

Leadership Styles and Organisational Performance: Case of Small Businesses in Cameroon Size Businesses in Buea Municipality

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doi: <https://doi.org/10.37745/ijbsber.2013/vol12n12446>

Published January 14 2024

Citation: Neba N.B., Ibrahima, Negou E., and Elangwe E.B. (2024) Leadership Styles and Organisational Performance: Case of Small Businesses in Cameroon Size Businesses in Buea Municipality, *International Journal of Small Business and Entrepreneurship Research*, Vol.12, No.1, pp.,24-46

ABSTRACT: *This study assesses the relationship between leadership styles and organisational performance for small and medium size organisations in Cameroon. Specifically, it examines the effect of authoritarian leadership style on organisational performance, the effect of democratic leadership style on organisational performance and the effect of transformational leadership style on organisational performance. Using a causal research design, the research selected 100 employees in small and medium size organisations through purposive sampling technique. Descriptive and inferential statistics were used through SPSS version 25 to analyse data. Findings reveal that there is a positive and significant relationship between leadership styles and organizational performance in small businesses studied. Results further reveal that democratic leadership styles do not have a positive effect on organizational performance while authoritarian and transformational leadership style has a positive and significant impact on organisational performance. It was recommended that managers in small and medium size organisations use authoritarian and transformational leadership styles in order to increase performance.*

KEYWORDS: Leadership styles, Organisational Performance, authoritarian leadership style, transformational leadership style, democratic leadership style.

RESUME

Cette étude évalue la relation qui existe entre les styles de leadership et la performance des petites et moyennes entreprises au Cameroun. 100 employés de petites et moyennes entreprises ont été sélectionnés par choix raisonné pour cette étude causale. Les données ont été analysées à travers le logiciel de statistics, SPSS version 25. Les résultats montrent une relation positive et significative entre les styles de leadership notamment les leaderships autoritaire et transformationnel et la performance des petites et moyennes entreprises au Cameroun. Il a été recommandé que les gestionnaires des petites et moyennes entreprises adoptent le plus souvent le leadership autoritaire et/ou transformationnel afin de mieux responsabiliser le personnel et réaliser les objectifs organisationnels.

KEY WORDS: Styles de leadership, Performance organisationnelle, style de leadership autocratique, style de leadership transformationnel, Style de leadership démocratique.

INTRODUCTION

The evolution of management can be traced back to the days when human beings started living in groups. Management is the process of achieving organizational performance through the efficient utilization of resources by planning, organising, leading and controlling. Effective management needs a set of skills like planning, communication, organization and leadership (Jennifer Herrity, 2023). The field of management has evolved since the 17th century and continues to evolve due to the increasing technological advancements in the modern world, that have changed the way employees execute their operations or activities at the workplace. With increase in globalization and modernity as a whole, employees are increasingly being treated with humanity in Western nations; this is relatively different from the treatment rendered to them in the past centuries where they were treated like machines. This can be noted with the evolution of management thoughts. Most modern organisations have continuously focused on adopting more employees centered managerial styles in order to compete favorably on the global market.

The role of managers in ensuring excellent organisational performance cannot be over emphasized. Adequate motivation, suitable work environment, compensation, efficient communication between managers and subordinates play an important role in promoting this goal. Planning and organization of work is also very crucial. It has been argued by some researchers that the most common problems affecting organisational performance in business and other institutions are poor attitude to work among workforce, inefficiency as well as ineffectiveness of leaders in most places, though others share a contrary view (Haque et al., 2017). Leadership style practiced by an organisation has an impact on the success or otherwise of its operations.

Performance continues to be a key issue among organisational researchers, and employees are bound to perform well where they are treated well (Haque et al., 2017; Barney, 1997).

Javier (2002) asserted that performance is equivalent to the famous 3Es (economy, efficiency, and effectiveness) of a certain program or activity. However, according to Draft (2000), organisational performance is the organisation's ability to attain its goals by using resources in an efficient and effective manner. Quite similar to Daft (2000), Ricardo and Wade (2001) rather define organisational performance as the ability of the organization to achieve its goals and objectives. Organisations undergo rapid changes daily as a result of diverse factors. Some of these factors are external such as competition, global market trends and technological changes. Some of the changes over time also occur within the organisations themselves. Examples are employee motivation, innovation, organizational culture and human resource strength (Haque et al., 2015; Igbaekemen and Odivwri, 2015; Bass and Riggio, 2006). All these tend to affect the performance of these organisations. One key factor that also has the potential to largely affect an organisation's performance is its management practice. It is contended that organisations do not only exist for survival, but also to sustain their existence by improving performance. In order to meet the needs of the highly competitive markets, organisations must continually increase performance by adopting the best management practice.

The evolution of management thought is a process that started in the early days of man. It began since the period man saw the need to live in groups. The industrial revolution in the 19th century gave birth to the various schools of management in the Western nations. These schools of thought provided a lens to address critical questions about how a business works or operates. The emergence of the various schools of thought were to increase efficiency in production. The three major schools of thought are; classical school of thought, Neoclassical school of thought and Modern management theory (Peter Ferdinand, 2021).

The classical school of management emerged in the 19th century and its main contributors were F W Taylor, Henry Fayol and Max Weber. This school of thought focused on techniques that could be used to increase efficiency in an organisation. It is made up of scientific management which focused on workers to increase efficiency in an organisation, administrative school which focused on the management to increase efficiency in an organisation and bureaucratic management which focused on rules and regulations to increase efficiency in an organization (Gabriel Appiah, 2013). Loopholes of the classical school like the poor consideration for the human factor, led to the development of the neoclassical school of management. This school of management includes human relation movement which focused on worker satisfaction, informal workplace organisations, and a means of influencing employee productivity (Scott Cooley, 2016), and the behavioural school which focused on the behaviour of employees at work and how it can be altered to increase productivity.

