Evaluation of leadership and Organizational Performance in Small Scale industries in Nigeria; A Case of Selected Small Scale industries in Aba, Abia State, Nigeria

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May 2007
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A thesis submitted in partial fulfillment of the requirements for the degree of MBA (Master of Business Administration) Blekinge Institute of Technology, Sweden.
May 2007

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Abstract

From time immemorial, the role of leaders in ensuring excellent organizational performance can not be over emphasized. The need for adequate motivation, suitable working environment, compensation and efficient communication between employers and employees are important to promoting excellent organization performance. Though studies on motivation and leadership role amongst employees are well studied in urban centers in developed countries, less could be said of rural centers in developing countries like Nigeria. Therefore, it was important to evaluate leadership and organizational performance in small-scale industries in Aba, Abia state, Nigeria. The evaluation was done through use of questionnaires with questions tailored towards determining: the relationship between leadership and organizational performance, pattern of leadership and the extent it has affected organizational performance, the factors responsible for worker's low performance and how leadership style has affected labor management relations and productivity in three selected small scale industries in the study area. After analyzing the result with Chi-square, it was concluded that to attain the objectives of small-scale industries in Aba, Abia state Nigeria, it was necessary that leadership recognizes the needs of the workers, employ appropriate motivational tool such as promotion of staff based on merit and skills, provide suitable working environment and provide an appropriate leadership style that will encourage free flow of information among employer, superior officers and other employees.

Key words: small-scale industries, leadership style, motivation and organizational performance.
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Acknowledgement

We are grateful to Klaus Solberg Søilen (PhD) for his timely response and advice during this study. To staff and directors of Ariaria shoe plaza, Sunsison ventures and Chuba plastics, Aba, Abia State Nigeria, we are thankful for your cooperation and gesture during this study. To all our friends and family, who supported us all through this study, we are thankful.

We are also grateful to the MBA team in Blekinge Institute of Technology, Sweden for taking us through the necessary rudiments in this program and providing an avenue to study at this level.

Lastly we are grateful to God for His mercy and favor all through this study.
Chapter 1

INTRODUCTION
Introduction

Recession in economy is a basic characteristic of most developing or third world country. Nigeria, which is the most populated nation in sub-Saharan Africa, falls into this category. The consequence of this recession includes sharp reduction in foreign exchange, high cost of living, poverty, unemployment: which was averaged at 5% between 1976 and 1998 and continued depreciation in the value of the nation’s currency called Naira (=N=) (Ekpo and Umoh, 2007). To salvage the country from this looming epidemic, the managers of the country were compelled to look inward and re-evaluate the industrial strategies used by the nation.

Based on the nation’s fragile economy, the need to groom and encourage establishment of more small-scale industries was re-engineered under the Obasanjo administration (1977-1979) (Unamaka and Ewurum, 1995). Prior to this period, the focus of industrial policy in Nigeria has been on assembling plants, which are medium scale industries. This idea was developed during the post second world war era where the need to reinvent the wheel of industrial development in Europe was prime. It was intended that Europe should be redeveloped as a new industrial base: mainly automated and void of artisanship that was common during the pre-second world war era in Europe (Budhwar and Yaw, 2001)

Nigeria as a developing nation is affected by the modern economic theory of developing the new world. Thus, the nation’s development planner accepted adopting the policy of import substitution through industrial technology, which encourages small-scale industries. At this point, it becomes important to the leadership of the nation to prevent exodus to developed centers and reduce, if not able to eradicate the problems caused by economic recession through encouragement of small scale industries within the local communities with the aim of using local raw materials.

1.1 Background

An organization is a social set up, which has a boundary that separates it from its environment, pursues its own collective goals, and controls its own performance (Hicks and Gullet, 1975). In a formal organization, interactions are rationally coordinated and directed through time on a contineous basis. The person at the helm of affairs is usually the leader.

Kraines (2001) stressed that the word leadership has been used by most disciplines: political science, business executives, social workers and
educationist. However, there is large disagreement as regards the exact meaning.

This view was also supported by Taffinder (2006, pg 6), who gave different definitions to leadership: “a simple meaning: leadership is getting people to do things they have never thought of doing, do not believe are possible or that they do not want to do”. With reference to an organization, he defined leadership as “the action of committing employees to contribute their best to the purpose of the organization”. While on a complex and more accurate view, he explains that you only know leadership by its consequences – from the fact that individuals or a group of people start to behave in a particular way as a result of the actions of someone else”.

It is important to distinguish between leadership as an organization function and as a personal quality. According to Bowery (2004) the later entails special combination of personal characteristics, which brings to light qualities and abilities of individuals. The former refers to the distribution of power throughout an organization and it brings to focus the pattern of power and authority in the organization.

Defining leadership in it various reflections is very important. However, it is necessary to buttress what our focus is when any of its definition is referred to and under what condition.

Previous views about leadership show that it is seen as a personal ability. However, Messick and Kramer (2004) were of the opinion that the degree to which individuals’ exhibits leadership depends not only on his characteristics and personal abilities, but also on the characteristics of the situation and environment in which he finds himself.

Messick and Kramer (2004) further explained that 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 in the organization will decline.

Considering the selected industries in Aba, Abia state, Nigeria for this study, the effectiveness or ineffectiveness lies in the leadership and organization of the institute. According to Akpala (1988) some common problems were mentioned to affect organizational performance in Nigeria business and other institutions. Among these problems faced by economic and government institutions in Nigeria are bad attitude to work among Nigerian workforce, poor organizational performance, inefficiency and ineffectiveness in most places. The writer buttressed his point by saying that most organizations in Nigeria are managed by
management systems that are strange to the typical Nigerian culture. However, suggestions were made that the right type of leadership and motivation were not applied in managing Nigerian workers.

Among the objective of any small scale industry is to make profit and achieve liquidity status. They try to achieve this by providing employment, facilitate economic growth, provide goods and services and purchase goods and services through effective and efficient production and distribution of goods and services. As observed in most Nigerian small-scale settings, the effectiveness of these roles is greatly determined by the availability and accessibility to personnel, finance, machinery, raw materials and possibility of making their goods and services available to their immediate community and the nation at large (Unamaka and Ewurum, 1995).

Therefore all integrated groups inclusive of small-scale industries need to be coordinated to achieve effective result. It is therefore the manager or leader’s role to achieve this (Glantz, 2002).

Glantz (2002) further explained that models on human relation shows that there are no essential conflicts that can satisfy workers social and psychological needs. These needs are entirely congruent with organizational goals of effectiveness and productivity.

The extent (degree) to which all members of an organization use their abilities and influences in the effective utilization of resources depends upon how well the managers (leaders) of the organization understand and perform their jobs. Maddock and Fulton (1998) explained that leadership and other processes of the organization must be such that can ensure maximum probability within all interactions and relationships with the organizations, each member will in the light of his background, values and expectations, view the expenses as supportive and one which can build and maintain his sense of personal worth and importance.

1.2 Purpose and challenges faced during the study

The number of small scale industries spring up yearly in Nigeria are so much but at the end of the day, many of them go downhill because of a lot of factors militating against them and the problems have been attributed to the performance of Leadership.

This work will focus on Evaluation of leadership and Organizational Performance in Small Scale industries in Nigeria; A Case Study of Selected Small Scale industries in Aba, Abia State, Nigeria. Aba, which is located in eastern part of Nigeria, is chosen because it is one of the strongest commercial nerve centers of the country. The number
of small-scale industries springing up from this area is unparalleled when compared to other cities in the country.

This work will also determine the pattern of leadership and the extent it has affected organizational performance in the selected small scale industries in Aba, Abia State, Nigeria, identify the factors that are responsible for worker’s low performance in the selected area of study.

Also, we will find out how leadership style has affected labor management relations and productivity in the selected area of study.

For each of these purpose of study, hypothesis will be formulated to answer them using by chi Square as a statically tool of analysis.

It is believed that this study will be of immerse importance because it will reveal the relationship between leadership and organizational performance in Aba, Abia State, Nigeria and how leadership style could be applied to small-scale industries bearing in mind the environmental differences. Secondly, it will be of great importance to the student of business administration who may be heading small-scale industries after their studies.

Finally, this study will enable management and leaders of small scale industries to become aware of the factors that actually motivate their employees to low and high productivity in their work areas.

Regardless of the purpose and merits of this study, some challenges were faced in this study:

I. Presence of observer may distort normal behaviors of the respondent.
II. Relative difficulty in measuring effectiveness as respondents have differing views
III. Description of management styles are subjective
IV. Standard and quality of subordinate may influence management style

1.3 Hypothesis and objectives of the study

The following hypotheses were posited to guide us in reaching the research objectives.

1. Ho: leadership function and pattern in small scale industries in Aba, Abia state, Nigeria does not significantly affect the overall performance of the business outfit (organization)
H1: leadership function and pattern in small-scale industries in Aba, Abia state, Nigeria significantly affect the overall performance of the business outfit

2. Ho: Existence of a favorable working environment does not enhance employees’ high input to their organization in the selected small-scale industries in Aba, Abia State, Nigeria.

H2: Existence of a conducive working environment enhances employees’ high input to their organization in the selected small-scale industries in Aba, Abia State, Nigeria

3. Ho: Positive response of the leaders to high performance variables does not promote maximization of the objectives of the organization in the selected area of study in Aba, Abia State, Nigeria.

H3: Positive responses of the leaders to high performance variable promote maximization of the objectives of the organization in the selected area of study in Aba, Abia State, Nigeria.

4. Ho: staff promotion based on merit and skill will not motivate staff to higher organizational performance in this area of study.
H4: staff promotion based on merit and skill will motivate staff to higher organizational performance in this area of study.

Based on the above hypothesis, the following objectives will be reached:

1. To analyze the relationship between leadership and organizational performance in the selected small-scale industries in Aba, Abia State Nigeria.

2. To determine the pattern of leadership and the extent it has affected organizational performance in the selected small-scale industries in Aba, Abia State, Nigeria.

3. To identify the factors that is responsible for worker’s low performance in the selected area of study

4. To find out how leadership style has affected labor management relations and productivity in the selected area of study.
1.4 Significance and limitations of study

Nigeria as a nation is currently faced with a sharp increase in number of entrepreneurs who form business in common areas relating to maintenance, wholesales and production industries. The running of these business units necessitates frequent interactions and expectations between the entrepreneur and the employees.

Based on this, this study will be of immense significance in a number of ways:

1. It will help to reveal the relationship between leadership and Organizational performance and how leadership style could be applied to small-scale industries bearing in mind the environmental influences and differences.

2. It will be of importance for students of business administration who might become future managers, leaders and entrepreneurs.

3. This study will also help management and leaders of small-scale industries to become aware of the factors that actually motivate their employees to low and high productivity in their work.

Importantly, it is expected that when these suggestions are made and applied between leaders and workers in the organization, they would enhance co-operation and improvement in their performance, high productivity and interpersonal relationship. Other organizational issues such as stress, aggression, regression, fixation and friction among workers and leaders could also be reduced.

Conducting this research using all small-scale industries in the entirety of Abia State, Nigeria could have shown a more thorough work. However, limited by time and logistics, this research is focused on three of the most popular small-scale industries in the state.

1.5 Definition of terms

Leadership: the word leadership does not have a single definition because the meaning could often be affected by what it intends to cover. Taffinder (2006) gave the following as definitions of leadership: “a simple meaning: “a simple meaning: leadership is getting people to do things they have never thought of doing, do not believe are possible or that they do not want to do”. With reference to an organization, he defined leadership as “the action of committing employees to contribute their best to the purpose of the organization”. While on a
complex and more accurate view, he explains that you only know leadership by its consequences – from the fact that individuals or a group of people start to behave in a particular way as a result of the actions of someone else”

Employer: an employer can be defined as a person or institution that hires people.

Employee: this refers to the person being hired (supplier of labor).

Management: this can be defined as an act of controlling and directing people so as to coordinate and harmonize the group thereby accomplishing goal(s) within and beyond the capacity of people being directed (Dubrin, 2007).

Corporate image: as explained by Croft and Dalton (2003) corporate image shows or depicts the attributes people give to an organization. In other words it could mean the identity of the organization.

Motivation: Efklides et al., (2001) defined motivation as a conscious act aimed at spurring better results from individuals who may ordinarily not ready to go beyond their capacity.

Organizational environment: Dubrin (2007) explained that organizational behavior refers to the microenvironment affecting the performance of an organization. This includes suppliers, customers, small-scale industries and the public.

Organizational performance: this was explained by Stankard (2002) not to mean the performance of the single parts or units of the organization but the product of all interactions taking place in the organization.
Chapter 2

THEORY
The state of the art focusing on problems of leadership and organization is covered in this chapter. Just as humans, the needs of an organization are numerous. Therefore it is important for an organization to effectively coordinate the behavior of people in order to achieve its aims and objectives.

