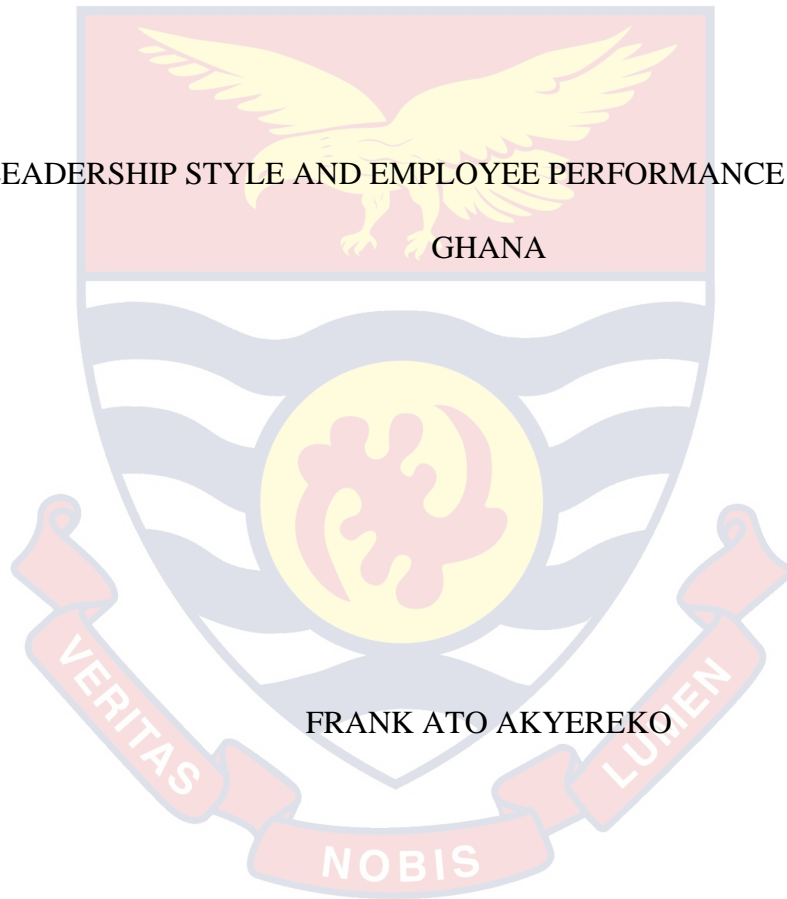


UNIVERSITY OF CAPE COAST

LEADERSHIP STYLE AND EMPLOYEE PERFORMANCE AT CUMMINS

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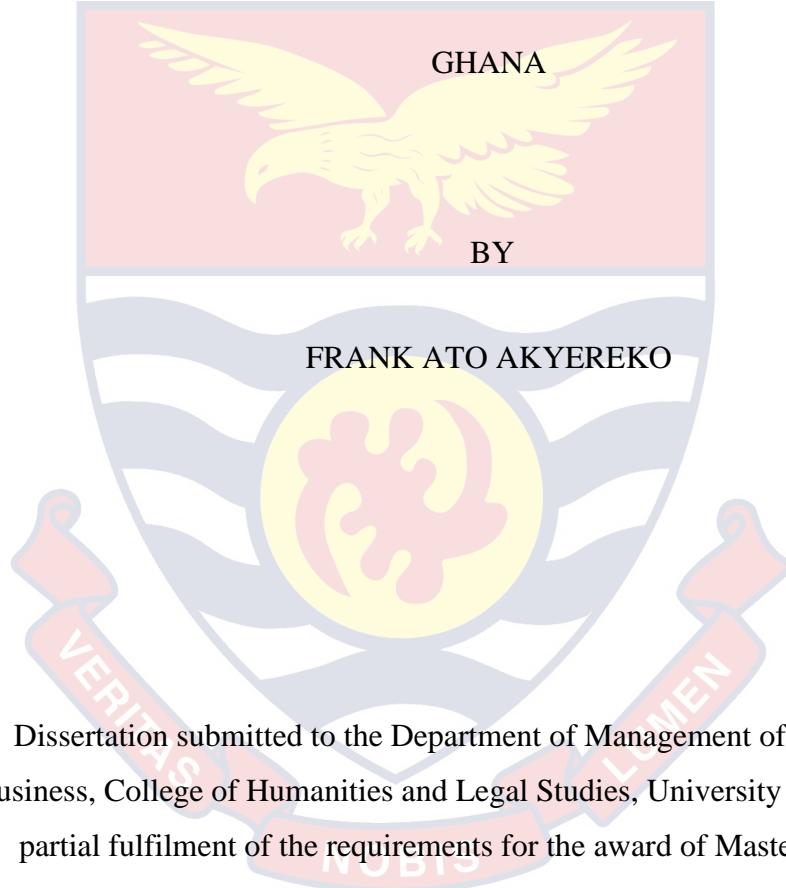


FRANK ATO AKYEREKO

2021

UNIVERSITY OF CAPE COAST

LEADERSHIP STYLE AND EMPLOYEE PERFORMANCE AT CUMMINS



Dissertation submitted to the Department of Management of the School of Business, College of Humanities and Legal Studies, University of Cape Coast in partial fulfilment of the requirements for the award of Master of Business Administration degree in General Management.

OCTOBER 2021

DECLARATION

Candidate's Declaration

I hereby declare that this dissertation is the result of my own original work and that no part of it has been presented for another degree in this university or elsewhere.

Candidate's Signature..... Date.....

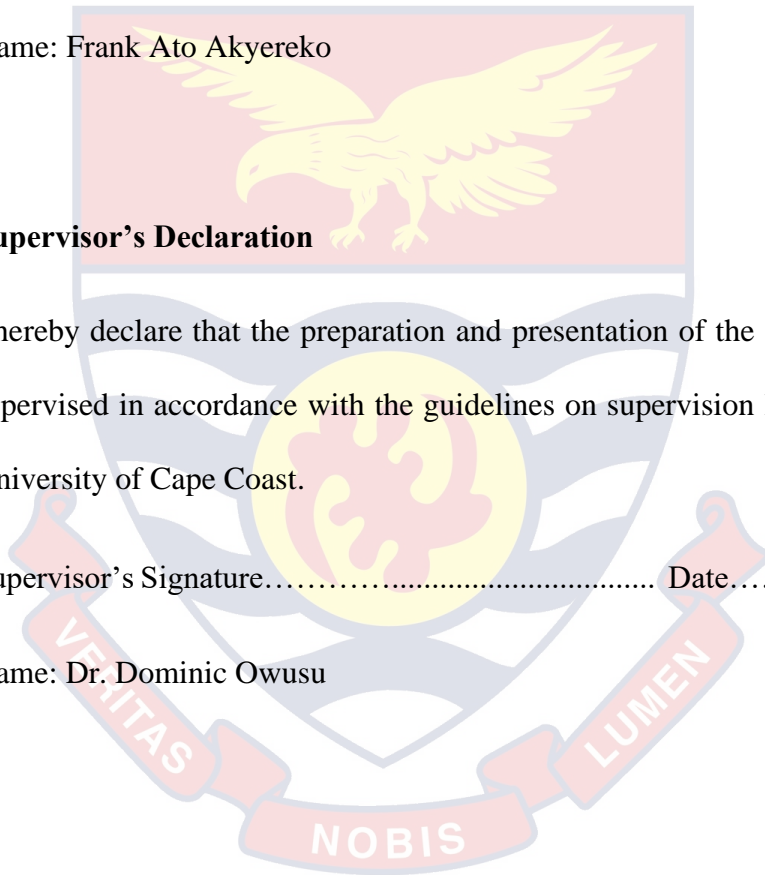
Name: Frank Ato Akyereko

Supervisor's Declaration

I hereby declare that the preparation and presentation of the dissertation were supervised in accordance with the guidelines on supervision laid down by the University of Cape Coast.