The modern management theory came up to complete the approaches to increase efficiency. Modern management theory adopts an approach to management that balances scientific methodology with humanistic psychology. That is, it represents ideas that provide recommendations for management strategies, frameworks and tools that organisations can implement to aid their workforce (Indeed Editorial Team, 2023).

These practices have led to the creation or emergence of very large organisations such as Toyota, Michelin to name a few, contributing to the reconstruction and development of the Western countries after the Second World War. Back to Africa and Cameroon in particular, the country has been

independent since 1960. 60 years after, the rate of unemployment is still very high. According to International Labour Organisation (2023), the unemployment rate in Cameroon in the year 2021 was 4.1%. Also, many companies that characterised the pride of the country are either facing serious difficulties e.g CDC, Palmol, Guarantee Express, CAMPOST, or have been shut down like Jumia Cameroon, SOTUC, FOMEC Douala, VIDECON Consultancy Buea, CELLUCAM. This has inspired the researcher to look for reasons that make organisations to survive.

Also several scholars carried out research on leadership styles and organizational performance.

EH Al Khajeh (2018) carried out a research on the impact of leadership styles on organisational performance. Leadership is one of the key determinants associated with the success and failure of any organization. Leadership style is the manner in which people are directed and motivated by a leader to achieve organisational goals. This study examines the impact of leadership styles on the organisational performance. The focus was on six major leadership styles -transformational, transactional, autocratic, charismatic, bureaucratic and democratic. This study has provided deep insights about the leadership styles; the democratic, transformational, bureaucratic and autocratic leaderships have a positive impact on organisational performance, however, the charismatic and transactional leaderships have negative impacts on organisational performance, as it does not provide opportunities and freedom to employees. In this study, both primary and secondary research have been conducted. The primary research has been done using the quantitative approach, with the help of survey instrument, based on a survey questionnaire. The secondary research has been done through the review of previously established literature for achieving the research objectives. The findings suggested that charismatic, bureaucratic and transactional leadership styles have negative relationship with organisational performance. Transformational, autocratic, and democratic leadership styles, on the other hand, had a positive relationship with the organisational performance. It has been recommended that organisations use the leadership style that enhances the capabilities and abilities of the people.

Bhargavi and Yaseen (2016) conducted a research with the aim of determining if managers play a significant role in organisational performance, work improvements and employee satisfaction. The leadership styles have given the managers the ability to take the decisions, participate with others or ask their employees to handle the matters. United Arab Emirates is looking to be one of the highly effective countries in the world. Therefore, they created different programs to encourage the government to build their leaders' capabilities and enforce them to enhance their performance by monitoring and creating several excellence awards. The government work also encompasses various challenges of the private business. With this goal, this research is discussing and analyzing the four types of leadership and the link with organisational performance. 55 questionnaires were distributed to leaders in the government of policing sector. The questionnaire included the ability to measure the leaders' perception of which effective leadership style to use in order to enhance leadership. The result of this research is represented in a suggested model to develop the leadership styles to enhance the organisational performance by the leaders. Leaders should lead themselves and work with organisational support.

EI Ejere and UD Abasilim (2013) conducted a study with the aim of investigating the impact of transactional and transformational leadership styles on organisational performance in the Nigerian

work context. Descriptive survey method was adopted to carry out the research. A structured Multifactor Leadership Questionnaire (MLQ) was used for data collection. Organisational performance was assessed based on three measures of performance, namely effort, satisfaction and effectiveness. Regression and Correlation statistical techniques were used to analyse the data elicited from one hundred and eighty four (184) randomly selected respondents. It was revealed from the study that while transformational leadership style had a strong positive impact on organisational performance; transactional leadership style had a weak positive impact on organisational performance. It was also revealed from the study that both transactional and transformational leadership styles have a significant and positive relationship with organisational performance. The conclusion reached was that mixed style of leadership (combining transformational and transactional leadership styles) depending on the situation will be the most appropriate style to adopt. It was therefore recommended that the mix of both transformational and transactional leadership styles should be implemented but with due consideration to the situation and nature of task assigned to employees/followers.

The sum of the above led to the selection of the topic “*Leadership styles and organisational performance in small businesses in Cameroon*”. The objective is to contextualize the study by weighing the influence of leadership styles on organizational performance.

LITERATURE REVIEW

The major concepts of this work are leadership styles and organizational performance.

Leadership styles

Leadership style is the manner of approach to issues of the managers towards achieving the goals of their organization by transforming various resources available to any organization into output through the functions of management (Field and Dubey, 2001). Khandwalla (1995) considered leadership style as the distinctive way in which an organization makes decisions and discharges various functions of goal setting, formulation, implementation of strategy, corporate image building, dealing with key stakeholders and other basic management activities. Also, leadership style is a way in which a manager works to fulfill their goals. Leadership style includes the way that a manager plans, organizes, makes decisions, delegates, and manages their staff (Ivan Andreev, 2023).

Types of Leadership styles

The various leadership styles include Authoritarian, Democratic, Laissez-faire, Transactional and Transformational Leadership styles.

- Authoritarian Leadership Style

Also known as autocratic leadership style, this leadership style is characterized by the leader’s control over all decisions. An autocratic manager will rarely take input from team members or from a group consensus. And they often exert complete control over their team ((Emma Brown, 2023). In an autocratic environment, the leader makes decisions without input from the rest of the team. It’s a highly authoritarian leadership style that can demoralize employees in the wrong situation. However,

autocratic leaders make decisions quickly and confidently, which makes them excellent assets in a crisis. If you're an autocratic leader, focus on finding a balance between making executive decisions and trusting your team to give insights and feedback (Steve Hogarty, 2021).

