

ABSTRACT

This research work focused on studying the effect of leadership styles on performance of pharmaceutical companies in Kwara State. The objectives of this study were to determine investigate the impact of transactional leadership on the performance of pharmaceutical companies in Kwara State and also to determine the impact of transformational leadership on the performance of pharmaceutical companies in Kwara State. The study employed survey research. Primary data was used for the study with questionnaires as research instrument. The subjects of this study were one hundred and thirty three employees of selected pharmaceutical companies in Kwara State. The two hypotheses formulated for the study were tested using regression analysis and analysis of variance (ANOVA) with the aid of Statistical package for social sciences (SPSS). The findings of the study revealed that the effect of independent variables (transactional leadership style and transformational leadership styles) jointly and independently predicted organizational performance. The research also indicated that there was a significant relationship between transactional leadership style and organizational performance. There was also a significant relationship between transformational leadership style and organizational performance. Based on the findings of this study it was recommended that the management of pharmaceutical companies needed to foster Transactional and transformational Leadership styles as they has their own impact on enhancing organizational performance.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Leadership is a critical management skill, involving the ability to encourage a group of people towards common goal. Leadership focuses on the development of followers and their needs. Managers exercising various leadership styles focus on the development of value system of employees, their motivational level and moralities with the development of their skills (Ismail, Halim, Munna, Abdullah, Shminan, & Muda, 2009). Leaders basically help followers achieve their goals as they work in the organizational setting; this encourages followers to be expressive and adaptive to new and improved practices and changes in the environment (Azka, Tahir, Aslam, & Syed, 2011).

The concept and definition of leadership and style may differ from one person, or situation, to the other. The word leadership has been used in various aspects of human endeavour such as, businesses, academics, social works, and politics. Previous views about leadership show it as personal ability. Messick & Kramer (2004) argued that the degree to which the individual exhibits leadership traits depends not only on his characteristics and personal abilities, but also on the characteristics of the situation and environment in which he finds himself. Since human beings could become members of an 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 predetermined objectives. Therefore, an individual will support an organization if he believes that through it his personal objectives and goals could be met; if not, the person's interest will decline. 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. Thus, Glantz (2002) emphasizes the need for a manager to find his leadership style.

Leadership style is an issue of concern that organizations should pay attention to; the leadership style prevalent in any organization will influence the performance of that organization. Leadership style plays a major role in determining the organizational performance. Thus, effective leadership

is a key success factor in employees and organization's success or failure. It could be perceived as a process of working through individual to achieve organizational goals and objectives.

Leadership style can be described as the method or the style that a leader adopts in the management of human and material resources in the organizations. Findings have shown that there are various leadership styles that can be adopted in the administration of organisations; (Khan, Khan, Qureshi, Ismail, Rauf, Latif, and Tahir 2015; Segun-Adeniran, 2015; Sharma & Jain 2013; Onuoha, 2013). Some of these styles are autocratic, democratic and laissez-fair. Other researchers also classified leadership styles as transactional, transformational and situational.

1.2 Statement of the Research Problem

A large number of organizations spend considerable huge amount on solving managerial problems. Besides, research on management's leadership style and employee performance are limited and personnel do not know enough about management's leadership style and the organizational productivity. Several organizations today have the problem of leadership and the style to be adopted in leading employees. Over the years, organizations have faced the bureaucratic leadership. Consequently many leadership ideas within the last century have affected the general effectiveness of organizational result (Heurieglet, 2004). Leadership has characteristics that distinguish it as a dynamic symbolic movement where every employee look up to for adjustment when necessary. These characteristics explain the vital sensitive and proper positioning of leaders in organization.

The absence of effective leadership is a serious problem endemic in many organizations. It is obvious that the resultant outcome is poor employee performance, absence of motivation, poor growth and development of the institutions. Hence, this research would sought to investigate management leadership style and employees performance.

1.3 Research Objectives

The main objective of this research is to evaluate the impact of leadership styles on the performance of pharmaceutical companies in Kwara State. Other specific objectives are to;

- I. investigate the impact of transactional leadership on the performance of pharmaceutical companies in Kwara State

- II. determine the impact of transformational leadership on the performance of pharmaceutical companies in Kwara State

1.4 Research Questions

- I. To what extent does transactional leadership affect the performance of pharmaceutical companies in Kwara State?
- II. In what way does transformational leadership affect the performance of pharmaceutical companies in Kwara State?

1.5 Research Hypotheses

H0₁: transactional leadership does not have significant impact on the performance of pharmaceutical companies in Kwara State.

H0₂: transformational leadership does not have significant impact on the performance of pharmaceutical companies in Kwara State.

1.6 Scope of the Study

The research focus on the impact of leadership styles on the performance of pharmaceutical companies in Kwara State.

This study will be conducted in three selected pharmaceutical companies departments (Tuyil pharmaceutical company, Peace pharmaceutical and Bioraj pharmaceutical company) in Kwara State and the research is not likely to go beyond these areas. Nevertheless, the study is targeted at the management and supporting staff of these companies and will be limited to leadership styles and organizational performance variables. It is therefore very imperative for the researcher to carry out all necessary inquiry within the boundary specified.

1.7 Significance of the Study

The study will be of benefit to pharmaceutical industry and other industries to know the various leadership styles available for them. The research findings are expected to be beneficial to the stakeholders in pharmaceutical industries by creating awareness on the various leadership styles that could improve the industry performance.

The study serves as one of the useful literature for those who are interested in carrying out research on leadership styles and organizational performance. Finally, the study brings out areas that need further studies to improve organizational performance generally and pharmaceutical companies specifically.

1.8 Operational Definition of Terms

Passive leadership: A passive way of leading organizational development

Transformational leadership: This occurs when a leader takes a visionary position and inspires others to follow

Transactional leadership: The traditional form of leadership which focuses on the top line of management.

Autocratic leadership style: This is the approach of leadership where the leader does not engage others in decisions making and uses command since authority and power are centralized to him.

Democratic leadership style: This can be defined as a leadership style where the leader share authority and power with subordinates and seeks for their ideas during in decision making and planning.

Laissez faire leadership style: Is defined as a leadership style where the leader offers full autonomy to the subordinates in their work practices and during decisions making.

Leadership style: The approach of influencing subordinates

Organization performance: Level of achievement of organization objectives.

Performance: Employees and organization at large being in position to achieve the set objectives and goal.

CHAPTER TWO

REVIEW OF THE LITERATURE

2.0 Preamble

This chapter undertakes a review of available literatures of some selected authors from different journals; text books articles etc; to bring to the limelight the current stage of knowledge on the study. This chapter addresses the following headings: the conceptual review, Theoretical review, Empirical review and the gap in literature.

