

IMPACT OF MANAGERIAL LEADERSHIP ON EMPLOYEE'S PERFORMANCE IN SELECTED NIGERIAN MANUFACTURING FIRMS

Farida Goge

Nile University of Nigeria, Abuja
Department of Business Administration

Abstract

Poor leadership style can stop management from producing new ideas and solution to problems. Of all these, the poor leadership style of the heads has been the major cause of the declining standard in a given organisation. This study aimed at analyzing the effect of Managerial leadership on employee's performance in Selected Nigerian Manufacturing Firms. It is a descriptive study in design with a cross sectional component whereby all relevant parties were involved. The study population is specific employees of the selected manufacturing firms for the study. The data collected was then being analyzed using SPSS computer program, Pearson Moment Product Correlation and regression analysis was used so as to determine the relationship between the independent variable and the dependent variable so as to indicate whether there exists a significant relationship. The findings of the study also concluded that managers intervened promptly on subordinate performance to increase subordinates' staff morale and team spirit, transformation way of leadership has improved on the employee productivity in the sense that staff are aware of their expectation, how to carry-out their duties and taking right action. The study recommended that iii. Manufacturing firms with good leadership capability will further improve on their performance. Therefore, serious attention should be given to make managerial leadership style a high priority

Keywords: Leadership, Managerial Leadership, Employee performance

INTRODUCTION

Leadership is very essential in organization because achievements and results occur vis-à-vis the tracts being projected by leader. Leadership includes the ultimate source of power but has the positive ability in persuading other individual and to be innovative in decision making. Problems are sound to occur within every noted organization. Decision making is found to generate conflicts in whatever they are doing to achieve organizational goal. In the light, the notions of leadership act are these which help a given organization in meeting those stated objectives (Bester et al., 2015).

In general terms, the act of controlling other people consist of uncertainty reduction which entails making the kind choice that permits the organization to proceed towards its objectives despite various kinds of internal and external challenges. Northouse, (2016) opines that in the society

today, not only the presence of reward (positive and negative) or the incentive appraisal could induce productivity but the feeling of belongingness.

Joo et al., (2017). opined that any organisation which aims at achieving outstanding goals need employees that are able to get the job done, because employee performance is critical to the overall success of the company. Thus, Managers need to understand the key benefits of employee performance so that they can develop consistent and objective methods for evaluating employees as this helps to determine strengths, weaknesses and potential managerial gaps in the business organization. Although performance evaluations are never fun, they help business leaders determine performance levels for each employee (Joo et al., 2017).

Managing people in organisations is parts and parcel of management Process. Therefore, managers should realize that people are the critical elements in organisations and that they should be recognized as being synonymous with the organisation. But the problem is to what extent do managers recognize this fact that employees are synonymous with organisations and that they should be adequately motivated so that they can give their best to ensure high performance?

Again, the leadership behaviour/style in most organisations which believe that workers could be treated anyhow as a result of unemployment situation in the country which makes job switch difficult has resulted in the hardship workers face in their places of work in Nigeria. It generally leads to low productivity (Stodgill 2018).

Bad leadership is expensive, under the watch of poor leaders and managers, staff morale declines and workers feel less committed to the organization and its mission that tends to lead to work of lesser quality and things getting done more slowly. Poor leadership style can stop management from producing new ideas and solution to problems. Of all these, the poor leadership style of the heads has been the major cause of the declining standard in a given organisation.

LITERATURE REVIEW

Concept of Managerial Leadership

Management leadership is a vital aspect of the economic life of man, which is an organised group activity. It is considered as the indispensable institution in the modern social organization marked by scientific thought and technological innovations (Pousa & Mathieu, 2015).

It is management that regulates man's productive activities through coordinated use of material resources. Without the leadership provided by management, the resources of production remain

resources and never become production. Managerial leadership is the integrating force in all organized activity. Whenever two or more people work together to attain a common objective: they have to coordinate their activities. They also have to organize and utilize their resources in such a way as to optimize the results (Pousa et al, 2017).

Rachin (2017) Not only in business enterprises where costs and revenues can be ascertained accurately and objectively but also in service organizations such as government, hospitals, schools, clubs, etc., scarce resources including men, machines, materials and money have to be integrated in a productive relationship, and utilized efficiently towards the achievement of their gals. Thus, management is not unique to business organizations but common to all kinds of social organizations. Management has achieved an enviable importance in recent times. It is the specific organ of all kinds of organizations since they all need to utilize their limited resources most efficiently and effectively for the achievement of their goals. It is the most vital forces in the successful performance of all kinds of organized social activities.