- Democratic leadership style

Managers with a democratic or participative leadership style value the opinions of their colleagues. They open up most decisions for debate, which help employees feel valued and appreciated. In some cases, democratic leaders can seem indecisive, as though they don't trust their own ability to reach conclusions, and these leaders can improve their effectiveness by learning to make quick decisions in critical circumstances (Steve Hogarty, 2021). Democratic-minded managers are down in the trenches with employees. They do more than oversee day-to-day work and actively jump in to offer assistance when it's needed. Displaying a democratic mindset, a commitment to employee well-being, and a willingness to take on a portion of the responsibility for mistakes you didn't actually make are key to a successful democratic leadership style (NDP and Mariah Flores, 2022). This type of leadership style requires the managers and team to be collaborative. It distributes the power and encourages all team members to take part in the decision-making process. (Emma Brown, 2022). While the manager ultimately has the final say, employees are able to offer their opinions, making them feel more valued and appreciated (HRDQ Staff, 2022).

- Laissez-Faire leadership Style

Laissez-faire leadership style is also known as delegative leadership style. Leaders pass authority on to their team members and trust them to find the best way to perform their jobs and accomplish goals (HRDQ Staff, 2022). Laissez-faire leaders have an attitude of trust and reliance on their employees. They don't micromanage or get too involved, and they don't give too much instruction or guidance. Instead laissez-faire leaders let their employees use their creativity, resources, and experience to help them meet their goals. This kind of leadership is very hands-off—managers trust their employees and are confident in their abilities. This leadership style means that subordinates and team members have the real lead.

To help make laissez-faire leadership more effective, leaders can check in on work performance and give regular feedback. There are also certain settings and situations where laissez-faire leadership might be the most appropriate. It's helpful for leaders to recognize when this style should be best utilized, such as with team members who are experts at what they do (Kendra Cherry, 2022).

- Transactional leadership Style (Managerial)

Transactional management is a leadership style that utilizes rewards and punishments to motivate and direct followers. This approach to leadership, also sometimes referred to as managerial leadership, emphasizes the importance of structure, organization, supervision, performance, and outcomes (Kendra Cherry, 2022). A transactional leader values order and systems. They set targets for employees and outline the rewards and penalties associated with meeting or not meeting those targets. This rigid style of leadership encourages high compliance within teams while suppressing creativity and

ingenuity, but the strong emphasis on procedure allows for an extreme degree of control over processes and leads to predictable, reliable outputs (Steve Hogarty, 2021). The goals and tasks for the group are highly structured, and members are rewarded when they achieve these goals and reprimanded if they miss deadlines (Kendra Cherry, 2022). This type of leadership style can help establish clear objectives and responsibilities for team members, but in some cases, it can encourage employees to only do the minimum required to achieve their individual incentives (HRDQ Staff, 2022).

- Transformational Leadership (Visionary)

Transformational leaders exist to energize teams and sell a company's vision. Using a mix of empathy, enthusiasm, and praise, they encourage individual workers to achieve their objectives, explore new ideas, and improve their outcomes. Under a transformational leader, employees feel empowered and loyal, though in larger companies this style of soft leadership can sometimes appear distant or insincere (Steve Hogarty, 2021). Transformational leaders inspire followers to go beyond their self-interests and these leaders have extraordinary effect on followers (Robbins and Judge, 2017). This style of leadership is common with growth-minded managers that want to see what their employees are capable of. These types of leaders are often delegating new responsibilities and tasks to employees to help them grow and maximize their performances (HRDQ Staff, 2022).

In this work the researcher makes use of only three leadership styles that is authoritarian leadership style, democratic leadership style and transformational leadership style.

1.1.1 Characteristics of Leaders

It takes more than great business skills to become a great leader – it takes strength and character. Here are eight key characteristics that effective leaders possess (Dean Vella, 2023). The major characteristics of leaders include the following:

- Honesty

To inspire others, leaders need credibility, which comes from being truthful. Being dishonest, even by telling “little white lies,” is a quick way to lose credibility. Emphasize honesty in yourself and your team will follow.

- Communication

Communication is an essential characteristic. Knowing when to speak up, give praise or ask questions is just as important as knowing when to listen to others. The ability to clearly communicate your vision often means the difference between a cohesive team working toward the same goals and a floundering group that accomplishes little.

- Confidence

Even in the toughest situations, leaders demonstrate confidence by keeping calm, solving problems and encouraging others. Team members observe and pick up on this behavior, which can help to build their confidence as well.

- Delegation

Just as your team members want to trust their leader, they also want to be trusted. Effective leaders delegate responsibilities to others, to allow them to learn, grow and shine. Identify your team members' strengths and delegate accordingly.

- Positivity

Staying positive will motivate your team to produce their best work. Conversely, a grumpy or unenthusiastic leader can have a negative impact on morale, which can lead to lower productivity and higher turnover.

- Creativity

Effective leadership takes creativity. Find new ways to approach issues, solve problems and engage teams.

- Inspiration

Leadership is the ability to inspire others. It's important to focus on goals, but focusing on people is essential to reaching those goals. Making each person feel invested in the company, encouraging team members to do their best and recognizing their efforts will inspire them to follow your leadership.

