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# EFFECT OF LEADERSHIP STYLE ON EMPLOYEE JOB SATISFACTION IN FOOD AND BEVERAGE MANUFACTURING FIRMS IN SOUTH EAST, NIGERIA

By

**Onyeka-Udeh, Virginia**

Department of Business Administration,  
Faculty of Management Sciences,  
Enugu State University of Science and Technology (ESUT),  
Enugu State, Nigeria.

## Abstract

*This study evaluated the effect of leadership styles on employee job satisfaction in food and beverage manufacturing firms in South-East Nigeria. The specific objectives were to examine the effects of democratic leadership style on employee salaries, evaluate the extent of autocratic leadership style on employee promotions, and determine the effect of laissez-faire leadership style on job security in these firms. The study focused on four manufacturing firms: Envoy Oil Industry in Onitsha, Anambra State; San-Savannah Oil in Akpuoka, Enugu; Kitchen Vegetable Oil in Aba, Abia State; and Camela Vegetable in Owerri, Imo State. These firms were chosen purposefully for their certification by National Agency for Food and Drug Administration and Control (NAFDAC), Standard Organization of Nigeria (SON), and Consumer Protective Council (CPC), and for their adherence to high ethical standards. The study covered the period from 2012 to 2022 and employed a survey approach. Out of a population of 645 staff, a sample size of 242 was selected using Freund and William's formula for determining an adequate sample size. Out of the 242 staff sampled, 240 accurately filled and returned the questionnaires, resulting in a 99 percent response rate. The validity of the instrument was assessed through content analysis, showing good results. The reliability was measured using the Pearson correlation coefficient ( $r$ ), which yielded a good reliability coefficient of 0.89. Data were analyzed using mean scores (3.0 and above indicated agreement, below 3.0 indicated disagreement) and standard deviation using the Sprint Likert Scale. Hypotheses were analyzed using the Z-statistic tool. The findings indicated that democratic leadership style had a positive effect on employee salaries in manufacturing firms in South-East Nigeria ( $F(95, n = 240) = 12.867, p < 0.05$ ). Similarly, autocratic leadership style significantly influenced employee promotions in these firms ( $F(95, n = 240) = 15.873, p < 0.05$ ), while laissez-faire leadership style had a significant effect on job security in the manufacturing firms in South-East Nigeria. In conclusion, the study revealed that leadership has a direct cause and effect relationship on organizations and their success. Leadership style plays a crucial role in determining values, culture, change tolerance, and employee motivation. As a recommendation, the study suggests that leaders in these organizations should adopt a more people-oriented approach, recognizing that the best results are achieved when subordinates are given a sense of direction and belonging.*

**Keywords:** Leadership Style, job Satisfaction, Democratic, Employee and Laissez-faire.

## **1. Introduction**

### **1.1 Background of the Study**

Effective leadership is a critical factor in the success of any industry, as it fosters a positive relationship between management and employees, leading to improved turnover and recognition for organizations. This research focuses on leadership styles employed in the Construction Industry in India, recognizing the significance of suitable leadership approaches for the industry's development. The study aims to achieve three main objectives: first, to examine the leadership styles utilized by higher management levels in Indian construction companies; second, to analyze the impact of leadership style on job satisfaction; and third, to assess the influence of leadership styles on organizational commitment (Akhila, Brent, Elmer, and Kristie, 2018).

The construction industry faces various challenges related to management, planning, human resources, and leadership. Therefore, the role of leadership style becomes crucial in driving organizational growth and success. To improve the performance of this industry, it is essential to develop strong leadership skills among higher-level managers within companies (Skipper, 2004).

Job satisfaction among employees is paramount for ensuring high-quality work and effective organizational performance. Leadership styles play a significant role in shaping employees' job satisfaction and fostering organizational commitment. Ineffective administration and management often lead to low levels of job satisfaction and commitment in the construction industry. Strong leadership behavior facilitates proper communication among team members, positively impacting projects. Therefore, implementing appropriate leadership styles and cultivating excellent leadership qualities among managers can enhance the overall organization's performance. Leaders must consider job satisfaction, employee performance, and organizational commitment to efficiently accomplish organizational goals (Akhila, Brent, Elmer, and Kristie, 2018).

In light of the above, this study aims to identify the most effective leadership style that contributes to increased employee job satisfaction and provides recommendations to enhance the performance of manufacturing firms in South-East Nigeria. By understanding and implementing suitable leadership approaches, these firms can achieve higher levels of success and growth.