Management is principally a task of planning, coordinating, motivating and controlling the efforts of other towards a specific objective. It involves the combining of the traditional factors of production land, labour, capital in an optimum manner, paying due attention, of course, to the particular goals of the organization. Management is centered in the administrators or managers of the firm who integrate men, material and money into an effective operating limit. Managerial leadership is the force which leads guides and directs an organization in the accomplishment of a pre-determined object (Koontz and O'Donnell, 2018).

Dimensions of Managerial Leadership

The following dimensions of management were considered in the study: Relationship building (The Foundation of a High-Performing Team) policy, Building workforce agility policy, management of employee's creativity and human resource management.

a) Relationship building (The Foundation of a High-Performing Team) policy

Some leaders do not see the necessity of relationship building as they feel they do not need to be loved in the workplace. This may be true, In contrary, Ratiu et al (2017) stress on relation building among leaders and their subordinates. These scholars opined that: to build a cohesive and more engaged team, great leaders need to learn the skills for building good working relationships in the workplace.

Good working relationships increase employee engagement and according to Gallup's meta-analysis of employee engagement, business units with good employee engagement have 41% fewer quality defects and 3.7% less absenteeism. A 21% increase in productivity was also seen to result from higher employee engagement. So even if leaders feel they do not need to be loved in the workplace, they definitely need to be skilled in building good relationships in order to be effective. If a team is highly engaged and happy in the workplace, they will likely be loved or at least well respected as good leader (Arnold & Feldman, 2016).

Nongo (2019) is of opinion that employees perform better when their superior let them have sense of belonging by allowing them to learn from his stories, experiences and the lessons he has learnt in your career; appreciating good performance and by organize team building activities.

a) **Building workforce agility policy**

Agility is an important attribute and capability of employees operating in dynamic business environments. Cai, Huang, Liu, and Wang (2018) described agility as the ability of an employee to promptly and appropriately react and adapt to change for the benefit of the organization. In an agile workforce, not only can employees react and adapt to change promptly and appropriately, they are also capable of making changes (Harsch & Festing, 2019). Business leaders may use workforce agility, which is a DC, to improve change adaptation and implementation success. Sherehiy and Karwowski (2019) indicated that workforce agility requires the development of an adaptable workforce that can handle unexpected and dynamic changes in the business environment. Carvalho, et al., (2017) posited that organizational culture, organization commitment, and employee empowerment are enablers of workforce agility. Similarly, workforce agility is an enabler for organizational competitive advantage in dynamic business environments. Workforce agility is beneficial to an organization and determines the extent of organizational agility. Researchers indicated that an organization with workforce agility can respond proactively to unexpected environmental changes (Appelbaum et al., 2017).

c) **Management of Employee's Creativity**

Managers have long been concerned with boosting employee creativity to achieve better results. Initially, they placed the emphasis on understanding what individual attributes are required for individuals to be creative, but over time they focused more on creating organizational and team structures to support creativity performance (Jones et al., 2016). Over time creativity management

broadened to consider what the manager can do to establish the right conditions for employees to be creative. What managers can do to manage employees for creative performance (Jones et al., 2016), and what can be done to enhance employee-specific factors to improve creative performance such as creative self-efficacy, problem solving skills, and adaptation ability (Oldham & Cummings, 2016). Most recently, employee creative performance is viewed as a complex and dynamic construct that situated within the creative process and involves the interaction of organizational, managerial, and employee factors (Basadur & Basadur, 2017 and Tierney & Farmer, 2017).

Concept of Employee Performance

Employees' performance in general, refers to behaviors that are relevant to organizational goals and that are under the control of individual employees Campbell (2016). This implies that behavior of the employee plays an important role in achieving goals through his performance. According to Chauhan (2019), employee performance is the activity of performance; of doing something fruitfully; by knowledge as famous from simply possessing it. Thus, the foregoing suggests that employee performance refers to employee work activities and how well those activities are carried out. A performance comprises an event in which normally one group of people: the performer or performers act in a particular way for another group of people. It is the duty of manager to establish a shared workforce and create understanding about what is to be achieved at an organization level. It is relevant to align the organizational objectives with the employee's agreed measures, skills, competency requirement, development plans and the delivery of results. Employee performance is not assessed only on an annual or quarterly basis but any time deemed fit to help employees identify and suggest areas for improvement.