Stravos et al. (2021) carried out a study with the aim of assessing the level to which managerial styles in an organization affect employee performance among selected banks in Greece. The study focused on three major managerial styles which include; democratic, autocratic and participatory styles of management. The study utilized a descriptive research design and an online survey was used to collect relevant data from different employees attached to selected banks in Greece (National Bank of Greece, Piraeus Bank, Citibank Greece, and HSBC Greece). The survey targeted 220 employees though only a response rate of 87.3% was obtained based on 200 employees that answered questions contained in the survey questionnaire. The different study findings showed that all the managerial styles are positively associated with employee performance except autocratic managerial style which had a positive but insignificant relationship with employee performance. The study concluded that it is very important for managers to continuously apply different innovative managerial styles in executing their duties since this has a great impact on the general performance of employees.

Wen et al. (2019) conducted a research on how the global business environment becomes increasingly competitive, the manager's leadership style is gaining importance to drive employees' efficiencies and productivity levels. Employees are the key drivers of the organization. Managers are expected to demonstrate strong leadership that can boost employees' performances and direct followers to achieve organizational goals. This study was conducted to discover the relationship between leadership styles and employees' job performances. Specifically, this paper aims to identify the degree of influence among the three types of leadership styles namely, transformational leadership, transactional leadership, and thought leadership on employees' job performances in the Malaysian private sector. Researchers have conducted many studies on transformational and transactional leadership theories

adopted from Full Range Leadership Model developed by (Bass and Avolio, 1994). However, thought leadership role has started to draw much attention on how leadership styles affect employees' job performances. This article also aims to provide an alternative view that distinguishes from previous researches which focus on different leadership styles used by managers to improve employees' job performances in different settings. A conceptual framework has been developed to examine the impact of the three types of leadership styles on employees' job performances.

Organisational Performance

According to Louis Allen cited by Ansari et al. (2023), "Organization is the process of identifying and grouping work to be performed, defining and delegating responsibility and authority and establishing relationships for the purpose of enabling people to work most effectively together in accomplishing objectives." In the words of Allen, organization is an instrument for achieving organizational goals. The work of each and every person is defined and authority and responsibility is fixed for accomplishing the same. Wheeler "Internal organization is the structural framework of duties and responsibilities required of personnel in performing various functions within the company. It is essentially a blue print for action resulting in a mechanism for carrying out function to achieve the goals set up by company management". In Wheeler's view, organization is a process of fixing duties and responsibilities of persons in an enterprise so that business goals are achieved.

Didier Noyé (2002) believes that the performance consists in "achieving the goals that were given to you in convergence of enterprise orientations". In his opinion, performance is not a mere finding of an outcome, but rather it is the result of a comparison between the outcome and the objective. Unlike other authors, Didier Noyé considers that this concept is actually a comparison of the outcome and the objective. The author's definition is far from clear, as both outcomes and objectives vary, most often, from one field of activity to another.

Types of Organisational performance

Traditionally, organizational performance was looked at from its output. And more than just output of results, the output of financial results (Eccles, 1991; Nanni et al., 1992; in Mishra and Mohanty, 2014). According to (Coțu, 2020) organisational performance refers to the degree to which the organization, with some informational, financial, and human resources, positions itself effectively on the business market. It heavily depends on leaders' ability (Coțu, 2020).

Harvard Business Review (2023) thinks about organizational performance as subjective and broad. There are two types of organizational performance that are important for an organisation's success namely tactical performance and adaptive performance. Tactical performance is rooted in strategy, focus, and consistency. Tactical performance is defined as it sounds. It's consistent and focused on execution. It's delivering results when anticipated. It doesn't allow for much wiggle room when it comes to risks, creativity, and innovation. But, it does allow organizations to stay focused, especially when resources are limited. It allows organizations to increase strength by directing limited resources to the fewest targets. In Precision's case, good tactical performance required developing rules, checklists, and standard operating procedures and then following them closely. When it comes to collaboration, it can be pretty straightforward. This means that teams may be used to working in silos. It could also mean that teams are executors, but not strategists (Madeline Miles, 2022).

