

# Does Leadership Style Influence Employee Behavior? Male Entrepreneurs



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## Abstract

The aim of the research was to understand leadership styles of male entrepreneurs and its impact on employee behaviour, which in turn has direct bearing to enterprise performance. Managerial Behaviour Questionnaire (MEDS) was used to identify leadership styles and nine different instruments were used to measure various employee dimensions such as Organizational Role Stress (ORS), Role-Efficacy (RES), Stress Tolerance level ((STL) (Depression, Anxiety, Anger & Type-A), Organizational Commitment (OC), Motivational Orientation (MO) and Conflict Management Style (CMS). The study intended to answer the following questions: Which leadership style leads to high or low level of ORS, RE, STL, OC, MO & CMS. ? Null hypothesis was generated and was verified by an investigation which was based on interpretation and analysis of the instruments that was obtained through empirical research from 22 male entrepreneurs and 264 employees under them, in Mumbai city- India (making a sample size of 286). The Study revealed that maximum (40%) of male entrepreneurs depicted Nurturant (N) leadership style. When it came to the impact of leadership style of entrepreneur on employee behaviour, it was found that Organizational Role Stress (ORS), Depression, Anxiety, Anger & Type A Behaviour was lowest under N leadership and significantly high under Task Oriented plus Nurturant (TO+N) leadership. Role- Efficacy (RE), Organizational Commitment (OC) and Motivational Orientation (MO) was found highest under N leadership style and lowest under Task Oriented plus Nurturant (TO+N) leadership style. For managing conflict various leadership styles go for different approaches to resolution. So we can conclude that maximum male entrepreneurs go for N leadership style and it impacts positively on various dimensions of employee behaviour, but when TO is combined with N, it has negative impact on employee behaviour.

**Keywords:** Leadership Style, Dimensions, Employee Behaviour, Male Entrepreneur.

## Introduction

Today's fast growing and challenging business scenario demands the organization to systematically, consciously and competently face and deal with the changes so that it can provide leadership at every level. Since there has been large number of studies on leadership and management practices, it becomes difficult to understand and adapt single leadership style that can ensure maximum success. Leadership is not to be perceived as position or power but as a skill that can enhance confidence in people by reorganizing each other's strengths and work together towards achieving goals and targets of the organization.

It is known that leadership has tremendous influence on human performance. Studies indicate that subordinates affect leaders and their behaviours as much as leaders and their behaviour affect subordinates (Barrow, 1976 & Greene & Schriesheim, (1980).

Leadership is not just about leaders; it is also about followers. It is a reciprocal process as it occurs between people. Successful leadership depends far more on follower's perception of the leader. Keeping this in view it is necessary to understand which leadership style of the leader influences the behaviour of the employees positively, and this study tends to achieve exactly that.

## Methodology

In order to determine the effect of leadership style in employee behaviour, qualitative research method was used. Entrepreneurs were identified through reference mechanism with specific selection criteria such as:

1. Having employee strength of 90-100 in number,

2. Having investment of 1 - 1.5 crores, and
3. Having made some level of profit since last 5 years.

22 male entrepreneurs agreed to be part of the study and gave permission to interact with their employees. Employees were selected categorically into three groups:

1. 4 of managerial level,
2. 4 of supervisory level and
3. 4 of non-supervisory/administrative level.

They were further selected on the bases of the following criteria:

1. Employees who had been with the organization since last 2 years and
2. Employees who had the status of permanent rather than short term, temporary employees in the organization.

Twelve randomly selected employees who directly reported to the entrepreneur were taken for the study.

Each entrepreneur was given one instrument to administer, which was Managerial Behaviour Questionnaire (MBQ) by CN.Dafatuar (2002). This instrument helped in identifying their leadership styles. Following that, employees under the entrepreneurs were given a set of nine instruments to administer. They were: Organisational Role Stress Scale developed by Pareek (1981), Role Efficacy Scale developed by Pareek (1981), Depression Scale developed by Zung (1979), Self Rating Anxiety Scale developed by Zung and Cavenar (1990), State-Trait Anger Scale developed by Spielberger (1981), Type-A-Behaviour Scale developed by Gmelch (1982), Organisational Commitment Scale developed by Khokhle (1997), Motivational Orientation Questionnaire developed by Rao (1987), and Conflict Resolution Scale developed by Thomas Kilman (1974).