2.1 Conceptual Review

2.1.1 Concept of Leadership

According to Yukl (2010), leadership refers to the process of influencing others to comprehend and agree towards what is required to be done and the way to do it, and it is the process of driving individual and collective efforts towards achieving common objectives. The concept of leadership has gained importance within the field of management. In this respect, Fiedler (1996) argued that an effective leader can result in success or failure of a group, organization, or even an entire country. The idea of leadership originated with the theory of “Great Man”. Great Man theorists believed that leaders are born and have inborn qualities; in other words, leaders cannot be made. The word “Man” was intentionally used to imply the role of males only. As such, in the beginning, leaders were those who were successful in their military exercises and they were generally men (Bolden, 2004). Despite its fundamental flaws in associating great leaders with men, some contemporary management scholars and organizational psychologists still favour the great man idea (Organ, 1997). Consistent with the great man theory, scholars have attempted to delineate the prominent attributes that distinguish leaders from followers. People who are adaptive, responsive, motivated, achievement-orientated, assertive, decisive, energetic, determined, and self-confident, are considered to be good leaders or have the potential to be one (Yukl, 2010).

Next, leadership theory moved from attributes to defining behavioural styles that a leader demonstrates. The behavioural model was developed to postulate the behavioural features of a leader so that people could be trained to be one (Robbins & Coulter, 2009). Then, situational theory of leadership came into the picture. This particular school of thought argues that a suitable leader’s behaviour differ according to situations. The best course of action or leadership behaviour is related to the situational variable (Griffin, 1999). Almost similar to situational theory, contingency theory focuses on specific environmental variables that influence the effectiveness of a leader in a particular situation. According to this theory, there is no universal leadership style that can produce

good results. Some variables such as qualities of followers and aspects of the situation intertwine to impact leadership effectiveness and hence the overall success of an organization (Griffin, 1999). “Are leaders born or made?” is a question that has been debated for decades if not centuries and is still being asked. Is it a question of genes or environment? Almost, all of this seems irrelevant; whatever portion of leadership originated from either genes or environmental factors is not susceptible to training is beyond our control. Blagg and Young (2001) said that “some people may have some qualities that make it more likely they will be leaders but many people have the potential for leadership, (but) they haven’t developed it”.

In the phenomenon of leadership in managerial practices, Northouse (2010) and Yukl (2010) argued that leadership is a way of interaction between leaders and followers where the leader tries to influence followers to reach a common goal. In this context, leadership is a process of influence where a leader aims to control the behavior of subordinates to achieve the organizational goals. Northouse (2010) and Yukl (2010) went on to say that organizational success in realizing its goals and objectives affect the leaders of the organization and their leadership styles, which subsequently influence employee job satisfaction, commitment and productivity. In the literature on leadership in management, a number of leadership styles are identified. The following section deals with them.

2.1.2 Factors of Leadership

There are four primary factors of leadership as stated by U.S. Army (1983), which all leaders should be in tune with so as to exercise leadership, but at different moments as they affect each other differently.

Leader

A leader must have an honest understanding of who he is, what he knows and what he can do. It is the followers, not the leader or someone else who determines if the leader is successful. If they do not trust or lack confidence in their leader, then they will be uninspired. To be successful, a leader will have to convince the followers, not himself or the superiors.

Followers

A follower is a person who agrees with the beliefs or listens to the lead or commands of another. Different people require different styles of leadership. A person who lacks motivation requires a different approach than one with a high degree of motivation. You must know your people. The fundamental starting point is having a good understanding of human nature, such as needs, emotion and motivation.

Communication

Leading is through two-way communication. Much of it is nonverbal. What and how a leader communicates either builds or harms the relationship between him and the followers.

Situation

All situation are different. What you do in one situation will not always work in another. You must use your judgment to decide the best course of action and the leadership styles needed for each situation. Situation always has a greater effect on a leader's action than his or her traits. This is because while traits may have an impressive stability over period of time, they have little consistency across situations

2.1.3 Concept of Leadership Styles

House and Aditya (1997) provide an extensive historical review of the scientific study of leadership and the prevailing theories of leadership. According to their view, studies on leadership in organizations have moved in several directions, but two approaches have dominated the literature. The first approach has focused on the leader's characteristics and behavior, and the second on the circumstances necessitating the demonstration of leadership and the possible results of different leadership styles.

Their definition of leadership is based on House (1995) who suggested that leadership is behavior that gives purpose, meaning, and guidance to collectivities by articulating a collective vision that appeals to ideological values, motives, and self-perceptions of followers. House further states that the outcomes of such behavior are heightened awareness of organizational values, unusual levels of effort, and the foregoing of self-interest of followers for the good of the collective.

Leadership is life blood of any organization and its importance cannot be underestimated. Many authors have studied this phenomenon, but there is no conscious definition of what leadership is, no dominant paradigm for studying it, and little agreement regarding the best strategies for

developing and exercising it (Fu-Jin, et al., 2011; Jeremy, Melinde& Ciller 2012). Ngambi (2011) views leadership as that kind of direction, which a person can give to a group of people under him in such a way that these will influence the behavior of another individual, or group. Michael (2010) perceives leadership to be a reciprocal process of social influence, in which leaders and subordinates influence each other in order to achieve organizational goals. Leadership style is viewed as the combination of traits, characteristics, skills and behaviors that leaders use when interacting with their subordinates (Jeremy et al., 2011). Flippo&Musinger (1999) see leadership as a pattern of managerial behavior designed to integrate personal. Chris (2016) opined that leadership is a social influence which individual exhibits and gets the support of other persons in the accomplishment of a common goal. It has to do with the role someone play in influencing followers in order to achieve organizational goals. Another connotation of leadership considered by Obiwuru, Okwu, Akpa&Nwankere (2011) maintained that leadership is the process of influencing people and providing an enabling environment for them to achieve team or organizational goals and objectives. Inyang (2004) defined leadership as a process which involves the use of non-coercive influence to shape a group or organizational goals, motivate behaviour towards achieving the goals as well as define the group's culture.

2.1.4 Forms of Leadership Styles

The most basic forms of leadership styles are: Charismatic, Transformational, Transactional, Autocratic, Democratic and Laissez-faire. This research will briefly define each style and describe the situations in which each one might be used.

2.1.4.1 Charismatic leadership

By far the most successful trait-driven leadership style is charismatic. Charismatic leaders have a vision, as well as a personality that motivates followers to execute that vision. As a result, this leadership type has traditionally been one of the most valued. Charismatic leadership provides fertile ground for creativity and innovation, and is often highly motivational. With charismatic leaders at the helm, the organization's members simply want to follow. It sounds like a best case scenario. There is however, one significant problem that potentially undercuts the value of charismatic leaders: they can leave. Once gone, an organization can appear rudderless and without direction. The floundering can last for years, because charismatic leaders rarely develop replacements. Their leadership is based upon strength of personality. As a result, charismatic

leadership usually eliminates other competing, strong personalities. The result of weeding out the competition is a legion of happy followers, but few future leaders (Michael, 2010).

2.1.4.2 Autocratic leadership

Autocratic leaders are classic “do as I say” types. Typically, these leaders are inexperienced with leadership thrust upon them in the form of a new position or assignment that involves people management. Autocratic leaders retain for themselves the decision- making rights. They can damage an organization irreparably as they force their ‘followers’ to execute strategies and services in a very narrow way, based upon a subjective idea of what success looks like. There is no shared vision and little motivation beyond coercion. Commitment, creativity and innovation are typically eliminated by autocratic leadership. In fact, most followers of autocratic leaders can be described as biding their time, waiting for the inevitable failure this leadership produces and the removal of the leader that follows (Michael, 2010).