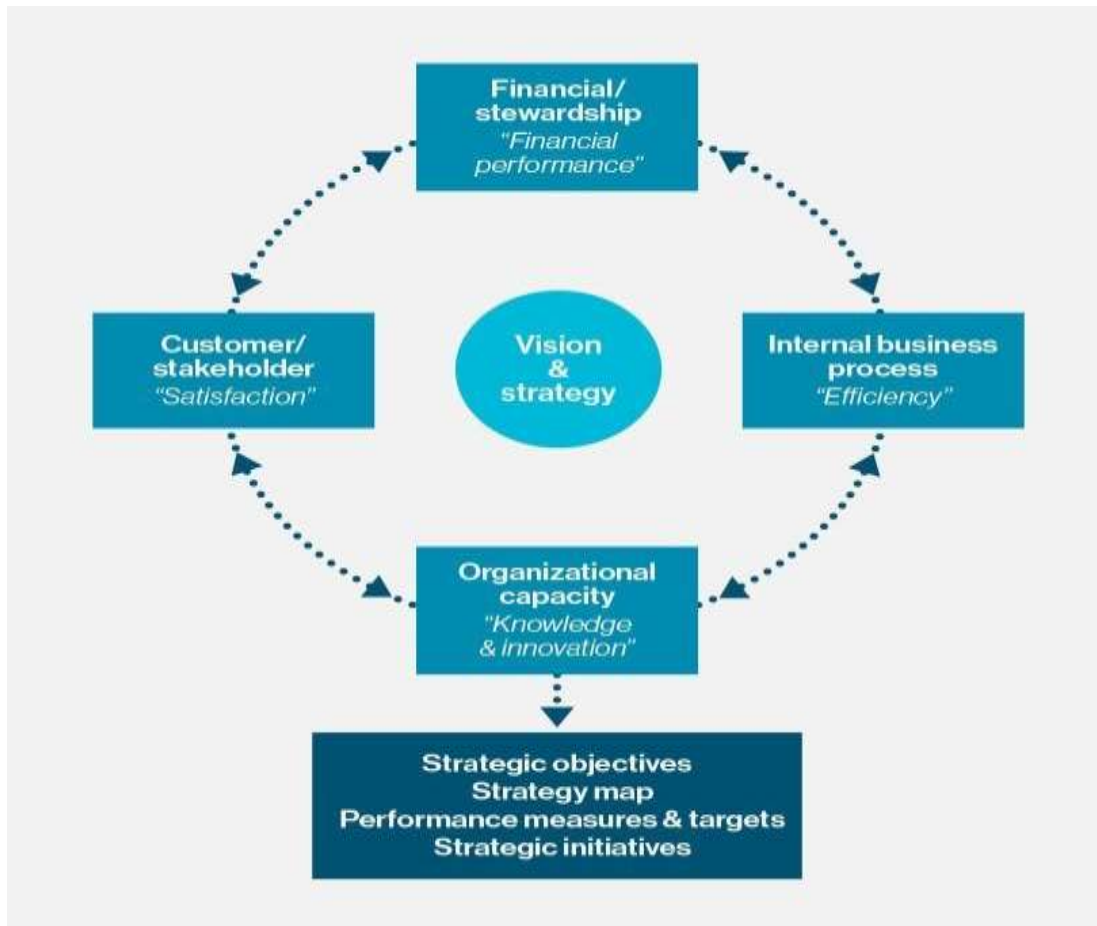
Adaptive Performance is the exact opposite of tactical performance. To be adaptive and agile implies that the organization diverges from its strategy. Adaptive performance adopts agility and flexibility. This type of organizational performance is built for change. We live in a world where there's volatility, uncertainty, and unknown. Even the best-laid plans may need to shift. And if history has taught us anything, we know disruption and change are here to stay.

Solid, adaptive performance gives employees more autonomy over decision-making, strategy, and innovation. It also accounts for future-mindedness, the ability to think about what the future will hold. If the strategy needs to shift, an organization with adaptive performance can diverge from the original plan. But it must do so with efficiency, clear communication, and still meet employee and customer needs. At Precision, good adaptive performance would have included every line worker coming up with new ideas and then teaching them to their colleagues. When it comes to teamwork, collaboration is key. When an organization is adapting, there is a need to be really good at working cross-functionally. Collaboration and team development are areas where adaptive organizational performers invest heavily in (Madeline Miles, 2022).

According to Festus (2023), Norton and Kaplan changed the view of performance of an organization in terms of financial and non-financial performance to give a more balanced view of the organization through the Balanced scorecard.

Measuring Organisational Performance

Organisational performance can be measured using the balance scorecard. The balanced scorecard is a management system aimed at translating an organisation's strategic goals into a set of organizational performance objectives that, in turn, are measured, monitored and changed if necessary to ensure that an organization's strategic goals are met (Festus, 2023; Linda Tucci, 2021). According to Adam Getz (2012) a balanced scorecard is a performance management tool used by executives and managers to manage the execution of organizational activities and to monitor the results of actions. The word 'balanced' implies that it takes a balanced and well-rounded approach to measuring a business's performance. The balanced scorecard concept was originated by Drs. Robert Kaplan (Harvard Business School) and David Norton as a framework for managing and measuring organizational performance. The concept added strategic non-financial performance measures to traditional financial metrics to provide executives and managers a more 'balanced' and 'holistic' view of organizational performance. The balanced scorecard looks at financial and non-financial performance measures. It also aligns business activities to the vision of the business and monitor business performance against strategic goals. Over time, the balanced scorecard has evolved from its early use as a simple performance measurement tool to a complete strategic planning and management system. Fundamentally a balanced scorecard provides a summary level view of organizational performance at a quick glance and includes key performance indicators (KPIs) across four main areas or perspectives (Adam Getz, 2012).



Source: Linda Tucci (2021)

Figure 1: The Balanced Scorecard

Financial Perspective: financial performance measures indicate whether the company's strategy, implementation, and execution are contributing to bottom-line improvement (Robert Kaplan and David Norton, 1992). KPIs for productivity, revenue, growth, usage, and overall shareholder value (Adam Getz, 2012).

Customer Perspective: how a company is performing from its customers' perspective is a priority for top management. The balanced scorecard demands that managers translate their general mission statement on customer service into specific measures that reflect the factors that really matter to customers (Robert Kaplan and David Norton, 1992). KPIs for customer acquisition, customer satisfaction rates, market share, and overall brand strength (Adam Getz, 2012).

Internal Process Perspective: customer-based measures are important, but they must be translated into measures of what the company must do internally to meet its customers' expectations. After all, excellent customer performance derives from processes, decisions, and actions occurring throughout

an organization. Managers need to focus on those critical internal operations that enable them to satisfy customer needs (Robert Kaplan and David Norton, 1992). KPIs for resource usage, inventory turnover rates, order fulfillment, and quality control. It also looks at how internal business processes are linked to strategic goals (Adam Getz, 2012).

Learning / Growth Perspective: the customer-based and internal business process measures on the balanced scorecard identify the parameters that the company considers most important for competitive success. But the targets for success keep changing. Intense global competition requires that companies make continual improvements to their existing products and processes and have the ability to introduce entirely new products with expanded capabilities (Robert Kaplan and David Norton, 1992). KPIs for employee retention, employee satisfaction, and employee education, training, and development. It also looks at employee retention, as well as information system (Adam Getz, 2012).

