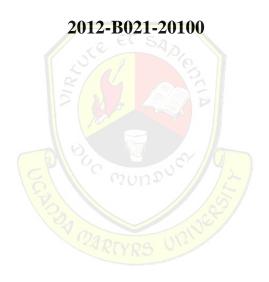
UGANDA MARTYRS UNIVERSITY

LEADERSHIP STYLES ON EMPLOYEE PERFORMANCE

CASE STUDY: STANBIC BANK, GANDA

NAKATO MILLY NABUULE



A dissertation submitted to the faculty of Business Administration and Management in partial fulfillment of the requirements for the award of a degree in Business Administration and Management.

ACKNOWLEDGEMENT

I thank the Almighty God who has seen me through my academic life successfully, without his protection and graces I wonder what I would be today. May He bless all those who contributed greatly towards the completion of my research work and my degree.

In a special way, I have to mention people who have helped so much throughout my degree career whose help has been valuable to me. Without their support I would not have been able to carry out my bachelors' degree in Business Administration and Management successfully: Mr.Ssebalu Fred, Mrs. Namakula Norah, Mrs. Nakirayi Patricia, my sister Babirye Brenda and brother Ddamba Brian who have helped me through. I greatly thank them for their emotional, spiritual, tender care and financial support throughout my three year academic career.

I would like to thank all the employees at Stanbic Bank more especially all those who cooperatively worked with me to see that I successfully collect my data. I thank them for their hospitality, warm welcome, and their attention as well as their urgency in answering my questionnaires.

Special gratitude goes to Mr. Ssempungu Godfrey my supervisor who showed me light with his guidance, academic support and encouragement. It was because of his brilliance and skills that I managed to come up with this research work and without him, it would not have been possible. Mr. Ssempungu you really deserve praise for the effort on this project; without your insight, it would never have been completed.

Exceptionally I would like to thank all my classmates who have always been there for me in times of happiness and difficulty. In particular I thank Nakanwagi Teddy for your academic, spiritual, economic, and social support, Lutwama Humphrey Peter for your encouragement, Nabasumba Olive, Ssebunya Mike, Kiire Immaculate, Nakigozi Bridget, Namale Racheal,

Wanyana Maria and all other friends who have always been there for me. I promise never to forget you and I will always pray for you to the almighty to make your future a bright one.

I will not forget the whole community of Uganda Martyrs University for what it has done for me. I thank the Lecturers and all the staff of this community and the whole school in particular especially Mr. Ssebuwufu Jude for your support in everything. It is because of this community that I am who I am now and it has greatly changed my life for the better. I will always love Uganda martyrs University and ask the Almighty to make it flourish.

May the Almighty God bless everyone abundantly with His greater glory, Holy Spirit and mercy.

LIST OF FIGURES

Figure 1: The effect of	leadership styles on	employee performance	10

LIST OF TABLES

Table 1: Showing the population sample, sample size and sampling technique	34
Table 2: showing the age of respondents	42
Table 3: showing the gender of the employees	43
Table 4: showing the education attainments of the respondents	44
Table 5: showing the period spent in Stanbic Bank	45
Table 6: showing the responses of democratic leadership style	46
Table 7: showing the autocratic leadership style	48
Table 8: showing the transformational leadership style	49
Table 9: Responses of the leadership styles employed in Stanbic bank	51
Table 10: Employees' responses on the leadership styles that have ever affected them	52
Table 11 Responses on approaches to leadership that can improve employee perform	ance .56

TABLES OF CONTENTS

DECLARATION	i
APPROVAL	iii
ACKNOWLEDGEMENT	iv
LIST OF FIGURES	vi
LIST OF TABLES	vii
ABSTRACT	xii
CHAPTER ONE	1
GENERAL INTRODUCTION	1
1.0 Introduction	1
1.1 Background to the study	2
1.2 Statement of the problem	5
1.3 Objectives of the study	6
1.3.1 Major objective	6
1.3.2 Specific objectives	6
1.4 Research questions	6
1.5 Scope of the study	7
1.5.1 Content scope	7
1.5.2 Geographical scope	7
1.5.3 Time scope	7
1.6 Significance of the study	7
1.7 Justification of the study	8
1.8 Definition of terms	8
1.9 Conceptual framework	9

CHAPTER TWO	14
LITERATURE REVIEW	14
2.0 Introduction	14
2.1 Leadership style	14
2.2 Employee performance	17
2.3 Influence of transformational leadership style on employee performance	22
2.4 Influence of the democratic leadership style on employee performance	26
2.5 Influence of autocratic leadership style on employee performance	28
2.6 Summary	31
CHAPTER THREE	33
RESEARCH METHODOLOGY	33
3.0 Introduction	33
3.1 Research design	33
3.2 Area of the study	34
3.3 Study population	34
3.4 Sampling procedure	35
3.4.1 Sample size	35
3.4.2 Sampling techniques	35
3.5 Data collection methods and instruments	36
3.5.1 Questionnaires	36
3.5.2 Interview method	36
3.6 Quality control methods	37
3.6.1 Data Validity	37

3.6.2 Data reliability	37
3.8 Data Analysis	38
3.8.1 Quantitative data	38
3.8.2 Qualitative data	38
3.9.1 Primary data	38
3.9.2 Secondary Data	38
3.11Ethical considerations	39
CHAPTER FOUR	41
PRESENTATION, ANALYSIS AND DISCUSSION FINDINGS	41
4.0 Introduction	41
4.2 Back ground information	41
4.2.1 Age	41
4.2.2 Gender	42
4.2.3 Education attainments	44
4.2,4 Period worked by the respondents	45
4.3 Leadership styles	45
4.3.1 Democratic leadership style	46
4.3.2 Autocratic leadership style	48
4.3.3 Transformational leadership style	49
4.4 Study objectives	50
4.4.1 Objective1; To find out the leadership styles employed in Stanbic bank	50
4.4.2 Objective 2: To find out the impact of leadership styles on employee performance	in
Stanbie bank	51

4.4.3 Objective 3: To find out approaches to leadership styles that can improve	employee
performance in Stanbic bank	56
CHAPTER FIVE	58
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS	58
5.0 Introduction	58
5.1 Summary of findings	58
5.2 Conclusions	58
5.3 Recommendations	59
5.4 Suggestions for further research	61
APPENDICES	66
QUESTIONNAIRE	66

ABSTRACT

The study sought to assess the "effect of leadership styles on employee performance" using a case study of Stanbic bank, Uganda Limited at Umoja house. The study was guided by three objectives: to find out the leadership styles in Stanbic bank, to examine the impact of different leadership styles on employee performance and lastly to find out the approaches to leadership styles that can improve employee performance.

The study adopted a case study design which helped in giving a detailed examination on the subject and the study employed both qualitative and quantitative techniques in the data collection process with a sample size of 44 respondent. Data was collected using self administered questionnaires and an interview guide. Purposive sampling was administered on the managers since they were knowledgeable on the subject and stratified sampling was administered on the employees in Stanbic bank The data collected was analyzed using Statistical Package for Social Scientists (SPSS) to generate the tables for which analysis and discussions were made

The relationship between leadership styles and employee performance revealed that managers in Stanbic bank practice mainly the autocratic leadership style which mainly focuses on getting work done by the employees and its production oriented. It was also revealed that the style impacted on the employees both negatively and positively. Secondly the democratic leadership also impacted on the employees both negatively and positively but for the transformational leadership style it affected the employees positively. However some of the aspects of the above leadership styles had no effect on employee performance while others did.

The researcher recommended that managers or leaders should adopt the democratic leadership style such that employees work to the best of their knowledge and in so doing get involved in the work done and also a varying number of motivators should be introduced at work so as to increase the performance levels.

Finally, there is no one best leadership style so the same manager or leader can effectively use a variety of leadership styles depending on the situation, competence and commitment of individual employees..

CHAPTER ONE

GENERAL INTRODUCTION

1.0 Introduction

Few leaders understand the full significance of how influential their leadership style is on the performance of their employees. Leaders affect an employee's self-image and resulting potential in either a positive or negative way by being supportive, air and encouraging or unsupportive, inconsistent or critical. The study is therefore about the influence of leadership style on employee performance using the case study of Stanbic bank Kampala region. If leaders over ride the group's decision, the group will assume that management is only pretending to participate in a democratic leadership style and the organization will experience the same consequences as those of pseudo participation.

Despite the implementation of different kinds of leadership styles in organizations, employee performance is sometimes unsatisfactory to the management. If this condition is not solved and solutions implemented with immediate effect, it's likely to put the organization below it's competitors and bring about continuous loss of customers. It's therefore against such a backdrop that this research will attempt to investigate the impact of different leadership styles on employee performance using Stanbic Bank Uganda Limited as the case study.

The chapter presents the background to the study, state of the problem, objectives of the study, research questions, research hypothesis, scope of the study, justification of the study, significance of the study, conceptual frame work and definition of terms.

1.1 Background to the study

There are many diverse definitions of leadership as there are authors on the subject. Some defined leadership as a pattern of behaviors that leaders display during their work with and through others (Hersey and Blanchard 1993) and (Miller et al 2002) views leadership as a pattern of interactions between leaders and subordinates. It includes controlling and directing indeed all techniques and methods used by leaders are to motivate subordinates to follow their instructions.

Taffinder, 2006 defined leadership as getting people to do things they have never thought of doing or that they do not want to do. With reference to an organization, he defined leadership as the action of committing the employees to contribute their best to the purpose of the organization. While on a complex or more accurate view, he explains that you only know leadership by its consequences from the fact that individuals or a group start to behave in a particular way as a result of the actions of someone else.

In Nigeria, leadership according to (Stuart Levine and Micheal Corn, 1994) is listening to people, supporting and encouraging them in decision making and problem solving processes. It's about building teams and developing ability to make skillful decisions. According to (Akpala, 1988), some Nigerian businesses are managed by management systems that are strange to the typical Nigerian culture. However suggestions were made that the right type of leadership and motivation were not employed in managing Nigerian employees.

Mesick and Kramer (2004) further explained that human beings could become members of the organization in order to achieve certain personal objectives. The extent to which they are active members depends on how they are convinced that their membership will enable them to achieve their pre-determined objectives. Therefore an individual will support an organization if he believes that through it, his personal objectives and goals could be met.

In the United Kingdom, transformational leadership approach is used that listens and values an employee, in order to give them a sense of belonging but the managers do not take it seriously which has resulted into a problem (Boorstin, 2004) from Benard Bass. Every individual loves to be given consideration which gives them a sense of values but managers do not do it hence employee performance ending up being poor.

The African definition of leadership is not far different from the world definition. For example (Omalayo, 2007) has defined leadership as a social influence process in which the leader seeks voluntary participation of the subordinates in an effort to meet the organizational goals. This is a process whereby one person exerts social influence over other members of the group or a process of influencing the activities of an individual in an effort towards goal achievement in a given situation and a relational concept involving both influencing agent and the person being influenced.

Several views have been expressed on leadership but most leadership theorist agrees that the traits, style, and contingency theories dominate the leadership literature (Muller, 2005; House, 1971). The leadership style movement started in 1945 at the Ohio State University. Significantly, the "Consideration" and "Initiating Structure" study stood out from these early contributions which provided the basic dimensions of leadership behavior in formal organizations. Consequently, contributors like Kahn, Likert, Katz, Maccoby also expanded the works of their predecessors by basically analyzing the relationship between supervisory behavior and employee productivity and satisfaction in 1947 at the University of Michigan. Their studies identified two styles of leadership - Employee Centered (EC) and Production Centered (PC) leadership. EC leaders focus more on employee goals and satisfaction and less time in performing similar task assigned to employees. It is also disinterested in punishing employees when they go wrong. On the other hand, PC leaders are interested in output

therefore spend more time in actual supervisory work related to production and less attention on supervisory activities like planning.