2.1.4.3 Bureaucratic leadership

Bureaucratic leaders create, and rely on, policy to meet organizational goals. Policies drive execution, strategy, objectives and outcomes. Bureaucratic leaders are most comfortable relying on a stated policy in order to convince followers to get on board. In doing so they send a very direct message that policy dictates direction. Bureaucratic leaders are usually strongly committed to procedures and processes instead of people, and as a result they may appear aloof and highly change adverse. The specific problem or problems associated with using policies to lead are not always obvious until the damage is done. The danger here is that leadership’s greatest benefits, motivating and developing people, are ignored by bureaucratic leaders (Michael, 2010).

2.1.4.4 Democratic leadership

Tannenbaum and Schmidt, (1958) describe democratic leadership as one where decision-making is decentralized and shared by subordinates. The potential for poor decision-making and weak execution is, however, significant here. The biggest problem with democratic leadership is its underlying assumption that everyone has an equal stake in an outcome as well as shared levels of expertise with regard to decisions. That is rarely the case. While democratic leadership sounds good in theory, it often is bogged down in its own slow process, and workable results usually require an enormous amount of effort.

2.1.4.5 Transactional Leadership

Transactional leadership involves an exchange process that results in follower compliance with leader request but not likely to generate enthusiasm and commitment to task objective. The leader focuses on having internal actors perform the tasks required for the organization to reach its desired goals (Boehnke et al, 2003). The objective of the transactional leader is to ensure that the path to goal attainment is clearly understood by the internal actors, to remove potential barrier within the system, and to motivate the actors to achieve the predetermined goals (House and Aditya, 1997). Transactional leaders display both constructive and corrective behaviours. Constructive behaviour entails contingent reward, and corrective dimension imbibes management by exception. Contingent reward involves the clarification of the work required to obtain rewards and the use of incentives and contingent reward to exert influence. It considers follower expectations and offers recognition when goals are achieved. The clarification of goals and objectives and providing of recognition once goals are achieved should result in individuals and groups achieving expected levels of performance (Bass, 1985). Active management by exception refers to the leader setting the standards for compliance as well as for what constitutes ineffective performance, and may include punishing followers for non-compliance with those standards. This style of leadership implies close monitoring for deviances, mistakes, and errors and then taking corrective action as quickly as possible when they occur.

2.1.4.6 Transformational Leadership

The difference between transformational and transactional leadership lies in the way of motivating others. A transformational leader's behaviour originates in the personal values and beliefs of the leader and motivates subordinates to do more than expected (Bass, 1985). Burns (1978) identified transformational leadership as a process where, "one or more persons engage with others in such a way that leaders and followers raise one another to higher levels of motivation and morality". For transformational leadership style, the follower feels trust, admiration, loyalty and respect towards the leader, and is motivated to do more than what was originally expected to do (Bass, 1985; Katz & Kahn, 1978). The transformational leader motivates by making follower more aware of the importance of task outcomes, inducing them to transcend their own self-interest for the sake of the organization or team and activating their higher-order needs. He encourages followers to think critically and seek new ways to approach their jobs, resulting in intellectual stimulation (Bass

et al., 1994). As a result, there is an increase in their level of performance, satisfaction, and commitment to the goals of their organization (Podsakoff et al, 1996).

Bass (1990), proposed four behaviours or components of transformational leadership to include charisma, inspirational motivation, intellectual stimulation, and individual consideration.

Charisma, or idealized influence or attributes, is characterized by vision and a sense of mission, instilling pride in and among the group, and gaining respect and trust (Humphreys & Einstein, 2003). Charismatic behaviour also induces followers to go beyond self-interest for the good of the group, providing reassurance that obstacles will be overcome, and promoting confidence in the achievement and execution influence (Conger & Kanungo, 1998; Howell & Frost, 1989) and followers place an inordinate amount of confidence and trust in charismatic leaders (Howell & Avolio, 1992).

Inspirational motivation is usually a companion of charisma and is concerned with a leader setting higher standards, thus becoming a sign of reference. Bass (1985) points out followers look up to their inspirational leader as one providing emotional appeal to increase awareness and understanding of mutually desirable goals. This is characterized by the communication of high expectations, using symbols to focus efforts, and expressing important purpose in simple ways. The leader always behaves talking optimistically about the future, articulating a compelling vision for the future and providing an exciting image of organizational change (Bass & Avolio, 1994). The motivation occurs by providing meaning and challenge to the followers' work; individual and team spirit are aroused and enthusiasm and optimism are displayed. The leader encourages followers to envision attractive future states, for the organization and themselves (Bass et al, 1997). Intellectual stimulation provides followers with challenging new ideas and encourages them to break away from the old ways of thinking (Bass, 1985). The leader is characterized as one promoting intelligence, rationality, logical thinking, and careful problem solving. The attributes include seeking differing perspectives when solving problems, suggesting new ways of examining how to complete assignments and encouraging re-thinking of ideas that have not been questioned in the past (Bass & Avolio, 1994). The leader encourages the followers to be innovative and creative by questioning assumptions, reframing problems, and approaching old situations in new ways.

Finally, the fourth dimension of transformational leadership is "individual consideration" which is concerned with developing followers by coaching and mentoring (Bass, 1985; Bass & Avolio,

1990). The leader pays close attention to the inter-individual differences among the followers and act as mentor to the follower. He teaches and helps others develop their strengths, and listens attentively to others' concerns (Bass & Avolio, 1994). Followers are treated individually in order to raise their levels of maturity and to enhance effective ways of addressing their goals and challenges (Bass, 1985).

2.2 Concept of organizational performance

Daft and Marcic (1998) defined performance as the organization's ability to attain its goal by using resources in an efficient and effective manner. The conceptual domain of Organizational performance can be precisely understood by viewing it in the broader perspective of organizational effectiveness. Organizational effectiveness is defined as the 'degree to which organizations are attaining all the purposes they are supposed to' Strasser, et al (1981).

According to Venkataraman (1997), organizational performance is a sign of the capacity of a company to effectively achieve independent goals. The level of productivity of employees is one of the elements that are assessable in employee performance. The methods of evaluating organizational performance include quality, quantity and knowledge or creativity of the individuals towards the accomplished work that is done in relation to the responsibility assigned during a specific period of time (Wong & Wong, 2007). In other words, some standard parameters must be relied upon during assessment.

Organizational performance enables an enterprise to achieve such objectives as high profits, market share and product quality in relation to other enterprises in the same industry. It is however a reflection of productivity of employees in an organization which is measured in terms of profit, revenue, growth, development and expansion (Obiwuru et al. 2011).

2.3 Theoretical Review

The study adopted three theories; style and behavior theory, transformational leadership theory and great man theory.

2.3.1 Style and Behaviour Theory

The style theory acknowledges the significance of certain necessary leadership skills that serve as enabler for a leader who performs an act while drawing its parallel with previous capacity of the leader, prior to that particular act while suggesting that each individual has a distinct style of

leadership with which he/she feels most contented. Like one that does not fit all heads, similarly one style cannot be effective in all situations. Yukl (2001) introduced three different leadership styles.