Using the balanced scorecard this research intends to measure organizational performance in terms of internal process perspective, learning / growth perspective, financial perspective and customer perspective.

Tebogo Sethibe and Renier Steyn (2016) conducted a research on Innovation and organisational performance: A critical review of the instruments used to measure organisational performance. This study was set out to identify, categorise and critically analyse the instruments used to assess organisational performance when investigating the relationship between innovation and organisational performance. The study focuses on all scientific publications reporting on organisational performance, inclusive of both financial and non-financial indicators of performance, and are not limited to any specific country or industry. The systematic literature review methodology was used to identify studies which investigated the relationship between innovation and organisational performance. Once identified, articles were analysed on the way organisational performance was measured. Classification was done with reference to financial and non-financial indicators, accounting and market-based, as well as objective and subjective measure. The findings show that profitability, sales growth and return on assets (ROA) are the most preferred accounting-based financial measures of organisation performance. In addition, Tobin's Q was found to be the most favoured market-based financial measure of organisational performance. The study further reveals that market share, customer satisfaction and productivity are the most popular non-financial-based measures of organisational performance. The use of measures of organisational performance is often left to the discussion of the researcher, which is not implicitly wrong, but does little to contribute to the body of knowledge on this important topic. Researchers are firstly urged to clearly define which aspects of organisational performance they intend to study, secondly to use established instruments or often used indicators of organisational performance, and thirdly to combine both objective and subjective measures of organisational performance. This would allow for researchers to build on the work of other and strengthen the body of knowledge in this area.as objective and subjective measures.

Rasula et al. (2012) conducted a research on the impact of knowledge management on organisational performance. The aim of this paper is to show that through creating, accumulating, organising and utilising knowledge, organisations can enhance organisational performance. The impact of knowledge management practices on performance was empirically tested through structural equation modelling.

The sample included 329 companies both in Slovenia and Croatia with more than 50 employees. The Structural Equation Modelling (SEM) was used to empirically verify the hypotheses. SEM is a statistical technique for testing and estimating causal relationships using a combination of statistical data and qualitative causal assumptions. SPSS 16.0 was used to analyse the data. The results show that knowledge management practices measured through information technology, organisation and knowledge positively affect organisational performance.

METHODOLOGY

The researcher used a causal research design technique to establish the effect of leadership styles on organisational performance in small and medium size enterprises in Buea. Causal research is also known as explanatory research. It is a type of research that examines if there's a cause-and-effect relationship between two separate events. This would occur when there is a change in one of the independent variables, which is causing changes in the dependent variable. This type of research examines a condition or an issue to explain the patterns of interactions between variables (Fabyio Villegas, 2023). The research approach adopted is quantitative because the researcher wants to generalize the findings. The quantitative approach is also chosen for the following reasons: the data is gathered using structured research instruments (questionnaire), the results are based on a large sample size that represents the target population, this research design gives possibility for the enumeration of several research questions to which objective answers are sought and finally, the research uses computer software to analyse data and provide statistics. Furthermore, the researcher used a descriptive research design to gather numerical data, describing it and generalizing it across groups of people to explain a particular phenomenon. This is because when the quantitative design provides numerical data on the relationship between leadership styles and organisational performance, the descriptive research design totally describes the nature of the relationship bringing out statistical figures.

Population of the Study

A study population is a group considered for a study or statistical reasoning. It is a set of aspects that have something in common. They can be objects, animals, measurements, etc., with many characteristics within a group (Fabyio Villegas, 2023). The population of this study is made up of organisations specifically in Buea. The population of study is constituted of small and medium-sized businesses in Buea. According to Negou et al. (2023), the Law N° 2010/001 of the 13th of April 2010 as modified by the Law N° 2015/010 of the 16th of July 2015 in Cameroon defines small businesses based on the number of employees and their turnover. According to these laws, Small businesses are businesses with less than 100 employees and a turnover below 3 billion cfa francs. There are three categories of small businesses in Cameroon namely, the Very Small Businesses, the Small Businesses and the Medium-size businesses.

Very Small Businesses are businesses with less than 6 employees and with a turnover of less than 15 million cfa francs.

Small Businesses are those with employees between 6 and 21 and a turnover between 15 and 50 million cfa francs.

Medium Size Businesses are those with employee number between 21 and 100 and a turnover between 50 million and 3 billion cfa francs.

The target population is constituted of employees of small businesses.

Sampling Procedure and Sampling Size

Sampling Procedure

The purposive sampling technique was used in this research to collect data. Purposive sampling refers to a group of non-probability sampling techniques in which units are selected because they have characteristics that you need in your sample (Kassiani Nikolopoulou, 2022). In other words, units are selected “on purpose” in purposive sampling. Purposive sampling is also known as judgemental sampling. This sampling method relies on the researcher’s judgement when identifying and selecting the individuals, cases, or events that can provide the best information to achieve the study’s objectives. This sampling technique gives the researcher the opportunity to select the units of the sample size on purpose.

Sampling Size

The sample size is a term used in market research for defining the number of subjects included in a sample size. By sample size, we understand a group of subjects that are selected from the target population and are considered a representative of the real population for that specific study (Dan Fleetwood, 2023). A total of 100 respondents were chosen to represent the sample size.

Instruments of data collection

The tools used by researchers to actually collect data in the research process. The common data collection instruments in research include interviews, questionnaires, documentary analysis and observation (Olefhile Mosweu and Tshepho Mosweu, 2020). The main instrument used by the researcher is the questionnaire. This is because this method is good for quantitative research and there is the need to get first-hand information from the managers of these selected organisations in Buea.