### **1.2 Statement of the Problems**

The impact of leadership styles on employees' job satisfaction and organizational commitment is significant. In the construction industry, ineffective administration and management contribute to low levels of employee job satisfaction and commitment. The perceived leadership style in various organizations is primarily transactional, lacking emphasis on interpersonal relationships. Employees often seek personal recognition and acceptance from senior management, neglecting the valuable team efforts made by subordinates, which go unnoticed.

The present study faces challenges, including issues with poor employee salary, limited promotion opportunities, and job security concerns within manufacturing firms. Moreover, there is a lack of alignment between employees and the organization's vision, goals, and objectives at the shop floor level, resulting in high levels of resistance to change.

In light of these challenges, the study aims to investigate the relationship between leadership styles and employee job satisfaction within manufacturing firms. Specifically, the study will

explore the impact of democratic, autocratic, and laissez-faire leadership styles on job satisfaction. By addressing these concerns, the study seeks to identify a common platform through which organizational success can be achieved by considering the different leadership styles and their effects on employee job satisfaction.

### **1.3 Objectives of the Study**

The main objective of the study was to evaluate the effect of leadership style on employee job satisfaction in food and beverage manufacturing firms in South East, Nigeria. The specific objectives are to:

- i. Examine the effect of democratic leadership style on the employee fair compensation in food and beverage manufacturing firm in South-east, Nigeria.
- ii. Evaluate the effect of autocratic leadership style on the employee praise and recognition in food and beverage manufacturing firms in South East, Nigeria.
- iii. Determine the effect of Laissez-faire leadership style on the employee engagement of manufacturing firms in South East, Nigeria.

### **1.4 Research Questions**

The study sought to answer the following questions;

- i. What is the effect of democratic leadership style on the employee fair compensation in food and beverage manufacturing firm in South-East, Nigeria?
- ii. What is the effect of autocratic leadership style on employee praise and recognition in food and beverage manufacturing firms in south East, Nigeria?
- iii. What is the effect of laissez-faire leadership style on the employee engagement of manufacturing firms in South East, Nigeria?

### **1.5 Statement of the Hypotheses**

- i. Democratic leadership style has no significant and positive effect on employee fair compensation in food and beverage manufacturing firm in South-East, Nigeria.
- ii. Autocratic leadership style has no significant and positive effect on employee praise and recognition in food and beverage manufacturing firms in South East, Nigeria.
- iii. Laissez-faire leadership style has no significant and positive effect on the employee engagement of manufacturing firms in South East, Nigeria.

### **1.6 Significance of the study**

The primary purpose of this research is to investigate the influence of leadership styles on employees' job satisfaction and organizational commitment. The data collected from this study will provide valuable insights into the significance of leadership styles and their management in shaping employees' job satisfaction within organizations. The study's significance lies in its potential to equip leaders with essential knowledge, enabling them to implement effective strategies and make informed decisions regarding leadership styles and employee job satisfaction, ultimately contributing to the organization's success.

## **2. Review of Related Literature**

### **2.1 Conceptual Framework**

#### **2.1.1 Leadership**

Leadership is the process through which an individual influences others to achieve a common objective and guides the organization to become more united and coherent. It entails inspiring others to pursue a shared vision within set parameters, leading to collaborative efforts, shared

success, and a common vision (Zeitchik, 2012). Leadership involves the social influence that maximizes the efforts of others towards achieving a specific goal (Kruse, 2013). Leaders acquire their leadership knowledge and skills through learning, while their attributes and traits, such as beliefs, values, ethics, and character, also shape their abilities. The combination of knowledge, skills, and unique attributes contributes to the leadership process.

Moreover, leadership plays a pivotal role in fostering an enthusiastic atmosphere and cultivating a positive organizational culture (Alghazo & Al-Anazi, 2016).

### **2.1.2 Employee Job Satisfaction**

Employee job satisfaction refers to the contentment and fulfillment that employees experience in their jobs. It is often evaluated through employee satisfaction surveys (Tomazevic, Seljak, and Aristovnik, 2014). These surveys assess various factors influencing satisfaction, such as compensation, workload, management perceptions, flexibility, teamwork, and available resources. Companies prioritize employee satisfaction to enhance retention and reduce turnover. However, it is important to note that satisfied employees might not necessarily contribute to the overall success of the organization. Some satisfied employees may be complacent and unproductive (Holmberg, 2016). Thus, solely relying on employee satisfaction surveys may not identify crucial factors that improve employee engagement and organizational performance.

### **2.1.3 Democratic Leadership**

Democratic leadership, also known as participative or shared leadership, involves a leadership style where group members actively participate in decision-making processes. This approach can be applied across various organizations, including private businesses, schools, and government entities. In a democratic leadership setting, everyone has the opportunity to contribute ideas, fostering open discussions. Despite focusing on equality and free exchange of ideas, the leader still provides guidance and maintains control. The democratic leader selects group members and decides who can participate in decision-making (Kendra, 2019).