Management standards and policies must be in line with the employees' job description. The employees are to do the work they were originally employed to do based on their qualifications and experiences. In this area, some factors need to be considered. Wang (2015) opine that proper motivation will elicit the expected results from employees, the management of the organisation has to create opportunities for them to excel in their jobs, get them involved in some key area where their contribution is valued. Therefore, proper forms of motivation introduced to the workforce will increase their ability to perform. Indicators of employee performance abound.

To achieve improvement in any given performance however, one must first know what defines a quality performance. It is therefore important to understand the factors that play a relevant role in any performance. Performance measurement is the process of collecting, analyzing, and/or reporting information on the performance of an individual, group, organization, system, or component (Upadhyaya, Munir, & Blount, 2018). It can involve a review of processes, strategies, approaches, and parameters to track performance against intended targets.

Theoretical Anchor

The theory considered the most suitable for the study Contingency Theory. The contingency theory of leadership supposes that a leader's effectiveness is contingent on whether or not their leadership style suits a particular situation. According to this theory, an individual can be an effective leader in one circumstance and an ineffective leader in another one. To maximize your likelihood of being a productive leader, this theory posits that you should be able to examine each situation and decide if your leadership style is going to be effective or not. In most cases, this requires you to be self-aware, objective and adaptable.

Contingency theory proposes that no one way or style of leadership may be applicable to all situations. In other words, it recognizes that there might be variables influencing any particular situation, and a leader must choose the right course of action, taking into account those variables. In this regard, leadership researchers Lussier Achua (2015) state that "Effective leadership is about striking the right balance between needs, context, and behavior." The best leaders have not only the right traits but also the ability to assess the needs of their followers, analyze the situation at hand, and act accordingly.

METHODOLOGY

In this study, the researcher employed a cross-sectional design. The design is believed to be most suitable since there are no real experiments carried out with human beings who are the study subjects in this case. The design suitability is also seen in the fact that it involved taking a sample of elements from a population of interest which is measured at a single point in time. The survey instruments such as questionnaire and interview were designed in a way that meaningful results could be achieved.

The target population for this study consists of two hundred and seventy (270) employees comprising management and general staff from six (6) management units of Coca-Cola and Seven-

up Bottling Companies in Abuja respectively. The sample size of one hundred and sixty-one (161) was used. The sampling technique used for this study is the simple random sampling technique. However, the study also adopted stratified random sampling as the techniques for sampling because the technique captures responses from different cadres that enabled the generalization of a larger sample size of percentage of the total population.

The research instrument used for this study is a structured questionnaire and personal interview. The questionnaire was formulated considering the research questions and hypotheses. The designed questionnaire has two sections – A and B. All the questions in section A were drawn and aimed at providing some general information from the respondents while the remaining questions in section B were meant to directly address the research questions. The statistical software package named SPSS 20.0 is used as software for the analysis. According to the problem/requirement, statistical techniques such as Pearson Moment Product Correlation Coefficient and Regression analysis were used to test the hypotheses. Regression analysis is used to determine if there is a relationship between survey results related to each independent variable and the dependent variable.

DATA ANALYSIS

From a total of one hundred and sixty-one (161) copies of the questionnaire distributed to the respondents, one hundred and forty-seven (147) copies representing 93.2. % were duly completed and returned while fourteen (14) copies representing 6.8% were not returned.

Test of Hypotheses

Hypotheses One

H₀₁: Relationship building (The Foundation of a High-Performing Team) policy does not play a vital role on employee’s performance in selected manufacturing firms in Abuja.

Table 1: Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.204	0.042	0.039	1.35118
a. Predictors: (Constant), Relationship building				

The model summary indicated the presence of a strong positive correlation (R=0.204) between the independent variable and the dependent variable. Further, the R-squared value of 0.042 indicated that the independent variable accounted for 4.2% of the total variance. Therefore, the researcher

observed that the independent variables and the dependent variable were mutually exclusive. The analysis of variance yielded the results presented in Table below.

Table 2: ANOVA

ANOVA						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	7.308	1	7.308	4.003	.046b
	Residual	691.936	379	1.826		
	Total	699.244	380			
a. Dependent Variable: Employee performance						
b. Predictors: (Constant), Relationship building						

The study established that the F-ratio ($F=4.003$, $p=0.046$) was statistically significant at $p < 0.05$ level of significance. This showed that Relationship building has significant effect on Employee performance in selected manufacturing firms in Abuja. The model's coefficient values from the regression are presented in Table below.