Questionnaires were used as a method of collecting primary data in this research. There is the need to obtain data afresh and for the first time. For the purpose of this study, primary data comprises responses gotten through questionnaires issued to the targeted population under study. There are several advantages with the usage of this method within the selected organisations in Buea that is accessibility to direct data or response from selected respondents, unbiased information and original data. Also while administering the questionnaire, the researcher explained and clarified aspects in the questionnaire that were not well understood by the respondents.

The questions in the questionnaire were straightforward with all of the questions being open ended and close ended. These close ended questions ease coding and analysis. The responses from the questionnaire were on a five point Like scale type questions (strongly agreed, agreed, neutral, disagree and strongly disagree).

Data Analysis Procedure

The data was analyzed using tools in Statistical Package for Social Science (SPSS) software version 25. The quantitative data was analysed using descriptive statistics and inferential statistic.

Descriptive Statistics

Descriptive statistics are brief informational coefficients that summarize a given data set, which can be either a representation of the entire population or a sample of a population (Adam Hayes, 2023). They are simply a way to describe data. Descriptive statistics therefore are used in this research to present the data in a more meaningful way, which allows simpler interpretation of the data. The various descriptive tools that are used in this research are frequency distribution tables and percentages.

Inferential Statistics

Inferential statistics can be defined as a field of statistics that uses analytical tools for drawing conclusions about a population by examining random samples. The goal of inferential statistics is to make generalizations about a population (Pritha Bhandari, 2022). Inferential statistics is conducted to establish the association between the independent and dependent variables. Inferential statistics helped the researcher to draw conclusions and make predictions based on the data collected. In addition, a multiple regression model was used by the researcher to investigate the effect of leadership styles on organisational performance in small and medium size businesses in Buea municipality. ANOVA is used to determine the level of significance between the dependent and independent variables.

Model Specification

Multiple regression model was used to determine the relationship between the leadership styles (the independent variables) and organisational performance (the dependent variable). The model comprises of five independent variables (Authoritarian leadership style, Democratic leadership style, Laissez-Faire Leadership style, Transactional Leadership style and Transformational Leadership style) There is only one dependent variable and this can be illustrated in the equation below:

$$Y = f(\text{AMS, DMS, and TMS}) \dots\dots\dots 1$$

The regression model

$$Y = \beta_0 + \beta_1 P_1 + \beta_2 P_2 + \beta_3 P_3 + \varepsilon \dots\dots\dots 2$$

Where:

Y = Organisational Performance

A_0 =Constant

$\beta_1, \beta_2, \beta_3$: Coefficients of the determinants of Organisational performance

P_1 : Authoritarian leadership style

P_2 : Democratic leadership style

P_3 : Transformational Leadership style

ε = Startistics Error term

The data was coded into the Statistical Package for Social Sciences (SPSS) version 23 and analyzed using descriptive and regression analyses.

RESULTS

This chapter presents the results of data analysis in order to verify the hypotheses of the study. It starts with a descriptive analysis and follows with the regression analysis and the discussion of findings.

Descriptive Analysis on Leadership style

Table 1: Leadership styles

| Management style | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
|---|-------------------|-----------|-----------|-----------|----------------|
| The Manager does not listen to anyone | 10 10% | 39 39% | 29 29% | 18 18% | 4 4% |
| The manager involves employees in decision making. | 5 5% | 15 15% | 31 31% | 38 38% | 11 11% |
| The manager provides employees with opportunities for creativity and innovation | 7 7% | 3 3% | 12 12% | 51 51% | 27 27% |

Source: Field survey, 2023

From the descriptive analysis above relating to different leadership styles, majority of the respondent disagree that the manager doesn't listen to anyone, this was closely 29% of persons with neutral opinion while 18% of the respondents agree to this, 10% of them strongly disagree and 4% strongly agree. This implies respondent strongly disagree or disagree to authoritarian style of management.

Information regarding democratic leadership style shows that respondents who agreed to the manager involves employees in decision making accounts for 38% respondent rate while 31% of them are neutral with their opinion, 15% of the respondent disagree to this while 11% of them strongly agree, 5% strongly disagree. This implies respondents agree to the existence of democratic leadership style.

From the analysis above, it shows 51% of the respondent agree to the fact that the manager provides employees with opportunities for creativity and innovation while 27% of the respondent strongly agree

to this, 7% of the respondent strongly disagree and 3% of the respondent disagree to this. This implies employees are of the opinion that transformative leadership style is fully applied.

Descriptive Analysis on Organisational Performance

Table 2: Organisational Performance

| Organisational Performance | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree |
|--|-------------------|------------|------------|------------|----------------|
| Our organization is financially successful | 2 | 3 | 23 | 51 | 21 |
| | 2% | 3% | 23% | 51% | 21% |
| Our customers are very satisfied with our services. | 1 | 0 | 5 | 51 | 43 |
| | 1% | 0% | 5% | 51% | 43% |
| Employees are very satisfied with their job | 3 | 21 | 43 | 27 | 6 |
| | 3% | 21% | 43% | 27% | 6% |
| The production cycle rarely faces interruption | 5 | 11 | 15 | 47 | 22 |
| | 5% | 11% | 15% | 47% | 22% |

Source: Field survey, 2023

Descriptive analysis on organisational performance show that majority of the respondent agree to the fact that their organisation is financially successful, while 23% of them are neutral on this, 21% of them strongly agree. 3% of them disagree and 2% strongly disagree. Regarding customers satisfaction with respect to service, 51% of the respondents agree while 43% of the respondents strongly agree. 5% of them are neutral about their opinion and 1% strongly disagrees. Based on employees' satisfaction to their job, 43% of the employees are neutral on their job satisfaction while 27% of them agree, 21% disagree, 6% strongly agree and 3% strongly disagrees. Regarding the production cycle rarely facing interruption, 47% of respondents agree while 22% of the respondents strongly agree to this. 15% of the respondent are neutral about their opinion while 11% of the respondents disagree to this, 5% of them strongly disagree.