Effective democratic leaders inspire trust and respect among their followers. This style necessitates participative decision-making, empowering employees to actively contribute to the management of organizations. It relies on mutual respect and often involves collaboration between leaders and their team members. Democratic leadership works best when group members are skilled and eager to share their knowledge (Kendra, 2019). It involves collective decision-making, with the group leader having the final authority to make decisions (Business Dictionary, 2019).

### **2.1.4 Autocratic Leadership**

Autocratic leaders typically retain decision-making authority for themselves (Kaplan & Kaiser, 2003). They may assume leadership roles with limited experience in managing people, having been appointed to new assignments or positions. These leaders impose their strategies and services on subordinates, based on their subjective views of success. This style of leadership discourages motivation and commitment and stifles innovation and creativity (Visser, Van Kippenberg, Van Kleef & Wisse, 2013). Autocratic leaders often lack a shared vision with their followers, leading to subordinates waiting for their leaders to fail (Michael, 2010).

In autocratic leadership, the leader holds absolute power, and co-workers are expected to follow their orders and decisions. Communication is typically formal and written, with little

interest in employee feedback. This style is more suited to tasks requiring urgent completion, and it is characterized by unidirectional communication channels (Kaplan & Kaiser, 2003).

### **2.1.5 Laissez-Faire Leadership**

The laissez-faire leadership style is characterized by leaders who adopt a hands-off approach, allowing their group members to take necessary actions on their own (Kippenberger, 2012). However, this leadership style is considered ineffective in promoting peace and handling challenging issues within the retail workplace. Laissez-faire leaders often exhibit avoidance behavior, avoiding involvement in conflicts and disputes (Gray & Williams, 2012). In today's dynamic work environment, effective leaders are expected to use appropriate leadership strategies to intervene and address conflicts that impact the internal workplace.

Laissez-faire leadership represents a detached style, where the leader shows little concern for the concerns of others, and there is minimal exchange between the leader and followers. This non-interventionist approach to leadership involves delayed decision-making, neglecting leadership responsibilities, and underutilizing authority (Gopal and Chowdhury, 2012).

### **2.1.6 Employee Fair Compensation**

Fair compensation is typically achieved through a system that includes components like job descriptions, job analyses, evaluations, and pay structures. Incorporating these elements in compensation plans is essential for maintaining internal and external equity. Salary employees, also known as salaried employees, receive a fixed amount of compensation from their employers, usually on a regular, bi-weekly, or monthly basis. Most salaried employees are considered exempt employees, while hourly employees are typically nonexempt. However, there are exceptions to this rule, as some exempt employees may not be salaried, and some salaried employees may have job duties that fall under nonexempt categories (Doyle, 2019).

From a business perspective, a salary represents the cost of acquiring and retaining human resources for operations, often referred to as personnel or salary expenses in accounting (Marks and Harold, 2011).

### **2.1.7 Employee Praise and Recognition**

Employee praise and recognition involve timely and informal or formal acknowledgments of individual or team behavior, effort, or results that align with the organization's goals and values and exceed normal expectations. Praise is a fundamental human need and plays a vital role in creating an outstanding workplace. Recognition is crucial, as individuals want to feel respected and valued for their contributions, and they seek a sense of accomplishment for their work.

Promotion refers to the advancement of an employee from one job position to another, which typically involves a higher salary range, a higher job title, and often, increased responsibilities, including overseeing other employees' work. While promotions serve as a visible sign of esteem from the employer and can elevate the employee's status, it is essential to note that not all employees may desire higher levels of responsibility or authority. Some individuals may prefer to remain in their current roles as valued individual contributors (Heathfield, 2019).

Promotions are a form of recognition for employees who make significant and effective contributions to the organization. However, repeated promotions may lead to the employee

being placed in management roles, presenting a dilemma for organizations (Heathfield, 2019).

### **2.1.8 Employee Engagement**

Employee engagement is a complex concept that encompasses a two-way interaction between employers and employees within an organization. It has emerged as a crucial need for businesses, as it plays a significant role in retaining valued employees and driving enhanced business gains and performance (Dipti and Pooja, 2014). Researchers, including Shuck and Wollard (2010), have studied employee engagement extensively and found that it not only impacts employee outcomes but also influences financial and organizational accomplishments. Engaged employees are known to perform more effectively compared to disengage counterparts (SHRM Foundation, 2006).