Supervisor's Signature..... Date.....

Name: Dr. Dominic Owusu



ABSTRACT

Employee performance has been found to be largely dependent on leadership styles adopted by leaders of various organisations notably Cummins Ghana. This study, therefore, examined the effect of leadership styles on employee performance at Cummins Ghana. More specifically, the study investigated the various leadership styles adopted at the company and how transformational and transactional leadership styles influence employee performance. This quantitative study adopted the explanatory design and underpinned by Fielder's contingency theory of leadership. Based on the census technique, primary data was gathered from 150 members using structured questionnaires. Accurate and reliable data was obtained from 143 respondents with a response rate of 95.3%. This data was processed using the IBM SPSS Statistics version 24 and analysed using both descriptive (mean and standard deviation scores) and inferential (linear regression) statistical tools. The study found transformational, People-oriented and democratic leadership styles as the most adopted styles at Cummins Ghana. Also, both transformational and transactional leadership styles were found to significantly enhance employee performance at the company. It is recommended to the management of Cummins Ghana that they should develop comprehensive policies and also device strategies aimed at promoting employee development such that the policies should centre on regular employee training packages and career development programmes.

KEYWORDS

Leadership style

Transformational leadership style

Transactional leadership style

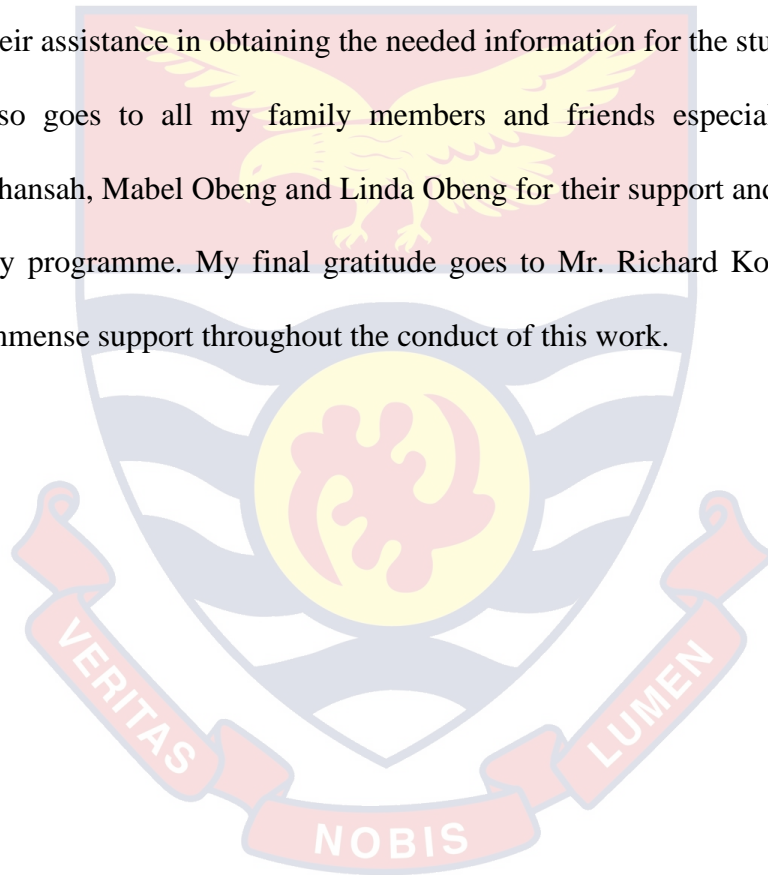
Employee performance



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DEDICATION

To my wife, Mrs. Leticia Akyereko, and children: Nhyiraba Kwabena

Akyereko and Akyedzepa Efua Akyereko.



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LIST OF ACRONYMS

TLS	Transformational leadership style
TrLS	Transactional leadership style
EP	Employee performance



CHAPTER ONE

INTRODUCTION

Leaders play tremendous roles in any organisational setting. They are regarded as managers, creators, innovators, strategists. They are primarily in charge of set organisational vision, mission, policies, practices, strategies, systems, goals and objectives. Employee performance has been found to be largely dependent on the leadership styles adopted by leaders in their various organisations. As such, an irrelevant or poor leadership style could affect employee satisfaction, motivation and performance levels. Fiedler's contingency theory of leadership views a leader as effective if he or she adopts a leadership style that matches current organisational situations or events. Thus, there is a need for leaders including management of Cummins Ghana to adopt common styles including transactional, transformational, autocratic and democratic leadership styles. Although management of Cummins Ghana adopt various leadership styles, they remain largely unclear and undocumented. The study, therefore, addresses this challenge by addressing the effect of leadership style on employee performance at Cummins Ghana. In this regard, this section present a background, the problem, objectives and their associated questions, significance of the study, limitation and how the study is being organized.

Background to the Study

Leadership is regarded among the significant determinants of an organisation's success and failure (Odumeru & Ogbonna, 2013; Alkahtani, 2015). It contributes primarily to promoting individual and organisational performance levels by creating vision, mission, goals and objectives. The roles of leadership also include designing comprehensive policies, procedures,

structures and strategies to guide individual and team activities in an organisation (Vigoda-Gadot & Beerli, 2011; Al Khajeh, 2018). Leadership involves the coordination and management of efforts into achieving set goals. According to Kinsambwe (2016), top quality leadership is essential to overcoming changes arising from the external environment in order to achieve organisational vision and mission. As such, for an organisation's best interest, leaders must produce best services by obtaining, developing and spreading optimal resources.

Arguably, quality leadership basically depends on the leadership styles adopted by management of a given organisation. This assertion is supported by Fielder's contingency theory of leadership. The theory asserts that the suitability of a leadership style to a given situation determines how effective a leader is (Carnes, 2009; Fiedler, 2015). Simply put, contingency theory suggests that for a leader to be perceived as effective, he or she should adopt a leadership style which matches a particular situation (s). The theory, therefore, suggests a simple rule for determining which styles are best for which given situations (Fiedler, 2015; Northouse, 2015). Leadership style is the combination of differing traits, characteristics and behaviours adopted by a leader to interact and manage subordinates (Mitonga-Monga & Coetzee, 2012; Odumeru & Ogbonna, 2013).

According to Iqwal, Anwar and Haider (2015), leadership style is a set of behavioural patterns that are frequently exhibited by a supervisor or leader. Traditional leadership styles have been found to include autocratic, democratic, task-oriented, bureaucratic and laissez-faire styles (Iqwal et al., 2015; Lumbasi, K'Aol & Ouma, 2016; Dyczkowska & Dyczkowski, 2018). In recent times, various scholars and leaders are increasingly becoming abreast with

transformational and transactional leadership styles (Mohiuddin, 2017; Al Khajeh, 2018). Transformational leadership style focuses on a leader's personal values, proactiveness, vision and innovativeness (Onorato, 2013; Steinwart & Ziegler, 2014). Such leaders inspire trust, interact with subordinates while focusing on their capacity development and motivation.