According to London (2001), objectives assist executives in performing leadership roles by providing the basis for uniting the efforts of the workers within the organization. It was further stressed that achieving set objectives help to give identity to an organization as well as recognition and status.

As mentioned by Dubrin (2007), there are different classes of needs. These include: physical, social and egoistic needs. However, job satisfaction is often associated with human need and condition. Leadership has been linked to management as it involves directing, controlling to an extent the nature, degree, extent and passé of activities and changes occurring within the organization. Management as a process is rooted in the interactions of people at work directed towards maximization of efficiency and scarce resources: labor, machines, raw materials and information (Hoover et al., 2001).

Importantly, leadership of an organization should be given adequate attention, if the organization intends to achieve its objectives. The practice of leadership as it were involves taking charge and streamlining the activities of organization members to ensure that desired results are achieved.

In context, leadership development can be viewed as the planned experience, guided growth and training opportunities provided for those in position of authority. To this effect the leader of a small scale business should recognize that their responsibilities include performing management function, which according to Dubrin (2007) are planning, organizing, directing, controlling and co-ordination of all activities as they relate to the activities of the firm in order to achieve the firm’s objectives.

Paley (2004) explained that planning is a process of looking ahead to determine the course of action(s) a firm or organization will follow to achieve its objectives. Both short and long term plans should be duly considered for an organization’s success. The contributor further buttressed that organizing as a function involves correlating the basic components of the firm: people, tasks and materials so that they follow and align with the set goals and objectives.
In most organizations, directing involves face-to-face supervision of employment. In the daily business activities, the effectiveness of the manager or leader in directing is a major factor in determining the success of the industry.

Controlling as another duty of a leader is the function that provided the manager with the means of checking to ensure that the plans that were developed were properly implemented.

This was further explained by Huisman and Wissen (2004); control involves having the capacity to guide and correct activities, which does not promote achieving the organization’s goals. However, control could be said to consist of four basic steps:

I. Set standard of performance (establish acceptable levels of employee output)

II. Check performance at regular intervals: hourly, daily, weekly or monthly.

III. Determine if there are deviations from the performance standard

IV. If there are deviations, take corrective measures such as more training or retraining. If no deviation exists, continue with the activity.

2.1 Levels of leadership

A leader is anyone who directs and controls a group of people to achieve a set purpose (Hicks and Gullet, 1975). However, a social organization has many leaders operating at the same time. They may be rivals but they share the various leadership functions of planning, directing, reviewing, and coordinating, and so on. Circumstance may cause changes in leadership pattern thus leading to classification of leadership, based on how it is performed (Hicks and Gullet, 1975).

It was further commented by Hicks and Gullet (1975) that there might be two types of leaders:

I. Unofficial leader: this leader is often not important in an organization, though the power ascribed to such leader may rise or fall.

II. Official leader: the individual holding this position is officially given charge over the subordinates who should be directed and controlled. The subordinates need to be led to
value the rewards they obtain from their work. This could be cash (money), friendship, status, approval or a combination of any of these. In most cases official leaders could be called supervisors or managers and they reserve the power to reward or punish. To a lower extent, the success of such leadership depends on experience and teachers virtuosity, but on their management style at a greater extent.

According to Goldman (2006), early writers were of the opinion that leaders or managers were given birth to and not made, perhaps they came from a specific family or lineage. Thus, there is only one specific form of leadership style. However, later studies focusing on behavioural point of view of both leaders and subordinates in actual work situation showed that there exist different forms of leadership styles.

2.1.1 Participation

Worker’s participation refers to the inclusion of workers in decision-making process in the organization. This means that the employees could have adequate information on which to base their decision (Dubrin, 2007). Sometimes, when the involvement of employees in decision-making is much, it could be because they are co-owners of the business. At times, management makes the major decisions and later invites the employees for comments. The extent to which the worker’s participation is possible and desirable is a very controversial issue as it entails political overtones (Allan, 2003).

A renounced teacher of business management Douglas McGregor propounded the THEORY X and Y. The theory gave two contrasting assumptions on employee behaviour. The summary of this theory is often woven into management styles. The profounder was of the opinion that Theory Y was the correct assumption to make and that organization should be organized on that basis. He stressed that Theory X gave employees the opportunity to satisfy only basic and security needs, while theory Y enables to satisfy Maslaw’s higher needs such as ego and self-actualization. However, today, no manager is all of theory X or Y (Wikipedia, 2007).

2.1.2 Leadership Process

Effective leadership: the role of reduction in labor turnover as well as grievances are factors affecting leadership process, the principal aim of this research in management style is to establish its relation to effectiveness. Effective leadership is determined by the degree to which it facilitates adequate or high productivity (Dubrin, 2007).

Boswell (1973) explained that some studies have shown that effective managers stress the need for supportive people. Other studies did not produce clearly defined results on this. Some have however showed
reverse relationship to the following: size of the firm, the nature of the production process, personalities of subordinates, the feelings of the subordinates and the manager's power in the organization.

In context, there may be no management style that could be effective in every situation. Thus, there has to be modifications. Agboli and Chikwendu (2006) further stressed that different work situations need different styles if they are to perform optimally. Often, manager's skills could be said to be diagnostic. The manager assesses all relevant factors affecting work. However, diagnosis may not always be followed by proper behavior because managers could find it difficult to change their styles (Boswell, 1973).

2.1.3 Importance of the process

Task structure (extent to which a work is defined or programmed) could be said to be an important factor determining the management style.

Gerhard (2002) explained that technology often influences task structures and this is best illustrated by two extremes:

I. Structures or highly programmed work; an assemblage in a mass production factor, is strictly defines with respect to method and time. Every job is specific as regards time and method. Every job is specialized and should be carried out with strict compliance to achieve the desired result. Based on this, the subordinate is left to take little or no individual decision on the job.

II. Unstructured or loosely programmed: this has a wider perspective. It allows the subordinate to make decisions regarding methodology and sequence of performing his job. Occasionally, the job may be unspecific hence there could be many means of doing it. Thus, it can be said that the subordinate is at his own liberty.

2.2 Leadership Ability

It is unquestionable that there are unlimited researches on how people acquire leadership ability. However, the Aristocrats believe that it is in born (in the blood): just like monarchy. Most work known today attempts to describe leadership act and techniques, theorize about why leaders emerge; understand people and the dynamics of interpersonal relations.

Both near and far, there exist highly talented people with leadership ability. Various informal groups: preparatory to university, families to
social institutions, traditional settings to modern setting all have distinguished set of people who have demonstrated superior leadership act. However, teaching this process could be difficult. This could be due to the fact that leadership is a dynamic personal process (Gerhard, 2002).

Leadership could be said to be dynamic because it varies with circumstances and individuals involved. It is also said to be personal because of the inter-personal influences allowed. However, this does not necessarily mean direct contact between the leader and the subordinates. While some leaders are known to have direct contacts with their subordinates as evidenced in most small scale industries in Nigeria, others are void of this process, possibly because of larger number of subordinates involved.

In business, excellent leadership ability appears rare. This may be partly due to the fact that great ability is rare, employees could work without zeal, lack of alternatives for the employees, inability to finance a change, and the subordinates are lazy or are hindered by a union (Budhwar and Yaw, 2001). In this situation, a manager does not need to use much leadership. Therefore he may depend on negative motivation and authority to command (Budhwar and Yaw, 2001). Budhwar and Yaw (2001) further stressed that this situation is unfortunate and unfriendly for both superior and subordinates. It leads to defensive and unsupportive behavior on the part of the subordinates.

Nature of environment in which interpersonal group relationship occurs also affects quality of leadership. The environment is affected by leader’s success and failures, which in turn is also affected partly by other external factors like government policy (Cleland, 1998). Among the environmental factor is the hygienic factor. Supervision, working condition, wages, policies, interpersonal relation, policies and job security are easy to come by during prosperity. During adversity, the hygienic factors may gradually reduce in volume, scope and quality: benefits and salaries are reduced. However, human relations and supervision may improve, certain efforts may yield better results than the others and their may be shift of attention as the case may be. At this point, it may be important if reward and self-development aspects of motivation system become prominent (Cleland, 1998).

As explained by Donnelly (1999), adversity could fasten zeal. Some individuals like to be inefficient at every possible opportunity. Using the contrast between the zeal expressed by the British workers during the 1930’s and during the Second World War, or between the American railroads workers before and after the changes made to the Union and government regulations. In both cases, decisive leadership was demonstrated. However, the former changed from desultory to brilliance, while converse could be said of the later.
Donnelly (1999) further explained that in the 1930s the British were pacifist-minded; they choose political leadership, which promised security and sharing of wealth. However, during critical challenge, they choose preservation of their freedom above any other thing. Thus, a leader that could satisfy this need was chosen. As regards the American railroad, the employee morale was high in the years of construction. But with the introduction of railroad unions and government regulations, the employees took solace in others aside from their managers for fulfillment of their needs.

Whatever the environment is, leaders emerge to make decisions and make positive impacts. Strategic planning is very important while making decisions. According to Dubrin (2007), self-analysis of the company is needed to assess past performance and present position of the organization. Strategic planning is designed based on realistic assessment of the capacity: strength and weakness of the organization, which are of great managerial value (Dubrin, 2007).

The study of leadership has gone through three major phases. The first phase focused on trait theory, the second was on behavioral theory while the third was on situational theory. Explained below are these theories.

2.3 Trait theory

In the past, researchers and theorists in leadership focused on the features of leaders. This belief was probably due to the belief that leadership ability stemmed effective leadership. In turn this emanated from personality characteristics, which are either innate or acquired.

This reasoning method lost favor during the first part of this century. In fore front of explaining this reasoning is ‘great man’ theory and personality theory. According to Wikipedia (2007), Great man’s theory was explained to be a theory supported by some people who were of the opinion that history should be explained by impacts of great men or heroes. It was believed that great men influence individuals through their charisma, virtues, intellect or political will. It was further explained that progress could be accounted for by individual efforts and that accomplishment of these great men who have some special personal trait makes them suitable as effective leaders.

Studies in leadership were dominated by researches into traits studies between the end of World War I and after World War II. However, results produced by various researches in this area were inconsistent. As early as 1948, Skogdill reviewed about 124 studies of leadership traits and found out that leaders are fluent, more popular and know how to fix their jobs. Other characteristics revealed that the results were not clear and uncertain. In light of this, six studies revealed that younger
leaders supported trait theory. Skogdill concluded that it would be necessary to view leadership as a relationship between people in a social setting than as a set of characteristics possessed by the leader based on the extent to which traits differ Skogdill (1981). It was further stressed that the extent of the pattern of personal qualities of the leader should have some links to the characteristics, goals and activities of the followers. Leadership was also considered to have interactions of variables and changes.

In 1949, Nixon and Carter published a study, which was influential in discrediting universal trait theory. The study was on high school students who were members of a particular group. They were assigned three tasks on grounds of intellectual, clerical and the last one; mechanical. It was discovered that students who emerged as leaders on grounds of intellectual test tend to be leaders in clerical tests too. Other leaders emerged on the mechanical tasks (Carter and Nixon, 1949).

These results were not in agreement with the expectations of trait theory because the leaders ought to have the same tasks assigned. In recent years, with the neglect of those discrediting trait theories, leadership theory and researches have changed to other framework and approaches. Though this may sound unfortunate, however, it may be said that universal leadership trait does not exist; some evidences suggest that different traits may lead to leadership effectiveness in different situations (Outcalt et al., 2000)

2.4.0 Behavioral theory

Over time when trait theory was discredited, interest was focused on exploring the relationship between behavior of leader and workers’ group performance as well as satisfaction. Quite a number of research works contributed to understanding the leader’s behavior in determining performance. Among the most important studies of the past were studies carried out at the Ohio state University and the University of Michigan.

The research carried out in Ohio state research focused mainly on varying issues affecting effectiveness and impact of leader behavior on the actions of the subordinates. However, the Michigan studies were concerned with interactions among leader behavior, employee satisfaction, group processes and performance.

2.4.1 The Ohio State University Study

In a publication by Martin (1970), a large amount of different information was researched upon about management and leadership style. This was done via interviews, observations and questions.
Among the main objectives of the research was to test the hypothesis concerning the structural determination of leader’s behavior. The writer further buttressed that much of the program were targeted at identifying the types of behavior displayed by leaders and the effect of leadership style on group work performance as well as satisfaction.

According to Van and Hogg (2004), though there are nine dimensions of evaluating managerial behavior, statistically, two factors were obtained through which leadership styles could be described:

I. A view, which indicates that leadership behavior, could be defined as being indicative of friendship, respect, mutual trust and warmth. This stresses mutual trust and respect between subordinates and managers

II. The second important factor was initiating structure. This was defined as those factors which assist flight commanders to organize and define the kind of relationship they have with their subordinates

Martin (1970) described these other factors as being useful in researching into management style:

I. Production Emphasis: though this factor was of less significance than the first two mentioned above, behaviors in this category included attempts to motivate crewmembers to better performance by focusing on undone jobs.