From the above definitions of leadership, it is clear that leadership can be viewed in terms of multiple perspectives and can represented as existing as an act, behavior or a process. An inconsistent leadership style causes those affected by the style to waste considerable time trying to figure out how best to work with a leader, predict how a leader will behave in different situations, and understand what a leader means, wants or expects. It also shows down decision making and problem solving processes and increases the stress of those affected by the leader. Even if a person has a style that is not received, style consistency makes it possible for those affected by the style to learn to work around it, ideally a leader should have a style that is well received as well as consistent.

In the banking industry due to competition, leadership has become a very important component in achieving organizational objectives in both developed and developing countries. In Uganda following the closure of the international Credit Bank, Trans African Bank in 1998, it was revealed that poor leadership and financial indiscipline were some of the reasons behind the closure of these banks. Thus in an attempt to improve leadership in the banking industry in Uganda, Uganda Commercial Bank had to be privatized. Stanbic bank that was formerly Uganda Commercial Bank before privatization had been struggling to improve the image of the bank it acquired and this has been done successfully through the introduction of new services, changing whole banking environment that is physical, emotional and others like employing new people and retiring old who could not cope with the new changes and so on. Under the core theme "Inspired, Motivated and Involved", the bank seems to be sending a message that in order to achieve their mission, every member must be part and parcel of their strategy.

It has been noted however that the performance of Stanbic bank is not that good. While some branches perform better, others are far away from the expected performance. There is no comprehensive understanding of the leadership style employed by these managers. Despite the bank's efforts to modernize the working physical conditions, increase the pay, improved the systems and allowances, incentive and training of staff, the performance of some branches has remained below the expected.

Furthermore, there is no comprehensive knowledge about the leadership style that would best make employees in the bank to achieve organizational goals. Without this knowledge leadership problems are bound to remain, thus making some branches achieve poor results hence failure to meet the bank's expectations. It is against this background that this study is carried out to examine the influence of leadership styles on employee performance.

1.2 Statement of the problem

Evidence has shown that effective leadership affects employee performance positively (Hayward, 2005). The exploration of the relationship between leadership styles and performance and work efficiency starts from Likert who was the first to stress the importance of different leadership stylesfor performance and reached the conclusion that all leadership styles are the cause and not the consequence of work efficiency. Notwithstanding effective leadership has become crucial in Uganda as it is throughout the world. Therefore organizations put in place different leadership styles and the performance of organizations is dependent on the style chosen.

Ugandan organizations are not different from others worldwide in terms of striving for performance in order to be competitive. However, in spite of the considerable amount of empirical work that has been conducted of leadership in the developed world, there are few studies that have been conducted in Africa.

Therefore upon this background, there is need to find out the appropriate leadership style that improves employee performance in Stanbic bank.

1.3 Objectives of the study

1.3.1 Major objective

To examine the effect of different leadership styles on employee performance in Stanbic Bank.

1.3.2 Specific objectives

- To find out the leadership styles employed in Stanbic Bank.
- To find out the impact of leadership styles on employee performance in Stanbic Bank.
- To find out the approaches of leadership to improve employee performance in Stanbic Bank.

1.4 Research questions

- What are the leadership styles in Stanbic Bank?
- What is the impact of leadership styles on employee performance iu Stanbic Bank?
- What approaches of leadership styles can improve employee performance in Stanbic Bank?

1.5 Scope of the study

1.5.1 Content scope

The investigation was basically restricted to how leadership styles (independent variable) such as transformational, autocratic and democratic styles affect employee performance (dependent variable) in terms of job satisfaction, level of profitability and level of commitment.

1.5.2 Geographical scope

The study was conducted from Stanbic Bank Uganda Limited plot number 20, Nakasero road at Umoja house in Kampala district

1.5.3 Time scope

As regards time, the researcher's time of interest covered a period between January to April, 2015 in Kampala district. The study was also conducted in comparison with the related literature reviewed by other related researchers.

1.6 Significance of the study

To stimulate further research on leadership styles that work best for employees in the most efficient and effective way and the same research will also help senior managers set strategic leadership styles that will enable employees accomplish their targets in a proper way.

The study established the relationship between the dependent and the independent variables.

The relationship will institute the link between leadership styles and employee performance in Stanbic Bank.

To the future researchers, they will use the results of the study as source of literature more especially those who will carry out research in the same area of study and those who will research about the related topics of this study.

To help the decision makers to realize the existing gap in performance of employees and devise appropriate strategies for proper performance of employees in the organization.

1.7 Justification of the study

The study was carried out to improve the leadership styles in regard to employee performance in Stanbic bank. There was need to generate information that will be used by the management of Stanbic bank particularly so as to improve employee performance in the fore seeable future.

1.8 Definition of terms

a) Autocratic leadership

This is a style of leadership used when leaders tell their employees what they want done and how they want it accomplished without getting the ideas of their followers and focus of power is more with the leader and all interactions of the group move towards the leader.

Autocratic leadership is best applied when organizations need to be turned around quickly. It is almost frequently associated with workers quitting their jobs. It tends to be more punitive and the inherent close supervision increases the role ambiguity, reduces productivity, and decreases group harmony (Jorge Morales Pedraza)

b) Transformational leadership

This is a style of leadership that leads to positive changes in those who follow their leaders, that is leaders encourage creativity in their followers to explore new ways of doing things and new opportunities to learn.

c) Democratic leadership

This is a style of leadership in which employees take more participative role in the decision making process and focus of power is more towards the group as a whole where there is greater interaction.

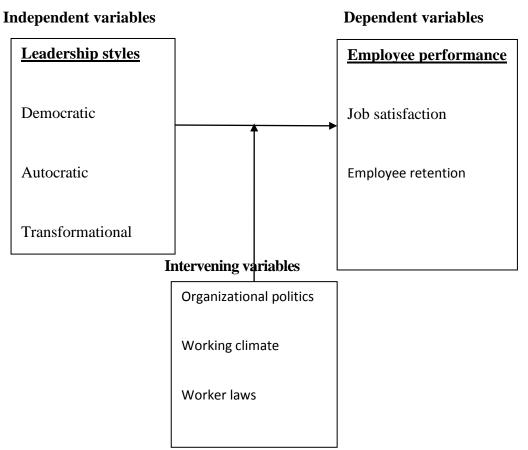
e) Job satisfaction

This is the pleasurable emotional state resulting from the appraisal of one's job as achieving or facilitating the achievement of one's job values and the extent to which the people like or dislike their jobs.

1.9 Conceptual framework

Conceptual framework, according Smyth (2004), is structured from a set of broad ideas and theories that help a researcher to properly identify the problem they are looking at, frame their questions and find suitable literature. The conceptual framework shows the relationship between the research variables. They include: independent, dependent, and intervening variables. This shown in the figure below:

Figure 1: The effect of leadership styles on employee performance



Source: (Perryer and Jordan, 2005)

The relationship between leadership and performance has received considerable scholarly attention. Most studies about the relationship between transactional leadership and employee performance have yielded disappointing findings. However, when Bass's (1985) Multifactor Leadership Questionnaire (MLQ) was used, a high correlation was found between the leader's transformational style and the employee performance level. This correlation was consistently higher than the positive correlation between the leader's transactional style and the organizational performance. In other studies that followed, a negative correlation was usually found between the transactional leadership style and organizational performance (Geyer and Steyrer, 1998; Lowe et al., 1996; Mackenzie et al., 2001; Parry, 2003).

According to Bass (1985), employees choose to perform tasks out of identification with the leader or with the organization. This relationship results in the employees' basic agreement

with the norms to which they are required to perform. Bass suggests that transformational leadership can create identification with and internalization of desirable values, as opposed to the limited goal of transactional leadership to create a compliant workforce. Parry (2003) specifically examined leadership styles in public sector organizations and found that a transformational leadership style has a positive effect on the innovation and effectiveness of employees and organizations.

According to these theories, better performance can be achieved only when there is a reasonable level of expectation-fit and when the social exchange between managers and employees is fair and equal. Wang et al. (2005) suggest that subordinates have role expectations of their leaders and that they are not passive role recipients, as they may reject, embrace, or renegotiate roles prescribed by the leader.

From a different approach, a variety of studies have recently pointed to organizational politics as an important antecedent of employees' performance, both formal and informal (i.e. Adams et al., 2002; Allen et al., 1979. Most of these studies, and others have relied on the definition of organizational politics as behavior strategically designed to maximize self-interests (Ferris et al., 1989) and therefore in conflict with the collective organizational goals or the interests of other individuals. This perspective reflects a generally negative image of workplace politics in the eyes of most organization members. Although treated as separate constructs, several studies have also related organizational politics to the theory of fairness, equity, and justice in the workplace (Ferris and Kacmar, 1992, p. 93; Kacmar and Ferris, 1991, pp. 193-4. Other studies describe organizational politics as a power game and influences tactics designed to achieve the best outcomes for the employees (Kipnis et al. 1980; Peffer, 1992). Whereas the theory suggests that both leadership and organizational politics are important antecedents, that may affect employees' performance and there are no integrated models for studying the veracity of this theory. This study proposes and tests two competing models for

the relationship among leadership, politics, and performance. By so doing, the study expects to contribute to our knowledge in this area by examining the relationship between leadership and employees' performance and arguing that organizational politics mediates in this relationship.

While most studies have related organizational politics to only one aspect of employees' performance (either formal or informal), this study takes its lead from Morrison's (1994) suggestion and examines both outcomes together. Thus, this study may make a unique contribution to the theory on Organizational Citizenship Behavior (Organ, 1988; Bateman and Organ, 1983; Smith et al., 1983), beyond its contribution to the knowledge on leadership style and organizational politics. Some researchers (Iverson & Roy, 1994; Sergiovanni and Corbally, 1984; Smith & Peterson, 1988) believe that there are certain characteristics leaders must have in order to create employee job satisfaction and commitment: (a) Empowerment and (b) clear vision. In order for transformational leaders to be effective, their followers must share their vision for the organization and be willing to put the goals of the organization before their own personal goals and objectives (Archbold, 2004). Other researchers House, Spangler, & Woycke, 1993; Roberts, 1985) found that employee satisfaction is positively related to transformational leadership style. In further support of transformation leadership, some researchers (Hackett, & Allen, 1995; Howell & Avolio, 1993; Shamir, Zakay, Breinin, & Popper, 1998) found that leaders who have transformational leadership characteristics have been known to motivate followers to exert effort to achieve organizational goals.

Work climate as one of the intervening variables has been described by Schneider, Gunn Arson and Niles-Jolly (1994) as the feeling in the air that one gets from working around the organization. According to Avery (2004) leaders can affect followers and organizational performance indirectly by action such as creating an environment in which subordinates can

work effectively, developing an appropriate culture that helps employees build commitment to organizational goals and formulating strategy. Consistence with this, Perryer and Jordan (2005) argues that leadership is usually regarded as the process of influencing people to achieve organizational objectives. Successful leaders tend to create a climate a climate within the work environment where they are able to assist employees to set and achieve individual, team, and ultimately organizational objectives.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

The chapter presented the review of the relevant literature related to the current study. The purpose of the review is to present what is known about the problem from the theoretical perspective prior to the study in order to give a foundation to the current study. It provided the background, existing gaps and the need for the current study. The literature iss arranged according to the conceptual framework illustrated in chapter one of this study.