On the other hand, transactional leadership style relies on reward and punishment for achieving set targets (Hitt & Tucker, 2016). As such, subordinates are rewarded with recognition, praise, incentives for achieving exceptional performances, but punished for negative performances (Odumeru & Ogbonna, 2013; Daft, 2015). Such leaders largely think within the box and thus work according to established systems and structures. These leadership styles have been found to have diverse influence on the performance levels of employees (subordinates) in various sectors and economies at large (Onorato, 2013; Al-Amin, 2017; Hoxha, 2019). However, the extent to which leadership style affects employee performance in the energy sector remains unclear.

In our 21st century, the energy sector, more precisely Cummins Inc., a leading global power supplier, provides tremendous contributions to economies across the globe (Bauer et al., 2017). This American multinational company, for instance, has employed about 55,000 employees worldwide and currently serves numerous customers in over 190 countries (Bala, Massey, Rajanayakam & Hsieh, 2015; Reed, 2017). The company earned over \$ 2.74 billion on sales of which over 20% was paid as taxes in 2018 alone; indications of their contributions to economic growth. Africa, a developing continent, the company currently operates in 51 countries of which Ghana, a Sub-Saharan African country, cannot be excluded.

Cummins Inc designs, manufactures and distributes natural gas engines, power plants, generators and associated technologies to help strengthen Ghana's energy sector. Cummins Ghana currently has six (6) branches with over one hundred (100) employees (Cummins Ghana Report, 2019); indications of the need for proper leadership style to constantly manage and improve employees' performance levels in order to help achieve its global vision of providing continuous innovation to promote customer success. Absence of proper leadership style affects employee performance and impede achievement of set goals and vision (Puni, Ofei & Okoe, 2014; Olajide, 2018).

Previous studies have argued that, poor or irrelevant leadership style is associated with poor employee morale, severe in-house conflicts, poor information flow, high employee turnover, low productivity, increased job stress, among others (Chaudhry, Javed & Sabir, 2012; Iqbal et al., 2015; Al-Amin, 2017; Olajide, 2018). From the foregoing, Cummins Ghana can only accomplish its vision by adopting proper leadership style. It is, therefore, against this background that the study assesses leadership styles and employee performance at Cummins Ghana.

Statement of the Problem

The sustainability of modern businesses primarily relies on the energy sector to provide the needed power at all times. However, the energy sectors in most developing countries have struggled, since time immemorial, amid undergoing several restructuring exercises (Ntanos et al., 2018). In Ghana, for instance, the sector has been exposed to recurring energy crisis for years leading to series of power outages and appalling performance levels across other sectors. Cummins Ghana, a leading member in the energy sector, has partly been

blamed for failing to help address this menace. Arguably, poor performance of Cummins Ghana could partly be attributed to the inconsistent performance levels of its employees. Previous studies have revealed that, employee performance is important for helping firms in the energy sector to provide adequate and cost-effective energy for domestic and industrial consumption (Moody, 2012; Fiaz, Su & Saqib, 2017).

Existing studies, on the other hand, have largely linked poor employee performances with the adoption of irrelevant and unclear leadership styles (Odumeru & Ogbonna, 2013; Iqwal et al., 2015; Fiaz et al., 2017). As such, inconsistent performance levels exhibited by employees of Cummins Ghana could be ascribed to unclear leadership style. According to Garg and Ramjee (2013) and Al Khajeh (2018), unclear leadership style is a major source of employees' job stress which affect their work outcomes and invariably overall organisational contributions. This implies that, Cummins Ghana can make meaningful contributions in helping Ghana's energy sector overcome their frustrations by identifying their employees' perception of leadership styles exhibited by management.

Studies abound on leadership styles and employee performance globally (Iqbal et al., 2015; Lumbasi, K' Aol & Ouma, 2016; Githuka, 2017; Mohiuddin, 2017). However, previous studies in Ghana have focused on sectors including manufacturing (Tandoh, 2011; Yanney, 2014; Puni et al., 2014) and banking (Dartey-Baah & Ampofo, 2015; Mekpor & Dartey-Baah, 2017) with minimal focus on the energy sector; none related to Cummins Ghana despite the severe challenges in the energy sector. Also, previous studies in Ghana have placed less emphasis on investigating the effect of transformational and transactional

leadership styles on employee performance in the energy sector. This study, therefore, seeks to address this research gap by investigating leadership style and employee performance with focus on Cummins Ghana.

Purpose of the Study

The purpose of the study is to examine the effect of leadership styles on employee performance at Cummins Ghana.

Research Objectives

To achieve the study's purpose, the following research objectives were developed to:

1. assess the perceived adopted leadership styles at Cummins Ghana.
2. examine the effect of transformational leadership style on employee performance at the company.
3. examine the effect of transactional leadership style on employee performance at the company.

Research Questions

The study was guided by the following research questions:

1. What are the perceived leadership styles adopted at Cummins Ghana?
2. What is the effect of transformational leadership style on employee performance at the company?
3. What is the effect of transactional leadership style on employee performance at the company?

Significance of the Study

The findings of this study are expected to contribute to policy, practices, theory and methods. More precisely, the study's findings will serve as a formal

document for policy design at Cummins Ghana and other branches across the globe. This is because, the study's findings are expected to serve as sources of scientific and objective information for framing of policies as well as making objective decisions with respect to leadership issues and employee performance. These policies could in turn influence the current practices at the company in order to improve employee performance. In terms of theory, the findings would support or disapprove assumptions in the theory underpinning the study. Also, it would expose readers to the best methods or approach in studies related to leadership styles. Finally, the study's findings would contribute to literature on leadership style and employee performance across similar organisations.

Delimitations

The study was carried out within the scope of investigating the effect of leadership style on employee performance. The study specifically focused on identifying the perceived types of leadership styles and examined how two major styles comprising transactional and transformational leadership styles affect employee performance. This means that the study excluded other performance dimensions including sustainable, financial, market and organisational performance. Also, other major variables including work life balance, job stress, organisational culture and reward systems which have been found in the literature to have influence on employee performance were excluded as the focus of the study was on leadership style. The study adopted the quantitative approach, thus, relied on structured questionnaire. As such, the use of interviews, observations and secondary data as other modes of data collection were excluded in the study.

Limitations

The quantitative nature of the study exposes it to some key limitations. For instance, the use of structured questionnaires limited the study to gathering data based on the respondents' opinions required by the question items. As such, the study's findings were limited to the views and opinions in terms of the respondents' level of agreement to each of the question items. The study is also limited to possible false, wrong or inaccurate information provided by the respondents. The respondents were not allowed to make any further suggestions or contributions to the study since the questionnaire provides predetermine responses based on the literature. Thus, those with special suggestions which could have positively impacted the study's findings were denied. Also, possibility of obtaining inadequate data as result of incompletely filled questionnaire and non-responses could affect the study's findings, conclusions and generalisation purposes.

Definition of Terms

Leadership Style: It refers to the various styles a leader adopts to direct, control and motivate people in order to achieve set organisational goals.

Employee Performance: It is defined as the level at which an employee achieves expected work targets.

Organisation of the Study

The study comprises five chapters of which chapter one presents the background to the study, statement of the problem, purpose, research objectives, research questions, significance, delimitations, limitations, definition of terms and organisation of the study. Chapter two discusses the study's literature review while Chapter three focuses on the study's research methods and more

precisely discusses the research approach, design, population, sampling procedure, data collection instrument and procedure, validity and reliability, ethical considerations and data processing and analysis. Chapter four covers the results and discussion section and Chapter five discusses the study's summary, conclusions, recommendations and makes some suggestions for further research.