The employees serving with democratic leaders displayed high degree of satisfaction, creativity, and motivation; working with great enthusiasm and energy irrespective of the presence or absence of the leader; maintaining better connections with the leader, in terms of productivity whereas, autocratic leaders mainly focused on greater quantity of output. Laissez faire leadership was only considered relevant while leading a team of highly skilled and motivated people who excellent track-record, in the past.

Feidler and House (1994) identified two additional leadership styles focusing effectiveness of the leadership. These researchers opined that consideration (concern for people and relationship behaviors) and commencing structure (concern for production and task behaviors) were very vital variables. The consideration is referred to the amount of confidence and rapport, a leader engenders in his subordinates. Whereas, initiating structure, on the other hand, reflects the extent, to which the leader structures, directs and defines his/her own and the subordinates' roles as they have the participatory role toward organizational performance, profit and accomplishment of the mission. Different researchers proposed that three types of leaders, they were; autocratic, democratic and laissez-faire. Without involving subordinates, the autocratic leader makes decisions, laissez-faire leader lets subordinates make the decision and hence takes no real leadership role other than assuming the position and the democratic leader accesses his subordinates then takes his decision. "He further assumed that all leaders could fit into one of these three categories".

2.3.2 Transformational leadership theory

Transformational leadership theory is regarded as one of the important representatives of the 21st century's theories of leadership that have gained importance from many scholars (Barbuto, 2005; Bass & Riggio, 2006; Brymer & Gray, 2006). In this theory, Northouse (2006) argues that transformational leaders focus on the subordinates concerning their personal and development needs. For the sake of motivating and helping subordinates succeed in an environment characterised as being competitive, transformational leaders influence the subordinates to perform in a way that is beyond expectations. In addition, transformational leaders inspire the subordinates to put the organizational interest above their own personal interest (Bass & Riggio, 2006).

In addressing the theory, Bass and Riggio (2006) suggested transformational leadership theory for the purpose of achieving exceptional performance whether it is individual or organizational and this performance is contributed by followers. Transformational leadership theory engages followers with self-actualization appealing to their ideals and higher level needs for increased commitment, satisfaction, and performance (Bass and Riggio, 2006; Walumbwa, Lawler, Avolio, Wang, & Shi, 2005).

2.3.3 Great man theory

Great man theory proposes that the aptitude for leadership is inborn and inherited. According to this theory, it is either you are born naturally as a leader or you are not. The term 'great man' was adopted because it was thought then that leadership was majorly for males, particularly in the military. The great man theory of leadership became well known in the 19th century. The legends behind some of the world's most famous leaders such as Mahatma Gandhi, Abraham Lincoln, Alexander the Great and Julius Caesar helped contribute to the conception that great leaders are given birth to and not made. Historian Thomas Carlyle also had a key sway on this theory of leadership at one point, stating that the history of the world is but the biography of great men. He stressed that efficient and productive leaders are those with inspiration and the right characters and features (Belmejdoub, 2015).

Over the years, there has been an unconvincing debate about whether leaders are born or made. Sarros&Butchatsky (1996) conducted a study about leadership by asking senior leaders of many organizations about their opinions on whether leaders are born or made (Belmejdoub, 2015). Predictably, their findings revealed that majority of the senior leaders saw leaders as not being born because they are humble people, and certainly as not being made because they think there is more to life than circumstances; they saw leadership as a combination of both. They further revealed that there is an element of their psychology, but there is also an element of context, or of circumstance within leadership.

Belmejdoub (2015) described under what is called 'the noble lie', that the average persons are not smart enough to organize themselves and to take appropriate direction that would lead to a successful society. According to Belmejdoub (2015), there are only a few category of people called the 'philosopher kings', who are smart enough to lead the flocks to success. This result is described by the fact that a person is born a king, a farmer or a laborer. There were only a few special people

who had particular aspects of their personality that would allow them to lead. By ‘the noble lie’, Belmejdoub (2015) meant a concept that would keep the system in place. This concept of the outstanding quality of a leader has been a part of most of the leadership theories over the centuries. In a common sense, that makes leadership, especially a politically ordering of society concentrated into the hands of the great men.

Early researches on leadership looked at people who were already successful leaders. These individuals often included rulers who acquired their positions through inheritance. Because people of a lesser social status had fewer opportunities to achieve leadership roles, it contributed to the idea that leadership is an inherent ability. Today, people frequently describe prominent leaders as having the precise qualities or personalities for the position, implying that innate characteristics are what make these people effective leaders.

According to Cherry (2020), one of the major problems with the great man theory of leadership is that not all people who possess the so-called natural leadership qualities actually become great leaders. If leadership was merely an inherited quality, then all people who inherited the necessary traits would eventually find themselves in leadership roles. Cherry (2020) further stressed that research has instead found that leadership is a surprisingly complex subject, and that numerous factors influence how successful a particular leader may or may not be. Characteristics of the group, the leader in charge and the situation or environment all interact to decide what sort of leadership is needed, and the performance and productivity of this leadership.

Transformational leadership theory is selected to form the theoretical ground for this study as it suits its objectives taking into account the direct and significant link between leadership styles and organizational performance.

2.4 Empirical Review

Nongo (2015) conducted a research on the effect of leadership styles on organizational performance in three selected small scale enterprises. The analysis has shown that charisma trait of transformational leadership style exerts positive but insignificant effect on employee performance. On the other hand, each trait of transactional leadership style considered in the study has significant positive effect on employees’ performance. And the study concludes that transactional leadership is more appropriate in inducing performance in small scale enterprises

than transformational leadership style. So much for theoretical and empirical research as related to leadership styles and their role indicated that they decide to induce organizational performance or otherwise.

Khajeh (2018) investigate the relationship between democratic leadership, transformational leadership and autocratic leadership style have a positive relationship with the organizational performance with ($r = 0.156, 0.265, 0.064$; $P < 0.001$) respectively. This indicates that these three styles of leadership induce the employees to perform better and as per the level of expectations. These leadership styles must be promoted in the organizations.

Bhargavi and Yaseen (2016) there is an obvious link between leadership and the organizational performance. Organizations should work hard to select and hire the right people with the acceptable levels of leadership and place them in the right places that reflect their performance. Also, at the same time, the organization should enhance their leaders with capabilities, values and competencies. The result shows that there is a positive relationship between the leadership styles and the organizational performance because the reliability statistic which was given by the SPSS was 0.522.

Ki, Seung-Wan, and Suk, (2020) studied empowering leadership, risk-taking behavior, and employees' commitment to organizational change: The Mediated Moderating Role of Task Complexity. The data collection for this study was conducted through an online and online questionnaire from March to May 2019. Employees working in Korean manufacturing and service companies were used as participants. The finding revealed that risk-taking behavior is an important bridging mechanism, through which empowering leadership motivates employees to take proactive action despite fears and concerns about change. It is recommended that this finding should be considered as an important psychological mechanism leading to commitment to organizational Change.