Engagement is characterized as a deep involvement in one's role, where individuals employ and express themselves physically, cognitively, and emotionally during their work performances. This involves a high level of activity at work, a strong awareness of the work environment, and positive feelings and attitudes towards the employer and working conditions (Robinson, Perryman, and Hayday, 2004).

In essence, employee engagement reflects a positive attitude held by employees towards the organization and its values. Engaged employees actively participate in their roles, collaborating with colleagues to improve job performance for the benefit of the organization. It goes beyond mere effort in the job and extends to the process of individuals giving their best effort to excel in their roles. This mutual relationship involves both the employer and the employee. When employees feel valued and appreciated by their employers, they are more likely to remain committed and contribute to the organization's success. Conversely, when employers recognize employees' true engagement and dedication in the workplace, they are motivated to provide adequate facilities and an excellent working environment (Robinson, Perryman, and Hayday, 2004).

## **2.2 Theoretical Review**

This study is theoretically underpinned on Behavioural-Leadership theory and supported by Fiedler's Contingency Theory

### **2.2.1 Behavioural-Leadership Theory**

Behavioral theory emphasizes the belief that leadership can be taught and developed in individuals, and that behaviors can be modified to elicit specific responses to various motivations. The central premise of this theory is that a leader's behavior directly influences their performance, and different leadership behaviors may be appropriate in different situations. Effective leaders are those who can adapt their behavioral style according to the circumstances they face. Minavand, Mokhtari, Zakerian and Pahlevan (2013) emphasize that focusing on leaders' behavior is essential in leadership approaches, rather than solely concentrating on their traits and characteristics.

Notably, two significant studies in leadership were conducted at Ohio State University and The University of Michigan in the 1960s. The Ohio University studies proposed various leadership styles, with the underlying expectation of finding a reliable approach that balances both concern for the task and concern for the people within a leadership role.

In relation to the current study, behavioral theory can provide valuable insights into understanding leadership styles and their impact on employee job satisfaction in

manufacturing firms. By examining how leaders' behaviors influence employee satisfaction and organizational commitment, the study can identify the most effective leadership approaches that contribute to positive outcomes. Moreover, recognizing the importance of adaptability in leadership behavior according to different situations can help organizations cultivate versatile and successful leaders, leading to enhanced overall performance and success in the South-East Nigeria manufacturing firms.

### **2.2.2 Fiedler's Contingency Theory**

The Contingency Theory of Leadership posits that a leader's effectiveness is contingent upon how well their leadership style aligns with the specific situation they encounter. In other words, a leader must identify the type of leadership style that best suits the given situation. Fred Fiedler developed the Contingency Theory of leadership during his research on leader effectiveness in group situations in 1958 by Fiedler. According to Fiedler, a leader's effectiveness depends on both their control over the situation and their leadership style.

The Contingency Theory focuses on matching the leader's style with a compatible situation, rather than expecting the leader to adapt to every situation. To leverage this theory effectively, it is crucial to identify the leadership style of a leader (Gupta, 2009). This knowledge can be used to create leadership profiles for organizations, matching specific styles with situations that have proven to be successful (Gupta, 2009). By understanding each leader's style, companies can better determine the most suitable person for each position within the organization when there is an opening. This approach also shifts the emphasis away from placing unrealistic expectations on leaders and instead emphasizes the importance of finding a match between the leader and the situation (Gupta, 2009).

In the context of the present study on leadership styles and employee job satisfaction in manufacturing firms in South-East Nigeria, the Contingency Theory can provide valuable insights. By understanding which leadership styles are most effective in specific situations, the study can identify the leadership approaches that best promote employee satisfaction and organizational success. This understanding can help organizations in the region to strategically match leaders with suitable situations, thereby maximizing leadership effectiveness and contributing to the overall success of manufacturing firms in the area.

### **2.3 Empirical Review**

Chua, Abdul, and Zubair (2018) conducted a study on leadership styles and their impact on employee performance in Malaysia. The aim of this study was to determine the influence of leadership style on employee performance. The research was carried out using a causal research design, and a Likert scale ranging from 1 to 5 was utilized. The results indicated that both autocratic and democratic leadership styles had a positive and significant impact on employee performance. The study concluded that autocratic leadership was beneficial in the short term, while democratic leadership style proved useful in all time horizons for enhancing employee performance. The study recommended implementing strict punishments for employees who did not take their work seriously and failed to follow company instructions.