II. Sensitivity: this is also called social awareness. Of least importance is sensitivity. In this research, this category entails behaviors showing that the commander of the aircraft is sensitive and aware of social relations in existence within and outside the crews’ environment.

Initial structure and consideration were assumed to be two independent dimensions of behavior; this reflects that a leader with high performance in one may not be low in the other. Based on this, four leadership styles were of priority:

I. Low consideration and low initiating structure

II. High consideration and high initiating structure

III. Low consideration and high initiating structure

IV. High consideration and low initiating structure

Based on the number of studies conducted at Ohio State University and other places to evaluate the effects of this four styles on subordinate performance and satisfaction, no individual leadership style emerge as
being suitable for all. The high consideration and high initiating structure was evaluated to result in high satisfaction and performance more often than any other one.

Though, dysfunctional consequences accompanied these positive outcomes in other studies. According to Hogg (2004), his superior could negatively relate consideration to performance rating of the leader, while in another; initial structure could decrease subordinate satisfaction and increase misunderstanding. Based on this, display of structured and highly considerate behavior could result in positive organizational performance, this may not happen in all cases. Therefore the effect of initiating structure and consideration may be situation specific.

As offered by the explanations above, the studies from Ohio State University shows that consideration and initial structure are primary behaviors displayed by those in leadership positions. However, some criticized them, because the studies fail to show clearly how these behaviors relate to subordinate performance and satisfaction in situations such as different situations in which the leader may find him or her.

Maybe a better approach is to evaluate the leadership styles initially identified against the major contribution they make. This will define and describe the behavior and duties of the leaders. The study on prudential life insurance company will further buttress this.

### 2.4.2 Prudential Life Insurance Company

As described by Martin (1970), this study was done on this insurance company in the USA in late 1940’s. The organization was divided into two parts: high-producing and low-producing departments based on the records available on time taken to perform a specific job. The supervisors involved in all the judgments were also interviewed based on their approach to work and attitudes towards the organization, colleagues and subordinates. The results show the supervision could be divided into two main classes:

I. **Employee centered class:** this focus on relationship between the departments in the organization and preferences, needs and capacities of the subordinates. As to this regards, supervisors are perceived to assist subordinates get promoted, and a general rather than close supervision was provided.

II. **Production centered class:** the focus here is on the output of the work done by subordinates. Unamaka and Ewurum (1995) emphasized that leadership programs should be initiated in organizations and industries. These programs are expected to utilize managerial grid, which evaluates the extent to which managers are production oriented or people oriented. Managerial leadership does not permit excessive favoring of
either of the two extremes. That is excessive attention of production could matter without giving due attention to people and vice versa. However, a leader who pays due attention to both people and production is a real motivator.

2.4.3 The Michigan Studies

Likert (1967) explained that Michigan researchers conducted their first research on clerical workers in an insurance organization. The results obtained from the research did not show any statistical significance, however, supervisors in highly productive sections behaved differently as compared to those in less productive sector. Katz and Kahn (1952) further explained that supervisors who spent more time planning as compared to engaging in task operations are associated with higher producing groups. Their idea was to give broader goals to work and allow them more opportunity in determining the manner of accomplishing their tasks.

They were said to be more concerned with their subordinates and their supervision tend to develop them for advancement and demonstrated concerns for personal gains. Based on this, four major factors were identified by Michigan researchers to influence employee performance and satisfaction (Katz and Kahn, 1952).

I. Differentiation of supervisor’s role: managers or supervisors of effective group always perform the top roles while they leave the production or other work to their subordinates.

II. Looseness of supervision: subordinates in an effective group are often given adequate room to determine to perform their jobs or tasks

III. Employee orientation: Supervisors of this type of group often have and show interest in their subordinates on individual bases.

IV. Group relationship: No exact relationship could be found between morale and productivity. Probably work group satisfaction could affect things like absenteeism and turnover.

Other important results were made from the Michigan studies. The most important are two factors, which help to integrate the results from Michigan studies with those of Ohio State University. These factors showed that while the results from the studies may hold in general, their level of application to individual situations is questionable.

Katz and Kahn (1952) further explained that the Michigan studies were of the opinion that it would be difficult, but a contrary result was
obtained from studies of employees in a manufacturing company. The result of the study shows that subordinates can be low or high on one or both dimensions and that both dimensions like consideration and initiating structure may be independent. Though a few of those linked with the Michigan studies were of the opinion that the orientation of the employee is preferred to production orientation at all instances.

According to Katz and Kahn (1952), the most effective subordinates in the manufacturing company were found to be high on both dimensions, which happen to be both production and employee oriented. On a general view, it seems that effective leaders demonstrate both production and employee orientations in different degrees, depending on circumstance or situation. This conclusion is congruent with the results from Ohio State studies as regards consideration and initiating structure.

In relation to looseness of supervision factor, similar results were obtained. Behaviors, which were indicative of loose supervision such as occasional check up on subordinates and providing opportunities to change the manner they perform their duties, were of importance. It was discovered in some studies that loose supervision was linked to high productivity and that close supervision was associated with low productivity. However, another study conducted in a plastic manufacturing company showed that close supervision might result in quite a number of positive organizational performances (Katz and Kahn, 1952). Their subordinates saw managers who took this approach as being good team leaders and members.

Considering findings such as those explained, it would appear that the effects of both close and loose supervision are determined by situations at hand.

### 2.5 Likert Leadership theory

Likert propounded this theory. According to Likert (1967) basic styles used in categorizing task orientation and employee orientation were incorporated to develop Likert’s model of management effectiveness. Based on this model, there are four possible leadership systems. Namely:

I. Exploitative and authoritative

II. Benevolent and authoritative

III. Consultative

IV. Participative
With respect to the exploitative and authoritative system, the subordinates carry out the tasks while manager makes all work related decision. Managers tend to set rigid standards and methods for the subordinates to work with. Departure from these standards and methods by subordinates attract threats and punishments from the supervisor. The managers entrust little confidence in their subordinates and in return, the subordinates fear their superiors and feel that they are inferior or different from them.

Benevolent and authoritative management style operates with the manager in control and issues orders, while subordinates are given some level of flexibility in carrying out their work, however, within specific limits and procedure.

The third system is the consultative style. The manager sets goals and targets after due consultation with the subordinates. Though subordinates can take their own decisions on how to go about their work, however, higher-level managers handle major decisions. Threat and punishment were replaced by rewards as an instrument of motivating subordinates. In this style, subordinates are free to discuss work related issues with their managers. In turn the managers believe that to a large extent their subordinates can be trusted to carry out work with minimal supervision and correction.

The forth style is the participative style. This is the last and most supported management style by Likert. Goals and targets are set, while the group makes work related decisions. This is done after incorporating the ideas and suggestions of all group members. Therefore set goals and decisions may not be favored on personal or individual grounds. Workers are motivated with economic rewards and a sense of self-worth and importance. This style holds friendly interaction between managers and subordinates.

Conclusively, Likert’s studies show that leaders in organizational departments used the first and second styles of management mentioned with low productivity. High producing departments in an organization are those managed through consultative and participative leadership style.

Based on all these, Likert concluded that system IV of management is the best form of management in almost all work situations. However, other theorists, who are of the opinion that no management style fit all situations, have opposed this assertion.

2.6 Situational Theory

Quite a number of leadership theories were developed over time, most of them were in the late 1950’s and 1960’s. These theories emphasized
the need for traits and behaviors of leaders to vary with situations if they are to be effective at work (Patchian, 1962). Patchian listed the following factors to affect leadership effectiveness:

I. Personality of the leader

II. Performance requirements of the tasks for both leader and follower

III. Attitudes, needs and expectations of his followers

IV. Organizational and physical environment of the leader and the group.

Though a number of situational theories are known only a few will be treated here.

2.7 Fielder’s contingency theory

According to Likert (1967), Fielder commenced studies on the relationship among structures of leader’s need, productivity and morale as well as his interactions with the subordinates. Though no clear pattern was discovered in these studies, Fielder went ahead to present his “contingency mode of effective leadership”.

Likert (1967) further explained that work group was classified into three categories in the original model proposed by Fiedler. The first group is the interacting group. The reflection on this group shows that the ability of an individual to carry out his job could depend upon another that has completed his part of the total task. An example is members of a football team. The second group is the coaching group. This group also works together on the same task; however, group performance is a result of cumulative performance of all members in the group. Thirdly is the counteracting group. This group consists of members who work to achieve only individual goals at the detriment of others. For, example a negotiation between a Union management and employer for more wages.

Initially, Fielder suggested his theory was applicable to only to interacting group. However, additional evidence prompted him to extend the model to coaching groups, while counteracting groups were left out (Filley and House, 1971).

Need structure of leader is the next major element in Fielder’s original theory. This was measured by use of his LPC questionnaire. This questionnaire assessed the level in which a leader holds his least preferred co-workers (LPC). The questions (16-20) in the questionnaire depending on the version used describe the person whom
the leader worked least well with in accomplishing some specific tasks. Examples of items used include:

(Friendly) 8:7:6:5:4:3:2:1 (unpleasant)
(Pleasant) 8:7:6:5:4:3:2:1

From this example, “friendly” is graded 8 points while “unpleasant” is graded 1 point. Over the years the LPC score has changed remarkably. In the original model, Fielder stated that “We visualize the high-LPC individual (who perceived co-worker in relatively favorable manner) as a person who derives his major satisfaction from successful interpersonal relationships, while low LPC person (who describes his LPC in very unfavorable term) derives his major satisfaction from task performances” (Fiedler, 1967 pg 45)

Situational favorableness was the third element in the theory. This focuses on the extent, to which leader influences the work group. This element is composed of the following sub factors: task structure, leader position power and affective leader-member relations.

According to Fielder (1967), Affective leader-member relations refer to the quality of the personal relationship between the group members and the leader. According to Fielder, the warmer and friendlier the relationship is the more the likelihood of the leader being trusted and liked by the subordinates, the easier it is for the leader to get group cooperation and effort in a situation when the leader and group are at logger heads, obeying the leader’s wish is done grudgingly and the group may require special favors to carry out their duties. Based on this, Fielder therefore described affective leader-member relation as the most vital of the three components of situational favorableness.

Fielder regarded task structure as the next most important dimension of situational favorableness. It was specified that the more structured the task performed by the group is the easier it is for leaders to exert influence. Leaders are provided with more knowledge than group, concerning the method of carrying out task and also with the opportunity of demanding that the group follow such procedure (Fielder 1967).

Position power is the third in this order. It is largely determined by leader’s organizational right to issue directives (organizational right), punish those that fail to leave up to expectations (conceive power) and reward those that comply (reward power). As expected, leaders with high position power are more favored to influence group performance.

2.7.1 Fielder’s revised theory

According to Fielder (1971), the initial theory was revised and reinterpreted based on the meaning of the LPC to accommodate research results which indicated that in highly favorable situations,
high-LPC leaders will generally display task oriented behaviors, while in unfavorable and moderately favorable situations, the usually displayed relationship is oriented behaviors.

Low LPC, which is task oriented often display relationship-oriented behaviors in favorable situations, but display task oriented behaviors during unfavorable and moderately favorable situations. Though Fielder was not explicit concerning the expected behaviors from high and low-LPC leaders in different situations, it could be said that the original theory predicted leader’s behavior directly opposite to those obtained.

Fielder developed the idea that LPC measures the leader’s primary motivational goals and that every individual possess a goal structure, which is classified as primary and secondary levels. Individuals with high LPC were postulated to have relationship maintenance as first goal level, while task accomplishment was his second level. Converse of this occur for low-LPC leaders.

Fielder further buttressed that in favorable situations; leaders will either attain or feel that they can attain their primary goals. Therefore they concentrate their effort on realizing secondary goals. However, the leader may feel threatened and may concentrate on securing primary goals to the neglect of secondary ones during moderately favorable situations.

### 2.7.2 Criticism of Fielder’s Theory

According to Graen et al., (1970) some researchers were against Fielder’s use of same set of results from the same completed studies to rebuild and support his conclusion. His theory is known to fit known results rather than being tested by new research methodology.

Though it is clear that Fielder’s LPC questionnaire is useful in measuring some dimensions of leaders personality and leader’s effectiveness (to some extent), the changing of what LPC score means with situation is disturbing. Questionnaires are designed to measure specific dimensions, therefore changes in definitions of any of the instruments measured after getting the fact is questionable (Grean et al., 1970).