Abiodun, John and Nathaniel, (2019) studied leadership behaviour and worker performance in the Nigeria construction industry. The data for the study was collected from supervisors and site workers drawn from construction firms in Lagos, Nigeria. A multifactor structured questionnaire was administered as non-probabilistic convenience and random sampling technique was used in the selection of the participants across construction sites to assess the leadership behaviour adopted and its influence on construction site worker productivity. The adoption of laissez-faire leadership

behaviour results in negative correlation with construction worker performance, and concluded that the success of construction projects depends on the project manager and its employees; leadership qualities, therefore, are critical to the construction industry participants to ensure the timely delivery of construction works. The following were recommended; The construction industry needs to employ workers who possess leadership traits ,who can lead the team both efficiently and effectively to achieve the goal of the project and that of the construction firm; The top management of construction firms needs to recognize the factors influencing the performance of its workers and adopt tactical options to address them, the Construction firms can apply the combination of both transactional and transformational leadership behaviours but not laissez-faire leadership style when carrying out its administrative duties.

Kenku, Ojiji, and Ishola, (2018) studied organizational differences in employees' job commitment and its relationship with leadership styles and job satisfaction in Nigeria. A survey of four hundred and fifty-seven (457) employees of private and public sector organizations offering financial services was undertaken using a structured self-report questionnaire. One hundred and eighty-four (40.3%) of the respondents were from private organizations and two hundred and seventy-three (59.7%) were from public organizations. The age of the respondents ranged from 22 to 54 years with a mean age of 35.77 years and standard deviation of 12.76 years. There were 259 (56.7%) males and females 198(43.3%). Data was analyzed using Pearson Product Moment Correlation analysis (PPMC) and t-test for independence measure. The result demonstrated that there were significant positive relationships between transformational leadership style, transactional leadership style, job satisfaction, and organizational commitment. The following were recommended; Managers should apply the mix of both transformational and transactional styles of leadership, but with due consideration to the situation and nature of work assigned. Also, this study should be replicated using the same type of organizations but different commitment measures. Since the limitation of the study therefore relied on only organization located in Abuja. Larger domain of study would certainly be needed to throw more light on the studied variables.

Da-Silva, Simone, and Darly (2018). Managers' Leadership Style and the Commitment of their Team Members: Associating Concepts in Search of Possible Relations. The method chosen was quantitative and a survey was conducted. The data were collected through the application of two questionnaires. Descriptive statistics, CHAID analysis and Pearson's correlation were used in the analysis. The correlation between the managers' leadership styles with relationship orientation and

the affiliate component of commitment was significant. There is a positive relationship between the task orientation and the normative commitment. There is a positive relation between situational leadership style and affective commitment, as well as between this style and the general commitment. New studies should be carried out in order to confirm some of the results considered significant. Examples are: Relationship between the organizational commitment and leadership constructs, with a focus on commitment and the relationship style. The relationship between commitment and aspects of respondent profiles regarding gender and generation.

2.5 Gap in the Literature

From the literature review, most of the research findings between leadership styles and organizational performance has no clarity or consensus reached on the particular leadership styles suitable for organizations. However, there were some variances in their findings. Also some leadership strategies described were not subjected to statistical analysis and most of the leadership theories and techniques were based on western philosophies. The literature indicated the relationship between leadership styles and organizational performance, but however require further attention. This is attributed to a gap in the literature that supported the need for more inquiry into evidence based leadership styles that promote successful practices in organization settings so as to enhance organizational performance. It is hoped that this study will fill the gap in literature as there is need for progressive attention on the effect of leadership styles on organizational performance. This exploration will consider the relationship between leadership styles on the performance of pharmaceutical companies in Kwara State. This critical task can meaningfully add to the knowledge of leaders in the pharmaceutical sector and other organizations to be able to pilot the affairs of the organization even in an unstable and traumatic situations and terrain of the 21st century.

CHAPTER THREE

METHODOLOGY

3.0 Preamble

This study will explore the effect of leadership styles on organizational performance of Pharmaceutical companies in Kwara. This chapter will describe the methodology and framework used in attaining the stated Research objectives of this study. This chapter will also focus on the procedures of data collection and analysis employed in the study. This chapter contains the research method, research design, population of study, sample size determination, sampling

technique/procedure, research sample frame, collection of data, research instrument, validity of research instrument, reliability of research instrument, ethical consideration.

3.1 Research Method

This research study will adopt quantitative method due to the purpose and nature of this study, the researcher will collect the information with the aid of quantitative method and observation. As it deals with primary data, the data will be collected through a close ended questionnaire. The purpose of adopting this research method is to generalize from a sample to a population so that inferences can be made about leadership styles and performance of pharmaceutical companies.

3.2 Research Design

Cross-sectional survey research design will be adopted for this study, the use of survey design is justified on the ground that it has its advantage of predicting individual behaviour; and thus, identifying attributes of a population from a small group of individuals. The target population for this study will be employees of selected pharmaceutical companies in Kwara State, which will help to determine the sample frame and size. Data collection will be done with the aid of a research instruments, the instrument used for gathering data will be designed and subjected to validity and reliability test. So data collected and collated, will be analyzed using descriptive and inferential statistics through Statistical Package for Social Science (SPSS) application. The software package assisted in generalizing and predictions will be made with respect to this study.

The research instruments, with respect to this study will apply the use of a structured questionnaire and observation. These instruments will be chosen because it is a common instrument used for survey method.

3.3 Method of Data Analysis

For the purpose of this study, multiple regression will be used to test the hypotheses of this study. This specific method of analysis will show the impact of each variable to be regressed with other variables. A thorough examination of the data will ensure trust worthiness and authenticity which were crucial for demonstrating the validity, reliability and relevance of the findings, conclusions and recommendations. Discussion of results will lead to recommendations and conclusion.

3.4 Population of the Study

The population of this study is employees of selected pharmaceutical companies in Kwara State.

3.5 Sample Size determination

In this research, few methods will be used in determining the sample size of the population which is Yard and Yamane's formulas. The sample size will be spread among the three selected companies in kwara state and respondents were selected randomly to give all the companies equal opportunities of being studied.

Yard and Yamane's formula method is the application in which 95% confidence level in ascertain and 5% error tolerance.

$$n = \frac{N}{1+N(e^2)} \quad n = \frac{200}{1+200(0.5^2)}$$

N = Population

n = Sample Size = 200

e = Level of significance $\frac{1+200(0.0025)}$

$$= \frac{200}{1+0.5} = 133$$

3.6 Sample Technique/Procedure

To obtain an accurate result in this study, simple random sampling techniques will be adopted for this study because it gives an equal chance of being selected to everyone in the population and eliminates arbitrary or biased selection of sample elements. Furthermore, 315 copies of questionnaire will be administered to the customers of selected registered bakery in firms in Kwara State. The choice of the method and strategy is normally influenced by the extent of generalizability desired, availability of time and other resources for which the study is done (Malhotra 2010).

3.7 Collection of Data/Instruments

In adopting any method in research study, it is imperative to put into consideration the approach that will yield the most productive result relevant to the problems at hand. In this regard, data for this study will be collected from primary sources e.g. questionnaire and observation. Primary data are first hand data obtained from the respondents. The research will made use of both structured questionnaires and observation method to obtain relevant data from the respondents.