### Analysis and Findings

The data determined was statistically analysed by calculating mean and SD for each dimension under each leadership style. In order to test the difference between mean scores of all the leadership styles, ANOVA was calculated. To study the effect of one dimension on the other, correlation was calculated.

On analyzing the instrument filled by male entrepreneurs, five leadership styles were identified. They were 40% Nurturant Leadership (N), 20% Nurturant + Participative Leadership (N+P), 20% Nurturant + Task Oriented Leadership (N + TO), 10% Task Oriented Leadership (TO) and 10% Personalised Relations Leadership (PR).

Analysis (shown in the Table below) to see the impact of male leadership styles on employee behaviour reveal that N leadership was found highest in comparison to other four leadership styles in RE, OC and MO and lowest in ORS, Depression, Anxiety, Anger and Type-A Behaviour.

Organisation Role stress experienced by employees was less under N leader. Kindler and Ginsberg (1990) stated that high level of stress affects performance Kahn et al (1964) found that increased

role stress (role conflict and role ambiguity) results in decline in the frequency of communication.

Srivastava (1991) found positive correlation of various dimensions of role stress with the symptoms of mental ill health stress arising from role ambiguity and role stagnation most intensely correlates with somatic concomitants of anxiety.

Thus to control ORS among employees it is important for organizations to be more productive and effective Pareek, Dixit & Rao (1992) documented negative relationship between ORS and RE. In the present study also, RE was found highest in the employees under N leader. It is important how the role of an employee in an organization is well designed. If the role does not allow the employee to use his own competence, abilities and skills it may lead to frustration and this will eventually make him/her less effective. Thus RE can be seen as the psychological factor underlying role effectiveness (Pareek). It has ten aspects (Pareek). The more these aspects are present, the higher the efficacy of the role is likely to be. They are:- Role Making : Self role integration, Pro-activity, Creativity, Confrontation; Role – Centering: Centrality, Influence, Personal growth; and Role – Linking: Inter-role-linkage, Helping relationship and Superordination. In the present study, all these aspects were found higher in N leadership, as compared to other styles.

Nurturing leader engages in 2-way communication, listens, provides support and encouragement, facilitates interaction and involve the group in decision making. The words that can best define nurturing behaviour are 'praise listen and facilitate'. And this emerges from the influence of N leadership style on the eight dimensions, in this study.

Sharma & Sharma (1983) found negative correlation between RE and job anxiety in case of gazetted officers. In the present study employees under N leader felt less depression, anxiety and anger and this may be due to high level of RE and low level of ORS. Pestonjee and Sayeed (1985) found that increased work-related tension had negative relationship with RE.

Bhinde (2002) found that leadership style has significant difference on human resource development (HRD) climate (40%) and RE (25%). Nurturant leadership style was found to be most favourable to create HRD climate and higher role efficacy. Thus leadership style was found to be second best in high style and high dependency (Bhinde).

Mowday, Porter and Steers (1982) defined organisational commitment which has three components: (a) a strong belief in and acceptance of organisational goals and values, (b) a willingness to exert considerable effort on behalf of the organisation and (c) a strong desire to maintain membership in the organisation. There is a three component model proposed by Meyer and Allen (1991):

1. Affective Commitment
2. Continuance Commitment

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### 3. Normative Commitment

OC is concerned with the feeling of attachment to the goals, and values of the organization. It is one's role in relation to this and attachment to the organization for its own sake rather than for its instrumental value. Results from previous studies have shown that organization commitment is significantly related to improve performance indicators like job preference (Amsa & Punekar, 1981, 1988, Gupta 1983, Larson & Fukami, 1984; Van Meanem 1975; Porter, Crampond & Smith, 1976; Steers 1977) and turnover (Srivastava 1977; Marsh & Mannari 1977; Singh & Das 1978; Angle & Perry 1981; Chelte & Tausky 1986; Koch & Steers 1978; Arnold & Feldman 1982); absenteeism (Smith 1977; Steer 1977; Koch & Steers 1978); tardiness (Angle & Erry 1981) and adaptability (Salanick 1977). In the present study commitment level was found highest among N leadership style.