2.1 Leadership style

Leadership style is a key determinant of the success or failure of any organization. A leader is person who influences, directs, and motivates others to perform specific tasks and also inspire his subordinates for efficient performance towards the accomplishment of the stated corporate objectives. Leadership style is the manner and approach of providing direction, implementing plans, and motivating people.

According to Ngambi et al. (2010) and Ngambi (2011), cited in Jeremy et al. (2011), leadership is a process of influencing others' commitment towards realizing their full potential in achieving a value-added, shared vision, with passion and integrity. The nature of this influence is such that the members of the team cooperate voluntarily with each other in order to achieve the objectives which the leader has set for each member, as well as for the group. The relationships between the leader and employee, as well as the quality of employees' performance are significantly influenced by the leadership style adopted by the leader (Jeremy et al., 2011). Leadership style in an organization is one of the factors that play significant role in enhancing or retarding the interest and commitment of the individuals in

the organization (Obiwuru et al., 2011).

Leadership is a critical management skill, involving the ability to encourage a group of people towards a common goal. Leadership focuses on the development of followers and their needs. According to Michael (2011) leadership has a direct cause and effect relationship upon organizations and their success. Leaders determine values, culture, change tolerance and employee motivation. They shape institutional strategies including their execution and effectiveness. Leaders can appear at any level of an institution and are not exclusive to management. Successful leaders do however have one thing in common. They influence those around them in order to reap maximum benefit from the organization's resources, including its most vital and expensive

Some authors have defined leadership as a position, a person, a behavioral act, a style, a relationship, or a process. Examples of those who define leadership in terms of a person include (Hosking, 1988) who describes leaders as those who consistently make effective contributions to the social order. (Conger, 1999) also describes leadership in terms of a person. He says leaders are individuals who establish direction for a working group of individuals. According to him leaders have the responsibility to motivate their group members and to gain the group commitment to the direction they have set.

Other authors regard leadership as the behavior of an individual when he is directing the activities of a group towards a shared goal. (Dowden, 2000) is one of those authors who define leadership as the behavior of an individual when that person is directing and coordinating the activities of a group towards the accomplishment of a shared goal. Those who define leadership as an act include (Benis and Goldsmith, 1994) who define leadership as what leaders do such as acting with integrity and competency, interpreting reality, explaining the present and painting a picture of the future.

Hosking (1988) who describes leaders as those who consistently make effective contributions to the social order. Conger (1999) also describes leadership in terms of a person. He says leaders are individuals who establish direction for a working group of individuals. According to him leaders have the responsibility to motivate their group members and gain the group commitment to the direction they have set.

However leadership is also defined as the ability to influence and sway a group of peopleto reach one common goal. It is the vision and unique style of an individual that makes him or her stand out as a leader. According to Bennis and Nanus (1985), it is with the help of this vision and style only that an effective leader is able to transform his or her beliefs in actions and reality. With leadership comes control that the leader can exercise over others. Combining the influence and control that the leader possesses, he or she can guide others to perform tasks and activities to fullfill objectives all aimed at the successful attainment of a goal that is beneficial to all (Gerb,)

Leadership is one of the most vital elements needed to run an organization successfully. An organization is incomplete without management, and management is also incomplete without leadership. Although it is the centre feature of an organization, however it is needed at all levels of an organization be it the tactical tasks, operational activities or at the strategic level. Leaders have a vision which is the best interest of the company as well as its employees, hence in order to achieve a common goal leaders motivate their employees to perform better in teams and amalgamate their own individual objectives for more productivity. Not only do leaders have to encourage and influence their employees to perform better, they also have to constantly strive to sustain and maintain those performance levels. For this purpose, leaders encourage new ideas, creativity and innovation among employees whether it is in everyday tasks at tactical level or whether it is up the pyramid at operation or strategic level

2.2 Employee performance

Employee performance can be closely measured by job satisfaction and organizational commitment of the employees. This is because research has showed that job satisfaction and employee commitment are closely connected to employee work performance. Job satisfaction as a construct has been defined differently by different scholars. The term was first defined by Hoppock (1935) as a combination of psychological, physical and environmental circumstances that causes a person to say "I am satisfied with my job". Among the most acceptable definition of job satisfaction is by job satisfaction is by Locke (1969) who defines job satisfaction as a positive emotional feeling, a result of one's evaluation towards his job or his job experience by comparing between what he expects from his job and what he actually gets from it. Job satisfaction is the result of the interaction of the employee's values and their perception towards their job and environment (leadership style, Locke, 1976)

The importance of job satisfaction among the employees of organizations and institutions goes back to the second half of the 20th century, with the appearance of Maslow's theory (1956). Since then, the researchers have given deep consideration to the matter and various analytical studies have been undertaken. The movement towards human relationships sheds more light on the importance of the morale and improvement of the work conditions for the employees of organizations and institutions aiming at increasing productivity and performance.

The job satisfaction of employees in any organization, as Conley et al, (1989) indicated, is regarded as a main component of the work environment and one of the main factors that determine organizational employee performance. As already noted, the term job satisfaction is complex and multidimensional in nature. There is considerable amount of literature dealing with its complexity and multiplicity. There is no agreed upon definition of what constitutes

job satisfaction. Different attempts have made to define the team within different perspectives. While De Nobile (2003) defined it as the extent to which a staff member has favorable or positive feelings about work or the work environment, Locke (1976) defined it as positive attitudes or emotional dispositions people may gain from work or through aspects of work. Faragher et al. (2005) added another dimension, by defining it as being the positive emotional reaction and attitudes an individual has towards their job. From these different definitions, we can conclude that the main components of of job satisfaction are emotion, attitude and reaction.

According to Tella, Ayeni and Popoola (2007), job satisfaction is so important in that its absence often leads to lethargy and reduced organizational commitment. Lack of job satisfaction according to Jamal (1997) is a predictor of quitting a job. Sometimes workers may quit from public to the private sector and vice versa. At the other times the movement is from one profession to another that is considered a greener pasture.

According to Bates and Holton (1995) performance is multi-dimensional construct, the measurement of which varies depending on a variety of factors; they also state that it is important to determine whether the measurement objective is to assess performance outcomes or behavior. It is important to clarify what performance means because if performance can't be defined, you cannot manage it. There are different views of what performance is so it can be regarded as simply the record of outcomes achieved on an individual basis, it's the record of the person's accomplishment.

According to Jean Wilson Murray in 117 the employee performance criteria are the standards for employee behavior at work. Employees are rated on how well they do their jobs compared with a set of standards determined by the employer. Job descriptions are the main parts of the

performance definition. What the employee is required to do dictates the way the work must be performed. Most time quality and quantity are two measurements involved.

According to Pallab Dulta, employee performance is a crucial process of employment and human resources. It's a formal discussion as well as a documented process involving managers, Human Resource and even the top management about an employee's development of performance. Performance reviews executed diligently can reflect an organizational overall health employee management practices and overall productivity.

The need to attract, motivate, develop and retain employees is critical to any organization's prosperity today. Creating an environment in which employees feel truly engaged-connected to the organization's goals and objectives and satisfied with their jobs-has never been more crucial (Parker and Wright, 2001). According to Parker and Wright, although job and organizational satisfaction and corporate pride are essential facets of commitment, a host of other attitudes and attributes have an impact on whether employees remain truly committed to their employer. In it's simplest form, however, commitment to an organization is the employee's perceived intention to stay with that organization. The analysis of the objective concept of satisfaction has become a part of micro economic analysis (Steven, 2005). This reflects the understanding that in a world of limited knowledge, subjective measures can tell us something over and above what the objective quantities at our disposal can, such as in predicting commitment. Overall job satisfaction however is a product of satisfaction with a nimber of different aspects of the job.

The assumption is that, the more satisfied an individual is with their job, the more likely they are to be committed to their work. In economics terms, the utility a job provides is a product of a number of factors, the most obvious of which is the wage it pays, but others the hours of the work the job-holder must undertake the environment he or she must work in (both in

terms of physical and social environment) and the longer term prospects it offers in terms of job-security and possibilities for promotion. Employee's job satisfaction measurement has been inspired by the works on job satisfaction and adopted a need satisfaction based on Maslow's and Herzberg et al categorization. The need satisfaction variables were divided into five areas and these are physiological needs, security needs, social needs, self esteem needs and self-actualization needs. They categorized man's work needs as follows; achievement, advancement, responsibility, recognition and work itself, they called them the motivating factors whereas the hygiene factors are pay/salary, job security, working conditions, policy and administration, supervision and interpersonal relationships.

Commitment on the other hand is defined as the degree of positive, affective bond between the worker and the workplace. It does not refer to a passive type of loyalty where workers stay with their jobs but are not really involved in their work. Rather, it reflects the degree of internal motivation, enthusiasm and job satisfaction employees derive from working and the degree of efficacy and effectiveness they achieve in their jobs. A wide variety of definitions and measure of organizational commitment exist and these include:

- 1. A strong desire to remain a member of a particular organization.
- 2. A willingness to exert high level of efforts on behalf of the organization.
- 3. A defined belief in and acceptability of the values and the goals of the organization.

Commitment has also been defined as "the strength of an individual's identification with and involvement in an organization" (Mowday et al., 1979). The concept can be broken down into three components (Curtis and Wright, 2001).

1. A desire to maintain membership in the organization.

- 2. A belief in and acceptance of the values and goals of the organization.
- 3. A willingness to exert effort on behalf of the organization.

If a person feels commitment to an organization therefore, he or she has a strong identification with it, values membership, agrees with its objectives and value systems, is likely to remain in it and finally is prepared to work hard on its behalf. The first division in the literature about organizational commitment refers to the perspective which deals with the construct. This can be an attitudinal or behavioral perspective. The first one has concentrated primarily on the study of the antecedents and outcomes of commitment. The second one has been centered on the analysis of the conditions under which organizational commitment behavior tends to reappear and the attitudinal changes it causes. There also exists a third and not very examined perspective which dwells on the importance of moral values and their strength and continuity for the commitment to the organization. Loyalty and fidelity originate when the respective norms are internalized.

This view was taken by Kanter (1968) who described "cohesion commitment" as "the attachment of an individual's fund of affectivity and emotion to the group" and later by Buchanan (1974) who conceptualized commitment as "a partisan, affective attachment to (1) the goals and values of the organization, (2) to one's role in relation to the goals and values and (3) to the organization for its own sake, apart from its purely instrumental worth".

Allen & Meyer (1990) argue that like many constructs in organizational psychology, commitment has been conceptualized and measured in various ways; common to all the conceptualizations of commitment found in the literature is the link with turnover. Employees who are strongly related are those who are at least likely to leave the organization. Perhaps more important than this similarity, are the differences between the various conceptualizations of commitment. These differences involve the psychological state

reflected in commitment, the antecedent conditions leading to its development, and the behavior (other than remaining) that are expected to result from commitment. Not surprisingly, confusion surrounding the conceptual distinctions is reflected in the attempts to measure the construct. Indeed, relatively little attention has been given to the development of measures of commitment that conform closely to the researcher's conceptualization of the commitment construct.

It should be noted that one of the characteristics of commitment research is the fragmentation of the investigations and the use of instruments that not always match with the theory frame since they are proposed. Allen & Meyer (1990) are responsible for building up these three ideas into an integrated concept Their three component model integrates affective commitment, which is the commitment of the employee's surges from the wishes and wants, calculating commitment (continuance commitment), that is their commitment is based on a rational consideration to stay in the organization and normative commitment, that is the employees believe they have to respond to social and ethical norms.