It was further explained by Graen et al., (1970) that Fielder employed a number of different measures of position power and effective leader-member relations during his research. Based on this, he has limited the chance of comparing and combining results from the different studies because there is possibility of the different parameters not measuring the same thing. Lastly fielder’s theory is based on results, which do not consistently reinforce the theory as well as commonly applied standards of statistical significance.
A different theory is the Path-Goal theory of leadership proposed by House in 1971. According to House and Mitchell (1974), the theory was propounded based on two basic facts: the first deals with the role of a leader and the second deals with the dynamics of the situation. The first part states: “the leader’s function is a supplemental role”. His effectiveness is limited by the extent to which he can coach, guide, support and reward his subordinates; however these limitations are found in the work environment and necessary for effective performance. Therefore, the leader’s effect on his subordinates depends on the level of deficiency of the environment with respect to other sources of motivation and guidance.

House and Mitchell (1974) summarized his first proposition as follows: the motivational role of the leader includes increasing factors such as reducing road blocks and pit falls, increasing pay-off of subordinates aimed at attaining work goal and increasing opportunities for personal satisfactions. His second proposition was that “motivation impact of specific leader behavior is determined by the situation in which it operates”. Based on this, two types of factors are proposed by House:

I. Characteristics of the subordinates who are being led

II. Environmental pressures and other demands determining the subordinates’ chance of accomplishing work goals and meeting personal needs.

House and Mitchell (1974) further explained that the leader’s behavior would be acceptable to subordinates to the extent that it is perceived as being either immediate or future source of satisfaction. The subordinate’s reaction to leader’s behavior is also affected by their ability to perform their assigned task. House and Mitchell (1974) explained that factors, which are not controlled by the subordinate but capable of affecting his ability to perform efficiently and meeting his personal needs constitutes the subordinates environment. Therefore, under any situation, only one aspect of the environment, the manager and the effects of their attempts to motivate the subordinates shall depend on other parts of the environments namely:

I. The primary work group of the subordinate

II. The task performed by the subordinate

III. The formal authority system of the organization

The possibility of predicting the effects leader’s behavior will have on the: subordinate satisfaction with intrinsic rewards of job, expectations of subordinates focusing on effective job performance leading to rewards, subordinates satisfaction with extrinsic rewards of job and
expectations of subordinates that effort will bring about effective performance of their job, is possible by the assessment of the other parts of the environment mentioned earlier (House and Mitchell, 1974). For instance, when work methods are well defined due to the routine nature of the job, complete procedures set by the company and clear group norms, any attempt by the leader to further clarify them will be perceived by the subordinates as undue monitoring or supervision. Therefore leader’s behavior will be perceived as motivational if they assist subordinates in coping with uncertainties from the environment, threats and other sources of frustration. House and Mitchell (1974) predicted that such behaviors would increase subordinate’s satisfaction based on job content, as well as increase motivation through increasing subordinate’s expectation that efforts will bring about getting valued rewards.

Though different theories were discussed earlier in this write up, the following theories will be tested during the analysis of results obtained from the questionnaires:

I. Behavioral theory
II. Situation theory
III. Likert leadership theory

2.8 Leadership in Nigeria

“The common problem pronounced against organizational performance in Nigerian business and institutions, social, economic and particularly governmental establishments are poor organizational performance, bad attitude to work among Nigeria workers, inefficiency in most circles. Some writers critically examine this and pointed out that organizations in Nigerian are managed through a management system that is strange to the country’s culture” (Akpala, 1998 P.26).

Akpala stressed his point by focusing his study on Igbo organizational performance with focus on traditional social and political organizations. He sought to find out weather there are any factors in the traditional Igbo democracy that have not been brought into play in modern organizational performance and the individuals attitude to work productively. He said that the paternalistic management system of family shows up in economic system in agriculture in Igbo land.

According to Ewurum (1991) family work force comprises mainly of the family members. But with increasing work operations, there is need to tackle the job by temporary and flexible arrangement: supplementing the work force with co-operative work arrangement, age mates, reciprocal and slave labour. In this type of arrangement, there is no clear distinction between owners who control work and workers who render service for pay. The participants may cast in ideas on ‘how’
actions for better performance of operations; therefore they do not work by common actions.

The monetizing economy in Nigeria is evident by the traditional work system, where the Ibos have been establishing indigenous small business enterprise. Twice of those who work in these enterprises are more of family members than external bodies. Those in employment are either the family members or outsiders that help to build up the enterprise to better stability and growth and in return, the enterprise in which they had worked would provide them with capital and equipment to start on their own (Ewurum, 1991)

This established work relations expectations of benevolent paternalism devoid of autocracy are taken to be monetized indigenous economic systems and this forms the expectations that Igbo workers have when working at the modern and large economic organizations. This forms the foundation of their attitude to work (Ewurum, 1991)

2.9 Leadership among the Igbo cultural group

A prospective leader has to prepare his way for acceptance by demonstrating personal qualities for guiding people, the willingness for promoting the group’s field of activity and personal success in the prospective leader’s particular field of activity and this arises as (Akpala, 1988) describes that the fundamental principle of which leadership is based is meritocracy.

Leadership comes into the management of Igbo social and political organization and the requirements for leadership may have some bearing with managing larger organizations in modern Nigerian institutions among such leadership requirements are ability and advantage. Organizational good performance is the function of paternalistic leadership rather than that of empty autocratic leadership. Paternalistic management in Igbo economic relations embodies recognition of human dignity. The people of Aba, In Abia state Nigeria are among the Igbos.

The Igbo traditional management seems to have full appreciation of what in producer management are known as management functions and principals in planning, organizing and controlling and also a deep knowledge of what directing, including information exchange, motivation and leadership is. But this is not usually recognized because the indigenous economic organizations remain small with an organization system of the type described by Handy (1978) as common culture organization design, whose management system bears on what was done traditionally in managing the family economy. These present the benevolent paternalism environment where every member of the system sees himself as part owner of the system and deserves full
integration, expects a large measure of recognition with information feed in and back. This gives the entire actual working environment expected by workers in the small-scale industries. Failure to provide a work environment with these factors produces the phenomena which Nigerian terms bad attitude to work.

Nigerians who take up job in modern institutions whose management system fail in their expectation of horizontal management systems, also fail in their expectation of horizontal inter factional relations, free exchange of information and the organization and paternalistic care – taking of the staff (Handy, 1978)

Akpala concluded by saying that what the Igbo in employment at all levels need is to promote their positive attitude to work not by autocratic direction but by paternalistic management with benevolence in it.

From this, the worker is looked at as an integral member of the organization in which he works. We know that Japan has established international recognition of managing enterprises in this kind of organizational system and Nigeria can learn from them. The Igbos resist management by interference in which the higher official interferes in decision-making and actions at management level lower than his and in this way, he manages by autocratic direction for the subordinate managers and the operative.

All members and workers in work situation are expected to be managed at their respective levels. “This rests on the traditional principle of “Egbe bere, Ugo bere”. That is the principle of “Live and Let Live” or Manage and let manage and sufficient information which promotes effective knowledge of the objectives of the unit where he works. Amaechi and Uche (1984) in Akpala (1998, Pg.48) have stressed that the prime motivator of Nigerian workers to do their best at work is information and personal recognition.
Chapter 3

METHODOLOGY
Research Design and Methodology

In studies of this nature, coherent and logical arrangement of materials is very vital. This chapter handles how data is collected for this study. To buttress the initial statement, this chapter deals with the description of procedure adopted in carrying out the study. It describes the research design, source of data, instruments for data collection, establishment of research questions, population for the study, sampling and sampling technique, sample size and technique of data analysis.

The research design embodies the blueprint for the collection, measurement and analysis of data related to the research questions. Thus, the methodology used for the collection of data is mainly survey method based on secondary and primary sources of data collection.

3.1 Sources of data

The data used for this study was obtained from different sources. This ranged from questionnaires, personal interviews, observations and library search. However, field study involves use of questionnaires and schedules of interviews were applied in obtaining, reinforcing and cross checking obtained data this report. The data generated for the study comprise of secondary (desk survey) and primary sources (field survey).

Primary data are those obtained directly from the originators or main source. The aim of collecting them is to obtain first hand information about the industries being studied and their business. The bulk of the primary data were obtained through interviews and questionnaires designed via use of information generated from secondary survey (desk survey) after taking due cognizance of the purpose and objectives of the study.

I. Questionnaires: This formed the major source of primary data used in the study. The data collected from this source was obtained through use of questionnaires constructed by the researchers and the approved by the supervisor.

The data required for this study were collected through actual visits to the selected industries and face-to-face distribution and administration of questionnaires to the sixty-nine (69) respondents from the three selected small-scale industries. A copy of the questionnaire is attached as appendix one.

II. Face-to-face Interview: Apart from use of questionnaires, a structured interview was conducted for proprietors and manager.
or supervisors directly in charge of production, marketing and administrative departments of the selected industries. For instance in a situation where the question administered through the questionnaire requires to be clarified or elaborated upon, oral interviews were conducted. Face-to-face interview was also conducted to solicit issues not in the questionnaire but could be of immense assistance in this study. For example, rate at which employees resign from work due to lack of job satisfaction.

Secondary data is based on past research work on this area of study. They are data collected from Internet, textbooks, government publications, unpublished research work and journals. Also, acknowledge authorities within the area of studies provided valuable materials for this study.

Location of data

The following locations were made use of in this study: libraries, archives, government departments and Internet.

3.2 Instrument for data collection

The main data collection instrument employed in this study was a 25-item questionnaire. The design included multiple-choice questions; fill in questions and questions that require ranking of answers. The questions were clearly simplified and structured in a manner void of any ambiguity and technical details. Thus, most of the questions simply required respondents to tick (x) against the appropriate response, answer yes or no and rank on a scale of 0 – 5. The questionnaire was drawn to elicit information/data on general management, production, research and development and general information on the industries under study.

The research population for this study is made up of 83 employees of selected small-scale industries in Aba, Abia state, Nigeria. The three selected small-scale industries are limited liability companies that belong to the National Association of Small Scale Industries (NASSI).

3.3 Sampling and sampling technique

The sampling criteria included the following:

I. The company is either a service or production enterprise
II. The operations involved the employment of a minimum of 10 workers
III. The operations must be using power and equipment in its operation

IV. The company must be located in Aba, Abia State, Nigeria

V. The company must be using locally sourced raw materials as its major input. The sampling technique involved the stratified random sampling method employed to select respondents: 23 each from the selected small scale manufacturing industries for the study. This is done to ensure adequate and equal chances of respondents.

3.4 Determination of sample size

Simple random sampling method was used in this study, because it is considered the simplest, most convenient and bias free selection method.

Sample formula =

\[ n = \frac{N}{1 + N (e)^2} \]

Where

n = desired sample size  
N = size of the population  
e = Limit of error tolerance which was assured to be 5% (0.05); confidence limit.

Computing with the above formula, the number of questionnaires to be administered was obtained

\[ N = 83 \]
\[ e = 5\% \text{ or } 0.05 \]
\[ n = \frac{83}{1 + 83 (0.05)^2} \]
\[ n = 68.765 \]
\[ n = 69. \]

Therefore in order to arrive at a statistically valid conclusion, we administered at least 69 questionnaires.
3.5 Techniques of data analysis

The raw data was classified and tabulated after ensuring that they were carefully collated. This was followed by analysis and interpretation of findings.

**Table 1: List of selected companies**

<table>
<thead>
<tr>
<th>Name and address of company</th>
<th>Nature of business</th>
</tr>
</thead>
<tbody>
<tr>
<td>I Ariria shoe Plaza, Ariria International market</td>
<td>Shoe production</td>
</tr>
<tr>
<td>II Sunisons Ventures Nigerian Limited</td>
<td>Bottled water production</td>
</tr>
<tr>
<td>III Chuba Plastics Nigeria Limited</td>
<td>Plastic production</td>
</tr>
</tbody>
</table>

The companies are referred to as A, B and C respectively in the presentation and analysis of data in chapter 4.

**Table 2: Number of questionnaires administered and collected**

<table>
<thead>
<tr>
<th></th>
<th>Company I</th>
<th>Company II</th>
<th>Company III</th>
<th>Total</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Issued</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
<tr>
<td>No returned</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>

The table shows that 69 questionnaires were distributed to 69 persons; the entire number administered was returned, thus given a percentage of 100%. The analysis will be based on the 69 questionnaires administered and returned.

3.5.1 Method for data presentation includes use of:

I. Simple tables: this consist of list of objects containing statistical records in row and column formation

II. CHI square technique: this technique is use to test the hypotheses for the difference between a set of observed frequencies and a corresponding expected frequency.

The formula is stated below.

\[ X^2 = \frac{(o - e)^2}{e} \]
Where $X^2 = \text{CHI square}$

- $o = \text{observed data}$
- $e = \text{expected data}$
Chapter 4

EMPIRICAL ANALYSIS
Presentation of Data

The previous chapter described the design used in this study. Chapter three presented the procedure, population size and sample, source of data and rate at which questionnaires were returned.

This chapter will focus on collected data, analyses of the data, presentation and validation of hypothesis stated in chapter one.