What activates human behaviour towards a particular goal and the manner in which this behaviour is sustained, describes motivation. Desires, wants, wishes, aims, goals, needs, drives, motives, and incentives are few words that are used to describe motivation. It can be defined as a process that starts with physiological or psychological deficiency or need that activates behaviour or a drive that is aimed at a goal or incentive. Six different motives that are relevant for employees in an organisation are:

1. Achievement
2. Affiliation
3. Aggression
4. Extension
5. Dependence
6. Control

Mc Clelland has demonstrated the importance of achievement motive for entrepreneurship and marketing (Mc Clell and & Winter 1971). As far as the dimension under motivation orientation is concerned, Pareek (1968) suggests that extension motive is important for social development. Mc Gregor (1966) recognized the positive value of dependence and Kotter & Schlesinger (1979) gave importance to the dimension in their studies.

Habibullah & Sinha state that leadership style is more likely to generate affiliative orientation in the organization which may lead to compatible conflict management strategies.

Sen (1982) found positive correlation between internality and operational effectiveness of five motives, namely, achievement, influence, extension, affiliation and dependence. Pareek in his study found that dependency had negative correlation with supportive (Nurturing Parent) and normative style.

Sanghi (2001) in her study found that when motivation is high, job satisfaction and organizational commitment is also high. So there is positive correlation between motivation and organizational commitment, which is also revealed from the present study.

Present study also found that combination of TO leadership style with N (TO+N) negatively impacts various dimensions of employee behaviour. TO+N leadership style group scored highest in the dimensions of ORS, Depression, Anxiety, Anger and Type-A Behaviour and lowest in RE, OC and MO; in comparison to other groups (exactly the opposite to the N group). This shows that N leadership impacts positively on employee behaviour but when the leader emphasizes the task more, gives less importance to the human aspects, appears to be a tough person, believes that ends are more important than means and is less generous in the evaluation of those who are inefficient workers; it impacts negatively.

In managing conflict, avoiding approach was found highest among PR leadership style and lowest among P+N leadership style, accommodating approach was found highest among PR leadership style and lowest among N leadership style, compromising approach was found highest among TO leadership style and lowest among N and TO+N leadership style, competing approach was found highest among P+N leadership style and lowest among PR leadership style and collaborating approach was found highest among P+N leadership style and lowest among TO+ N leadership style. It shows that different approaches are used by all the five leadership styles.

**Table 1- Leadership Styles and Employee Input under Male Leadership**

S. No.	Variable	Nurturant		Task Oriented		Task Oriented + Nurturant		Personalized Relation		Participative + Nurturant	
		Mean	SD	Mean	SD	Mean	SD	Mean	SD	Mean	SD
<b>A</b>	<b>Organization Role Stress</b>										
1	Inter Role Distance	5.1	0.62	6.12	0.76	8.43	0.62	5.92	0.76	6.47	0.62
2	Role Stagnation	3.1	0.62	6.62	0.76	9.26	0.62	8.63	0.76	6.22	0.62
3	Role Expectation Conflict	2.02	0.7	4.82	0.76	5.6	0.62	6.22	0.76	5.48	0.63
4	Role Erosion	5.98	0.63	10.15	0.57	10.45	0.69	10.21	0.75	8.98	0.62
5	Role Overload	1.7	0.62	4.02	0.76	7.78	0.63	4.81	0.77	3.38	0.63
6	Role Isolation	1.37	0.61	5.22	0.76	11.26	0.55	7.92	0.76	6.21	0.63
7	Personal Inadequacy	6.42	0.52	5.82	0.76	9.41	0.62	7.52	0.76	4.1	0.62
8	Self-Role Distance	1.6	0.62	4.92	0.76	8.76	0.62	8.34	0.76	4.6	0.62
9	Role Ambiguity	1.47	0.62	4.12	0.76	9.26	0.62	6.2	0.76	6.47	0.62
10	Resource Inadequacy	2.2	0.62	6.62	0.76	7.14	0.62	7.04	0.75	4.7	0.62
11	TOTAL	31	6.23	58.51	7.41	87.63	6.22	72.86	7.61	56.63	6.27