2.3 Influence of transformational leadership style on employee performance

In light of the above realization, Bass (1985) proposed a new theory of transformational leadership and outlined its components. Transformational leadership is thought to achieve remarkable levels of performance from followers. It engages followers by appealing to their upper level needs (e.g. self actualization) and ideals that yield higher levels of follower satisfaction, performance, and organizational commitment in individuals (Bass, 2000; Bryman,1992; Shin & Zhou; 2003) and teams (Bass, Avolio, Jung, & Berson, 2003; Pillai & Williams, 2004) found that transformational leadership had a strong effect on job satisfaction. Although Burns and Bass agree on the definitions of transactional and transformational leadership, they hold contrasting views of the relationship between these two constructs.

Burns (1978), on one hand, viewed them as opposite ends of a continuum whilst Bass (1985) sees them as being closely related. An effective leader will exhibit aspects of both transactional and transformational leadership. According to Bass, transformational leadership is more concerned with developing followers to their fullest potential (Bass & Avolio, 1990), whereas the focus of transactional leadership is on satisfying basic follower needs. Empirical evidence offers support for Bass's view that to maximize their effectiveness, leaders should exhibit transformational and transactional behaviors (Avolio, Waldman, & Einstein, 1988) In other words, transformational leaders should be capable of engaging transactional behavior. Hence, transformational leadership does not serve as a substitute for transactional leadership; rather, it builds upon and augments transactional leadership in achieving desired goals (Bass & Avolio, 1990). As modeled by Bass, transactional leadership is comprised of two fundamental dimensions: contingent rewards and management-by-exception, while transformational leadership is comprised of four central components. Findings of this study confirm that a transformational leadership style of bank managers will boost employees' job satisfaction and performance (self assessed). When managers operationalize charisma and utilize inspiration, individualized consideration and intellectual stimulate, they elicit positive reactions from employees. Such transformational qualities do stimulate higher level needs of followers and result in feelings of satisfaction. This finding is supported by other leadership researchers for example (Bass & Avolio, 1990). The attention that managers give to employees will be reflected in their general positive attitude toward work and work conditions, which in turn, increases job satisfaction and facilitates performance. Transformational leadership theory has captured the interest of many researchers in the field of organizational leadership over the past years. The theory was developed by (Burns, 1978) and later enhanced by (Bass, 1985, 1998) the major premise of this style of leadership is the leader's ability to motivate the followers to accomplish more than what the followers plan to

accomplish (Krishnan, 2005). This style of leadership has four major components that is idealized influence, inspirational motivation, intellectual stimulation and individualized consideration (Bass, 1985). Burns postulated that the leaders inspire followers to accomplish more by concentrating on the followers' values and helping the followers align these values with the values of the organization. Furthermore, Burns identified transformational leadership as a relationship in which the leader and the follower motivated each other to higher levels which resulted in value system congruence between the leader and the follower (Krishnan, 2002) so this style has been associated with personal positive outcomes of the employees. Transformational leadership pushes employees to contribute to the organization beyond the basic requirements of their job description out of personal motivation, challenge, or the desire to emulate the leader and be regarded as part of his successful protégé's. This idea is much in line with the leader-member exchange theory (LMX) as suggested by Graen (1976) and others. Nonetheless, it seems that transformational leadership has the ability to strengthen the effectiveness of performance, especially formal performance, which can be quantitatively measured and accurately rewarded. Some studies have found that there is a significant relationship between the conditional gratitude measure and in-role performance (Mackenzie et al., 2001). Therefore there is a hypothesis suggested where the transformational leadership is positively related with in-role performance and it has a stronger relationship with more influence on formal performance. Managers exercising transformational leadership style focus on the development of value system of employees, their motivational level and moralities with the development of their skills (Ismail et al., 2009). It basically helps followers achieve their goals as they work in the organizational setting; it encourages followers to be expressive and adaptive to new and improved practices and changes in the environment (Azka et al., 2011).

The idea of transformational model is developed by James Macgregor Burns who had applied this model on political context and continuously shaped and introduced it into Organizational context. It is believed that this style can be directed to superior performance in an organization that faces renewal and transformation demands. It tries to create conducive climates for the development of innovation and creativity. The leaders urge their subordinates to create new ideas and creative solutions for the problems they have. For that matter subordinates are highly involved and made efficient in problem and solution formulating processes. So individual attention that has been done by these leaders is one of the reasons that the leaders have the ability to build trust and respect to motivate their subordinates to exceed their expectations. So this style has vision to initiate innovations and influence to achieve success by giving inspiration and activating subordinates to perform better than expected. So the result shows that there's a positive additional influence of transformational leadership style on employee performance.

Transformational leadership style is defined as those leaders that transform the values, needs, aspirations, followers' priorities and also motivates their followers to exceed their expectations. This style is based on Maslow's opinion on basic human needs. A lower level of employee needs such as physical needs, safety and affiliation can be fulfilled by practicing this style of leadership, and on the other hand to fulfill a higher level of employee needs like dignity and self-actualization results into higher performance by the employees.

Transformational leadership style is a process in which the leaders take actions to try to increase their associate awareness of what is right and important to raise their associate motivational maturity and to move their associates to go beyond the associates own self-interests for the good of the group. Such leaders provide their associates with a sense of purpose that goes beyond a simple exchange for effort provided. These leaders attempt to optimize development not just performance of the employees. Development encompasses the

maturity of ability, motivation and attitudes of the employees which in return yield positive results.

2.4Influence of the democratic leadership style on employee performance

Mullins (1999) is of the view that democratic leadership style focuses more on people and there is greater interaction within the group. The leadership functions are shared with members of the group and the leader is more part of the team (Mullins, 1999). Similarly, Luthar (1996) and Wilson et al. (1994) concurred that the principles of democratic leadership is friendliness, helpfulness, and the encouragement of participation. In the same vein, McGregor (1960) described this leadership style as benevolent, participative, and believing in people. He equated democratic leader to the Theory Y manager which is associated with increased follower productivity, satisfaction, involvement, and commitment (Hackman, Johnson, & Choi, 2007). The philosophical assumption underlying democratic leadership style is that naturally all people are trustworthy, self-motivated, like responsibility and challenging work and so encourages organizational conditions to foster teamwork, high performance and satisfaction (Warrick, 1981). The emphasis of this leadership style is on performance and people.

Based on the theoretical explanation of democratic leadership style, the researchers find that planning within a democratic leadership system is accomplished with heavy employee involvement with objectives that are transparently and clearly established with its accompanying performance targets. Decision-making in a democratic system is decentralized and flexible with clearly defined responsibilities and an open participative work environment. Punishments as a form of reprimand are the last option and high performance is recognized and rewarded. Conflicts are openly confronted by addressing the causative factors and not personalities.

Democratic leadership style results in high employee productivity, satisfaction, cooperation, and commitment. It reduces the need for controls and formal rules and procedures which result in low employee absenteeism and turnover. The leadership style develops competent and committed employees who are willing to give their best, think for themselves, communicate openly, and seek responsibility (Bass, 1990; Stogdill, 1974). With all the positive attributes associated with democratic leadership style, decision-making becomes over-stretched since opinions and lengthy debates play a key part in the process (Denhardt & Denhardt, 2003).

Lussier and Achua 2001 state that a leader who employs the democratic leadership style consults the subordinates for ideas and takes their ideas seriously when making decisions. This style is effective when subordinates are well motivated and competent and so produce good yields. On the other hand the democratic leadership style exhibited where the focus of power is more towards the group as a whole where there is greater interaction within the group (Mullin, 2002). The leader shares the leadership functions with members of the group where he or she takes part as a team member. The leader then would characteristically lay the problem before the subordinates and invites a discussion so in this respect the leaders' role is to be conference leader rather than a decision taker. This leadership is viewed as an important aspect of empowerment, teamwork, and collaboration with the employees.

However (Goleman et al, 2002) posit that a democratic leader keeps staff morale high and therefore positive climate prevails in the organization. That is even the employees tend to produce good outcomes since they also participate in the decision making process.

Schwartz (1998) found a high submissiveness among employees in democratic organizations. The task specialist is concerned with the achievement of group goals while the social emotional specialist is concerned with maintain positive social relationship within the group and motivating the group members to accomplish the set goals.

The democratic leadership style has strong feelings of community which increases the flow of information among the workers (Bruffee, 1993 and Dede, 1996). Employees benefit from community membership by experiencing a greater sense of wellbeing and support (Walker, Wassermann and Wellman, 1994) opined that sense of community is related to engagement in engagement in work activities. There is a need for workers to have a sense of connectedness which affects the workers ability to cope. Lack of connectedness breeds loneliness, low self-esteem, isolation, low achievement, low motivation and low productivity. The extent to which the job gives an employee opportunity to interact with other coworkers enhances the sense of community at work (Camman, 1983). So all in all this leadership style encourages employees participation in the activities of the organization which in return motivate them to work in the most efficient and effective way in line with accomplishment of the organizational goals.

2.5 Influence of autocratic leadership style on employee performance

With the autocratic style of leadership, focus of power is more with the leader and all interactions within the group also move towards the leader. According to (Mullins, 2002), the leader solely exercises decision making and authority for determining policy procedures for achieving goals, work tasks, relationships and control of rewards or punishments. However this style would be most appropriate in emergency situations and would normally be considered justified by the group that is, where the general climate of the group is supportive and mature hence positive outcomes.

In addition to the above, leaders who use this leadership style rarely allow the employees to participate in the decision making process. It was reported that workers who were under stress also reported harsh supervision and control on the part of their leaders (Hayers, 2000) found that workers who fell under pressure reported autocratic supervision and in advance

also reported low outcomes since chance was denied to give their views on how tasks should be done. The availability of social support both on and off the job is very crucial determinant of organizational stress (Cohen and Wills, 1985). Apparently the presence of social support helps to reduce the outcomes of stress by serving buffer against stressful events that occur at work and in so doing employees will be motivated to work much better than expected democratic leadership style.

The autocratic leadership behaviors focus on the task to be accomplished by followers (Bass, 1990a). Task oriented leaders are those with strong concerns about a group's goals and means of how to achieve them. Bass & Avolio (1995, 1997) describe task orientations to include contingent reward and management by exception. (Bass, 1990a) Management by exception is when the leader allows the subordinates to continue on the paths that the subordinates and the leader agreed on until problems arise or standards are not met, at which time the leader intervenes to make corrections. (Bass, 1990a) The leader takes immediate action to correct problems and highlights mistakes or errors.

Descriptions of autocratic leadership behaviors have included initiating structure, defining group activities, concern with production, goal achieving, goal emphasizing and management (Brown, 2003, Bass, 1990a). A highly task oriented leader will focus on getting the job done. He or she will actively define the work and the roles required, put structures in place, organize and monitor. Production oriented has been likened to autocratic leadership style and bureaucratic leadership style. Autocratic leadership style involves the leader making all the decisions, wielding absolute power, assigning tasks to members of the group and maintaining a master-servant relationship with members of the group. Under this leadership style the employees and team members have little opportunity for making suggestions even if these would be in the team or organization's interest. This leadership style leads to high levels of absenteeism and staff turnover.

Autocratic Leadership Style (ALS) places more emphasis on performance and low emphasis on people. The focus of power is with the leader and all interactions within the group move towards the leader (Mullins, 1999). The leader unilaterally exercises all decision-making authority by determining policies, procedures for achieving goals, work task, relationships, control of reward, and punishment (Mullins, 1999). The basic assumption underlying autocratic leadership style is based on the premise that, people are naturally lazy, irresponsible, and untrustworthy and leaving the functions of planning, organizing, and controlling to subordinate would yield fruitless results and so such functions should be accomplished by the leader without the involvement of people. McGregor (1960) described the autocratic leader as the Theory X manager with the same set of theoretical assumptions as Taylor's scientific management and Schein's (1988) rational-economic model.