For the purpose of this study, A, represents Ariaria show plaza, B, represents Sunison ventures, C, represents Chuba plastics, while M.D represents managing director.

4.1 Analysis of data from respondents

Question 1: Sex

46 respondents representing 66.27% of the total respondents are male, while 23 of the respondents are female. See Table 3. There were more males than females in all the companies sampled.

<table>
<thead>
<tr>
<th>Options</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>15</td>
<td>17</td>
<td>14</td>
<td>46</td>
<td>66.67</td>
</tr>
<tr>
<td>Female</td>
<td>8</td>
<td>6</td>
<td>9</td>
<td>23</td>
<td>23.23</td>
</tr>
<tr>
<td>Total</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>

Question 2: Age of the workers

20 respondents, representing 29% of the population were between the ages of 18-19. 44%, which represent 30 respondents were within the ages of 30-40, 10 respondents were within the ages of 41-50 while 13% of the population were within the ages of 51-60. None of the respondents were within the ages of 61-70. See Table 4.

Table 4: Age of workers in the company

With about 73% of the respondents within the age range of 18-40 years, it shows that the bulk of the work force is still young and energetic. Therefore the most members of the work force are within the productive age. This encourages effective performance.
Question 3: level of education

28% of the sampled population has primary education, while 34 out of the total 69 people sampled have secondary or high school education. People with bachelors degree account for 9% of the sampled population: 14% have other types of education. See Table 5.

<table>
<thead>
<tr>
<th>Table 5: Type of education possessed by respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>No of respondents</strong></td>
</tr>
<tr>
<td>Options</td>
</tr>
<tr>
<td>Primary</td>
</tr>
<tr>
<td>Secondary</td>
</tr>
<tr>
<td>Bachelors</td>
</tr>
<tr>
<td>Others</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

Question 3: How long have you been with the organization?

This deals with the longevity of staff in the organizations. The table above shows that 17 respondents representing 25% fall within 1-3 years and 20 respondents representing 28% fall within 3-5 years. This shows that most of the staff have been with the Companies consistently and are more likely to know about the company(s) performance.

<table>
<thead>
<tr>
<th>Table 6: Longevity of staff</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>No of respondents</strong></td>
</tr>
<tr>
<td>Options</td>
</tr>
<tr>
<td>Under 1 year</td>
</tr>
<tr>
<td>1-3</td>
</tr>
</tbody>
</table>
Question 5: Is the Managing Director the owner of the Company?

69 respondents representing 100% affirm that the managing director owns the companies. See Table 7. This indicates that companies studied are managed by the owners. There the owner is expected to do his best to ensure high organizational performance.

Table 7: Nature of business ownership

<table>
<thead>
<tr>
<th>Options</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
<tr>
<td>NO</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>

Question 6: How do you rate the Managing Director’s involvement in day to day running of the business? Rank on a scale of 0-5 (with 0 being no involvement and 5 being deeply involved)

Managing directors of small scale businesses are expected to be involved in daily activities of their business. Their level of involved in the business shows that 86% of the workers are of the opinion that their directors are either very strongly involved or strongly involved. None of the respondents choose a scale of 3, 2, 1 or 0. See Table 8. This affirms that the directors are dedicated to their small scale business.

Table 8: Level of director’s involvement in daily business activity

<table>
<thead>
<tr>
<th>Options</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>20</td>
<td>21</td>
<td>18</td>
<td>59</td>
<td>86</td>
</tr>
<tr>
<td>4</td>
<td>3</td>
<td>2</td>
<td>5</td>
<td>10</td>
<td>14</td>
</tr>
<tr>
<td>3</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>

Question 7: Do all sectional heads report to the manager?
All sections heads report to the managing directors. See Table 9.

Table 9: Reporting of sectional heads to the manager

<table>
<thead>
<tr>
<th>Options</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
<tr>
<td>NO</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>

Question 8: What is the relationship between heads and subordinate?

Rank using a scale of 0 – 5 (with 0 being no or worst relationship and 5 being best or excellent relationship)

Cordiality is very important in any business. The level of cordiality/relationship between the heads and subordinates in this study shows that 87% of the subordinates agree that they have good relationships with their superiors. 4% of the workers believed that their level of relationship is below average, while none of them agree to worst relationship. See Table 10. Good cordiality promotes effectiveness and readiness of workers to take up responsibilities at work.

Table 10: level of cordiality between heads and subordinates

<table>
<thead>
<tr>
<th>Scale</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>16</td>
<td>17</td>
<td>13</td>
<td>46</td>
<td>67</td>
</tr>
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<td>4</td>
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<td>8</td>
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<td>20</td>
</tr>
<tr>
<td>3</td>
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<td>6</td>
<td>9</td>
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<td>3</td>
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<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>

Question 9: How do heads of sections run their sections?

18 respondents representing 26% agree that sectional heads have free hand in running their sections while 51 respondents representing 74% say that the M.D intervenes in the running of sections. See Table 11.
Table 11: degree of freedom

<table>
<thead>
<tr>
<th>Options</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freely</td>
<td>3</td>
<td>10</td>
<td>5</td>
<td>18</td>
<td>26</td>
</tr>
<tr>
<td>With M.D’s</td>
<td>20</td>
<td>13</td>
<td>18</td>
<td>51</td>
<td>74</td>
</tr>
<tr>
<td>intervention</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>

Question 10: Is the working environment conducive for you?
Rank the level of conduciveness using a scale of 0 – 5 (with 0 being not conducive and 5 being conducive).

65% of the workers are of the opinion that their working environment is strongly unsuitable. 30% of the sampled population believed that their working environment is unsuitable while 4% and 1% are of the opinion that the working environment is average and suitable respectively. See Table 12. This bears an inverse relationship to the level of cordiality observed among the workers.

Table 12: Suitability of working environment for the workers

<table>
<thead>
<tr>
<th>Scale</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
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<td>3</td>
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<td>4</td>
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<tr>
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<td>6</td>
<td>9</td>
</tr>
<tr>
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<td>3</td>
<td>3</td>
<td>8</td>
<td>14</td>
<td>21</td>
</tr>
<tr>
<td>0</td>
<td>15</td>
<td>17</td>
<td>13</td>
<td>45</td>
<td>65</td>
</tr>
<tr>
<td>TOTAL</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>

Question 11: Are you satisfied with your present salary level?

Satisfaction with wages

None of the respondents is satisfied with his or her present salary. This means that 0% of the 69 respondents are satisfied with his or her salary. See Table 13. Based on non satisfaction, the unsatisfied workers may not have performed their work creditably well and these no doubt would affect the objective and efficiency of the organization.
Question 12: where you recently promoted?

21 respondents representing 30% were recently promoted while 48 representing 70% were not promoted recently. This shows that only a small percentage of the staff was promoted. See Table 14. This can lead to complacent in the workers and affect efficiency and performance in the organization.

Table 13: satisfaction of workers with present salary

<table>
<thead>
<tr>
<th>No of respondents</th>
<th>Options</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
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<td>0</td>
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<td>0</td>
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<td>0</td>
</tr>
<tr>
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<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>69</td>
<td>69</td>
</tr>
<tr>
<td>TOTAL</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>

Question 13: What decides who is to be promoted?

22 and 10 workers representing 32 and 14% of the staff population were of the opinion that promotion of staff was based on years of service and input to the company respectively. 5 and 32 respondents, which accounted for 7% and 47% of the sampled population respectively, were of the opinion that favouritism and M.D’s opinion respectively were factors used when deciding who gets promoted. See Table 15.

Table 14: Promotion of staff in the company

<table>
<thead>
<tr>
<th>No of respondents</th>
<th>Options</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>5</td>
<td>1</td>
<td>15</td>
<td>21</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>18</td>
<td>22</td>
<td>8</td>
<td>48</td>
<td>70</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

Table 15: Factor deciding whom to promote in the company

<table>
<thead>
<tr>
<th>No of respondents</th>
<th>Scale</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Years of service</td>
<td>6</td>
<td>3</td>
<td>13</td>
<td>22</td>
<td>32</td>
</tr>
<tr>
<td></td>
<td>Input to the company</td>
<td>6</td>
<td>2</td>
<td>2</td>
<td>10</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td>Favoritism</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>M.D’s discretion</td>
<td>8</td>
<td>17</td>
<td>7</td>
<td>32</td>
<td>47</td>
</tr>
<tr>
<td></td>
<td>Others</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>
Question 14: Are you motivated in the Organization?

25 respondents representing 36% are motivated while 44 respondents representing 64% are not motivated in their jobs. See Table 16

**Table 16: Job motivation**

<table>
<thead>
<tr>
<th>Options</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>9</td>
<td>6</td>
<td>10</td>
<td>25</td>
<td>36</td>
</tr>
<tr>
<td>No</td>
<td>14</td>
<td>17</td>
<td>13</td>
<td>44</td>
<td>64</td>
</tr>
<tr>
<td>TOTAL</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>

Rank your level of motivation using a scale of 0 – 5 (with 0 being no motivation and 5 satisfactorily motivated)

30 respondents out of a total of 69 represent 43% of the sampled population. These groups are of the opinion that they are not motivated at all, while 23% that account for 43% of the workers believe they are almost not motivated. These two account for about 66% of the total population. However about 31% believe they are either strongly motivated or just motivated. See Table 17. This result support the findings from question 14 above, which shows that about 64% are not motivated while 36% are motivated.

**Table 17: Level of motivation among staff in the companies**

<table>
<thead>
<tr>
<th>Scale</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>1</td>
<td>4</td>
<td>2</td>
<td>7</td>
<td>10</td>
</tr>
<tr>
<td>4</td>
<td>2</td>
<td>4</td>
<td>6</td>
<td>12</td>
<td>17</td>
</tr>
<tr>
<td>3</td>
<td>0</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>4</td>
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<td>43</td>
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<tr>
<td>TOTAL</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>

Questions 10-16 in the questionnaire deal with worker’s satisfaction, motivation and recognition. Lack of proper recognition of staff input prompt workers to always look for jobs in other companies, where their contributions and skills will be recognized and properly remunerated. This results in high staff drain in these industries. It has also observed that employers in the small scale industries in Aba, Abia State, Nigeria
find it difficult to motivate their workers. All these breed low job satisfaction in the workers.

Question 15: Do you receive job training in your organization?

13 out of the 69 respondents representing 19% agree that they have training for the job they are currently doing, while 56 respondents (81%) agree that they do not have training on the job. However further investigation shows that not everybody is qualified for on the training. See Table 18. This depends on the person’s type of job. This means that not all jobs need further training. But for jobs that require training from time to time, the participants are better armed to face their jobs and the challenges that come with them. This will lead to better organizational performance

<table>
<thead>
<tr>
<th>No of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Options</td>
</tr>
<tr>
<td>Yes</td>
</tr>
<tr>
<td>No</td>
</tr>
<tr>
<td>TOTAL</td>
</tr>
</tbody>
</table>

Question 15b: If yes, specify the type of training.

8 respondents out of the 13 respondents who were of the opinion that they receive on the job training said that their training was on machine operation, while 38% representing 38% of the population said the training they received was on tool handling. See Table 19.

<table>
<thead>
<tr>
<th>No of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Options</td>
</tr>
<tr>
<td>Machine operations</td>
</tr>
<tr>
<td>Tools handling</td>
</tr>
<tr>
<td>Others</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

Question 16: Do managers delegate duties to the subordinate?

17 respondents which account for 25% agree that delegation of duties exist, while 52 respondents representing 75% agree there is no delegation of duty in the organization. See Table 20.
Question 17: If yes, is responsibility backed up by adequate authority?

For those who agree that there is delegation of duty which is good, it is very important that responsibility is backed up by adequate authority, so that in carrying out the delegated duty, the person performing it will have the authority to make certain decisions that will affect that duty. Delegation of duty is very important; it makes for flexibility, faster accomplishment of jobs and giving the staff a sense of belonging because of the trust placed on them. This makes for better organizational performance. While lack of it makes them feel like outsiders.

Question 18: How can you describe the performance of the company so far?

10 out of 69 respondents representing 14% agree that the performance of their company is outstanding, 25 respondents or 36% agree that their company is average while the remaining 34 respondents representing 50% stated that the performance of their company is poor. See Table 21.

### Table 20: Delegation of duty and authority

<table>
<thead>
<tr>
<th></th>
<th>Options</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
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<td>5</td>
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<td>11</td>
<td>17</td>
<td>25</td>
</tr>
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<td></td>
<td>18</td>
<td>22</td>
<td>12</td>
<td>52</td>
<td>75</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>

These responses are based on how either good or bad leadership affect performance.

Question 18: what do you think may be responsible for this level of performance in 17 above?