In another study, Tesfaye and Mohammed (2019) investigated the impact of leadership styles on employees' job satisfaction at Salale University. The study aimed to identify the influence of leadership styles on job satisfaction among employees at the university. An explanatory survey design using a quantitative method was employed for the study. The results indicated that each dimension of leadership style had a positive and significant relationship with employees' job satisfaction. Furthermore, the multiple regression analysis demonstrated that all dimensions of leadership style had statistically significant and positive influences on

employees' job satisfaction. The study recommended that the Ministry of Education should design leadership development programs for the university's leaders to enhance their leadership skills and ultimately improve employee job satisfaction.

Iqbal, Anwar and Haider (2015) conducted a study on the effect of leadership styles on employee performance in Pakistan. The study aimed to investigate the impact of leadership styles practiced in organizations on employee performance. Specifically, the study sought to understand the effects of different leadership styles, including autocratic, democratic, and participative styles, on employee performance. The objectives were to investigate the effect of autocratic leadership styles on employee performance, examine the impact of democratic leadership styles on performance, and analyze the effect of participative leadership styles on employee performance in organizations. The study adopted qualitative approaches and secondary data. The findings revealed that the autocratic leadership style led to one-sided communication, restricting employees' creativity and leadership skills, and resulting in repetitive daily activities. The study concluded that autocratic leadership may be useful in the short term, while democratic leadership style is beneficial in the long run. The study recommended that Al-Ghazi Tractor should establish professional performance guidelines to foster a sense of responsibility among employees.

In another study, Dalluay and Revenio (2016) investigated the impacts of leadership style effectiveness of managers and department heads on employees' job satisfaction and performance in selected small-scale businesses in Cavite, Philippines. The study utilized a descriptive research design and survey questionnaires. The findings revealed that the prevalent leadership style was participative leadership, and it had a satisfactory impact on employees' job satisfaction and increased productivity in terms of performance. The study concluded that the company should continue to use and sustain the participative leadership style to promote employees' productive performance and job satisfaction, with a recognition that there is room for improvement. The study recommended that leadership qualities should also be considered equally important with the leadership style when measuring employee job satisfaction and performance.

Gholarmerza, Ali and Hamid (2011) conducted a study on the impact of job security on employees' commitment and job satisfaction in Qom municipalities. The aim of the study was to explore the impact of job security on employees' commitment and job satisfaction in Qom municipalities. The study adopted a descriptive and field study approach. The findings showed a significant difference between hired/contractual employees and organizational commitment. The study recommended that the relationship between job satisfaction and job security should consider other mitigating factors, such as various job types, locations, and social/cultural conditions.

In the study by Heydy, Didona and Jimenez (2017) on perceived job security and its effects on job performance in unionized vs. non-unionized organizations, the researchers examined whether perceived job security positively impacted job performance among employees in both types of organizations. The study used a self-developed survey. The results indicated that employees in unionized organizations showed better performance in their workplaces due to the sense of security offered by their organizations. The study recommended that the security provided by union participant organizations can be used as a predictor of increased job performance and may influence employees' behavior within the organization.



### 3. Methodology

The study focused on the effect of leadership styles on employee job satisfaction in manufacturing firms in South-East Nigeria. The area of study included one manufacturing firm from each of the South-East states, namely: Envoy Oil Industry in Onitsha, Anambra State; San-Savannah Oil in Akpuoka, Enugu; Kitchen Vegetable Oil in Aba, Abia State; and Camela Vegetable in Owerri, Imo State. These firms were purposely selected due to their certification by the National Agency for Food and Drug Administration and Control (NAFDAC), the Standard Organization of Nigeria (SON), and the Consumer Protection Council (CPC). Additionally, they were known for operating with high ethical standards and strength. The study covered a period from 2012 to 2022. The research employed a survey approach, with personal interviews and the administration of questionnaires to the management and staff of the manufacturing firms as primary sources of data. Out of a total population of 645 staff, 242 staff members were sampled. The sample size of 242 was determined using the Freund and William's formula for adequate sample size. Out of the sampled staff, 240 returned the questionnaires with accurate responses, resulting in a 99 percent response rate. To ensure the validity of the instrument, content analysis was conducted, and the results were deemed satisfactory. The reliability of the instrument was tested using the Pearson correlation coefficient (r), which yielded a reliability coefficient of 0.89, indicating good reliability. Data analysis was performed using mean scores (scores of 3.0 and above indicated agreement, while scores below 3.0 indicated disagreement) and standard deviation using the Sprint Likert Scale. The hypotheses were analyzed using the Z-statistic tool.

### 4. Data Presentation and Analysis

#### 4.1 Distribution and Returned Questionnaire

The presentation and interpretation of data were based on the questionnaire administered to the staff of food and Beverage manufacturing firms in South East, Nigeria.