CHAPTER TWO

LITERATURE REVIEW

Introduction

The chapter presented extensive reviews of literature related to the study. It specifically presented the theoretical, conceptual and empirical reviews that summarised information from previous related literature. The chapter concluded with a conceptual framework which provided the pictorial view of the study.

Theoretical Review

The study is underpinned by Fielder's contingency theory of leadership due to its relevance to the study's research objectives. The theory provides basis that varying circumstances that may exist in organization and for that matter Cummins Ghana in determining the kind of leadership style that managers may adopt.

Fielder's Contingency Theory of Leadership

Fiedler's contingency theory is among the oldest leadership theories and it was established by Fred Fiedler in the late 1950's and found in his study on attitudes of leaders and group effectiveness. Fielder propounded the theory on grounds that the best way to manage an individual, team or a group is largely dependent on the situation (Fielder & Garcia, 1987). Thus, every situation requires unique ways of addressing it. Fielder further emphasised that a group is effective only in instances where there is a clear link between the styles or personalities of a leader and situational requirements (Fiedler, 1967). The theory, therefore, suggests that there is no one best leadership style since a style is adopted based on the situation at stake (Northouse, 2018).

Fiedler (1967) was of the view that, leadership styles are basically natural and cannot be easily altered. As such, organisations can handle situations effectively by changing the leaders themselves based on specific situational dimensions or to change the situation to suit the leader's strengths. In view of this, Fiedler (2015) further suggested three situational variables: leader-member relations, task structure and position power of a leader; combining them could lead to either unfavourable, moderate or favourable situations for a leader to find him/herself in. The leader-member relations, for instance, focuses on the degree of confidence and trust between the leader and his or her team. A more trusted leader has more control over his team members and thus finds him or herself in favourable situations than an untrusted leader.

Task structure focuses on the specific tasks expected to be accomplished by the subordinates (Fiedler, 1967). The theory emphasises that a task can be structured or unstructured; structured tasks predicts favourable situations and vice versa. A task is regarded as structured if a leader has adequate knowledge about how it can be executed. Finally, the position power of a leader focuses on a leader's quantum of power over his or her group. The higher a leader's power, the more capable he or she is in managing situations. A leader can obtain power from several areas including expert, coercive and referent power. The theory further suggested that, a leader can possess transactional or transformative leadership styles. Transactional leaders expect their subordinates to follow formal structures and also strictly follow their directives (Bodla & Nawaz, 2010; Fiedler, 2015).

Transformational leaders, on the other hand, focus primarily on employees' growth and as such concentrate on developing their competencies,

moralties and values (Jeremy, Melinde & Ciller, 2012). Thus, the theory argues that the choice of a leadership style is dependent on the situation at hand. Simply put, the most appropriate way of handling a situation is to adopt relevant leadership styles that best fit the situation. This implies that, management of Cummins Ghana adopt various leadership styles to address certain situations; however, employees' perception regarding these styles largely remain unknown. Also, the extent to which frequently adopted styles notably transactional and transformational leadership styles affect employee performance at the company remains scanty. Based on the theory, it was relevant to conduct this study to assist management adopt relevant styles to improve employees and overall performance levels.

Concept of Leadership

Leadership is crucial in enhancing the job attitudes of employees as it significantly impacts their satisfaction and behavioural outcomes (Kedsuda & Ogunlana, 2008). According to Munir, Rahman, Malik and Ma'amor (2012), leadership deals with the active use of one's ability and talent to influence others in bid to achieve a common goal. Leadership serves as a vital managerial tool for building strong associations among subordinates, promote serene organisational climate and employee performances (Avolio, Sosik & Berson, 2012; Iqbal et al., 2015). Mohiuddin (2017) added that proper leadership aids organisational change, modifies employee behaviour and retention. However, lack of proper leadership leads to poor communication, unnecessary conflicts, lack of managerial support, increased work stress and invariably poor employee performances (Northouse, 2018).

Bodla and Nawaz (2010) defined leadership deals with controlling activities of structured groups in order to attain expected goals. Leadership requires employees' participation with all their dedication and sense of ownership through mobilisation of power, motivation and communication in the organisation. In regards to the significance of leadership, this concept has been defined by several scholars (León Eyzaguirre & Morales, 2018; Chung, 2018) and as such, there is no generally accepted definition for it. According to León Eyzaguirre and Morales (2018), for instance, leadership is defined as the ability to see a need for change and making it happen. It is also defined as one's ability to influence individuals or groups towards the achieving organisational goals (Chung, 2018).

Tahir, Abdullah, Ali and Daud (2014) also defined leadership as the process which explains present events and projecting future objectives, identifying appropriate decisions to address situations or attain goals and obtaining commitment from decision implementers. According to Shah and Hamid (2015), leadership is described as a process of persuading, motivating or inducing a group of people to pursue the objectives of a leader and the organisation. from the above definitions, it could be deduced that, leadership is a very important concept that organisational managers or authorities can never ignore. Clearly, leadership shapes the goals of employees, motivate behaviour towards achieving organisational goals and help in defining group or organisational culture (Rizwan, Nazar, Nadeem & Abbas, 2016).

Arguably, leadership is manifested through the leadership style employed by a leader or manager. Rizwan et al. (2016) suggested that, on one hand, leadership style persuades motivation, commitment, emotional strengths

and working relationships, while on the other hand, employees are able to perform with their utmost diligence and ability. As such, the choice of a leadership style should suit the tasks, situations, organisational goals and structure. Ngaithe (2016) revealed that, leaders, aside their actions and personal influence are mandated to empower employees to make certain decisions and also keep operations running in a smooth and effective manner as such, their choice of a leadership style is as important motivating their workforce. The next section described various leadership styles as revealed by literature.

Overview of Leadership Styles

Literature has revealed several leadership styles that managers can adopt to influence employees in bid to achieve expected objectives. Leadership styles are set of behavioural patterns which are frequently exhibited by a superior (Voon, Lo, Ngui & Ayob, 2011; Caillier, 2020). Sadeghi and Pihie (2013), for instance, identified three (3) primary leadership styles and added that, many of these styles have been found in most organisations across the globe. He revealed that, these styles include authoritative or autocratic, consultative or laissez faire and participative leadership styles. Other leadership which have been identified by other scholars include bureaucratic, charismatic, servant, transformational and transactional leadership styles (Yahaya, Osman, Mohammed, Gibrilla & Issah, 2014; Avolio, Walumbwa & Weber, 2009; Iqbal et al., 2015; Khan, Ali, Khan & Jehan, 2019). This section discusses some key leadership styles as found in previous studies.

Transformational Leadership Style

Transformational leadership style is a leadership style which ensures followers' direct involvement by displaying optimism and enthusiasm,

empowering them to achieve set goals and providing the resources necessary for developing their potentials (Iqwal et al., 2015). As such, transformational leaders focus on identifying various strategies to address employees' needs and promote their development (Ismail et al., 2009; Al-Amin, 2017). This leadership style is also aimed at transforming employees or group members by altering them in the heart and mind. This in turn gives employees more insight and understanding and brings about permanent changes, momentum building and self-perpetuating (Jeremy et al., 2012; Caillier, 2020).

Riaz, Akram and Ijaz (2011) added that, a transformational leadership style occurs when a leader in tends to uphold the interest of his/her employees, once they accept the purpose and assignment given to them. Leaders with this style ensure clear communication of organisational vision to arouse employees' emotions. They also emphasise on employee support while encouraging employees to view situations from different dimensions (Shirzad-Kebriya & Shabina-Zanganeh, 2011). As such, a transformational leader is able to positively predict his/her followers' proactivity and adaptability levels (Teymournejad & Elghaei, 2016). The style is associated with four primary elements: inspirational motivation, idealised influence, individual consideration and intellectual stimulation (Bass & Avolio, 1994; Paracha, Qamar, Mirza, Hassan & Waqas, 2012).