### Table 21: Performance evaluation

<table>
<thead>
<tr>
<th></th>
<th>Options</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outstanding</td>
<td>6</td>
<td>4</td>
<td>0</td>
<td>10</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>Average</td>
<td>10</td>
<td>7</td>
<td>8</td>
<td>25</td>
<td>36</td>
<td></td>
</tr>
<tr>
<td>Poor</td>
<td>7</td>
<td>12</td>
<td>15</td>
<td>34</td>
<td>50</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

These responses are based on how either good or bad leadership affect performance.
The question was asked to find the reasons for the level of performance indicated in question 18. For those who agree that their company is outstanding, their reasons being:
- Owner’s managerial ability and willingness to delegate responsibility and to manage the activity of others.
- Availability of business resources, customer’s goodwill, high marker share, good customer’s relation and satisfaction, effective manufacturing and distribution process, technology and reputation.
- Free flow of information and effective communication. Those who choose average gave these reasons:
- Exhibition of exaggerated opinion of business competence by the managing Director based on knowledge of skill.
- Inflexibility to change and lack of innovation.
- Availability of financial resources, limited technology.
- Existence of owner’s operational ability in key business areas.

For those that choose poor, their reasons are:
- The Managing Director uses own personal taste and opinion as a standard to follow.
- The managing director is oriented to the past and ignores the future.
- The managing director resists advice from qualified sources and is stubborn to change.
- He sees himself as the overall boss and does not give room for professionalism.

Question 20: from your experience from the company, how do you describe the Leadership style?

It can be seen that 45 respondents representing 64% described the management style of their company as autocratic, while those that choose laizze faire are 11 representing 16%. 13 respondents choose participative leadership style representing 19%. See Table 22.

<table>
<thead>
<tr>
<th>Table 22: Leadership style</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>No of respondents</strong></td>
</tr>
<tr>
<td>Options</td>
</tr>
<tr>
<td>Autocratic</td>
</tr>
<tr>
<td>Laizze faire</td>
</tr>
<tr>
<td>Participative</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

Question 21a: Do you think that workers are motivated in response to their efforts and contributions?
24 respondents representing 35% agree that workers are motivated in responses to their efforts and contribution, while the other 45 respondents representing 64% think otherwise. See Table 23. In all, it revealed that small-scale industries employers in the selected area of study do not motivate their staff based on their effort and contribution. This can lead to low morale and zeal and therefore low performance and productivity.

Table 23: Motivation of workers based on their efforts and contributions

<table>
<thead>
<tr>
<th>Options</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>7</td>
<td>3</td>
<td>14</td>
<td>24</td>
<td>35</td>
</tr>
<tr>
<td>No</td>
<td>16</td>
<td>20</td>
<td>9</td>
<td>45</td>
<td>65</td>
</tr>
<tr>
<td>Total</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>

Question 21b: if yes, rank the level of motivation using a scale of 0 – 5. (0 being no motivation and 5 being satisfactorily motivated).

30 respondents that account for 43% of the respondents are of the opinion that there is no motivation. 23% of the respondents agreed that they are very poorly motivated, while 3% agreed that they are fairly motivated. 4% agreed that they are averagely motivated, while 17% and 10% agreed that the level of motivation was good and satisfactorily. See Table 24.

Table 24: level of motivation among the respondents

<table>
<thead>
<tr>
<th>Scale</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>1</td>
<td>4</td>
<td>2</td>
<td>7</td>
<td>10</td>
</tr>
<tr>
<td>4</td>
<td>2</td>
<td>4</td>
<td>6</td>
<td>12</td>
<td>17</td>
</tr>
<tr>
<td>3</td>
<td>0</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>2</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>1</td>
<td>8</td>
<td>4</td>
<td>3</td>
<td>15</td>
<td>23</td>
</tr>
<tr>
<td>0</td>
<td>12</td>
<td>8</td>
<td>10</td>
<td>30</td>
<td>43</td>
</tr>
<tr>
<td>Total</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>

Question 22: Are there any form of Performance measurement existing in your organization?

16 respondents representing 23% agreed that there exist performance measurement in their organization, while the remaining 53 respondents representing 77% do not agree that performance measurement exist in their companies. See Table 25.
Question 23: if yes, give some example:

This is a spill over from question 22 in order to ascertain the actual forms of performance measurement applied in the organization.

Examples given includes,

- Setting of worker standards to be attained on managing director’s ability and intuition. This is mainly used in the small-scale industries, which we studied.
- Use of monthly sales quota
- Use of production schedule
- Use of budgeting control to monitor transactions.

Question 24: what factor(s) can enhance Organizational performance in your company?

a) Recruitment of well educated / experienced Managers and leaders ( )
b) Acquisition of State of the art technology ( )
c) Participative Leadership and proper Motivation of staff ( )
d) Research and development ( )
e) Free Flow of information and personal recognition ( )

11 of the respondents representing 16% agreed that recruitment of well educated experienced managers will be the best option, 10 respondents representing 15% agree that acquisition of art-technology is the best option, 27 respondents representing 39% believe that participative leadership and proper motivation of staff is the best option, 5 respondents or 7% agreed that research and development is the best option while 16 respondents representing 23%, choose free flow of information and personal recognitions will enhance organizational performance. See table 26.

<table>
<thead>
<tr>
<th>Options</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>4</td>
<td>1</td>
<td>11</td>
<td>16</td>
<td>23</td>
</tr>
<tr>
<td>No</td>
<td>19</td>
<td>22</td>
<td>12</td>
<td>53</td>
<td>77</td>
</tr>
<tr>
<td>Total</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 25: existence of performance measurement in the companies
Question 25: what factor(s) could counter high organizational performance?

a) Lack of good equipment ( )
b) Insufficient Staff and fund ( )
c) Autocracy and bad leadership ( )
d) Lack of attention to staff opinion and welfare ( )
e) Others ( )

Question 25: what factors could counter high performance

6 respondents representing 9% agreed that lack of good equipment is a factor against high performance. 3 respondents representing 4% choose insufficient staff and fund as the factors responsible for low performance. 39 respondents, which represent 57% of the respondents agreed with autocracy and bad leadership, while 21 respondents representing 30% picked lack of attention to the staff opinion and welfare as factor acting against high organizational performance. See Table 27.

Table 26: How to enhance organizational performance

<table>
<thead>
<tr>
<th>Options</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>2</td>
<td>5</td>
<td>4</td>
<td>11</td>
<td>7</td>
</tr>
<tr>
<td>b</td>
<td>7</td>
<td>1</td>
<td>2</td>
<td>10</td>
<td>16</td>
</tr>
<tr>
<td>c</td>
<td>7</td>
<td>14</td>
<td>6</td>
<td>27</td>
<td>15</td>
</tr>
<tr>
<td>d</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>5</td>
<td>39</td>
</tr>
<tr>
<td>e</td>
<td>6</td>
<td>2</td>
<td>8</td>
<td>16</td>
<td>23</td>
</tr>
<tr>
<td>Total</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 27: factors affecting organization performance

<table>
<thead>
<tr>
<th>Options</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>3</td>
<td>0</td>
<td>3</td>
<td>6</td>
<td>9</td>
</tr>
<tr>
<td>b</td>
<td>2</td>
<td>0</td>
<td>1</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>c</td>
<td>13</td>
<td>16</td>
<td>10</td>
<td>39</td>
<td>57</td>
</tr>
<tr>
<td>d</td>
<td>5</td>
<td>7</td>
<td>9</td>
<td>21</td>
<td>30</td>
</tr>
<tr>
<td>e</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>12</td>
<td>8</td>
<td>10</td>
<td>30</td>
<td>43</td>
</tr>
</tbody>
</table>
Chapter 5

ANALYSIS
Data Analysis

Having presented the data, they were analyzed in relation to the presentation. They were then used in testing the entire hypotheses. Chi-square \((X^2)\) will be used to test the hypotheses listed in chapter 1.

This research tested the null hypothesis at 0.05 level of significance levels.

Computation of Chi-Square

\[
\text{Chi Square (}X^2\text{)} = \frac{\text{ei} (\text{oi} - \text{ei})^2}{\text{ei}}
\]

Where \(\text{oi} = \text{Observed frequency}\)

\(\text{ei} = \text{Expected Frequency}\)

Formulae for expected frequency \((\text{ei})\)

\[
= \frac{\text{Row total} \times \text{Column total}}{\text{Grand total}} = \frac{(\text{nr} \times \text{nc})}{\text{n}}
\]

5.1 Hypothesis one

Ho represents the null hypothesis.
Hi represents the alternative hypothesis.

Ho: leadership function and pattern in small scale industries in Aba, Abia state, Nigeria does not significantly affect the overall performance of the business outfit (organization)

H1: leadership function and pattern in small-scale industries in Aba, Abia state, Nigeria significantly affect the overall performance of the business outfit.

This hypothesis was tested using the items in Table 28
Table 28: Contingency table for leadership style

<table>
<thead>
<tr>
<th>Options</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Autocratic</td>
<td>15 (15)</td>
<td>20 (15)</td>
<td>10 (15)</td>
<td>45</td>
<td>65</td>
</tr>
<tr>
<td>Laizze faire</td>
<td>4 (3.66)</td>
<td>1 (3.66)</td>
<td>6 (3.66)</td>
<td>11</td>
<td>16</td>
</tr>
<tr>
<td>Participative</td>
<td>4 (4.33)</td>
<td>2 (4.33)</td>
<td>7 (4.33)</td>
<td>13</td>
<td>19</td>
</tr>
<tr>
<td>Total</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>

The table above is a combination of observed and expected frequencies.

Computation of CHI – SQUARE ($X^2$) value

Table 29: Computation of CHI – SQUARE ($X^2$) value for Hypothesis 1

<table>
<thead>
<tr>
<th>$o_i$</th>
<th>$e_i$</th>
<th>$o_i - e_i$</th>
<th>$(o_i - e_i)^2$</th>
<th>$(o_i - e_i)^2 / e_i$</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>15</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>4</td>
<td>3.66</td>
<td>0.34</td>
<td>0.1156</td>
<td>0.0315</td>
</tr>
<tr>
<td>4</td>
<td>4.33</td>
<td>-0.33</td>
<td>0.1089</td>
<td>0.0251</td>
</tr>
<tr>
<td>20</td>
<td>15</td>
<td>5</td>
<td>25</td>
<td>1.6666</td>
</tr>
<tr>
<td>1</td>
<td>3.66</td>
<td>-2.66</td>
<td>7.0756</td>
<td>1.93322</td>
</tr>
<tr>
<td>2</td>
<td>4.33</td>
<td>-2.66</td>
<td>7.0756</td>
<td>1.93322</td>
</tr>
<tr>
<td>10</td>
<td>15</td>
<td>-5</td>
<td>25</td>
<td>1.6666</td>
</tr>
<tr>
<td>6</td>
<td>3.66</td>
<td>2.34</td>
<td>5.4756</td>
<td>1.49606</td>
</tr>
<tr>
<td>7</td>
<td>4.33</td>
<td>2.67</td>
<td>7.1289</td>
<td>1.64639</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>9.71925</td>
<td></td>
</tr>
</tbody>
</table>

Degree of freedom (Df)

\[(DF) = (R-I) (C-I)\]

Where R= row

\[C= column\]

\[= 3-1 \times 3-1\]

\[= 2 \times 2 = 4\]

The tabulated Chi-square at degree of freedom (4) and level of significance 0.05

\[(X^2 + 4, 0.05) = 9.488\]

Decision Rule:

Since the calculated Chi-Square ($X^2$) is greater than the tabulated Chi-squared ($X^2$t), we reject the null hypothesis to accept the alternative hypothesis that is statistically significant.
9.71925 (calculated value) is greater than 9.488 (tabulated value), therefore we reject Ho and accept H1 in the first hypothesis.

Therefore we accept H1: leadership function and pattern in small-scale industries in Aba, Abia state, Nigeria significantly affect the overall performance of the business outfit and reject Ho, which stated that leadership function and pattern in small scale industries in Aba, Abia state, Nigeria does not significantly affect the overall performance of the business outfit (organization).

5.2 Hypothesis two

Ho: Existence of a favorable working environment does not enhance employees’ high input to their organization in the selected small-scale industries in Aba, Abia State, Nigeria.

H1: Existence of a conducive working environment enhances employees’ high input to their organization in the selected small-scale industries in Aba, Abia State, Nigeria.