**Table 4.1.1 Distribution and Return of Questionnaire**

	No. distributed	No. returned	% No. returned	No. not returned	% not returned
Envoy Oil Industry	60	60	1	0	0
San-savannah Oil	55	54	98	1	2
Kitchen Vegetable Oil	62	62	1	0	0
Camela Vegetable	65	64	98	1	2
<b>Total</b>	<b>242</b>	<b>240</b>	<b>99%</b>	<b>2</b>	<b>1%</b>

**Source: Field Survey 2023**

Table 4.1.1 shows that two hundred and forty-two (242) questionnaires were distributed, while two hundred and forty (240) were returned and properly filled, representing 99 percent. Additionally, two (2) questionnaires were not returned, representing 1 percent.

#### Bio-Data of Respondents

This subdivision comprises the Bio-Data of the respondent based on their Gender, Marital Status, Educational Qualifications, and Years of Experience and Age of the Respondents understudy.

**Table 4.1.2: Gender of the Respondents**

	<b>Frequency</b>	<b>%</b>
Male	128	53.3
Female	112	47.0
<b>Total</b>	<b>240</b>	<b>100.0</b>

**Source: Field Survey, 2023**

In Table 4.1.2, it was observed that 128 respondents out of 240, representing 53.3 percent, were males, whereas 112 respondents, representing 47 percent, were females. This indicates that there were more males than females in the sample.

**Table 4.1.3: Age of Respondents**

	<b>Frequency</b>	<b>%</b>
Below 30 years	50	21.0
30 – 39 years	98	41.0
Valid 40 – 49 years	35	15.0
50 – 59 years	38	16.0
60 years and above	19	7.0
<b>Total</b>	<b>240</b>	<b>100.0</b>

**Source: Field Survey, 2023**

Table 4.1.3 indicates that 50 respondents out of 240, representing 21 percent, were below 30 years old, 98 respondents, accounting for 41 percent, were within the age bracket of 30-39, 35 respondents, making up 15 percent, were within the age bracket of 40-49, 38 respondents, representing 16 percent, were within the age bracket of 50-59, while 19 respondents, accounting for 7 percent, were within the age bracket of 60 years and above. This implies that the greatest proportion of the respondents fall within the ages of 30–39 years.

**Table 4.1.4: Marital Status of the Respondents**

	<b>Frequency</b>	<b>%</b>
Single	68	28.3
Married	144	60.0
Divorced	5	2.1
Widowed	17	7.1
Separated	6	2.5
<b>Total</b>	<b>240</b>	<b>100.0</b>

**Source: Field Survey, 2023**

Table 4.1.4 reveals that 68 respondents out of 240, accounting for 28.3 percent, were single, 144 respondents, representing 60.0 percent, were married. Additionally, 5 respondents, making up 2.1 percent, were divorced, 17 respondents, representing 7.1 percent, were widowed, and 6 respondents, accounting for 2.5 percent, were separated.

**Table 4.1.5: Educational Qualification of the Respondents**

	<b>Frequency</b>	<b>%</b>
SSCE/NECO/NABTEB	54	23.0
NCE / OND	44	18.0
HND / B.Sc	91	38.0
MBA / M.Sc.	30	13.0
Ph.D.	21	9.0
<b>Total</b>	<b>240</b>	<b>100.0</b>

**Source: Field Survey, 2023**

Table 4.1.5 reveals that 54 respondents out of 240, accounting for 23 percent, were holders of SSCE/NECO/NABTEB, 44 respondents, representing 18 percent, were holders of NCE/OND, 91 respondents, making up 38 percent, were holders of HND and BSC, 30 respondents, representing 13 percent, were holders of Master's Degree, and 21 respondents, accounting for 9.0 percent, were holders of Ph.D.

**Table 4.1.6: Years of Experience of the Respondents**

	<b>Frequency</b>	<b>%</b>
Below 5 years	30	13.0
5 – 10 years	57	24.0
11 – 20 years	80	33.0
21 – 30 years	48	20.0
31 and above	25	10.0
<b>Total</b>	<b>240</b>	<b>100.0</b>

**Source: Field Survey, 2023**

Table 4.1.6 shows that 30 respondents out of 240, accounting for 13 percent, had an establishment of below 5 years, 57 respondents, representing 24 percent, were within the establishment bracket of 5-10 years, 80 respondents, making up 33 percent, were within the establishment bracket of 11-20 years, 48 respondents, accounting for 20 percent, were within the establishment bracket of 21-30 years, while 25 respondents, representing 10 percent, were within the establishment bracket of 31 years and above. This implies that the greater proportion of the respondents fall within the establishment bracket of 11-20 years.