The use of questionnaire and observation will be highly recommended in ensuring that the objectives of the research study are achieved because they have also been deemed to be appropriate in other works. In addition, instruments are being increasingly designed through surveys products (Sue & Ritter, 2012). In designing the questionnaires, conscious efforts will be made to structure the questions into multiple choice questions which gave the respondent the opportunity of answering the options from the range answers. The questionnaires will be divided into two sections Section A will contain information about the respondent and section B will contain questions relating to the effect of leadership styles on organizational performance of pharmaceutical industries in Kwara State, with 5 likert scale platform.

The questionnaire will be submitted for validation to a panel of experts, the panel members will be requested to review the statements in the instrument and determine the feasibility of administering it to prospective respondents. They will also be requested to comment on the technique of data collection and provide suggestions on how to improve the quality of the instrument.

3.8 Validity of Research Instruments

This research will be carried out with credibility in order to attain a general acceptable result and aligned with other previous research related to this study. Observation and interview method will be adopted to validate the questionnaire, the data will be collected, presented, analyzed and interpreted for the study using primary source and validated using the secondary data. Asika (1991) stated that validity can be defined as the extent to which a measuring instrument measures what it is designed to measure. As sourced from Osuala (1982), validity is usually measured by such questions as: Does the test measure what it is supposed to measure? The emphasis in this question is on what is being measured.

The instrument will be subjected to face and content validity, in order to show whether it tests what it's supposed to test and the extent to which a test measures a representative of the sample (Otokiti, 2010). For this reason, the researcher will take the necessary steps to assure the validity, reliability and generalizability of the findings of this study.

3.9 Reliability of Research Instruments

Cronbach's alpha will be employed as the reliability research instrument because it measures the internal consistency and scale reliability of a research instrument. For a Cronbach's alpha to be reliable and acceptable, it should be > 0.6 . In furtherance, below table shows the result of the reliability of the research instrument.

3.10 Ethical Consideration

The study had no impending injury to people, however, it will follow the laid down ethical standards in management sciences. Respondents will not be forced to opinions on the questionnaire but will be rendered explanation of the research purpose. The confidentiality of the respondents will be strictly maintained for this study. Besides, this research study will not violate any ethical precept of the entrepreneur as confidential information will be used wisely without disclosing it on any ground, unless with the permission and authorization of the concerned entrepreneurs. The information collected will be analyzed appropriately without any form of biased and misrepresentation of information.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF RESULTS

4.0 Introduction

This chapter deals with presentation of results, starting from the return rate of distributed questionnaire. The description of the participants' bio-data information immediately follows. The hypotheses formulated for this study guided the arrangement of the tables. Each hypothesis focuses on the variables identified (leadership styles as independent variables and performance of pharmaceutical companies as dependent variable).

4.1 RESPONSE RATE OF QUESTIONNAIRE DISTRIBUTED

One hundred and thirty three (133) copies of questionnaire were administered to the staff selected pharmaceutical companies. Out of the 133 copies of the questionnaire, 125 copies were returned. Only 118 copies of the returned questionnaire were found completed and usable, resulting in an effective rate of 89 per cent (Table 4.1).The detail response rate analysis is shown below.

| Number of sample target | Questionnaire disseminated | Properly filled and returned questionnaire | Percentage of returned questionnaire % | Unreturned questionnaire | Percentage of unreturned questionnaire % |
|-------------------------|----------------------------|--|--|--------------------------|--|
| 133 | 133 | 118 | 89% | 15 | 11% |
| 133 | 133 | 118 | 89% | 15 | 11% |

Field Survey, 2022

The above table illustrates the total number of questionnaire disseminated and the total number properly filled and returned to the researcher.

ANALYSIS AND INTERPRETATION OF DATA

SECTION A

TABLE 4.2.1: Showing the descriptive statistics of demographic

| SEX | FREQUENCY | PERCENTAGE (%) |
|--------|-----------|----------------|
| Male | 68 | 57.0 |
| Female | 51 | 43.0 |

| | | |
|-------------------------------|------------------|-------------------|
| Total | 118 | 100.0 |
| AGE | FREQUENCY | PERCENTAGE |
| 18-25years | 20 | 16.9 |
| 26-35years | 79 | 66.9 |
| 36-45years | 9 | 7.6 |
| 46-55years | 5 | 4.2 |
| 56years and above | 5 | 4.2 |
| Total | 118 | 100.0 |
| Marital Status | FREQUENCY | PERCENTAGE |
| Single | 88 | 74.6 |
| Married | 30 | 25.4 |
| Divorced | 0 | 0.0 |
| Total | | 100.0 |
| Educational Background | FREQUENCY | PERCENTAGE |
| Post Graduate | 55 | 46.6 |
| B.Sc./HND | 35 | 29.7 |
| OND/NCE | 10 | 8.5 |
| SSCE | 16 | 13.6 |
| PSLC | 2 | 1.7 |
| Total | 118 | 100.0 |

| Department | FREQUENCY | PERCENTAGE |
|-------------------|------------------|-------------------|
| Sales | 22 | 18.6 |
| Marketing | 29 | 24.6 |
| Personnel | 20 | 16.9 |
| Store/Purchasing | 18 | 15.3 |
| Accounting | 23 | 19.5 |
| Production | 6 | 5.1 |
| Total | 118 | 100 |

Source: Field survey, 2022

Table 4.2.1 shows that 68 (57%) of the respondents were male while their female counterparts were 51 (43%) respectively. 20 (16.9%) of the respondents were within the age range of 18-25 years, 79 (66.9%) were within the age range of 26-35 years, 9 (7.6%) were within the age range of 36-45 years, 5 (4.2%) were within the age range of 46-55 years while 5 (4.2%) were within the age range of 56 years and above.

The table also shows that 88 (74.6%) were single, 30 (25.4%) were married. The educational background of the respondents showed that 55 (46.6%) attained post graduate certificate, 35 (29.7%) had B.Sc. or HND certificates, 10 (8.5%) had OND or NCE certificates. Also, 22 (18.6%) were in sales department, 29 (24.6%) were in marketing department, 20 (16.9%) were in Personnel, 18 (15.3%) in store and purchasing, 23 (19.5%) in accounting and 9 (5.1%) were in production department.

ANALYSIS OF QUESTIONS RELATION TO THE TOPIC OF THE STUDY

SECTION B

LIKERT SCALE

SA – Strongly Agree -4

A – Agree -3

D – **Disagree** –2

SD – **Strongly Disagree** –1

Table 4.2.2 My boss is satisfied when I meet agreed upon standards

| | Frequency | Points | Total |
|-------------------------|-----------|--------|-------|
| Valid Strongly Disagree | 3 | 1 | 3 |
| Disagree | 9 | 2 | 18 |
| Agree | 28 | 3 | 84 |
| Strongly Agree | 79 | 4 | 316 |
| Total | 118 | | 412 |

Field Survey, 2022

$$(412/118) = 3.6$$

Since the result is 3, this implies that the respondents agreed that their boss is satisfied when they meet agreed upon standards.