Further, Likert's (1961) four management systems, characterized autocratic leadership style system as an exploitative-authoritative system where power and direction come from the top downwards, where threats and punishments are employed, and where communication is poor and team-work is non-existent (Cole, 2004). Tannenbaum and Schmidt (1957) described an autocratic leadership style on a continuum and opined that autocratic leaders make decisions and announce them, without inviting suggestions from subordinates. Warrick (1981) concurs that autocratic leader relies heavily on authority, control, power, manipulation and hard work to get the job done. In the autocratic leadership system, formal centralized structures, procedures, processes and mechanism are clearly defined and are enforced to ensure that subordinates do their jobs efficiently within the rules. Punishments are often applied when mistakes are made and sanctions are in the form of withholding attention or good assignment or making people feel guilty. Motivation under this leadership style is by the means of economic incentives which are extrinsic in nature and based on performance. Development within an autocratic system comes from hard work and rarely does delegation of authority

practiced.

Most theorists have identified autocratic leaders with authoritarian leaders simply because research has proven that there is a strong positive correlation between autocratic leadership style and authoritarianism (Bass, 1990; Choi, 2007; White & Lippitt, 1960). Authoritarian leaders depend on their power as weapon for coercion. Although Autocratic Leadership Style is characterized with high productivity it often results in counter resistance of opposition which restricts output. The increase in productivity happens when the leader is present and the leadership style improves worker performance in relatively simple tasks (Gustainis, 2004). Warrick (1981) opine that ALS breeds hostile attitude, conflicts, distorts and guards communication, high turnover, absenteeism, low productivity, and affects work quality. The style also breeds yes-men who lack creativity and innovation and all they know is the adherence to rules, procedure, red-tape, and status seeking symbols and often afraid of taking responsibility because by doing so they risk committing punishable mistakes that would lead to demotion.

Furthermore in this style of leadership the leader retains most authority to himself and makes decisions with the mind that subordinates will implement it. He is not bothered about attitudes of the subordinates towards a decision; he is rather concentrated about getting the task done. He tells the staff what to do and how to do it asserts himself and serves as an example for the subordinates. This style is viewed as task oriented (Dubrin, 1998) where focus is put on the task to be accomplished so in otherwise output produced by the employees is at a greater level.

2.6 Summary

In conclusion, in both the democratic and transformational leadership styles, leaders allow their subordinates to participate in the decision making process and in a way contribute on how the tasks are to be accomplished and in the making tend to strive high to reach the expected goals and in return a high output is realized by the employees.

Similarly in both the democratic and transformational leadership styles, there's involvement in establishing oneself that is the employee as a role model by gaining trust and confidence in them by their leaders and also developing plans to achieve future goals of the organization.

In the democratic leadership style, leaders focus on an open discussion between the workforces but usually reserve the final say on important matters whereas in transformational leadership style, focus is on how leaders behave in relation to other members of the workforce. The leader is charismatic and has the ability to convince others to join the group while on the other hand, in autocratic leadership style leaders don't entrust their employees in decision making but rather their focus is put on how the task should be accomplished and also the leaders word essentially has a force of law and in a way does not involve the subordinates to say anything meaning their word is final.

Some authors concluded that the democratic style of leadership is the most effective, but pointed out that the effectiveness of group members is dependent on the criteria which was being used to asses leadership. Thus if leadership is assessed in terms of productivity then autocratic leadership style is most efficient but if the role is seen as maintaining good moral and a steady level of work, democratic leadership is effective. Absence of leadership styles brings about lack of direction from the leaders resulting to low morale and lack of interest in the work hence low performance by the employees.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter presents the approaches that helped the researcher when carrying out the study. This section is categorized the following; the research design, area of study, the study population, sample size, sampling techniques, data collection methods, data collection instruments, quality control, measurement of variables, analysis and presentation, ethical issues and study limitation.

This chapter presents the methods and techniques that were used in conducting the study. The methods combined both quantitative and qualitative approaches. The chapter further presented the following sections that is research design, study population and area, sample size and sampling technique, data collection methods, data collection instruments, data collection procedures, data analysis and study limitations.

3.1 Research design

The researcher employed a case study design. This is because the case design helps to give a detailed examination of one setting, or a single subject, a single depository of documents or one particular event (Amin, 2005). The study employed both qualitative and quantitative techniques that helped in the data collection process. The qualitative methods focused on collecting descriptive information especially from those working in the company with experience while the quantitative methods will focus on infernal statistics with the view of developing tables and graphs.

3.2 Area of the study

The area of the study was Stanbic Bank Uganda Limited headquarters at Umoja house plot 20, Nakasero road located in Kampala the capital city of Uganda.

3.3 Study population

This refers to the total collection of individuals the study used to generate a study population. The study population included managers and tellers. The above population was used because these people are the ones mostly affected by the leadership styles and they are knowledgeable about how the different leadership styles are exercised unto them

Table 1: Showing the population sample, sample size and sampling technique

	CATEGORY	POPULATION	SAMPLE	SAMPLING
				TECHNIQUE
1	Managers	11	8	Purposive
				sampling
2	Employees	39	36	Stratified
				sampling
TOTAL		50	44	

Source; (Primary data, 2015)

3.4 Sampling procedure

3.4.1 Sample size

The targeted respondents were made up of 44 employees in Stanbic bank Uganda Limited and out of those 44 employees, 8 being managers and 36 being employees. These were selected using purposive sampling and stratified sampling on the employees. This was a deliberately non-random method of sampling, which aimed to sample a group of people or settings, with a particular characteristic, usually in qualitative research design. It was used so as to attain information from the respondents.

N	S
10	10
15	14
20	19
25	24
30	28
35	32
40	36
45	40
50	44
55	48

3.4.2 Sampling techniques

The sampling technique comprised of both non probability and probability techniques. This is because the population was not homogeneous and therefore techniques such as purposive sampling and stratified sampling were one of the best options to be used in this case since purposive sampling focuses on expert knowledge while stratified sampling deals with groups of people.

3.5 Data collection methods and instruments

The researcher used several data collection tools but mainly questionnaires and interview guides. The questionnaires were distributed through mailing and face to face interviews will as well be used.

3.5.1 Questionnaires

A questionnaire is a reformulated written set of questions to which respondents record their answers, usually within rather closely defined alternatives. Questionnaire was used on the basis that the variables under study cannot be observed for instance the views, opinions, perceptions and feelings of the respondents. The questionnaire was equally used because the information had to be collected from a large sample in a short period of time (Sekaran, 2003). The questionnaire was used in collection of data from respondents (management and staff members).

The questionnaires consisted of both open and close ended questions administered to respondents of Stanbic Bank.

3.5.2 Interview method

The researcher designed appropriate questions relating to the topic of discussion and then presented the questions to Stanbic bank's respondents like employees and managers while noting down the responses in the research book. The collected responses were then analyzed.

3.6 Quality control methods

3.6.1 Data Validity

Validity refers to truthfulness of findings or extent to which the instrument is relevant in measuring what it is supposed to be measured (Amin, 2003). To ensure the content validity of the study instruments used in this study questions were discussed with the help supervisor for scrutiny, clarity and removal of ambiguity. After his comments and discussion with me, the tools were adjusted accordingly.

3.6.2 Data reliability

Reliability is dependability or trustworthiness and in the context of a measuring instrument, it is the degree to which the instrument consistently measures whatever is measuring (Amin, 2003). For qualitative data, reliability of the instruments was ensured through discussing with authorities, colleagues, and participants about the instruments intended to measure and asking them whether the instruments designed would capture the required data.

3.7 Data management and processing

The researcher got permission from management through the human resource manager to conduct a research in their organization. The researcher offered questionnaires to the respondents and went back a few days later after they had been filled fully for review.

Data collected through the questionnaires was edited to identify any errors made. Summarizing responses using a designed coding system came after. Processing of data was done using statistical packages for social scientists (SPSS). Data was processed so as to condense it in a more convenient form for data analysis.

3.8 Data Analysis

3.8.1 Quantitative data

The researcher carried out an analysis using descriptive and inferential statistics using SPSS version 16.0 computer package for social scientists. Spearman correlation coefficients, frequencies and regression analysis were used to determine the degree and predication of performance.

3.8.2 Qualitative data

The researcher used the classifying of categories to analyze the interview guide and presented them in a descriptive form

3.9 Data sources

3.9.1 Primary data

According to Amin (2005), primary data is that kind of data that has been gathered for the first time, it

has never been reported anywhere. Data was collected from the field which was obtained mainly by

administering questionnaires and interviews to the respondents.

3.9.2 Secondary Data

Amin (2003) defines secondary data as that kind of data that is available, already reported by some other scholars. Secondary data included policy documents and abstracts of the various scholars relating to the topic of discussion in question. Secondary data for this study was got from sources like libraries, online information, text books, newspapers, and unpublished research reports. This was because it was readily available and easier to comprehend, as it comprised of extensively researched work.

3.10 Measurement of variables

The researcher used previous researches are for purposes of interviews and helping to develop interview and questionnaires were self-administered and provided for respondents selecting a suitable number on the five point Likert scale ranging from strongly agree as response 1 to strongly disagree as response 5. According to Mugenda (1999) and Amin (2003) the Likert scale is able to measure perception, attitudes, values and behaviors of individuals towards a given phenomenon. This assisted the respondents to rate their perceptions accordingly.

3.11Ethical considerations

The researcher got an introductory letter and has a valid identification card from Faculty of Business Administration Management, Uganda Martyrs University Nkozi. This introduced the researcher to the respondents of Stanbic Bank, Umoja branch.

During data collection, the rights were respected were respected. The researcher was able to first seek for consent of all the respondents for their response.

The researcher ensured confidentiality of the information to protect and enable respondents trust him with the information from sensitive questions. Sensitive information or issues were not to be explored unless the researcher requests the respondents to provide the information and used exclusively for achieving a Degree

All the necessary protocols were observed and all the respondents were thanked for their participation in the study.

3.12 Study limitations

The researcher was faced with time constraints to carry adequate research within required time and a lot of collecting, analyzing, and processing of data was involved. But of the duration of the study, the researcher minimized the weakness by using both qualitative and quantitative techniques.

The researcher had a small sample for the study and it had some errors and was also not representative of the entire population. But aware of the limitation of small sample size which had high level of error this was minimized it by using a multi-method of collecting data to reduce error.

The interviewees were available for a short time because they had to work and some were very busy and unwilling to discuss what was required. Some respondents feared to respond to some questions asked because they felt that the information required could lead to their dismissal from their jobs.

Inability to access some employees in closed offices especially in higher positions of the bank since they were so busy for instance their schedules of attending unending meetings.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND DISCUSSION FINDINGS

4.0 Introduction

This chapter focused on analyzing, and interpreting data collected from the field. This was done qualitatively and quantitatively. This research has objectives and the interpretation and analysis of the data collected was done basing on these objectives which included: to investigate the leadership styles in Stanbic bank, to find out the impact of leadership styles on employee performance in Stanbic bank and to make recommendations on approaches of leadership styles to improve employee performance in Stanbic Bank.

4.1 Response rate

Out of the 50 questionnaires sent out to the field, 44 usable questionnaires were returned and 6 were not returned. 50 questionnaires were given out, 44(88%) were filled and returned and the remainder 6(12%) were not returned.