Shah and Hamid (2015) stressed that the transformational leadership style actively influence both individual and organisational results including motivation, satisfaction and performance. It also has significant positive associations with employee motivation, commitment, retention and organisational growth (Voon et al., 2011; Amirul & Daud, 2012; Arham, 2014).

Transformational leaders also aim at promoting two-way cordial relationship and understanding between management and employees. These leaders also help employees to identify new ways of overcoming challenges associated with their jobs. It is, therefore, considered among the best styles that focus on employee motivation, satisfaction and development.

Transactional Leadership Style

Transactional leadership style focuses more about ‘trade’ between the superior and subordinate by which the former compensates the latter for attaining specific objectives or performance criteria (Kinsambwe, 2016; Hoxha, 2019). It is largely associated with employees succumbing to the requirements of their leaders; thus, they agree to follow the strict rules and directions of their leaders (Bodla & Nawaz, 2010). As such, the leader has the mandate to ‘reward’ employees for good performances and also ‘punish’ them for attaining poor performance levels. This style is seen as exchange of expectations between employees and their management. As such, employees usually put in less efforts to improve their job satisfaction levels since the organisation usually pay them in return of their efforts and compliance.

Also, transactional leaders induce their employees by enforcing rules, taking corrective measures and adopting contingent rewards to obtain high performance levels (Chaudhry & Javed, 2012; Ha & Nguyen, 2014). Chaudhry and Javed (2012) added that, transactional leaders implement rules and regulations, proposes writ of authority, establishes and focuses on certain goals, and also direct employees to attain pre-determined objectives. Such leaders also focus on short term tasks and as such, practicing “management by exception” is preferable to rewarding better work. This leadership style is highly market-

based exchange process where employees and leaders negotiate responsibilities for differing forms of rewards and or punishments (Chaudhry et al., 2012; Soieb, Othman & D'Silva, 2013). It is, therefore, linked with punishment and reward-oriented leaders.

Rukmani, Ramesh and Jayakrishnan (2010) suggested two main forms of this leadership: management by exception and contingent reward. Management by exception is where leaders ensure that their employees do what is required of them and thus, intervene as and when needed. On the other hand, contingent reward is where employees receive rewards including salary increments, promotion and recognition for exhibiting acceptable behaviours and performance levels. This style leads to improved organisational performance if properly implemented (Arham & Muenjohn, 2012).

Democratic Leadership Style

The democratic leadership style is commonly referred to as participative style (Voon et al., 2011). According to Novac and Bratanov (2014), this style is associated with employee participation in all organisational activities including decision making processes. This leadership style is effective for improving employee motivation, satisfaction and invariably performance levels. It also creates an avenue for promoting employee morale (Puni et al., 2014; Fiaz, Su & Saqib, 2017). As such, democratic leaders generally increase group members' job satisfaction through involvement in organisational activities. Such leaders also allow employees to control their destinies with minimal control. It is suitable when quality is more important and also when employees are required to work as a team (Akpaprep, Jengre & Mogre, 2019; Caillier, 2020).

Autocratic Leadership Style

The autocratic is also known as the authoritative leadership style (Yahaya et al., 2014) and it is associated with bossy and classic leaders. With this style, subordinates are forced to work based on leaders' instructions. Thus, autocratic leaders take every decision and forces their employees to obey and execute them (Obiwuru, Okwu, Akpa & Nwankwere, 2011). As such, employees have basically little or no chance of making suggestions or opinions regardless of their merits to the organisation. These leaders exhibit total control over all organisational decision-making processes (Iqbal *et al.*, 2015). They also make choices based on their personal ideas, judgements and, therefore, rarely listen to advices of their followers (employees).

Autocratic leadership style is mostly associated with high levels of adverse effects such as employee absenteeism, dissatisfaction, demotivation, turnover and poor productivity (Bhargavi & Yaseen, 2016). This is because, employees or group members may feel unimportant to the organisation and thus may work below their strengths. It is however suitable for some routine and unskilled jobs which require high levels of supervision and control. These situations require the leader to make all major decisions on his/her own and invariably have absolute control over the work. Igbaekemen and Odivwri (2015) added that such situations call for leaders to personally determine their techniques, activities and policies and push on their employees to follow.

Laissez Faire Leadership Style

This leadership style is also known as consultative leadership style and it best describes leaders who leave their employees to carry out activities with minimal supervision and control (Shafie, Baghersalimi & Barghi, 2013). It is

usually effective if leaders are able to monitor what their employees are doing and regularly communicate to them. It is also more effective when group members or individual employees are experienced and skilled enough to carry out expected duties (Chowdhury, 2014). It is usually adopted in situations where the leader does not know the whole situation and thus requires the opinions and contributions of his/her employees or group members. Abdilahi (2016) added that, a laissez faire leader gives total freedom to employees to carry out duties on their own.

Bureaucratic Leadership Style

The bureaucratic leadership style is a leadership style where employees are mandated to follow established rules, regulations and procedures (Ojukuku, Odetayo & Sajuyigbe, 2012). Bureaucratic leaders are highly committed to designed strategies, procedures and processes; thus, restrict their employees from being innovative. According to Germano (2010), this style is not popular as it limits employee motivation and development. Such leaders only focus on completion of assigned tasks using formal and well-established structures. Ojukuku et al. (2012) and Asghar and Oino (2017) added that bureaucratic leaders, in most instances, struggle to motivate their employees to achieve set targets; thus, can lead to poor organisational performance. Sougui, Bon and Hassan (2015) suggested that this style is relevant when tasks are to be completed over a long period of time based on prescribed procedures.

People-oriented Leadership Style

The people-oriented leadership style is associated with employee welfare and growth (Claxton & Sarti, 2014; Engelbert & Wallgren, 2016). These leaders specifically evaluate the talents, capabilities and strengths of their

subordinates or team members in order to put them in appropriate job positions (Cuevas, 2017). This style ensures that supervisors aim at improving employees by considering the human elements during management. People-oriented leaders are fully focused on identifying, developing and sustaining team members in order to achieve organisational success. With people-oriented style, people (i.e. employees) are risk takers and thus achieve productive results (Bintang, Afnan, Achmad & Mintarti, 2017). However, this style if overly utilised could affect successful execution of projects. This is because, leaders may focus majorly on employee development over tasks or project completions.

Concept of Employee Performance

Throughout history, management has placed a premium on employee performance in an organisational setting. This is because employee performance refers to an employee's capacity to utilise his or her skills, capabilities, and knowledge in an efficient and effective manner to accomplish organisational goals (Bodla & Nawaz, 2010; Chebet, 2015). The literature has largely endorsed the idea of employee performance, with Aguinis (2009) defining it as an employee's behaviour or actions, rather than their output. According to Blanchard and Witts (2009), it is the behaviour of an employee that is evaluated in relation to established performance objectives. Agarwal, Datta, Blake-Beard, and Bhargava (2012) emphasised the importance of allowing employees to participate in and contribute to decision-making processes. Armstrong (2010) added that employees are capable of rapidly implementing changes in which they actively participate. As such, employee performance is not solely determined by what employees do; it is also determined by how they accomplish their goals. Employee performance, as defined by Dugguh and Dennis (2014),

refers to an employee's ability to meet expected job objectives. It is a reflection of an organization's efficiency and therefore acts as a critical component of any organisation. Employee performance, according to Mone, London, and Mone (2018), is defined as an employee's subsequent behaviour on a specific job that can be seen and evaluated. He continued by stating that employee performance is defined as an individual's contribution to the accomplishment of specified organisational objectives.