Table 4.2.3 My boss informs me on what to do if I want to be rewarded for their work

| | Frequency | Points | Total |
|-------------------------|-----------|--------|-------|
| Valid Strongly Disagree | 3 | 1 | 3 |
| Disagree | 21 | 2 | 42 |
| Agree | 20 | 3 | 40 |
| Strongly Agree | 74 | 4 | 296 |
| Total | 118 | | 381 |

Field Survey, 2022

$$(381/118) = 3.2$$

Since the result is 3, this implies that the respondents agreed that their boss informs them on what to do if they want to be rewarded for their work

Table 4.2.4 My boss closely monitors me to eradicate mistakes

| | Frequency | Points | Total |
|-------------------------|-----------|--------|-------|
| Valid Strongly Disagree | 3 | 1 | 3 |
| Disagree | 4 | 2 | 8 |
| Agree | 32 | 3 | 96 |
| Strongly Agree | 70 | 4 | 280 |
| Total | 118 | | 387 |

Field Survey, 2022

$$(387/118) = 3.3$$

Since the result is 3, this implies that the respondents agreed that their boss closely monitor them to eradicate mistakes.

Table 4.2.5 My boss talks more about his/her important values and belief

| | Frequency | Points | Total |
|-------------------------|-----------|--------|-------|
| Valid Strongly Disagree | 7 | 1 | 14 |
| Disagree | 14 | 2 | 28 |
| Agree | 30 | 3 | 90 |
| Strongly Agree | 69 | 4 | 276 |
| Total | 118 | | 408 |

Field Survey, 2022

$$(408/118) = 3.5$$

Since the result is 4, this implies that respondents strongly agreed that their boss talks more about his or her important values and belief.

Table 4.2.6 My boss provides recognition/rewards when I am able to achieve organizational goals

| | Frequency | Points | Total |
|-------------------------|-----------|--------|-------|
| Valid Strongly Disagree | 0 | 1 | 0 |
| Disagree | 11 | 2 | 22 |
| Agree | 48 | 3 | 144 |
| Strongly Agree | 59 | 4 | 236 |
| Total | 118 | | 402 |

Field Survey, 2022

$$(402/118) = 3.4$$

Since the result is 3, this implies that respondents agreed that their boss provides rewards when they are able to achieve organizational goals.

Table 4.2.7 My boss enables me to think about old problems in new ways

| | Frequency | Points | Total |
|-------------------------|-----------|--------|-------|
| Valid Strongly Disagree | 7 | 1 | 7 |
| Disagree | 5 | 2 | 10 |
| Agree | 57 | 3 | 171 |
| Strongly Agree | 50 | 4 | 200 |
| Total | 118 | | 388 |

Field Survey, 2022

$$(381/118) = 3.3$$

Since the result is 3, this implies that respondents agreed that their boss enable them to think about old problems in new way.

Table 4.2.8 My boss makes me feel good when working with him/her

| | Frequency | Points | Total |
|-------------------------|-----------|--------|-------|
| Valid Strongly Disagree | 7 | 1 | 7 |
| Disagree | 5 | 2 | 10 |
| Agree | 78 | 3 | 234 |
| Strongly Agree | 30 | 4 | 120 |
| Total | 118 | | 271 |

Field Survey, 2022

$$(381/118) = 3.1$$

Since the result is 3, this implies that respondents agreed that their boss makes them feel good when working with them.

Table 4.2.9 Am proud to be associated with my boss

| | Frequency | Points | Total |
|-------------------------|-----------|--------|-------|
| Valid Strongly Disagree | 2 | 1 | 2 |
| Disagree | 10 | 2 | 20 |
| Agree | 28 | 3 | 84 |
| Strongly Agree | 79 | 4 | 316 |
| Total | 118 | | 422 |

Field Survey, 2022

$$(422/118) = 3.6$$

Since the result is 4, this implies that the respondents strongly agreed that they are proud to be associated with their boss.

Table 4.2.10 My boss ensures that people listen to my ideas and concerns not out of fear, but because of my skills, knowledge, and personality.

| | Frequency | Points | Total |
|----------------|-----------|--------|-------|
| Valid Strongly | 1 | 1 | 1 |

| | | | |
|----------|-----|---|-----|
| Disagree | | | |
| Disagree | 10 | 2 | 20 |
| Agree | 78 | 3 | 234 |
| Strongly | 29 | 4 | 116 |
| Agree | 118 | | 371 |
| Total | | | |

Field Survey, 2022

$$(371/118) = 3.1$$

Since the result is 3, this implies that respondents agreed that their boss ensures that people listen to their ideas concerns not out of fear, but because of my skills, knowledge and personality.

Table 4.2.11 My boss gives personal attention to me when I seem rejected

| | Frequency | Points | Total |
|-------------------------|-----------|--------|-------|
| Valid Strongly Disagree | 10 | 1 | 10 |
| Disagree | 9 | 2 | 18 |
| Agree | 40 | 3 | 120 |
| Strongly Agree | 60 | 4 | 240 |
| Total | 118 | | 388 |

Field Survey, 2022

$$(388/118) = 3.3$$

Since the result is 3, this implies that the respondents agreed that their boss give personal attention to them when they seem rejected.

4.3: Hypotheses Testing

4.3.1 Hypothesis One

In order to test the hypothesis which states that transactional leadership does not have significant impact on the performance of pharmaceutical companies in Kwara State, hierarchical multiple regression analysis was carried out and the results are shown in Table 4.6.1a below

Hierarchical Multiple Regression

Model Summary: Hypothesis One

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Change Statistics | | | | |
|-------|-------------------|----------|-------------------|----------------------------|-------------------|----------|-----|-----|---------------|
| | | | | | R Square Change | F Change | df1 | df2 | Sig. F Change |
| 1 | .957 ^a | .916 | .915 | .1935 | .916 | 728.088 | 4 | 267 | .000 |

a. Predictors: (Constant), transactional leadership style, transformational

b. Dependent Variable: organizational performance

Source: Field Survey Result (2022)

The test was to assess the effects of transactional leadership styles on organizational performance.

The result in figure 4.6 above indicates that the independent variables i.e. transactional leadership styles account for 91.5% ($r^2 = 0.915$, $F = 728.088$, $p < 0.05$) change in the organizational performance. The coefficient of determination, R^2 is 91.5 for the organizational performance endogenous latent variable. This means that the latent variables (Transactional leadership styles) explain 91.5% of the variance in organizational performance. The significance of the F-change was assessed and it was significant (0.000) as shown in table 4.6 .1b below:

Table 4.3.1b

ANOVA: Transactional leadership style and Organizational performance

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------|------------|----------------|-----|-------------|---------|-------------------|
| 1 | Regression | 109.006 | 4 | 27.252 | 728.088 | .000 ^b |
| | Residual | 9.994 | 267 | .037 | | |
| | Total | 119.000 | 271 | | | |

- a. Dependent Variable: organizational performance
- b. Predictors: (Constant), Transactional leadership styles

Table 4.3.1b above shows the results of the model. The model showed the effect of Transactional leadership styles on organizational performance. The F-value is calculated as the Mean Square Regression (27.252) divided by the Mean Square Residual (0.037), yielding $F=728.088$. From this results, model in the table is statistically significant (Sig =.000). Since the results of the Anova in table 4.6.1b show a significant level of 0.000, the alternate hypothesis is therefore accepted, while the null hypothesis is rejected. Table 4.6.1c below shows the contributions of the independent variables to the variance in the dependent variable and their levels of significance.