## **4.2 Test of Hypotheses**

### **Hypothesis One:**

**Democratic leadership style has no significant and positive effect on employee salary or fair compensation in food and beverage manufacturing firm in South-East, Nigeria.**

**Table 4.2.1: Z-test on the Democratic style on the employee salary of manufacturing firms in South East, Nigeria.**

			<b>Democratic style has no positive effect on the employee salary of beverage manufacturing firms in South East, Nigeria.</b>
N			242
Normal Parameters	Mean		3.619
	Std. Deviation		1.490
Most Extreme	Absolute		.216
Most extreme	Positive		.216
Differences	Negative		-.211
Kolmogorov-Smirnon Z			12.867
Asymp. Sig. (2-tailed)			.000

- a. Test distribution is Normal
- b. Calculated from data

**Source: Field Survey, 2023**

**Decision Rule**

If the calculated Z-value is greater than the critical Z-value (i.e.  $Z_{cal} > Z_{critical}$ ), reject the null hypothesis and accept the alternative hypothesis accordingly.

**Result**

With a Kolmogorov-Smirnov Z-value of 12.867 and an Asymp. Significance of 0.000, the responses from the respondents, as displayed in the table, are normally distributed. This affirms the assertion that the democratic leadership style had a positive effect on the employee salary of beverage manufacturing firms in South-East Nigeria.

**Decision**

The calculated Z-value of 12.867 is significantly higher than the critical Z-value of 1.96 (2-tailed test at 95% level of confidence). As a result, the null hypothesis is rejected, and the alternative hypothesis is accepted. This means that the study provides evidence to support the claim that the democratic leadership style has a positive effect on the employee salary of beverage manufacturing firms in South-East Nigeria.

**Hypothesis Two:**

**Autocratic leadership style has no significant and positive effect on employee praise and recognition in food and beverage manufacturing firms in South East, Nigeria.**

**Table 4.2.2: Z - test on Autocratic leadership style has no significant and positive effect on employee praise and recognition in food and beverage manufacturing firms in South East, Nigeria.**

			<b>Autocratic leadership style has no significant effect on employee promotion of the beverage manufacturing firms in South East, Nigeria.</b>
N			242
Normal Parameters	Mean		3.654
	Std. Deviation		1.277
Most Extreme	Absolute		.212
Most Extreme	Positive		.212
Differences	Negative		-.211
Kolmogorov-Smirnon Z			15.875
Asymp. Sig.(2-tailed)			.000
a. Test distribution is Normal			
b. Calculated from data			

**Source: Field Survey, 2023**

### **Decision Rule**

If the calculated Z-value is greater than the critical Z-value (i.e.  $Z_{cal} > Z_{critical}$ ), reject the null hypothesis and accept the alternative hypothesis accordingly.

### **Result**

With a Kolmogorov-Smirnov Z-value of 15.875 and an Asymp. Significance of 0.000, the responses from the respondents, as displayed in the table, are normally distributed. This supports the assertion that the autocratic leadership style had a significant effect on employee promotion in beverage manufacturing firms in South East, Nigeria.

### **Decision**

Comparing the calculated Z-value of 15.873 with the critical Z-value of 1.96 (2-tailed test at the 95% level of confidence), the null hypothesis was rejected. Thus, the alternative hypothesis was accepted, which states that the autocratic leadership style had a significant effect on employee promotion in the beverage manufacturing firms in South East, Nigeria.

### **Hypothesis Three:**

**Laissez-faire leadership style has no significant and positive effect on the employee engagement of manufacturing firms in South East, Nigeria.**

**Table 4.2.3: Z-test on Laissez-faire leadership style has no significant and positive effect on the employee engagement of manufacturing firms in South East, Nigeria.**

		<b>Laissez leadership style has no significant effect on the job security of the beverage manufacturing firms in South East, Nigeria.</b>
N		242
Normal Parameters	Mean	3.566
	Std. Deviation	1.370
Most Extreme Differences	Absolute	.232
	Positive	.232
	Negative	-.219
Kolmogorov-Smirnon Z		12.805
Asymp. Sig.(2-tailed)		.000

- a. Test distribution is Normal  
 b. Calculated from data

**Source: Field Survey, 2023**

### Decision rule

If the calculated Z-value is greater than the critical Z-value (i.e.  $Z_{cal} > Z_{critical}$ ), reject the null hypothesis and accept the alternative hypothesis accordingly.

### Result

With a Kolmogorov-Smirnov Z-value of 12.805 and an Asymp. Significance of 0.000, the responses from the respondents, as displayed in the table, are normally distributed. This supports the assertion that the laissez-faire leadership style had a significant effect on the job security of the manufacturing firms in South East, Nigeria to a large extent.