Additionally, Irimu et al. (2014) said that employee performance is related to defining and performing activities that contribute to the achievement of organisational objectives. Employee performance is evaluated using many criteria, including the following: job quality, cost effectiveness, and punctuality (Kinsambwe, 2016). According to Braz, Scavarda, and Martins (2011), employee performance is also assessed in terms of work production, timeliness to work, job quality, loyalty, responsiveness, and work efficiency. Previous research have relied heavily on these markers (Bedarkar & Pandita, 2014; Chebet, 2015; Maduekwe & Kamala, 2016; Gyanwali & Walsh, 2020). Additionally, it may be subjectively assessed in terms of employee dedication, skill and competency growth, behavioural changes, and an individual's capacity to learn and develop (Erkutlu, 2008; Basit, Sebastian & Hassan, 2017).

Empirical Review

The section presented extensive reviews of related literature with respect to the effects of transformational and transactional leadership styles on employee performance.

Transformational Leadership Style and Employee Performance

Previous studies have can be found on transformational leadership and employee performance with a number of them revealing significant relationship between them. In times past, Keller (1992) conducted a study on transformational leadership and concluded that it is clearly related with worker's performance such as accomplishment of targets, creativity and reduction in turnover rates. This finding has been supported by other contemporary studies by (Fu-Jin, Shieh & Tang, 2011; García-Morales, Lloréns-Montes & Verdú-Jover, 2011; Eisenbeiß & Boerner, 2013). For instance, a quantitative study by Voon et al. (2011) found this leadership style to strongly influence job satisfaction in the public organisations in Malaysia.

Ojokuko et al.'s (2012) also analysed the effect of leadership style on employee performance among Nigerian banks and found the former to significantly influence the latter. Wan Omar and Hussin (2013) also conducted a study to investigate whether employee job satisfaction can be influenced by transformational leadership style. Questionnaires were used to solicit for information from the respondents and analysis was done using both descriptive (means and standard deviation) and inferential (SEM) statistical tools. The result of Structural Equation Modelling technique found job satisfaction to be strongly influenced by this leadership style. Thus, a unit increase in transformational leadership style leads to a significant positive increase in job satisfaction and invariably employee performance.

Shafie et al. (2013) did a quantitative study on how leadership style affects employee performance in Real estate registration organisation in Iran. Using the descriptive correlation method, the study targeted 1000 staff in the

Tehran Estate Registration of which 277 of them were sampled using the Cochran sampling technique. Primary data was gathered through structured questionnaires and analysed using linear regression. The study found pragmatic-oriented and development-oriented transformational leadership style to positively impact on employee performance.

Amankwaa and Anku-Tsede (2015) conducted a study in Ghana to investigate whether transformational leadership style affect employee intention to quit by adopting job opportunity as a moderator. Using the descriptive cross-sectional design, the study obtained primary data from 305 employees in banking institutions in Ghana. Adopting the hierarchical regression approach, the study found intention to quit to significantly and negatively affected by this leadership style. The study concluded that, this leadership style does not induce employees to intend quitting their jobs, but rather induce them to perform beyond expectations.

In a quantitative study by Abdilahi (2016), the effect of transformational leadership style on employee performance in Dashen Bank was specifically examined. The regression result revealed transformational leadership style to improve employee performance in the Dashed bank of Ethiopia. Veliu et al. (2017) also did a study to specifically analyse the effect of transformational style on employee performance in Business organisations in Kosovo. The study found this leadership style to have a statistically significant and strong predictor of employee performance. This is because, a result produced a significant value of (.002, $p < 0.05$) at 5 percent significant level. It was, therefore, concluded that, this style strongly influences employee performance.

Al-Amin (2017) focused on examining how transformational leadership affect employee performance with employee engagement as a mediator. With 200 employees in varied jobs in SMEs of Bangladesh, the study found transformational leadership to be positively correlated with employee performance. Hoxha (2019) did a quantitative study to examine the effect of transformational leadership style on employee performance using 333 leaders and employees of differing managerial levels in telecommunication companies in Malaysia. The study's result found transformational leadership to contribute positively towards promoting employee performance in work organisations in Malaysia.

From the empirical review, transformational leadership style was found to positively and strongly affect employee performance across several fields (Shafie et al., 2013; Kehinde & Banjo, 2014; Amankwaa & Anku-Tsede, 2015; Ariyabuddhiphongs & Kahn, 2017; Hoxha, 2019). Despite these findings, Abdilahi (2016) found a weak significant relationship between the variables. It was also however found that, majority of the studies including those in Ghana were not focused on employees in the energy sector, more precisely Cummins Ghana. As such, it would be unfair to conclude that transformational leadership strongly predicts staff performance across all sectors and organisations. This study, therefore, closes this research gap by examining the effect of transformational leadership style on employee performance in Ghana with focus on Cummins Ghana.

Transactional Leadership Style and Employee Performance

Studies abound on transactional leadership style and its effect on employee performance across several fields with inconsistent results (Voon et

al., 2011; Kehinde & Banjo, 2014). A study by Voon et al. (2011), for instance, did a quantitative study to analyse the effect of leadership style on satisfaction of employees in Malaysia's public sector organisations. Based on the descriptive survey design, questionnaires were used for data collection. Using regression analysis, the study found the transactional style to have significant positive but weak effect on employee satisfaction. The study concluded that transactional leadership style weak contributor to job satisfaction and invariably employee performance.

In contrast, Ojokuku et al. (2012) analysed the nexus between selected leadership styles and performance. Using the multiple regression analytical tool, the study found transactional leadership to negatively affect performance. Thus, employees and their organisations perform poorly when this leadership style is adopted by their management. Similarly, another study specifically tested how transactional leadership style impacts employee performance among public sectors in Nigeria focusing on the Petroleum Resources Department (Kehinde & Banjo, 2014). The study focused on the quantitative approach and survey design. Data was obtained from 100 randomly selected employees using questionnaires. Using multiple regression technique, the study found the transactional style to negatively impact employee performance. Thus, an increase in transactional leadership will amount to a decrease in employee performance.

A quantitative and descriptive study by Sithole and Sudha (2014) concluded that transactional leadership is positively linked with employee turnover intentions. Thus, the 180 software engineers of information technology organisations revealed that this style induce them to intend leaving their

organisations since it does not lead to satisfaction and performance. On the other hand, a study by Brahim, Ridic and Jukic (2015) on banking institutions in Algeria adopted the trait theory and quantitative approach. The study obtained a sample size of 132 from 174 managers. It was found that, no statistically significant relationship exists between transactional style and employee performance in Algeria's banking institutions.

Contrastingly, Shah and Hamid (2015) focused on functional managers of six banks in Pakistan and analysed primary data obtained from questionnaires using the PLS-SEM. The study found transactional leadership to significantly improve performance of the functional managers. Similarly, Abdilahi's (2016) study focused on employees in Ethiopia's Dashen Bank. The study employed the quantitative method and descriptive design. The study had a population of 159 employees who were all used in the study using the census technique. Questionnaires were used to obtain data and analysed using correlation and regression statistical tools. It was found that, transactional leadership has a significant positive but a weak (0.165) effect on employee performance. The study concluded that, transactional leadership does not play very vital role in improving employee performance.