Table 4.3.5

Coefficients^a: Transactional leadership styles and Organizational performance

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|--------------------|-----------------------------|------------|---------------------------|--------|------|
| | B | Std. Error | Beta | | |
| (Constant) | .173 | .075 | | 2.294 | .023 |
| Transactional | .125 | .046 | .136 | 2.695 | .007 |
| 1 Transformational | -.217 | .075 | -.226 | -2.891 | .004 |
| | | | | | .286 |
| | | | | | .000 |

a. Dependent Variable: Organizational Performance

Source: Field Survey Result (2022)

Based on the results in model, the table above revealed the contributions of transactional leadership on organizational performance and their levels of significance. (Transactional leadership style; $\beta = .173$; $t=2.695$; $p<0.05$,).

Decision

The significance levels of the variable is higher than 0.05 and the F change (728.088) is high and significant (0.000). Based on the results revealed above it was justified that the alternative hypothesis should be rejected while the null hypothesis should be accepted. It can therefore be concluded that Transactional leadership style significantly affect organizational performance.

4.6.2 Hypothesis Two

In an attempt to test the hypothesis which states that transformational leadership has no significant effect on organizational performance, hierarchical multiple regression analysis was also carried out and the results presented in Table 4.6.2a below:

Hierarchical Multiple Regression

Table 4.3.2a

Model Summary: Hypothesis Two

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Change Statistics | | | | |
|-------|-------------------|----------|-------------------|----------------------------|-------------------|----------|-----|-----|---------------|
| | | | | | R Square Change | F Change | df1 | df2 | Sig. F Change |
| 1 | .912 ^a | .832 | .829 | .2878 | .832 | 330.281 | 4 | 267 | .000 |

a. Predictors: (Constant), Transformational leadership

b. Dependent Variable: Organizational Performance

Source: Field Survey Result (2022)

The test was to examine the effect of transformational leadership on organizational. The effect of transformational leadership on organizational performance was assessed. The R-Square value is the degree of variation of the dependent variable, which can be predicted by the independent

variables. Consequently, the analysis revealed that the variable (Transformational leadership) explain 83.2% variance in organizational performance ($R^2 = .832$, $F = 330.281$, $p < .005$).

Table 4.3.2b

ANOVA: Transactional leadership and Performance

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|--------------|----------------|-----|-------------|---------|-------------------|
| 1 Regression | 109.393 | 4 | 27.348 | 330.281 | .000 ^b |
| Residual | 22.108 | 267 | .083 | | |
| Total | 131.501 | 271 | | | |

a. Dependent Variable: organizational performance

b. Predictors: (Constant), Transformational leadership

Source: Field Survey Result (2022)

Table 4.3.2b above shows the results of the model. The model showed the effect of Transformational leadership on organizational performance. The F-value is calculated as the Mean Square Regression (27.348) divided by the Mean Square Residual (0.083), yielding $F=330.281$. From this results, the model is statistically significant ($\text{Sig} = .000$). Since the results of the Anova in table 4.6.2b show a significant level of 0.000, the alternate hypothesis is therefore accepted, while the null hypothesis is rejected. Table 4.6.2c below shows the contributions of the independent variables to the variance in the dependent variable and their levels of significance.

Table 4.3.2c

Coefficients^a: Transformational leadership and organizational performance

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
|------------------|-----------------------------|------------|---------------------------|-------|------|
| | B | Std. Error | Beta | | |
| (Constant) | .209 | .112 | | 1.865 | .063 |
| 1 Transactional | -.008 | .069 | -.008 | -.111 | .912 |
| Transformational | .092 | .111 | .091 | .821 | .412 |

a. Dependent Variable: Organizational Performance

Source: Field Survey Result, (2022)

Based on the results in the model, the table 4.3.2c above revealed the contributions of Transformational leadership and organizational performance and their levels of significance. (Opportunity Focus; $\beta = .092$; $t=0.821$; $p<0.05$).

Decision

The significance levels of the variables are less than 0.05 and the level of significance of F change is also less than 0.05. Based on the findings above, it is justified that the null hypothesis should be rejected, while the alternate hypothesis should be accepted. It can therefore be concluded that transformational leadership affects organizational performance.

CHAPTER FIVE

5.0 SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Preamble

This chapter presents the summary of the main findings and offers the conclusions and recommendations for the study.

5.2 Summary of Findings

From the field data collected, it was discovered that males dominated in the area of study, 57% of the respondent constitutes male while 43% constitutes female. Majority of the respondents fell within the age bracket 26-35 years. This age group form 66.9% of the total respondents sampled for the study. The study also revealed that majority of the respondents had Postgraduate as

qualification in the study area 46.6. 35 out of the respondents are BSC/HND holders, while the rest are NCE/OND and SSCE. It was also discovered that majority of the respondents are single in the sampled size because it constituted 74.6%, followed by married which covered 25.4%. From the inferential statistics where hypotheses were tested, it was revealed that pharmaceutical firms profits from leadership styles with the P value < 0.05 . It is from this that it is understood that organizations benefit from various forms of leadership. Also, it was discovered that transactional leadership have an impact on organizational performance with P value < 0.05 . It is from this that we deduced that pharmaceutical companies benefits from various styles of leadership.

5.3 Conclusion

Based on the findings of this study the following conclusions are drawn in line with the research objectives.

- The relationship between leadership style and organizational performance was examined by using multiple regression. As a result, transactional leadership style was seen to have a positive effect on the significant subscales of organizational performance by .916** at $p=.000$.
- Transformational leadership style also had a positive effect on the significant subscales of organizational performance by .832** at $p=.000$
- Therefore, all the two leadership styles have positive and significant relationship with Organizational Performance.

- With regard to recognizing to what extent leadership styles can affect organizational performance, regression analysis was made. Based on the analysis, the R square (R^2) explains that 91.6% change in Organizational Performance can be predicted by the combination of the two leadership styles. Therefore, the combinations of the two dimensions (Transactional leadership style and Transformational leadership style) are playing their own role in enhancing organizational performance. Therefore, Transformational leadership styles in pharmaceutical companies will bring more influence on organizational performance.

5.4 Recommendations

Based on the major findings and the conclusions made, the following recommendations were forwarded.

- The management of pharmaceutical companies needs to focus on engaging employees in decision making process, the leaders has to communicate their juniors positively and be supportive to them as much as possible, they have to provide responsibility to their subordinates, and trainings have to be given to the leaders in order to make aware about the characteristics of transactional leader.
- It should be noted that there is relationship between organizational performance and leadership style. Therefore the management of pharmaceutical companies has to make various efforts to improve leadership style in order to enhance organizational performance.

- Lastly, the management of pharmaceutical companies needed to foster Transactional and transformational Leadership styles as they has their own impact on enhancing organizational performance.

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