4.2 Back ground information

Respondents were required to state their age, gender, education and duration. The following were the results;

4.2.1 Age

The study captured different age brackets of the respondents in order to establish the most prevalent group, the respondents were asked to state their age. The distribution was as in the table below;

Table 2: *showing the age of respondents*

Age group	Frequency	Cumulative	Percent %	Cumulative
		Frequency		percentage
20-30	8	18.2	18.2	18.2
30-40	20	45.5	45.5	63.6
40-50	12	27.3	27.3	90.9
50 years and above	4	9.1	9.1	100.0
Total	44	100.0	100.0	

Source; Primary data (2015)

Table above showed that 18.2% of the respondents were in the 20-30 age bracket, while 45.5% of employees were in the 30-40 age range and they were the majority followed by 27.3% who were in the 40-50 age range and were next to the majority and lastly 9.1%) were in the age range of employees over 50 years. Given the fact that the majority of the respondents were between the age of 30-40, then the information they gave was consistent and can be relied on.

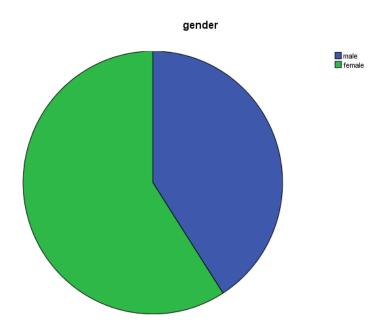
4.2.2 Gender

The frequency tabulation was used to present the gender distribution. This is as showed in table 4.2 below;

Table 3: showing the gender of the employees

Gender	Frequency	Cumulative	Percent	Cumulative
		frequency	%	percentage
Male	18	40.0	40.9	40/9
Female	26	59.1	59.1	100.0
Total	44	100	100	

Source; Primary data (2015)



The above table showed the gender of the respondents. From the table, female respondents were 59.1% and male respondents were 40.9%. This implies that there were more female respondents than male. This was because most of the employees who answered the questionnaires were customer care consultants and tellers which positions are mostly occupied by females in Stanbic bank.

4.2.3 Education attainments

The study also captured data on the level of the education attainment of the respondents in the table below;

Table 4: showing the education attainments of the respondents

Education attainment	Frequency	Cumulative	Percent	Cumulative
		frequency	%	percentage
Certificate	3	6.8	6.8	6.8
Diploma	6	13.6	13.6	20.5
Degree	25	56.8	56.8	77.2
Masters degree	10	22.7	22.7	100.0
Total	44	100	100.0	

Source; Primary data (2015)

Table above showed that 22.7% of the employees who filled and returned the questionnaires were Masters Holders, 2556.8% were Degree holders, 13.6% Diploma holders, and 6.8% were certificate holders. From the above table it is indicated that most of the employees were Degree holders and this reveals that most of the employees lacked some competent skills that required training and this must have contributed to failure to perform at expected levels.

4.2,4 Period worked by the respondents

Table 5: showing the period spent in Stanbic Bank

Period spent	Frequency	Cumulative	Percent %	Cumulative
		percentage		percentage
1-3 years	18	40.9	40.9	40.9
3-5 years	6	13.6	13.6	54.5
5-7 years	8	18.2	18.2	72.7
7 years and above	12	27.3	27.3	100
Total	44	100.0	100.0	

Source; Primary data (2015)

The above table indicated the period the respondents have spent in Stanbic bank and it shows that , 40.9% respondents had spent a period of 1-3 years, 13.6% respondents have spent 3-5 years in the bank, 18.2% respondents had spent between 5-7 years and lastly 27.3% respondents had spent over 7 years and above in the bank. This implies that the majority of the employees who responded to the questionnaires were 40.9% followed by 27.3% respondents who had spent over 7 years and above in the bank.

4.3 Leadership styles

In order to determine the attitudes the respondents had towards leadership styles a set of questions were asked and the items were anchored on a five (5) point Likert scale ranging from strongly disagree, disagree, not sure, agree and strongly agree. The findings are as shown below;

4.3.1 Democratic leadership style

Table 6: showing the responses of democratic leadership style

	Statements	Mean	Std
			deviation
1	My leader is flexible and ready to rethink his/her point of view	2.55	1.266
2	My leader creates an atmosphere free from conflict	3.48	1.267
3	My leader creates trust in other people	3.39	1.368
4	My leader consults his subordinates during the decision making process	2.59	1.335
5	My leader stands up for his subordinates and relies on them	3.59	1.386
6	My leader delegates authority and responsibilities to his subordinates	3.52	1.248
7	My leader shows regard for his subordinates as individuals	2.59	1.300

Source: Primary data (2015)

The results in the table above on the respondents' views on leadership styles, revealed their leader is flexible and ready to rethink his or her point of view (mean=2.55 and standard deviation=1.266) which implied that respondents disagreed with a narrow variation of responses.

The respondents were required to reveal whether their leader creates an atmosphere free from the conflict (mean=3.48 and standard deviation=1.268) implied that respondents were in

agreement with a wide variation of responses.

The respondents were required to reveal that their leader creates trust in other people (Mean=3.39 and Standard deviation=1.368) implied that the respondents were in agreement with a wide variation of responses.

The respondents were required to reveal that their leader consults his/her subordinates during the decision making process (Mean=2.59 and Standard deviation=1.335) implied that respondents were in disagreement with a low variation of responses.

The respondents were required to reveal that their leader stands up for his/her subordinates and relies on them (mean=3.59 and standard deviation=1.386) implied that the respondents were in agreement with a wide variation of responses.

The respondents were required to reveal that their leader delegates authority and responsibility to his/her responsibilities (mean=3.52 and standard deviation=1.248) implied that the respondents were in agreement with a wide variation of responses.

The respondents were required to reveal that their leader shows regard for his/her subordinates as individuals (mea=2.59 and standard deviation=1.300) implied that the respondents were in disagreement with a low variation of responses.

4.3.2 Autocratic leadership style

Table 7: showing the autocratic leadership style

	Statements	Mean	Std deviation
1	My leader makes a point of following rules and principles	3.70	1.231
2	My leader defines and explains work requirements for subordinates clearly	4.16	.963
3	My leader checks on things carefully in supervising work	2.66	1.328
4	My leader is very exacting about plans being followed	2.93	1.336
5	My leader makes it very clear who is responsible for what	2.74	1.255
6	My leader gives clear instructions and plans carefully	3.68	1.253

Source; Primary data (January, 2015)

The table above on the respondents' views showed that the leader makes a point of following rules and principles (mean=3.70 and standard deviation=1.231) which implied that the respondents were in strong agreement with a high variation of responses.

The respondents were required to reveal whether the leader defines and explains work requirements for subordinates clearly (mean=4.16 and standard deviation=.963) which meant that the respondents strongly agreed with a high variation of responses.

The responses on the view that leader checks on things carefully in supervising work (mean=2.66 and standard deviation=1.328) showed that there was a disagreement with a low variation of responses.

The respondents were required to reveal whether their leader is very exacting about plans being followed (mean=2.93 and standard deviation=1.336) which implied that they were in disagreement with the statement with a low variation of responses.

The respondents were required to show whether their leader makes it very clear who is responsible for what (mean=2.74 and standard deviation=1.256) which implied that they strongly disagreed with a low variation of responses.

The respondents were needed to show whether leader gives clear instructions and plans carefully (mean=3.08 and standard deviation =1.253) which implied that the respondents were in agreement with the statement with a high variation responses.

4.3.3 Transformational leadership style

Table 8: showing the transformational leadership style

	Statements	Mean	Std. deviation
1	My leader transforms the values, needs and aspirations	2.80	1.250
	of subordinates		
2	My leader urges the followers to create new ideas and	2.70	1.268
	creative solutions for their problems		
3	My leader motivates the subordinates to exceed their	2.75	1.314
	expectations		
4	My leader and the follower motivate each other to	3.50	1.248
	higher levels of performance		

Source; Primary data (2015)

The results in the table above on respondents' views revealed that their transforms the values, needs and aspiration of subordinates (mean=2.80 and standard deviation=1.250) which implied that the respondents were in disagreement which showed a low variation of responses.

The respondents were required to reveal whether their leader urges the followers to create new ideas and creative solutions for their ideas (mean=2.70 and standard deviation=1.268) which implied that they strongly disagreed with a low variation of responses.

The respondents were required to show whether the leader motivates the subordinates to exceed their expectations (mean=2.75 and standard deviation=1.314) which showed that the respondents were in disagreement with the statement and implied that the respondents disagreed with a low variation of responses.

The respondents revealed that the leader and the follower motivate each other to higher levels of performance (mean=3.50 and standard deviation=1.248) which implied that the respondents strongly agreed with a high variation of responses.

4.4 Study objectives

The respondents were asked to respond to a number of statements regarding the leadership styles in Stanbic Bank, the impact of leadership styles on employee performance in Stanbic Bank and the approaches of leadership styles to improve employee performance in Stanbic Bank.

4.4.1 Objective1; To find out the leadership styles employed in Stanbic bank.

Objective 1 above aimed at investigating the leadership styles that exist in Stanbic bank and its research question was: What leadership styles exist in Stanbic bank? The above research question was answered by all the respondents who answered the questionnaires as showed below.

Table 9: Responses of the leadership styles employed in Stanbic bank

Response	Number of respondents	Percentage (%)
Autocratic leadership style	21	47.7
Democratic leadership style	15	34.1
Transformational leadership	8	18.2
Total	44	100.0

Source: Primary data, (2015)

The findings in table above showed that the majority 21 (47.7%) of the employees indicated that there exists the autocratic leadership style in Stanbic bank while 15 (34.1) employees indicated that there exists the democratic leadership style and lastly 8(18.2) employees who showed that there also exists the transformational leadership style.

4.4.2 Objective 2: To find out the impact of leadership styles on employee performance in Stanbic bank.

The above objective intended to stress out the impact of leadership styles on employee performance in Stanbic bank. The research question pertaining to the objective was: What is the impact of leadership styles on employee performance in Stanbic Bank? Several responses were put across by different respondents to the posed question of how the existing leadership style had affected employees and it was greatly showed that the majority employees had been greatly affected by the autocratic leadership style which impacted on them both negatively and positively then followed by the democratic leadership style and lastly it was noted that a few employees were affected by the transformational leadership style and some employees suggested that it should be put in place to improve on the employees performance.

Table 10: Employees' responses on the leadership styles that have ever affected them

Response	Frequency (f)	Percentage (%)
Autocratic leadership style	22	47.7
Democratic leadership	17	38.6
style3		
Transformational		12.6
leadership style	6	13.6
leadership style		
Total		
	44	100

Source: Primary data, (2015)

The above table shows that 26(59.1%) of the employees were affected by the autocratic leadership style, 18(40.9%) of the employees were affected by the democratic leadership style and no employee declared that they were affected by the transformational leadership style.

The impact of the autocratic type of leadership was also vital in the research that was carried out and is presented below;

The majority of the employees who suggested that they were affected by the autocratic leadership style stated that the impact was both negative and positive and it was as follows; On the positive side it was stated that this style fosters quick decision making process since there is no time for consulting subordinates, there are less bureaucratic tendencies that is few procedures and paper work tends to be reduced, work also tends to be done on time since work requirements and procedures tend to be laid down that are to be followed by the

employees. In addition to that employees also tend to be self driven since the set objectives tend to be met as laid by the leaders, reduced embezzlement of funds was also highlighted in a way that as the leaders keep on checking on things carefully and supervising of work, the employees always do what they are supposed to do in the proper way possible and the last aspect that was highlighted was the leadership style according respect to managers from the subordinates.

