a significant difference in the means of those who prefer autocratic leadership style (38.78) and those who prefer democratic leadership style (42.78). Again, a significant main effect of leadership style, $F(1, 116) = 6.67$ at $p \leq .05$ on workers' effectiveness was also revealed in the ANOVA summary table above.

Also, table I above reveals a significant difference in the means of those being provided with positive organizational culture (67.32) and those with negative organizational culture (13.53). In the same vein, significant main effect of organizational culture, $F(1, 116) = 1790.00$ at $p \leq .05$ on workers' effectiveness was also revealed in the table II above.

DISCUSSION

The findings of this study revealed a significant main effect of leadership style on workers' effectiveness. This, however, showed a statistical significant difference between participants who prefer autocratic leadership's style and those who prefer democratic leadership style. The result could have been as a result of variations in the personality types of the workers in the sense that; some workers may have personality types that can only perform well under autocratic leadership style while; some may possess personality traits that prefer democratic leadership style. The present study is in line with Judge (1999) study who found significant and generalized relationship between each dimensions of the five factor model and either leadership emergence or effectiveness. Also, Fielder (1996) supported the findings by presenting a recent treatise on the importance of leadership by arguing that effectiveness of a leader is a major determinant of the success or failure of a group, organization, or even an entire country.

Moreover, the results of the present study revealed a significant main effect of organizational culture on workers' effectiveness. This finding could be explained from the perspective that the individual workers may have shared similar culture with their organization. The findings are consistent with Krifiting and Frost (1985) who supported that the way in which organization culture may create competitive advantage is by determining the boundaries of the organization in the manner which facilitates individuals' interaction by limiting the scope of information processing to appropriate levels. The present study may be viewed as supporting previous observations that organizational culture is

linked to effectiveness due to the perceived role that culture can play in generating competitive advantage (Scholz, 1987).

Having noted whatever might be the reason for the differences that exist between autocratic and democratic leadership styles and that of positive and negative organizational culture, this study has, however, contributed in the convergence of work effectiveness operations in recent times.

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