Table 3: Coefficients_a

Coefficients _a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.260	0.140		16.101	0.000
	Relationship Building	0.138	0.069	0.102	2.001	0.046
a. Dependent Variable: Employee performance						

Table 3 shows that "Relationship building" regressed on "Employee performance in selected manufacturing firms in Abuja". Relationship Building has significant effects on the Employee performance in selected manufacturing firms in Abuja, Nigeria. The null hypothesis is hereby rejected; $p < 0.05$. The analysis result further indicates that Relationship Building, which yielded a Beta (β) of 0.138, t-value of 2.001, was deemed to be statistically significant since the obtained p-value (0.046) is less than 0.05 level of significance. Thus, an appropriate implementation of Relationship building positively affects the employee performance of selected manufacturing firms in Abuja. The study therefore accepts the alternative hypothesis which states that, "Relationship building (The Foundation of a High-Performing Team) policy play a vital role on employee's performance in selected manufacturing firms in Abuja.

Hypotheses Two

H02: Building workforce agility policy does not have significant effect on employee’s performance in selected manufacturing firms in Abuja.

Table 4: Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.508	0.258	0.256	1.24036
a. Predictors: (Constant), Building workforce agility				

The model summary indicated the presence of a positive correlation (R=0.508) between the independent variable and the dependent variable. Further, the R-squared value of 0.258 indicated that the independent variable accounted for 25.8% of the total variance. Therefore, the researcher observed that the independent variables and the dependent variable were mutually exclusive. The analysis of variance yielded the results presented in Table below.

Table 5: ANOVA

ANOVA						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	40.369	1	40.369	26.240	.000b
	Residual	583.085	379	1.538		
	Total	623.454	380			
a. Dependent Variable: employee’s performance						
b. Predictors: (Constant), Building workforce agility						

The study established that the F-ratio (F=26.240, p=0.000) was statistically significant at p<0.05 level of significance. This shows that Building workforce agility has significant effect on employee’s performance. The model’s coefficient values from the regression are presented in Table below.

Table 6: Coefficients_a

Coefficients _a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.568	0.183		19.529	0.000
	Building workforce agility	0.572	0.124	0.254	6.122	0.000
a. Dependent Variable: employee’s performance						

Table 6 shows that “Building workforce agility” regressed on “employee’s performance”. Building workforce agility has significant effects on employee’s performance. The null hypothesis

is hereby rejected; $p < 0.05$. The analysis result further indicates that Building workforce agility, which yielded a Beta (β) of 0.572, t-value of 6.122, was deemed to be statistically significant since the obtained p-value (0.000) is less than 0.05 level of significance. Thus, an effective Building of workforce agility has a significant effect on employee’s performance. The study therefore accepts the alternative hypothesis which states that, “Building workforce agility policy have significant effect on employee’s performance in selected manufacturing firms in Abuja”

Hypotheses Three

H₀₃: Employee’s creativity management does not have positive impact on employee’s performance in selected manufacturing firms in Abuja.

Table 7: Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.204	0.042	0.039	1.35118
a. Predictors: (Constant), Employee’s creativity management				

The model summary indicated the presence of a strong positive correlation ($R=0.204$) between the independent variable and the dependent variable. Further, the R-squared value of 0.042 indicated that the independent variable accounted for 4.2% of the total variance. Therefore, the researcher observed that the independent variables and the dependent variable were mutually exclusive. The analysis of variance yielded the results presented in Table below.

Table 8: ANOVA

ANOVA						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	7.308	1	7.308	4.003	.046b
	Residual	691.936	379	1.826		
	Total	699.244	380			
a. Dependent Variable: Employee performance						
b. Predictors: (Constant), Employee’s creativity management						

The study established that the F-ratio ($F=4.003$, $p=0.046$) was statistically significant at $p < 0.05$ level of significance. This showed that Employee’s creativity management has significant effect on Employee performance in selected manufacturing firms in Abuja. The model’s coefficient values from the regression are presented in Table below.