### Decision

Furthermore, comparing the calculated Z-value of 12.805 with the critical Z-value of 1.96 (2-tailed test at the 95% level of confidence), the null hypothesis was rejected. Thus, the alternative hypothesis was accepted, which states that the laissez-faire leadership style had a significant effect on the job security of the beverage manufacturing firms in South East, Nigeria to a large extent.

### Discussion of Findings

The results of hypothesis one showed a calculated Z-value of 12.867 compared to the critical Z-value of 1.96 (2-tailed test at 95% level of confidence). As a result, the null hypothesis was rejected, and the alternative hypothesis was accepted, indicating that democratic leadership style had a positive effect on the employee salary of manufacturing firms in South-East, Nigeria. This finding aligns with the study conducted by Chua, Abdul, and Zubair (2018) on leadership style and its impact on employee performance in Malaysia, which also demonstrated that both autocratic and democratic leadership styles had a positive and significant impact on employee performance. The study concluded that while autocratic leadership is useful in the short term, democratic leadership style is beneficial in all time

horizons to improve employee job satisfaction and encourage adherence to company instructions.

The results of hypothesis two indicated that the calculated Z-value of 15.873 compared to the critical Z-value of 1.96 (2-tailed test at 95% level of confidence) led to the rejection of the null hypothesis, and the acceptance of the alternative hypothesis, which states that autocratic leadership style had a significant effect on employee promotion in the manufacturing firms in South East, Nigeria. Leaders can greatly influence their subordinates and have the ability to increase their productivity. Particularly, leaders who provide continuous help to their group sense of self-worth will help that group to display an acceptable height of performance and productivity. The autocratic style tends to sound quite negative. It certainly can be when overused or applied to the wrong groups or situations. From the field work carried out, the respondents affirmed that their autocratic leadership style has enhanced employee job satisfaction, thereby accelerating productivity in the industry (Dalluay and Revenio, 2016). Manufacturing firms can also benefit from the autocratic style. In these situations, it is vital that each person have an assigned task, a deadline, and rules to follow. Autocratic leaders tend to do well in these settings because they ensure that projects are finished on time and that workers make use of safety rules to prevent accidents and injuries.

Gholamreza, Ali, and Hamid (2011) examined the impact of job security on employees' commitment and job satisfaction and found that there is a significant difference between hired/contractual employees and organizational commitment. The results showed that employees are more susceptible to show better performance in their work when in the context of the security offered by unionized organizations.

The results of hypothesis three observed that the calculated Z-value of 12.805 compared to the critical Z-value of 1.96 (2-tailed test at 95% level of confidence) led to the rejection of the null hypothesis, and the acceptance of the alternative hypothesis, which states that laissez-faire leadership style had a significant effect on the job security of the manufacturing firms in South East, Nigeria to a large extent.

## **5. Summary of Findings, Conclusion and Recommendations**

### **5.1 Summary of Findings**

- i. The study found that democratic leadership style had a positive effect on employee salary in manufacturing firms in South-East, Nigeria, with a significant impact on employee performance.
- ii. Autocratic leadership style was found to have a significant effect on employee promotion in the beverage manufacturing firms in South East, Nigeria, leading to increased productivity and adherence to safety rules.
- iii. Laissez-faire leadership style was observed to have a significant effect on job security in the manufacturing firms in South East, Nigeria, emphasizing the importance of providing a secure work environment for employees' commitment and job satisfaction.

### **5.2 Conclusion**

The study highlights that leadership style plays a crucial role in an organization's success, as it encompasses the way direction is provided, plans are implemented, and people are motivated. It influences the organization's values, culture, tolerance for change, and employee

motivation, ultimately shaping the strategies and effectiveness of the institution. Leaders can be found at various levels within the organization, and their common trait is the ability to influence others to maximize the organization's resources, especially its people. The essence of effective management lies in the leader's capacity to garner commitment from individuals towards the organization's objectives. Therefore, understanding and employing appropriate leadership styles are pivotal for achieving long-term success and growth for any organization.

### **5.3 Recommendations**

The following recommendations guided the study:

- i. Leaders in organizations should embrace a more people-oriented approach, recognizing that fostering a sense of direction and belonging among subordinates leads to optimal results and productivity.
- ii. Regular training in management and leadership styles is essential to equip the management and senior staff of the organization with the skills and knowledge to effectively respond to the dynamic work environment of today.
- iii. Above all, the chosen leadership style(s) within an organization should be geared towards enhancing employee productivity, thereby positively impacting the overall profitability and success of the organization.



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