<b>B</b>	<b>Role Efficacy</b>										
1	RES	32.88	0.54	25.68	0.79	23.6	0.54	24.18	0.69	27.68	0.51
2	REI (%)	88.05	1.02	76.14	1.33	72.66	0.9	74.64	1.143	79.48	0.85
<b>C</b>	<b>Stress Tolerance Limit</b>										
1	Depression	25.17	0.55	27.68	0.72	38.89	0.55	28.67	1.14	27.06	0.55
2	Anxiety	24.68	0.55	26.58	0.72	31.06	0.55	28.88	0.72	26.43	0.55
3	Anger – S	19.18	0.55	21.18	0.72	21.72	0.55	21.13	0.72	25.68	0.55
4	Anger – T	23.93	0.55	27.88	0.72	29.72	0.55	25.13	0.72	27.68	0.55
5	Type of Behaviour	8.98	0.72	10.56	0.55	12.22	0.65	10.63	0.72	10.01	0.55
<b>D</b>	<b>Organizational Commitment</b>										
1	Affective Commitment	4.24	0.08	3.67	0.11	2.74	0.08	3.3	0.11	3.3	0.08
2	Normative Commitment	3.86	0.11	3.5	0.11	2.96	0.11	3.41	0.11	3.13	0.08
3	Continuance Commitment	3.11	0.08	2.85	0.11	2.85	0.08	2.34	0.17	2.86	0.11
4	TOTAL	3.74	0.08	3.33	0.12	2.85	0.08	3.01	0.12	3.1	0.08
<b>E</b>	<b>Motivational Orientation</b>										
1	Achievement	23.08	0.46	20.3	0.66	21.58	0.46	22.51	0.66	21.19	0.46
2	Affiliation	22.58	0.46	17.9	0.66	19.76	0.46	19.4	0.66	22.46	0.46
3	Aggression	11.33	0.46	12.6	0.66	13.74	0.46	12.65	0.66	12.33	0.46
4	Extension	20.95	0.46	19.1	0.66	21.74	0.46	22.15	0.66	17.83	0.46
5	Dependence	21.33	0.46	17.5	0.66	17.41	0.46	19.77	0.66	16.95	0.46
6	Control	19.46	0.46	16.5	0.66	16.58	0.46	18	0.66	15.96	0.46
7	Total	118.74	2.79	110.8	2.79	103.65	4.42	114.5	3.99	106.7	2.83
<b>F</b>	<b>Conflict Management Style</b>										
1	Avoiding	3.72	0.1	4.1	0.24	3.76	0.1	4.9	0.18	3.22	0.1
2	Accommodating	2.47	0.1	5	0.24	4.93	0.1	5.61	0.18	3.47	0.1
3	Compromising	6.85	0.1	8.5	0.24	6.33	0.56	7.76	0.26	7.35	0.1
4	Competing	5.72	0.1	5.07	0.26	5.38	0.48	4.47	0.18	6.97	0.1
5	Collaborating	7.72	0.1	8.3	0.24	5.68	0.14	7.04	0.18	9.35	0.1

The mean difference is significant at the .05 level.

### Conclusions and Implications

The results imply that male entrepreneurs need to give considerable weightage to their styles of functioning as it has serious implications when it comes to their employees. If this is not done than it can negatively affect the employees and indirectly influence their performance and productivity.

Most male entrepreneurs go for Nurturant leadership style and it impacts positively on dimensions of employee behaviour such as Role Efficacy, Organizational Commitment and Organizational Motivation and negatively on Organizational Role Stress, Depression, Anxiety, Anger and Type A-Behavior. So the first lesson for male entrepreneurs is to develop and practice Nurturant leadership style in their day to-day management of employees. They need to emphasize more on guidance, nurturance and growth for the employees. They may care as well as punish for discipline, punctuality, regularity but above all emphasizes on welfare and growth of employees, makes all the difference. But they must not combine task orientation while being nurturant as it may negatively impact the employees.

Findings of this research can be quiet meaningful and insightful for male entrepreneurs in

building successful employee relation which eventually leads to high performance and successful organizations.

With the help of these findings human resource professionals can understand how male leadership influence employees and affect the organisational climate and structure. Keeping this in mind they can develop organisation development modules to strengthen employee behavior for better performance. They also need to work on reducing the role stress and stress tolerance limit of the employees as it negatively affects the role-efficacy, organisational commitment and motivational orientation of employees.

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## Abbreviations

LEDS	Leadership Effectiveness Dimension Scale
MBQ	Managerial Behaviour Questionnaire
TO	Task Oriented Leadership Style
N	Nurturant Leadership Style
PR	Personalized Relations Leadership Style
P+N	Combination of Participative + Nurturant Leadership Style
TO+N	Combination of Task Oriented + Nurturant Leadership Style
ORS	Organisation Role Stress
RES	Role Efficacy Score
REI (%)	Role-Efficacy Index
MO	Motivational Orientation
OC	Organisational Commitment
AOC	Affective Commitment
NOC	Normative Commitment
COC	Continuance Commitment
STL	Stress Tolerance Limit
CMS	Conflict Management Style