However on the other hand various negative issues were stressed out that were as a result of the impact of the autocratic leadership style and they are presented as below. The majority of the employees stressed out that the style denies the people chance to air out their views and opinions and in the same sense it demotivates them in the long run as they do their work since no idea or opinion is submitted but rather leaders just set what is to be followed by the subordinates. This is in line with Hayers, 2000 who found out that employees who fell under pressure reported autocratic supervision and in advance also reported low outcomes since chance to give their views on how tasks should be done is denied. In addition to that the leadership style was seen as a drive to making work so tensional since every time the leader has to supervise and check whether what is done by the employees is right and also done in the rightful way. One of the respondents also stressed out the fact that it also fosters wrong decision making since leaders don't give employees chance to say out their views and feelings then the leaders tend to set out plans which end up negatively affecting the employees. Another respondent also suggested that this type of behavior encourages dictatorship where by the employees are oppressed and exploited at the expense of the power and the authority that their leaders posses, under here they set plans and procedures on how work should be done and in the end not favoring the position of their employees. The issue of discouraging innovation was also showed when answering the questionnaires whereby since it's the leader to plan on what to do, the employee is denied room for bringing in new ideas or

being creative. Furthermore it was stated that the leadership style is coercive in a way that there is use of force since the leaders or managers just command the employees on what to do and it is done exactly the way it is needed. Being time consuming was also another issue that was raised in a way that as leaders or managers supervises and check the work, a lot of time tends to be wasted since everything is supervised thoroughly.

The challenges that were encountered in using the above leadership style are presented as below;

Failure to come up with the rules that suit all employees was seen as a challenge since the decision arrived at can't suit everyone in the bank and also difficulty in co-coordinating staff was realized ass one used the above style since some employees tend to resist as their leaders stress what they want to be done. In addition to this, the performance of employees tends to be compromised since the employees don't perform to the best of their knowledge but rather just follow what has been laid down by their leaders and it also reduces on the efficiency on the work done because work is done without self interest and are not self driven. Implementation of ideas was also stated as one of the challenges since there existed limited co-operation and support from the employees. Lastly the issue of increased turnover was also depicted as a challenge by one of the respondents whereby as there is a point of following rules and principles set, the employees tend to get fed up of that way of doing things and hence retiring from the job.

The impact of the democratic type of leadership was also vital in the research that was carried out and is presented below;

The major positive effect that was cited out by various respondents was involving all categories of employees in the decision making process and putting all their ideas into consideration and also empowerment of group members where authority is given to them to

do their work. This style was also seen as a motivational tool to people's performance since employees tend to be given room to bring up new and creative ideas as they carry out their duties, this was cited by Goleman et al, 2002 who said that a democratic leader keeps staff morale high and therefore positive climate prevails in the organization. In addition to that, employees are perceived as important assets to the organization and in the making enables employees have a sense of belonging which in return drives them to work harder towards their meeting their targets which makes it hard for employees to leave the organization.

Despite the positive impacts of the democratic leadership style, it was also stated that it has some negative impacts and the majority said that it is time wasting since all the employees' decisions tend to be taken into consideration and the other thing was work is at times not done in a proper way since there is less supervision and authority tends to be put in the hands of the employees. The idea of conflict of interest was also raised whereby it tends to be so difficult to come up with a specified decision since all employees wish to pick on their options leaving other employees' decisions not favored.

The impact of leadership styles on employee performance.

The transformational leadership style also impacted on the employees in a positive way and it was suggested that this style helps the leader motivating the subordinates to exceed their expectations and in this they work harder to go beyond the set targets and also it tries to transform the aspirations of the subordinates. This is also in line with Krishman, 2005 who stated that the major premise of this style of leadership is the leader's ability to motivate the followers to accomplish more than what the followers plan to accomplish and also helps transform the values and needs of the employees.

4.4.3: Objective 3: To find out approaches to leadership styles that can improve employee performance in Stanbic bank

The above objective proposed to make recommendations on approaches to leadership styles to improve employee performance in Stanbic bank. Its research question was; what recommendations on approaches of leadership styles can improve employee performance in Stanbic bank? A number of responses were received from different respondents to provide answers to this question. This was illustrated as below:

Table 11 Responses on approaches to leadership that can improve employee performance

Response	Frequency (f)	Percentage (%)
Democratic leadership	19	43.2
style		
Autocratic leadership style3	15	34.1
Transformational		
leadership style	10	22.7
Total	44	100.0

Source: Primary data, (2015)

Basing on the above information, one may conclude that the democratic leadership style was chosen by the majority of the employees that is 19(43.2%) employees as a recommended style to improve employee performance in Stanbic bank followed by the autocratic leadership style which was chosen by 15(34%) employees and 10(22.7%) employees who showed that the transformational leadership style would improve employee performance in Stanbic bank.

Therefore, to make employees perform at higher levels, the autocratic leadership style should be implemented in Stanbic bank to improve employee performance. In turn this can lead to increased productivity and job satisfaction as well as increased love for the job. This is in line with Lussier and Achua 2001 who stated that a leader who employs the democratic leadership style consults the subordinates for ideas and takes their ideas seriously when making decisions enables the employees produce good yields

In addition to the above, the recommendations that were given by different respondents to improve employee performance include the following;

Firstly, most respondents suggested that increasing team building sessions, ensuring good working conditions and giving the necessary training would motivate employees to work harder to exceed their expectations. Some other respondents suggested that there should be an increase in the benefits offered to the employees for example financial benefits, insurance benefits among others and in the making this will force them to do their work effectively and efficiently and also engaging employees at all levels in the decision making should be done in order to increase on their output. Conducting performance appraisal was further suggested whereby it should be done often to ensure that employees get to know their stand when it comes to performance and so the weak employees try to put in more effort to reach the expected target. Furthermore, rotation of employees to different branches was also recommended by some respondents in order to reduce on their boredom and also learn differently how things are done thus improving employee performance.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

In this chapter, the research objectives and questions aimed at investigating the effect of leadership styles on employee performance in Stanbic bank. Major revelations of the study are summarized, conclusions are drawn and recommendations are suggested.

5.1 Summary of findings

It was proved that the dimensions under the independent variable (leadership styles) had a direct relationship with the dependent variable (employee performance). The dimensions included democratic leadership style, transformational leadership style and autocratic leadership style. This was in line with what some of the previous writers had stressed in literature review regarding employee performance. Democratic leadership style focused on the quality of the relationship between the managers and the employees, autocratic leadership style focused on the tasks to be accomplished by the employees whereas the transformational leadership style focused on transforming the values, needs and aspirations of subordinates where as the autocratic leadership style aimed at making work done.

5.2 Conclusions

There was little significant relationship between transformational leadership style and employee performance. The findings on the relationship between autocratic leadership style and employee performance showed that some aspects were statistically significant and the results showed that the autocratic leadership style that involves setting clear goals and making it clear who is responsible for what had significant positive relationship with meeting

organizational goals. This implies that behaviors that involve setting clear goals and where the manager decides clearly who is responsible for what makes it hard for employees to divert from what they are supposed to do but rather always do the right thing at the right time..for employees to leave the organization.

The results further showed that democratic leadership styles where managers analyze and think things through before deciding had a significant positive relationship with employee performance, implying that such a leadership style enhances employee loyalty to the organization. However, to some extent leadership styles that involve setting clear goals had a negative significant relationship on employee performance. This implied that setting clear goals by the managers without involving the subordinates reduces the employee loyalty towards the organization.

5.3 Recommendations

According to some of the views that were given by some employees, it was revealed that the democratic leadership behaviors are all related with employee performance. There is anecdotal evidence that some aspects of this style affect employee performance for instance, it was revealed that it enhances employee loyalty to the bank and makes it hard for employees to leave the organization. This study therefore recommends that autocratic organizations require extra role behavior from managers or supervisors of employees. This is because employee commitment and performance are the primary factors affecting willingness to make an extra effort to the organization.

The management of Stanbic bank should provide a varying number of motivators at work and off the work. For instance, standard accommodation, insurance of employees' lives, non-monetary rewards like recognition, performance appraisal, reducing the work load as well as

maintaining a close and positive relationship between management and the employees. This will help to motivate them as they try to do their obligations.

Management should find ways of reasonably raising the salaries of employees in Stanbic bank. If direct increment in salaries of employees is not made, allowances should be provided to employees for instance overtime allowances, enough transport allowances for those who do not sleep in close proximity with the bank and other kinds of allowances. This implies that management should do something to make sure that that issue is looked at and handled wisely. However, it should not be done at the expense of the daily operations of the bank in terms of working capital.

The management should also design a proper promotion policy to apply it on employees in the bank. Employees that try their level best to perform to their maximum should be fairly promoted at their jobs. Promotion in this case may not only imply change of position but also change in the level of payment. This will help to boost the employees' morale for work which will eventually result into improved performance of employees and the whole organization at large.

A free work environment should be provided where employees are freely allowed to express their views to the management, present their problems and needs as well as their concerns. A suggestion box would be ideal for such a practice where employees can write their views and all their concerns and drop them into the box. The views should however be given attention to by the management to make employees feel important and cared for. This will foster right decision making by the management and eventually motivate employees to perform at high levels.

Finally, management should perfect the work environment under which employees perform their work. In a way management should provide reasonable leaves to the employees in accordance to the duties performed. This is because they handle customers which imply that when they are miss-handled they can also end up miss-handling the customers which might cause loss of customers to the bank. So lenience should be exercised to create favorable conditions at work and this will also help to reduce the problem of poor performance in Stanbic bank.

5.4 Suggestions for further research

Basing on the findings of this study, and the recommendations given, the researcher urges future researchers to focus on the following areas related to the study that has been carried out:.

Further research is needed to examine and identify other control variables that may elicit possible connections between leadership styles and employee performance in Stanbic Bank. Nevertheless research should be conducted to develop an instrument that represents a more appropriate measure of democratic leadership style, transformational leadership style and autocratic leadership style.

I also encourage future researchers to look at the effect of various leadership styles on performance of employees in Stanbic bank This is because in the responses of the employees, some of them sugg ested other aspects of leadership styles since the scope of the study was not big enough to look at all of them.

The study concludes that even though there was no statistically significant predictive relationship observed between the three leadership styles and employee performance, the unique contribution of democratic leadership style accounts for more variance in employee performance than autocratic and transformational leadership style cannot be over looked since the leadership style turn to foster co-operation, motivation, and team spirit among work groups. The researches therefore, recommend that firms especially those in the service

industry which want to be more competitive should consider adopting a more democratic leadership style since it is associated with high financial performance and sustainability than autocratic and democratic leadership style.

BIBLIOGRAPHY

ADAMS, G.L., AMMETER, A.P., TREADWAY, D.C., FERRIS, G.R., HOCHWARTER, W.A. and KOLODINSKY, R.W. (2002), "Perceptions of organizational politics: additional thoughts, reactions, and Multi-level issues", Research in Multi-Level Issues, Vol. 1, pp. 287-94.

ALLEN, R.W., MADISON, D.L., PORTER, L.W., Renwick, P.A. and Mayes, B.T. (1979), "Organizational politics tactics and characteristics of its actors", California Management Review, Vol. 22, pp. 77-83.

ALLEN & MEYER, 1990. Measurement of organizational commitment: Theory, Research and application..Thousand Oaks, CA: Sage.

ALLEN, N.J & MEYER J.P. (1993) Organizational commitment: Evidence of career stage effect? Journal CRF Business Research, 26, 49-61

AMIN, M, (2005). Social Science Research, Conception, methodology & Analysis:; Makerere University, Kampala

AVOLIO, B.J. & BASS, B.M. (1991), The Full-Range of Leadership Development, Center for

Leadership Studies, Binghamton, NY.