Table 9: Coefficients_a

Coefficients _a	

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.260	0.140		16.101	0.000
	Employee's creativity management	0.138	0.069	0.102	2.001	0.046
a. Dependent Variable: Employee performance						

Table 9 shows that “Employee’s creativity management” regressed on “Employee performance in selected manufacturing firms in Abuja”. Employee’s creativity management has significant effects on the Employee performance in selected manufacturing firms in Abuja, Nigeria. The null hypothesis is hereby rejected; $p < 0.05$. The analysis result further indicates that Employee’s creativity management, which yielded a Beta (β) of 0.138, t-value of 2.001, was deemed to be statistically significant since the obtained p-value (0.046) is less than 0.05 level of significance. Thus, an appropriate implementation of Employee’s creativity management positively affects the employee performance of selected manufacturing firms in Abuja. The study therefore accepts the alternative hypothesis which states that, “Employee’s creativity management have positive impact on employee’s performance in selected manufacturing firms in Abuja.

CONCLUSION AND RECOMMENDATION

From the study findings it can be concluded that supervisors who are driven by the desire to achieve better performance from his/her employees should try and exhibit more of managerial leadership style and less of the rest of the styles. The results of this study revealed that there is strong relationship between Employee’s creativity management and employee performance. On the basis of the findings of this study, it can be concluded that leadership style has positive effect on employee performance. The study found that Employee’s creativity management and Building workforce agility, in which employees are allowed to have sense of belonging, carry out higher responsibility with little supervision, and followers are helped to achieve their visions and needs enhance organizational efficiency. Surprisingly Relationship building (The Foundation of a High-Performing Team) policy also has positive effect on employees’ performance although it is slightly significant. It is concluded that Managerial leadership styles are the best for the management of the selected manufacturing firms in Abuja to be adopted in order for them to wax stronger in a global competitive environment. Based on the findings the following recommendations were made

- i. It is suggested that managers to be trained to use managerial leadership and along with the increasing need for new skills and competencies of leadership as a result of changes in community, leadership training program is more important than ever. On the other hand, studies have shown that training can lead to the strengthening of managerial leadership. So, organizations should pay special attention to issues of education.
- ii. Since the planning and supervision is the action of performance, it is suggested to managers that to proceed organizational purposes have a careful and calculated planning and if Managerial leadership interact with other leadership styles, the goal is to run faster.
- iii. Manufacturing firms with good leadership capability will further improve on their performance. Therefore, serious attention should be given to make managerial leadership style a high priority.

REFERENCE

- Arnold, H. J. and Feldman, D. C. (2016). Organisational behaviour, new behaviour. New York: McGraw Hill Book Company.
- Bester, J., Stander, M. W., & Van Zyl, L. E. (2015). Leadership empowering behavior, psychological empowerment, organizational citizenship behaviors and turnover intention in a manufacturing division. *SA Journal of Industrial Psychology*.
- Chauhan, V. S. (2019). Managerial effectiveness as correlate to. IRACST- *International Journal of Research in Management & Technology (IJRMT)*.

- Jones, R. J., Woods, S. A., & Guillaume, Y. R. (2016). The effectiveness of workplace coaching: A meta-analysis of learning and performance outcomes from coaching. *Journal of Occupational and Organizational Psychology*.
- Joo, B. K. B., Sushko, J. S., & McLean, G. N. (2017). Multiple faces of coaching: Manager-as-coach, executive coaching, and formal mentoring. *Organization Development Journal*.
- Koontz, H. and O'Donnel C. (2018). Effect of Effective Management A Systems and Contingency Analysis of Management Functions, McGraw-Hill Kogakusha Ltd. Tokho.
- Lussier, R., & Achua, C. (2015). Leadership: Theory, Application, Skill Development.
- Nongo, A. S. (2019). Principle of management and techniques, Benin: John and Sons Books Ltd.
- Northouse, P.G. (2016). Leadership: Theory and Practice. 7th Edition. Los Angeles: Sage Publications
- Pennsylvania State University (2020). Leadership in work. Module 10: Introduction to Transformational Leadership.
- Pousa, C., & Mathieu, A. (2015). Is managerial coaching a source of competitive advantage? Promoting employee self-regulation through coaching. *Coaching: An International Journal of Theory, Research and Practice*,
- Pousa, C., Pousa, C., Mathieu, A., Mathieu, A., Trepanier, C., & Trepanier, C. (2017). Managing frontline employee performance through coaching: Does selling experience matter? *International Journal of Bank Marketing*.
- Rachin (2017). Impact of leadership on organization. New Jersey: Prentice Hall Inc.
- Ratiu, L., David, O. A., & Baban, A. (2017). Developing managerial skills through coaching: efficacy of a cognitive-behavioral coaching program. *Journal of Rational- Emotive & Cognitive-Behavior Therapy*.
- Stodgill R.M (2018) Hand Book of Leadership; New York The Free Press.