Descriptive Analysis of Challenges Faced**Table 3: Challenges Faced**

| Challenges | Frequency | Percentages % |
|--|------------------|----------------------|
| -Lack of power supply. | 33 | 33 |
| Others | 20 | 20 |
| Wrong decisions, Interpersonal conflicts, Ineffective communication | 15 | 15 |
| Fluctuations in the demand of the company services | 12 | 12 |
| - Sales are slow | 10 | 10 |
| -Disrespect from customers/subordinates | 10 | 10 |
| Untrained employees, insufficient equipment | 10 | 10 |
| Lack of team work amongst employees | | |

Source: Field survey, 2023

For the analysis above, majority of the challenges by managers are in relation to power supply failures and shortages as these account for 33% of the respondent whereas 12% of them are of the opinion that there are fluctuations in the demand of the company's services / goods. While 10% of the respondents account for slow sales, 10% of the respondents also face backlash and disrespects from customers as well as their subordinates.

Information regarding wrong decisions, interpersonal conflicts and ineffective communication accounts for 15% of the respondents. Furthermore, untrained employees, insufficient equipment, lack of team work amongst employees account for 10% of the respondent profile. Other challenges faced by managers account for 20% of the respondent profile including lack of financial funds or investments, unstructured organisation, employee retention, network connection problems, no team work and insecurity.

Regression Analysis**Table 4: Regression Analysis**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .794 ^a | .687 | .782 | .179 |

Source: Field survey, 2023

- a. Predictors: (Constant), autocratic, democratic and transformational

Looking at table 4, the findings show that 79.4% level of organisational performance is due to leadership style while 20.6% is due to factors outside the study. This implies that leadership style has a positive effect on organisational performance.

Table 5: ANOVA^a

| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
|-------|------------|----------------|-----|-------------|---------|-------------------|
| 1 | Regression | 24.612 | 4 | 6.153 | 191.692 | .000 ^b |
| | Residual | .321 | 96 | .032 | | |
| | Total | 24.933 | 100 | | | |

Source: Field survey, 2023

- a. Dependent Variable:

- b. Predictors: (Constant),

Analysis of ANOVA (Table 10) shows a positive value of 191.692 for F-test with a p-value of 0.000 means that the joint significance test of all variables in the model is significant at 5% level as $P < 0.05$, implying that the variables correctly predict the model. Thus, the null hypothesis would be rejected while the alternate hypothesis would be accepted which states that there is a significant relationship between leadership styles and organisational performance.

Table 6: Coefficientsa

| Model | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
|----------------|-----------------------------|------------|---------------------------|--------|------|
| | B | Std. Error | Beta | | |
| (Constant) | .393 | .122 | | -3.216 | .002 |
| 1 | | | | | |
| Authoritarian | 3.357 | .295 | 2.083 | 11.366 | .000 |
| Democratic | -.321 | .232 | -.179 | -1.384 | .197 |
| Transformative | 1.839 | .248 | 1.149 | 7.405 | .000 |

Source: Field survey, 2023

Multiple regression was also calculated to determine the extent of the results established by the ANOVA. Statistics are like the regression coefficients. The results show that the p-values obtain for autocratic (0.002), democratic (0.197), transformative (0.000). Authoritarian and transformative are lower than the alpha level of significant while the democratic is higher than the alpha level of significant of 5% specified in SPSS for the analysis; therefore, it can be interfered that the results of the ANOVA statistics is like that of the regression coefficients. Thus, the null hypothesis would be rejected while the alternate hypothesis would be accepted which states that there is a significant relationship between leadership styles and organisational performance.

CONCLUSION

The main objective of this study was to assess the effect of leadership style (autocratic, democratic and transformational etc.) on organizational performance. A causal research design was adopted in which a sample of 100 employees were sampled using purposive sampling. Employee performance was measured on the basis of employee output, ability to report on time to work, and motivation. Descriptive and inferential statistical techniques were used to analyze the data. Regression analysis was used for analyzing the relationship and effect as per the hypothesis.

The findings show that authoritarian management has a positive and a significant relationship with organisational performance, democratic management has a negative effect on organisational performance and transformational management has a positive but not a significant relationship with organisation performance. From these results, it could be concluded that leaders or supervisors who are driven by the desire to achieve better performance should practice more authoritarian and transformative leadership styles.

Furthermore, a sample of 100 employees was used in the study which is a limitation. This is because 100 employees is a small sample size to represent the total number of employees in small and medium size organisations in Buea. Also, the cross-sectional approach was used to collect data for this study which is a limitation of the study.

Managerial Implications

It is good to respect the opinion of everyone in the organization, but this process may slow down decision making and lead to overlasting conflicts. Managers should be smart enough to know which advice to take because all advices are not always the best for the organization

Authoritarian and transformational leadership styles have a positive effect on organizational performance in Cameroon, therefore the manager should keep close supervision on employees, give orders and clarify procedures, encourage creativity and growth, and specify on the performance requirements of the employees.

Recommendations

It is recommended that entrepreneurs should adopt an authoritarian or transformal leadership style to push their organisation forward. They should be directive, strict and preach with examples so as to transform the mindset of their collaborators.

Suggestions for further studies

As suggestions for further studies, a large sample size should be used as a representation of the population and also data should be collected over different time period to ensure that the results gotten can really be used to make good judgments

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