Among the study's specific objectives, Velju, et al. (2017) investigated whether transactional leadership predict employee performance in Kosovo. The study employed the quantitative approach but failed to indicate the research design and theory employed. It sampled 150 private enterprise managers in Kosovo using convenient sampling technique. The multiple regression technique was used to analyse the study's research objectives and it was found that this style has no significant relationship with employee performance. The

study concluded that, transactional leadership does not play any significant role in improving employee performance.

A quantitative approach by Al Khajeh (2018) gathered primary data through questionnaires and analysed it using the multiple regression approach. The study found transactional, bureaucratic and charismatic leaderships to have significant negative effects on organisational performance with -0.174, -0.432, -0.292; $P < 0.001$ respectively. It was concluded that these leadership styles do not ginger employees to exhibit better performance levels; thus, promote increased turnover intentions. In contrary, Omonona and Oni (2019) specifically investigated whether transactional leadership affect performance of employees in Fast Moving Consumer Goods companies in South Africa. Using the quantitative survey design, data was obtained from 233 randomly sampled employees and analysed using linear regression. Among the styles, transactional leadership had the highest influence on employee performance.

It could be deduced that, studies on transactional leadership style and its influence on employee performance had yielded varying results. This is because, some studies found significant positive effects (Voon et al., 2011; Shah & Hamid, 2015; Abdilahi, 2016; Omonona & Oni, 2019); no significant effect (Brahim et al., 2015; Velu et al., 2017) and significant negative effects (Ojokuku et al., 2012; Kehinde & Banjo, 2014; Al Khajeh, 2018) on employee performance. Thus, inconsistencies in findings would arguably make it difficult for leaders to adopt this style. As such, this study would provide a clearer stand and in turn help organisational leaders to make better decisions. Also, none of the studies have focused on employees of Cummins Ghana; creating a wide

literature gap. The study, therefore, examines whether transactional leadership has an effect on employee performance focusing on Cummins Ghana.

Conceptual Framework

The study constructed a framework in bid to provide a pictorial view of the purpose of the study. As such, the framework was developed in relation to the key variables such as transformational and transactional leadership style and employee performance used in the study. The leadership style comprising the two key leadership styles characterised the independent variable while employee performance characterised the dependent variable. The framework was presented in Figure 1.

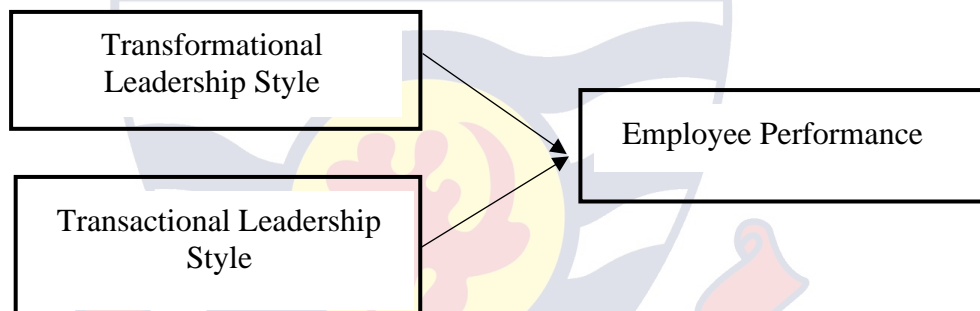


Figure 1: Conceptual framework of the Study

Source: Author's Own Construct (2020)

It could be seen from Figure 1 that employee performance is influenced by transformational and transactional leadership styles. From the reviews, previous studies have revealed that employee performance is dependent on other variables in order to increase or decrease of which leadership styles is of no exemption. From Figure 1, a change (positive or negative) in any of the leadership styles directly impact on or affect employee performance. As such, the choice of a leadership style could influence employee performance in various organisations including Cummins Ghana.

Chapter Summary

The chapter presented reviews of related literature in relation to the study's objectives. The chapter specifically discussed the theory supporting the study and extensively discussed the Fiedler's Contingency Theory due to its relevance. Also, the chapter discussed the major leadership styles as revealed by literature and presented empirical reviews on how transformational and transactional leadership styles affect employee performance. The entire chapter concluded with the study's conceptual framework which was prompted by the study's key variables.



CHAPTER THREE

RESEARCH METHODS

Introduction

The chapter discusses the methods guiding the study. It specifically discussed research issues associated with research approach, design, study area, population, sampling procedure and data collection instrument. Other vital research elements discussed included data collection procedure, validity and reliability, ethical considerations and data processing and analysis.

Research Approach

With reference to the nature and purpose of the research, the quantitative approach was adopted. This is basically because, the quantitative approach is suitable for examining cause and effect relationships between variables (Creswell, 2014; Miller, 2017). More specifically, it is relevant for examining the cause and effect relationship between leadership style and employee performance. This approach is based on the assumption that the world is relatively uniform and stable such that one can understand and measure it while making broad generalisations about it (Snelson, 2016). The approach is also a method of measurement where data in terms of frequencies, mean, standard deviations and inferential statistics become necessary for descriptive and inferential studies (O'leary, 2017).

The quantitative approach allows the measurement of perceptions, reactions and attitudes of a large sample through the use of a set of questions, facilitates comparison and statistical analysis of data (Gay, Mills & Airasian, 2009; Creswell, 2014). Also, it helps to increase objectivity in interpreting data, measure of validity and reliability and can be used to analyse large volumes of

data, which then can be presented and interpreted in an easy and understanding way to others (Watkins & Gioia, 2015). As such, the study adopted the quantitative approach in order to obtain high levels of validity and reliability of data to eliminate or reduce bias in judgment. This approach allows the use of cross-sectional study, as used in the study, where data can be gathered from a particular period. The approach collects and analyses numerical data to predict, explain, describe or control variables and issues of interest.

Research Design

Zikmund, Babin, Carr and Griffin (2010) suggested that a research design is a master plan that specifies the methods, procedures and strategies for collecting and analysing data or needed information. This study is aimed at validating the theoretical principles and or proposed hypothesis thus employed the explanatory research design. Explanatory design establishes causal relationship between variables in order to study a situation in order to explain it. The design also allows the use of statistical tests such as mean, standard deviation, correlation and linear regression to draw concrete conclusions to influence policies and practices (Saunders, Lewis & Thornhill, 2009). Blumberg, Cooper and Schindler (2014) further indicated that the explanatory design goes beyond descriptive study to explain, make predictions and draw inferences.

Cooper and Schindler (2014) revealed that the design attempts to explain the reason for a phenomena (situation). It uses theories or hypotheses to account for that which causes certain phenomena. The explanatory design can be used to explain how an independent variable (leadership style) causes a significant change in a dependant variable (employee performance). It allows the use of descriptive and inferential statistical tools in bid to achieve a study's research

objectives. This design also allows the collection of data from a sizable population in an economical way (Saunders et al., 2009). It is highly structured, generate factual conclusions and is suitable for decision making purposes. From the foregoing, it was appropriate to adopt the explanatory design to underpin the study.

Study Area

Cummins Inc is an American multinational company established in 1919 to design, manufacture, distribute and service diesel engines, generators and related technologies. Cummins Inc operates in 197 countries and territories with its headquarters located in the Midwest community of Columbus, Indiana. It currently has over 55,000 employees globally. The company has the vision of ensuring continuous innovation to power customer success. It also has the mission of making the lives of people better by promoting more affluent world. The company adheres to high corporate values in areas of integrity, care, teamwork, diversity and inclusion and excellence. The company ensures brand promise to power its customers through dependability and innovation. It also inspires and encourages its employees to attain their full potential in order to deliver stakeholder value.