This hypothesis was tested at significance level of 0.05

Table 30: Contingency table for factors deciding whom to promote in the company

<table>
<thead>
<tr>
<th>Scale</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Years of service</td>
<td>6 (7.33)</td>
<td>3 (7.33)</td>
<td>13 (7.33)</td>
<td>22</td>
<td>32</td>
</tr>
<tr>
<td>Input to the company</td>
<td>6 (3.33)</td>
<td>2 (3.33)</td>
<td>2 (3.33)</td>
<td>10</td>
<td>14</td>
</tr>
<tr>
<td>Favoritism</td>
<td>3 (1.66)</td>
<td>1 (1.66)</td>
<td>1 (1.66)</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>M.D’s discretion</td>
<td>8 (10.66)</td>
<td>17 (10.66)</td>
<td>7 (10.66)</td>
<td>32</td>
<td>47</td>
</tr>
<tr>
<td>Others</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>

The table above is a combination of observed and expected frequencies.
Table 31: Computation of CHI-SQUARE (X^2) value for hypothesis 2

<table>
<thead>
<tr>
<th>oi</th>
<th>ei</th>
<th>oi – ei</th>
<th>(oi – ei)^2</th>
<th>(oi – ei)^2/ ei</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>7.33</td>
<td>-1.33</td>
<td>1.7689</td>
<td>0.24132</td>
</tr>
<tr>
<td>6</td>
<td>3.33</td>
<td>2.67</td>
<td>7.1289</td>
<td>2.14081</td>
</tr>
<tr>
<td>3</td>
<td>1.66</td>
<td>1.34</td>
<td>1.7956</td>
<td>1.08168</td>
</tr>
<tr>
<td>8</td>
<td>10.66</td>
<td>-2.66</td>
<td>7.0756</td>
<td>0.66375</td>
</tr>
<tr>
<td>3</td>
<td>7.33</td>
<td>-4.33</td>
<td>18.7489</td>
<td>2.55783</td>
</tr>
<tr>
<td>2</td>
<td>3.33</td>
<td>-1.33</td>
<td>1.76890</td>
<td>0.53120</td>
</tr>
<tr>
<td>1</td>
<td>1.66</td>
<td>-0.66</td>
<td>0.4356</td>
<td>0.26240</td>
</tr>
<tr>
<td>17</td>
<td>10.66</td>
<td>6.34</td>
<td>40.1956</td>
<td>3.77069</td>
</tr>
<tr>
<td>13</td>
<td>7.33</td>
<td>5.67</td>
<td>32.1489</td>
<td>4.38593</td>
</tr>
<tr>
<td>2</td>
<td>3.33</td>
<td>-1.33</td>
<td>1.7689</td>
<td>0.53120</td>
</tr>
<tr>
<td>1</td>
<td>1.66</td>
<td>-0.66</td>
<td>0.4356</td>
<td>0.26240</td>
</tr>
<tr>
<td>7</td>
<td>10.66</td>
<td>-3.66</td>
<td>13.3956</td>
<td>1.25662</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>17.685834</strong></td>
<td></td>
</tr>
</tbody>
</table>

Degree of freedom (Df) = (R–1) (C–1) = (4-1) (3-1) = 2*3 = 6.
Therefore at a significance level of 0.05, the degree of freedom is 6. The tabulated CHI-SQUARE value (X^2 t6, 0.05)=12.592. This value is lesser than the computed X^2 value.

Since the calculated Chi- Square (X^2) is greater than the tabulated Chi–square (X^2t), we reject the null hypothesis and accept the alternative hypothesis that is statistically significant.

17.685834 (calculated value) is greater than 12.592 (tabulated value), therefore we reject Ho and accept H1 in the first hypothesis.

Therefore, we reject Ho: Existence of a favorable working environment does not enhance employees’ high input to their organization in the selected small-scale industries in Aba, Abia State, Nigeria. And accept H1: Existence of a conducive working environment enhances employees’ high input to their organization in the selected small-scale industries in Aba, Abia State, Nigeria.

5.3 Hypothesis three

Ho: Positive response of the leaders to high performance variables does not promote maximization of the objectives of the organization in the selected area of study in Aba, Abia State, Nigeria.

Hi: Positive responses of the leaders to high performance variable promote maximization of the objectives of the organization in the selected area of study in Aba, Abia State, Nigeria.
Table 32: Contingency table for response of leaders to high performance

<table>
<thead>
<tr>
<th>Options</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>2(3.66)</td>
<td>5(3.66)</td>
<td>4(3.66)</td>
<td>11</td>
<td>7</td>
</tr>
<tr>
<td>b</td>
<td>7(3.33)</td>
<td>1(3.33)</td>
<td>2(3.33)</td>
<td>10</td>
<td>16</td>
</tr>
<tr>
<td>c</td>
<td>7(9)</td>
<td>14(9)</td>
<td>6(9)</td>
<td>27</td>
<td>15</td>
</tr>
<tr>
<td>d</td>
<td>1(1.66)</td>
<td>1(1.66)</td>
<td>3(1.66)</td>
<td>5</td>
<td>39</td>
</tr>
<tr>
<td>e</td>
<td>6(5.33)</td>
<td>2(5.33)</td>
<td>8(5.33)</td>
<td>16</td>
<td>23</td>
</tr>
<tr>
<td>Total</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>

Note that the above table is a combination of observed and expected frequencies.

Table 33: Computation of CHI-SQUARE (X^2) for hypothesis 3

<table>
<thead>
<tr>
<th>oi</th>
<th>ei</th>
<th>(Oi-ei)</th>
<th>(Oi-ei)^2</th>
<th>(Oi-ei)^2/ei</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>3.66</td>
<td>-1.66</td>
<td>2.7556</td>
<td>0.752896</td>
</tr>
<tr>
<td>7</td>
<td>3.33</td>
<td>3.67</td>
<td>13.4689</td>
<td>4.0447147</td>
</tr>
<tr>
<td>7</td>
<td>9</td>
<td>-2</td>
<td>4</td>
<td>0.444444</td>
</tr>
<tr>
<td>1</td>
<td>1.66</td>
<td>-0.66</td>
<td>0.4356</td>
<td>0.262409</td>
</tr>
<tr>
<td>6</td>
<td>5.33</td>
<td>0.67</td>
<td>0.4489</td>
<td>0.08422</td>
</tr>
<tr>
<td>5</td>
<td>3.66</td>
<td>1.34</td>
<td>1.7956</td>
<td>0.49060</td>
</tr>
<tr>
<td>1</td>
<td>3.33</td>
<td>-2.33</td>
<td>5.4289</td>
<td>1.630300</td>
</tr>
<tr>
<td>14</td>
<td>9</td>
<td>5</td>
<td>25</td>
<td>2.777777</td>
</tr>
<tr>
<td>1</td>
<td>1.66</td>
<td>-0.66</td>
<td>0.4356</td>
<td>0.262409</td>
</tr>
<tr>
<td>2</td>
<td>5.33</td>
<td>-3.33</td>
<td>11</td>
<td>2.0880469</td>
</tr>
<tr>
<td>4</td>
<td>3.66</td>
<td>0.34</td>
<td>0.1156</td>
<td>0.03158</td>
</tr>
<tr>
<td>2</td>
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<td>1.33</td>
<td>1.7659</td>
<td>0.53120</td>
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<tr>
<td>6</td>
<td>9</td>
<td>-3</td>
<td>9</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>1.66</td>
<td>1.34</td>
<td>1.7956</td>
<td>1.08168</td>
</tr>
<tr>
<td>8</td>
<td>5.33</td>
<td>2.67</td>
<td>7.1289</td>
<td>1.337504</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td></td>
<td>16.812197</td>
</tr>
</tbody>
</table>

Degree of freedom (DF) = (R−1) (C−1) = (5−1) (3−1) = 4 x 2 = 8

At degree of freedom 8, and 0.05 level of significance, the tabulated Chi–Square value (X^2, 18, 0.05) = 15.507

Decision Rule:

Since the calculated Chi- Square (X^2) is greater than the tabulated Chi–square (X^2t), we reject the null hypothesis to accept the Alternative hypothesis that is statistically significance.
Therefore we accept H1: Positive responses of the leaders to high performance variable promote maximization of the objectives of the organization in the selected area of study in Aba, Abia State, Nigeria and reject Ho: Positive response of the leaders to high performance variables does not promote maximization of the objectives of the organization in the selected area of study in Aba, Abia State, Nigeria.

### 5.4 Hypothesis four

Ho: staff promotion based on merit and skill will not motivate staff to higher organizational performance in this area of study.

H1: staff promotion based on merit and skill will motivate staff to higher organizational performance in this area of study.

#### Table 34: Contingency table for factors that motivates staff’s promotion

<table>
<thead>
<tr>
<th>Scale</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Years of service</td>
<td>6 (7.33)</td>
<td>3 (7.33)</td>
<td>13 (7.33)</td>
<td>22</td>
<td>32</td>
</tr>
<tr>
<td>Input to the company</td>
<td>6 (3.33)</td>
<td>2 (3.33)</td>
<td>2 (3.33)</td>
<td>10</td>
<td>14</td>
</tr>
<tr>
<td>Favoritism</td>
<td>3 (1.66)</td>
<td>1 (1.66)</td>
<td>1 (1.66)</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>M.D’s discretion</td>
<td>8 (10.66)</td>
<td>17 (10.66)</td>
<td>7 (10.66)</td>
<td>32</td>
<td>47</td>
</tr>
<tr>
<td>Others</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>23</td>
<td>23</td>
<td>23</td>
<td>69</td>
<td>100</td>
</tr>
</tbody>
</table>

The table above is a combination of observed and expected frequencies.

#### Table 35: Computation of CHI-SQUARE ($X^2$) value for hypothesis 4

<table>
<thead>
<tr>
<th>oi</th>
<th>ei</th>
<th>oi –ei</th>
<th>(oi – ei)$^2$</th>
<th>(oi –ei)$^2$</th>
<th>ei</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>7.33</td>
<td>-1.33</td>
<td>1.7689</td>
<td>0.24132</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>3.33</td>
<td>2.67</td>
<td>7.1289</td>
<td>2.14081</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>1.66</td>
<td>1.34</td>
<td>1.7956</td>
<td>1.08168</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>10.66</td>
<td>-2.66</td>
<td>7.0756</td>
<td>0.66375</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>7.33</td>
<td>-4.33</td>
<td>18.7489</td>
<td>2.55783</td>
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<tr>
<td>2</td>
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</tr>
<tr>
<td>1</td>
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<td>-0.66</td>
<td>0.4356</td>
<td>0.26240</td>
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</tr>
<tr>
<td>17</td>
<td>10.66</td>
<td>6.34</td>
<td>40.1956</td>
<td>3.77069</td>
<td></td>
</tr>
<tr>
<td>13</td>
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<td>32.1489</td>
<td>4.38593</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>3.33</td>
<td>-1.33</td>
<td>1.7689</td>
<td>0.53120</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>1.66</td>
<td>-0.66</td>
<td>0.4356</td>
<td>0.26240</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>10.66</td>
<td>-3.66</td>
<td>13.3956</td>
<td>1.25662</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>17.685834</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Degree of freedom (Df) = (R–1) (C–1) = (4-1) (3-1) = 2*3 = 6.
Therefore at a significance level of 0.05, the degree of freedom is 6. The tabulated CHI-SQUARE value ($X^2_{t6, 0.05}$) = 12.592. This value is lesser than the computed $X^2$ value.

Since the calculated Chi-Square ($X^2$) is greater than the tabulated Chi-square ($X^2_t$), we reject the null hypothesis and accept the alternative hypothesis that is statistically significant.

17.685834 (calculated value) is greater than 12.592 (tabulated value), therefore we reject $H_0$ and accept $H_1$ in the first hypothesis.

Therefore, we reject $H_0$: staff promotion based on merit and skill will not motivate staff to higher organizational performance in this area of study and accept the alternative $H_1$: staff promotion based on merit and skill will motivate staff to higher organizational performance in this area of study.

### 5.5 Interpretation and meaning of analyzed data

Below are the interpretations to the analyzed data.

**Hypothesis 1**

The result of the calculated chi-square was 9.71925, while that of the critical chi-square is 9.488. This shows that the calculated chi-square is greater than the tabulated chi-square.

This means that the leadership function and pattern in small-scale industries in Aba, Abia state, Nigeria significantly affect the overall performance of the business outfit. It shows that good leadership in all its ramifications leads to high organizational performance.
Hypothesis 2

The result of the calculated Chi-square was 17.685834 (calculated value), while that of critical chi-square value is 12.592 (tabulated value). This shows that the calculated chi-square is greater than the tabulated chi-square.

This means that existence of a favorable working environment will enhance employees’ high input to their organization in the selected small-scale industries in Aba, Abia State, Nigeria.

However, favorable working environment does not exist in the companies studied in Aba, Abia state, Nigeria.

Hypothesis 3

The chi-square value was calculated to be 16.812197 while the critical chi-square is 15.507 at 8-degree freedom and level of significance: 0.05. The alternative hypothesis, which stated that positive response of the leadership to high performance variables, promotes maximization objectives of the small-scale industries in Aba, Abia State, Nigeria was accepted.

This means that when these variables like recruitment of well educated and experienced managers, acquisition of state of art technology, participative leadership and proper motivation of staff. Others are Research and development, free flow of information and personal recognition. If these variables are well put in place and actualized, they will promote the aims and objectives of the small scale industries in our area of study which in turns leads to high organizational performance.