AZKA ET AL, 2011. Management global perspectives on employee performance (10th ed) New York: McGrew-Hill

BASS, B.M., 1985., Leadership and Performance beyond Expectations, Free Press, New York, NY.

BASS, B.M. and AVOLIO, B.J. (1993), "Transformational leadership theory: a response to critiques", in CHEMMERS, M.M. and AMMONS, R. Ed), Leadership and Research: Perspectives and Direction, California Academic Press, Los Angeles, CA, pp. 49-80.

BASS, B.M and BASS, R (2009), The Bass handbook of leadership, theory research and managerial applications, Simon and Schuster.

BASS, B. (1990a). BASS and STOGDILLS Handbook of leadership (3 ed.). New York: The Free Press.

BASS, B.M.(1985), Leadership and performance beyond expectations. Free Press.

BATEMAN, T.S. and ORGAN, D.W. (1983), "Job satisfaction and the good soldier: the relationship between affect and employee citizenship", Academy of Management Journal, Vol. 26, pp. 587-95.

BENNIS & NANNUS, 1985. Relationship between employee performance and leadership in the work place. Administration in social work.

BLAKE, J.J. and MOUTON, J.S. (1964), The Managerial Grid, Gulf Publications, Houston, TX.

BLAU, P.M. (1964), Power and Exchange in Social Life, Wiley, New York, NY.

BLOCK, P. (1988), The Empowered Manager: Positive Political Skill at Work, Jossey-Bass, San Francisco, CA.

BOORSTIN, 2004. The impact of leadership styles on organizational growth Work study, 50(4): 150-154.

BURNS, J.M. (1978), Leadership, Harper & Row, New York, NY.

BROWN, F. and DODD, N. (1999). Rally the troops of make the trains run on time: The relative importance and interaction of contingent reward and transformational leadership.

BYCIO, P., HACKETT, R., and ALLEN J. (1990). Further assessment of BASS's (1985) conceptualization of transactional and transformational leadership. Journal of Applied Psychology, 80, 468-478.

BASS, B. & AVOLIO, BJ. (1990). Transformational Leadership Development: Manual for the Multifactor Leadership Questionnaire. California: Consulting.

CHOI, 2007. Supervisory methods and group performance norms. Administrative Science Quarterly, 7, 275-294

CONGER, 1999. Leadership practices on Job-Related Psychological sense of environment in organizations. E-Journal of Sociology, Volume 3 Number 2

COHEN, A. (1996). On the discriminant validity of the Meyer and Allen measure of organizational commitment: How does it fit with the work commitment construct? Educational and psychological measurement, 56, 494-503

CHOI, 2007. Leader behavior and subordinate motivation. Journal of applied psychology, 83 (4) 442-462

CONLEY, S., BACHARCH & BAUER, S., 1989. The school work environment and teacher career dissatisfaction. Educational administration quarterly, 25 (1), 58-81

DE VEILIS, R.F. (1991). Scale development. Theory and Applications California. Sage publications Inc.

FARAGHER F., CASS M, and COPPER C., (2005). The relationship between job satisfaction and health; a meta-analysis, Occup environ med, 62, 105-112

GOLEMAN ET AL, 2002. Democratic leadership and its Effect on Subordinates' Behavioral Competencies: An Empirical Investigation. Presented at 2nd AHRD Conference on Human Resource Development in Asia, Thailand, November 29, December 4.

GRIFFIN R.W.(2002). Management (7 ed.) New York: Houghton Miffin Company. Leadership style www.ccsenet.org/ijms International Journal of Marketing Studies Vol. 6, No. 1; 2014 179.

HAYERS N., 2000. Leadership practices in relation to productivity and morale. Elmsford, NY: Paterson.

HAYWARD B.A (2005). Relationship between employee performance, leadership and emotional intelligence in a South African parastatal. A Thesis submitted in fulfillment of the requirement for the degree of master of commerce, Rhodes University.

HOPPOCK, R. (1935) Job Satisfaction. New York; Harper and Brothers.

HOSKING, 1988. Management global perspectives (10th ed) New York

JAMAL, M. (1997), Job Stress, satisfaction and mental health; An empirical examination of self employed and non-self Canadians. Journal of Small Business Management 35(4)

JAMES P. KEY, 1997. Research Design in Occupational Education Oklahomi State University. IRB, Thesis Handbook

JEREMY ET AL, 2011. Foci and bases of employee of employee commitment: Implications of job performance. Academy of management journal, 39, 464-482

KLIMOSKI, R. & HAYES, N. (1980). Leader behavior and subordinate motivation. Personnel Psychology, 33, 541-555.

KRISHNAN, 2005. Further assessments of a four- component model of the transformational leadership style 20(6), 291-299

LEEDY, P.D. 1980. Practical Research Planning and Design, 5th edition Macmillan,m, New York.

LIKERT R.(1995) Developing patterns of Management. American Management Association Chicago, IL, General management Series, No.178.

LOCKE, E.A. (1969). What is job satisfaction, organization Behavior and Human performance, 4, 309-336

LOCKE, E.A.(1976). The nature and cause of job satisfaction in M.D. DUNNETTE, Hand book of Industrial and organizational Psychology, Chicago; Rand McVally, college publishing company: pp1297-1349

LUSSIER & ACHUA, 2001. Correlates of leadership and demographic in three organizational settings, Journal of Business Research, 2, 335-347.

MACKENZIE ET AL, 2001 & PARRY, 2003. "Discriminating among organizational performance, justice, and support", Journal of Organizational Behavior, Vol. 22, pp. 347-66.

MEYER, J. P., & ALLEN, N.J. (1997) Commitment in the workplace: Theory, research and application. Thousand Oaks, CA: Sage.

MESICK & KRAMER, 2004. Leader behavior and subordinate motivation. Personnel psychology, 33, 541-555

MULLINS, 1999.Suervisory management. Cincinnati, OH; Thomson Learning. Journal of Allied psychology, 82(3), 444-452

NGAMBI ET AL, 2010. Patterns of leadership behavior related to employee grievances and turnover, Personnel psychology.15, 43-56.

NGAMBI ET AL, 2011. Leadership Theories and Studies Forum. Thomas corporation.

OMOLAYO, B. O. 2004. Influence of job variables on workers' commitment and satisfaction in four selected Nigerian manufacturing industries. Unpublished Thesis University of d-Ekloi..

OMOLAYO, B, 2007. Effect of leadership style on Job-Related Tension and Psychological sense of community in work organization: A case study of four organizations in Lagos State, Nigeria Bangladesh, e-journal of sociology. Volume 4, Number 2

PARKER, O & LIZ WRIGHT, 2001.. The missing link: Pay and commitment, Ivey Business Journal.

PERRY & JORDAN, 2005. A review and meta-analysis of the antecedents, correlates, and consequences of organizational commitment. Psychological Bulletin, 108, 171-194

SCHWARTZ, 1998. Employee organizational linkages: In P. WARR (ED) Organizational and occupational psychology, (pp. 219-229). Academic Press Inc.

TAFFINDER, 2006. "Toward a political theory of leadership", Leadership Quarterly, Vol. 13, pp. 751-96.

WANG ET AL, 2005, "The ethics of organizational politics", Academy of Management Review, Vol. 6, pp. 363-74.

WARRICK D.D.(1981). Leadership styles and their consequences. University of Colorado, Journal of Experiential Learning and Simulation 3-4: 155-172.

YAMMARINO F, SPANGLER, W, & BASS, B. (1993). Transformational leadership and performance: A longitudinal investigation. Leadership Quarterly, 4, 81-102.

APPENDICES

QUESTIONNAIRE

SECTION A

Dear respondent,

My name is Nakato Milly a student at Uganda Martyrs University, Nkozi offering the course of Business Administration and Management. You that have been selected to participate in the data collection of the study, I kindly request for your precious time, support and cooperation in answering the questionnaire provided below to the best of your knowledge.. The study that led to formulation of this questionnaire is "an academic study" and the topic is, (Leadership styles on employee performance) that will enable the researcher acquire the degree of Business Administration and Management. The information or data obtained from you will therefore be only used for academic purposes and for that matter kept confidential.

Background information

Please tick the right option in spaces provided

1) What is your gender?	
1) Male	2) female
2. What is your age group?	
1) 20-30 years	2) 30-40 years
3) 40-50 years	4) 50 years and above

3. What is your highest educational attainment?					
1) Certificate 3) Degree				
2) Diploma 4) Master	s degre	ee _		
4. What is your position held in the bank?					
5. Which department are you? 6. For how long have you been working for Stanbic by 1 1 year to 3 years	ank?	to 5 ye	ears [
3. 5 years to 7 years) 7 years	and at	oove [
SECTION B					
The aim of this tool is to improve the understanding of leadership styles as the independent variable (IV) and employee performance as the dependent variable (DV) and not to examine or penalize the organization. Please grade in the space provided 1 to 5 with 5 being the highest and 1 the lowest. 1=Strongly Disagree 2=Disagree 3=Not Sure 4=Agree 5=Strongly Agree					
Democratic leadership style	SD	DA	NS	A	SA
7)My leader is flexible and ready to rethink his /her poir	t				

of view			
8) My leader creates an atmosphere free from conflict.			
9) My leader creates trust in other people.			
10) My leader consults his subordinates during the			
decision making process.			
11) My leader stands up for his subordinates and relies			
on them.			
12) My leader delegates authority and responsibility to			
his subordinates.			
13) My leader shows regard for his subordinates as			
individuals.			

Autocratic leadership style	SD	DA	NS	A	SA
14) My leader makes a point of following rules and					
principles.					
15) My leader defines and explains work requirements for					
subordinates clearly.					
16) My leader checks on things carefully in supervising					
work.					
17) My leader is very exacting about plans being					
followed.					
18) My leader makes it very clear who is responsible for					
what.					
19) My leader gives clear instructions and plans carefully.					

Transformational leadership style	SD	DA	NS	A	SA
20) My leader transforms the values, needs and					
aspirations of subordinates.					
21) My leader urges the followers to create new ideas and					
creative solutions for their problems.					
22) My leader motivates the subordinates to exceed their					
expectations.					
23) My leader and the follower motivate each other to					
higher levels of performance.					
25. Which leadership styles have ever affected you?					
		······	_	• • • • • • • •	
26. From the following leadership styles, select the style that	has af	fected	l you.		
26. From the following leadership styles, select the style that a) Democratic leadership style	has af	fected	l you.		
	has af	fected	l you.		
a) Democratic leadership style	has af	fected	l you.		
a) Democratic leadership styleb) Autocratic leadership style	has af	fected	l you.		
a) Democratic leadership styleb) Autocratic leadership stylec) Transformational leadership style	has af	fected	l you.		

28.	What are the advantages of using such a leadership style above?
i)	
ii)	
iii)	
iv)	
29. V	What are the loopholes or weaknesses of using such a leadership style?
i)	
ii)	
iii)	
30. V	What challenges were encountered in using the above leadership style?
i)	
ii)	
iii)	
31. V	What leadership styles do you think can improve employee performance in Stanbio
banl	5?
32.	What are some of the achievements of Stanbic bank that have been due to the
lead	ership styles?
i)	
ii)	

iv)
33. What challenges do managers face as they try to implement some of the leadership
styles?
I)
Ii)
ii)
iv)
34. What advice can you give for improving employee performance in Stanbic bank?
i)
ii)
iii)
iv)

THANK YOU