Hypothesis 4

The chi-square value was calculated as 17.685834 (calculated value). The tabulated value was 12.592. This shows that the calculated value is greater than the tabulated value. The alternative hypothesis to the null hypothesis will be accepted.

Hence it would be agreed from the findings above that staff promotion based on merit and skill would motivate staff to higher organizational performance in this area of study.

5.6 Theories relevant to this study

Three theories were tested in this analysis. They were all found to be valuable and relevant. Situation theory stressed that traits and
behaviors of leaders vary with situation if they are to be effective at work. This was buttressed by Patchian (1962), who listed the following factors to affect leadership effectiveness:

I. Personality of the leader

II. Performance requirements of the tasks for both leader and follower

III. Attitudes, needs and expectations of his followers

IV. Organizational and physical environment of the leader and the group.

However, of importance to this finding is attitude, needs and expectations of the followers. Also of importance is favorable working environment which was found to be lacking in the companies studied. This further shed light on need for adequate motivation. Since adequate motivation prompts high performance, attitude of employee to work often change with good motivation.

This theory also shed light on other objectives such as positive response of the leadership to high performance variables, promotes maximization objectives and staff promotion based on merit and skill would motivate staff to higher organizational performance in this area of study.

Likert Leadership theory gave the following basic styles used in categorizing task orientation and employee orientation: exploitative and authoritative, benevolent and authoritative, consultative and Participative.

The findings from the analysis of the questionnaire show that most leaders in the studied area are autocratic. They do not do much consultation with their employees and are often exploitative. This attitude falls under category I in Likert’s model. In effect, this supports the view that good leadership in all its ramifications leads to high organizational performance.

Behavioral theory on the other hand focused on the relationship between behavior of leaders and workers group performance. According to Van and Hagg (2004), leadership behavior is indicative of friendship, mutual trust and warmth. Therefore, this focused on conduciveness or friendliness of the working environment for employee as well as willingness of the employer to employ just measures in dealing with staff.
Chapter 6

CONCLUSION
Discussion and finding

The primary aim of the research is to establish the relationship between effective leadership style and effectiveness. This focused further on the degree or extent to which it facilitates adequate or high services to the organization. The leadership pattern used in the selected companies in this study contributed to the ineffectiveness of the organizations based on the following reasons:

Inadequate materials and equipment to work with, under staffing, breakdown of machinery and tools, insufficient raw materials, lack of performance measurement and lack of motivation for staff amongst other factors.

During this study, the following areas of managerial inadequacies were noticed:

Poor spread of executive skills and delegation of power: Power is poorly delegated among staff. This results to inability to take decisions when the manager is not available. Also, use of own initiative by the staff is hampered. Thus, most work is monotonous and lack innovative: since the workers have to carry out their duties according to laid down rules.

Rulership by one man: It was observed that the owner of the business is in his own world. Most times he only gives directives and watch: doing a little of everything. There are no formal controls mechanisms employed in these companies and level of expertise of the manager in all areas of the business in questionable. For instance, it was noticed that the owner of the business addresses issues such finances, marketing, distribution, recruitment and production himself. Certainly his degree of expertise will vary in these fields. Thus his over all competence in handling the business is questionable.

Other issues that were of importance in this study are mentioned below:

The small-scale industries had more of the relations of the owner of the business working there. Most times, this could be seen as a favor to the family members. In another sense, the employer places them in different units of the business to act as checks to other employees.

Some subordinates do not feel free to discuss with the owner of the business. Some supervisors also take little or no interest in the workers. Therefore, the workers often live on with the problems. Resultantly, this affects work situation.
Lastly, some of the employees were not promoted in recent years. Thus, they are dissatisfied and this affects their attitude at work. They gave favoritism and managing director’s discretion as the cause.

6.1 Conclusion

Organizations are set up for specific purpose and objectives. People join the organizations because they believe that their personal goals could be met, while they strive to achieve the organization’s objectives. It is the duty of every responsible leader to build an organization that will function effectively. To achieve this, the leader must combine these attributes:

Believe in one-self, will give the leader self-confidence to take up new challenges and ability to motivate others to take up pristine challenges. The leader must have and show passion for the job. This provides energy and focus needed to drive the organization.

Efficiency is a function of perceived reward. Good motivation is critical for achieving organizational objectives. Therefore recognizing workers needs is an essential step to planning and motivational efforts. Hence, every action taken by a leader stimulates a reaction in the employees.

Therefore, we are of the opinion that attainment of the objectives of small-scale industries in Aba, Abia state Nigeria would be borne out of the fact that leadership recognizes the needs of the workers, employ appropriate motivational tool such as promotion of staff based on merit and skills, provide suitable working environment and provide an appropriate leadership style that will encourage free flow of information among employer, superior officers and other employees.

Hence, from the following hypothesis:

1. Instead of: leadership function and pattern in small scale industries in Aba, Abia state, Nigeria does not significantly affect the overall performance of the business outfit (organization)

   Hypothesis accepted: leadership function and pattern in small-scale industries in Aba, Abia state, Nigeria significantly affect the overall performance of the business outfit

2. Instead of existence: favorable working environment does not enhance employees’ high input to their organization in the selected small-scale industries in Aba, Abia State, Nigeria.

   Hypothesis accepted: existence of a conducive working environment enhances employees’ high input to their
organization in the selected small-scale industries in Aba, Abia State, Nigeria

3. Instead of: positive response of the leaders to high performance variables does not promote maximization of the objectives of the organization in the selected area of study in Aba, Abia State, Nigeria.

Hypothesis accepted: positive responses of the leaders to high performance variable promote maximization of the objectives of the organization in the selected area of study in Aba, Abia State, Nigeria.

4. Instead of: staff promotion based on merit and skill will not motivate staff to higher organizational performance in this area of study.

Hypothesis accepted: staff promotion based on merit and skill will motivate staff to higher organizational performance in this area of study.

The acceptance of these alternative hypotheses was born from the informative inputs from Likert’s leadership theory, situation theory and behavioral theory.

Situation theory was instrumental in understanding the attitudes, needs and expectations of employees in any company. Therefore, the role of motivation in employees’ performance can not be underestimated. Hence, we were able to understand that performance of employee is driven by appropriate compensation, which can meet the employee’s personal need and goal. Based on this, employees will contribute substantially to the company’s bottom line if their individual expectations and goals are met by the employer.

With Likert’s leadership theory giving a categorization in the manner in which task and employee orientation can be studied: exploitative and authoritative, benevolent and authoritative, consultative, and participative, it was possible to understand the influence of leadership on job performance. In this study, most leaders were viewed as being authoritative. This also denotes that they are exploitative as most respondents are underpaid and not comfortable with their present salary. In effect, the work environment is unfriendly and with this attitude managerial issues are not done justly and with much of employee’s involvement.

Behavior theory on the other hand focused more on

Behavioral theory on the other hand focused on the relationship between behavior of leaders and workers group performance. This
theory is useful as it indicatives and give an understanding of level of friendship, mutual trust and warmth between the leader and the subordinates. Hence, condictiveness or friendliness of the working environment for employee as well as willingness of the employer to employ just measures in dealing with staff was well understood through this theory.

6.2 Recommendation

Due to cultural diversity and peculiar history of the major tribes in Nigeria, the members of each cultural groups are known to have different disposition and attitudes towards work and business activitives. Therefore it is important that studies of this nature should be carried out among the other cultural groups in Nigeria; Yoruba and Hausa cultural groups. The success of such study will enable a general conclusion to be made on evaluation of leadership and organizational performance in small-scale industries in Nigeria as a whole.

In achieving the above task, it would be necessary to focus on the level of motivation of employees by employers in the other ethnic or cultural groups in Nigeria. It will also be of interest to study how and determine the extent to which high performance variables promotes maximazation of objectives in small scale industrties in Igbo land as well as how high performance of small scale industries contribute to the nations economy as a whole.

Comparative studies that will focus on the attitude of employees to work as well as their level of commitment in small scale industries will also be of interest. This aspect is of importance, because irrespective of the cultural heritage of most Nigerians, their background, education and exposure often affect the way and manner they respond and carry out their duties at work.

Focusing into the future of small scale industries in Aba, Abia state, Nigeria, it is important to aspire for leaders who are ready to accommodate and respect their subordinates. The leaders of tomorrow in this area of study need to compensate all staff according to their contributions to the organization. The readiness to motivate and provide adequate training as well as freedom to use individual discretion at some specific levels by employees will further enhance leaders’ role in small scale business in this area.

The future leaders in this area need to have extraordinary level of perception and insight into the realities of the word and themselves. They also need emotional strength to manage their own and other’s anxiety because learning and change becomes more and more a way of life. Willingness and ability to share power and control according to
people’s knowledge and skills is also of necessity if their will be a bright future for leaders in this area of study.

Lastly, championing a course to assist employees meet their personal needs and aspiration by the leader will enhance commitment of the employees to the organization. In effect, this will bring about improved performance, satisfaction of all parties and increase in bottom line of the organization.
Appendix 1

QUESTIONNAIRE

School of Management,
Blekinge institute of Technology,
Sweden.

17th April 2007

Dear Sir/ Madam,

We are Master’s degree students of the above named university involved in a research work on the evaluation of leadership and organizational performance in small-scale industries in Abia state Nigeria.

The questionnaire is strictly to provide vital information regarding this research work. We assure full confidentiality of all information given.

Yours Sincerely,

Owolabi Lawal                  Chukwuma Kingsley C

820212-P235
Appendix 2

Please Mark (x) in the boxes as appropriate unless otherwise indicated.

1. Sex: Male ( ), Female ( )

2. Age group: 18 – 29 ( ), 30 – 40 ( ), 41 – 50 ( ), 51 – 60 ( ), 61 – 70 ( )

2. Level of Education: Primary School ( ), Secondary School ( ), Bachelors ( ) Others, Specify ......................................................

3. How long have you been with the organization?
   Under 1 year ( ), 1-3 years ( ), 4-5 years ( ) above 5 years ( )

4. What Post do you hold now in the Organization?........

5. Is the managing director the owner of the company?
   Yes ( ) No ( )

6. How will you rate the managing director’s involvement in day-to-day running of the business?

   Rank the level of involvement using a scale of 0 – 5 (with 0 being no involvement)

7. Do all sectional heads report to the managing Director?
   Yes ( ) No ( )

8. What is the relationship between heads and subordinates?

   Rank using a scale of 0 – 5 (with 0 being no or worst relationship)

9. How do heads of sections run their Sections?
   Freely ( ) With M/D’s intervention ( )

10. Is the working environment Conducive for you?

    Rank the level of conduciveness using a scale of 0 – 5 (with 0 being not conducive)

11. Are you satisfied with your Present Salary level?

    Rank your level of satisfaction using a scale of 0 – 5 (with 0 being not satisfied)

12. Were you recently promoted?

    Yes ( ) No ( )
13. What decides who is to be promoted?

Rank using a scale of 0 – 5 (with 0 being not important)

Year of Service ( )
Input to the Company ( )
Favouritism ( )
Managing Director’s Discretion ( )
Other: …………………

14. Are you motivated in the Organization?

Rank your level of motivation using a scale of 0 – 5 (with 0 being no motivation)

15. Do you receive job training in the organization?
   Yes ( )       No ( )

If yes, specify the kind of training you received ………

16. Do managers delegate duties to subordinates?
   Yes ( )       No ( )

17. If Yes, is responsibilities backed up by adequate authority?
   Yes ( )       No ( )

18. How can you describe the performance of the company so far?

Rank the level of performance using a scale of 0 – 5 (with 0 worst performance)

19 What do you think may be responsible for this level of performance indicated in question 18?
   ……………………………………………………………………………………………
   ……………………………………………………………………………………………
   ……………………………………………………………………………………………
   ……………………………………………………………………………………………
   ……………………………………………………………………………………………

20. From the experience with the company, how do you describe the leadership style?
    Autocratic ( )     Participative ( )     Democratic ( )

21. Do you think workers are motivated in response to their efforts and contributions?

If yes, rank the level of motivation using a scale of 0 – 5.
22. Are there any form(s) of performance measurement existing in your Organization?  
Yes ( ) No ( )

23 If yes, give examples
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................

24 What factor(s) will enhance Organizational performance in your company?

Rank the following in order of importance (0 – 5)  
a) Recruitment of well educated / experienced Managers and leaders ( )  
b) Acquisition of State of the art technology ( )  
c) Participative Leadership and proper Motivation of staff ( )  
d) Research and development ( )  
e) Free Flow of information and personal recognition ( )

25 What factor(s) could counter high organizational performance?

Rank the following in order of importance (0 – 5)  
a) Lack of good equipment ( )  
b) Insufficient Staff and fund ( )  
c) Autocracy and bad leadership ( )  
d) Lack of attention to staff opinion and welfare ( )  
e) Others ( )

Thank you for participating!
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