Cummins Inc has a unique history of ensuring customer satisfaction in Africa by establishing an extensive network where its activities are unleashed. Cummins Ghana, for instance, is among the 51 countries operating on the African continent. Cummins Ghana was recognised as a Cummins distributor in 2009 to supply genuine power generators (i.e. 8KVA to 3000KVA) to meet all the power needs of its Ghanaian customers. It also does installations, 24 hours after sales services and other maintenance activities. Clearly, the company

contributes immensely to Ghana’s economic growth through job creation, revenue generation and innovation. It currently has six (6) branches in Ghana with over 100 employees; thus, require management with relevant leadership styles to lead them to achieving set goals. The study, therefore investigates the leadership styles adopted by the company and how they affect the performance levels of employees.

Population

A population is the total collection of elements about which one wishes to make some inferences (Cooper & Schindler, 2014). The study’s population targets employees of Cummins Ghana. More precisely, the study’s target population consists of all employees located at the company’s six (6) branches across the country. Cummins Ghana Annual report in 2019 revealed that the company currently boasts of 150 employees in the six branches scattered across the country. These branches specifically include Accra (Headquarters), Kumasi, Takoradi, Tarkwa, Akyem and Kenyasi Ahafo Mines. Simply put, the study’s target population consisted of 150 employees of the company. Table 1 presented the composition of the study’s target population.

Table 1: Composition of Study Population

Branch	Frequency	Percent (%)
Accra	75	50.0
Tarkwa	28	18.7
Akyem	28	18.7
Kumasi	8	5.3
Kenyasi Ahafo Mines	8	5.3
Takoradi	3	2.0
Total	150	100.0

Source: Cummins Ghana Report (2019)

Sampling Procedure

Due to the relatively adequate target population size, the study adopted the census technique wherein all the members (i.e. employees) of the company participated in the data collection exercise. According to Miller (2017), the census technique gives a higher level of reliability and accuracy of a given study's findings because it obtains data from all members. Simply put, the technique ensures that every unit is of keen interest to the study. Therefore, the study gathered primary data from all the 150 employees of Cummins Ghana. This could generate better findings, conclusions and invariably generalisation of findings across the entire population.

Data Collection Instrument

In research, data can be collected through survey (interview and questionnaire), observation or experiment depending on its nature and approach (Coopers & Schinder, 2014). Simply put, a particular research design demands a particular data collection instrument. For the purpose of this study, the structured questionnaire was used for collecting primary data. This is because the research seeks to investigate how one variable (i.e. leadership style) affects another variable (i.e. employee performance) thus, requiring quantitative analysis. According to Thornhill, Saunders and Lewis (2009), such information is best collected through the use of structured questionnaire. Saunders et al. (2009) alluded to the fact that survey strategy (questionnaire) usually goes with the deductive approach (i.e. quantitative research).

Questionnaire allows the collection of a large amount of data from a sizeable population in a highly economical way (Thornhill et al., 2009). It allows collection of numerical data which can be analysed quantitatively using

descriptive and inferential statistics and the data collected can be used to suggest possible reasons for particular relationships between variables. Also, it helps researchers to generate findings that are representative of the whole population in an efficient and effective manner (Watkins & Gioia, 2015). However, the notable drawback with the use of questionnaire is the possibility of spending too much time in its design and pilot stages prior to its actual usage, depending on respondents for information and trying to ensure a good response rate and analysing the results, even with readily available software for data analysis

The study developed a 44 itemed questionnaire based on extensive reviews of related studies. The questionnaire was structured in five sections (i.e. A-F); Section A had 5 question items which focused on the demographic characteristics of the respondents; Section B with 9 question items focused on assessing the perceived leadership styles of authorities at the company; Section C with 10 question items focused on measurement of transformational leadership style; Section D with 10 question items measured transactional leadership style and finally, Section E with 10 question items measured employee performance at the company.

It is to note that, question items from Sections B to E were put on a five-point Likert like scale with 1 representing least agreement and 5 representing highest agreement. This measurement scale is suitable for obtaining primary data for both descriptive and inferential analysis. Thus, it is appropriate for examining the cause-and-effect relationships between variables of interest, in this case, leadership styles and employee performance. Simply put, the scale is suitable for quantitative studies and thus, applicable to this study.

Validity and Reliability

Validity as explained by Mohammadbeigi, Mohammadsalehi and Aligol (2015) is the ability to produce findings that are in agreement with theoretical or conceptual values, thus to produce accurate results and to measure what is supposed to be measured (Neuman, 2014; Bolarinwa, 2015). In view of that, a drafted questionnaire was given to the supervisor and other research-inclined peers to critique each question items to ensure its consistency and relevance to the research objectives. Also, some key personnel of Cummins Ghana were allowed to review the question items to indicate their relevance and applicability to their organisation. After the various critiques and reviews, necessary corrections, modifications and adjustments were made on the questionnaire before the final questionnaire was developed and used for actual data collection.

On the other hand, reliability measures the level of internal consistency of the data collection instrument over time (Bolarinwa, 2015). An instrument is deemed reliable if it produces or yields the same results whenever it is repeatedly used to measure concept from the same respondents even by different researchers. Saunders et al. (2009) simplified it as the extent to which data collection instrument or technique yields consistent findings. To achieve the reliability of data collection instrument, a pretesting would be carried out on some selected members of the population. The reliability tests using the Cronbach Alpha test would then be used to determine whether the instrument is reliable or not. Previous studies (Saunders et al., 2009; Creswell, 2014) have revealed the acceptable alpha value of 0.70 or more. Thus, the closer the alpha value to 1, the better its reliability.

Table 2 present the Cronbach alpha value for ensuring reliability for the various variables (items) of the study. On the average, the unstandardized reliability coefficient for all the variables are above 0.70, indicating that the construct are reliable. The minimum number of items in the scale is 9 and maximum is 10.

Table 2: Cronbach Alpha

Variables	Average interitem covariance	Number of items in the scale	Scale reliability coefficient
Perceived leadership styles	0.2647822	9	0.7048
Transactional leadership style	0.3745439	10	0.8316
Transformational leadership styles	0.5636976	10	0.9063
Employee performance	0.2910831	10	0.8080

Source: Field survey (2020)

Data Collection Procedure

After the development of the questionnaire, pretested, modified and finally approved by the supervisor, a permission letter would be obtained from the Head of Department of Human Resource Management, University of Cape Coast. The letter with copies of the approved questionnaire would be sent to the head office of the Cummins Ghana requesting for permission to collect data in their various branches. After obtaining permission, the data collection exercise would take place in all the six (6) specific branches in Ghana. Due to some key challenges associated with data collection, the exercise would be administered with the assistance of two (2) research assistants. Also, copies would be sent via email to employees who would prefer it due to their tight schedules. Employees

who had difficulties with some of the question items would be attended to by the well-trained assistants. The exercise is expected to last for three (3) weeks.

Ethical Considerations

Some key ethical considerations suggested by Neuman (2014) were strictly adhered to. These ethical considerations consisted of informed consent, voluntary participation, right to privacy, plagiarism, anonymity and confidentiality. With reference to voluntary participation, the respondents were allowed to participate in the exercise in their own free will. Thus, no employee was forced to participate in the exercise. Regarding informed consent, the respondents were made aware of their participation in the data collection exercise. This was practically achieved by initially obtaining permission from headquarters of the company. Also, copies of the permission note were attached to each of the questionnaire.

Anonymity was guaranteed by excluding all personal details such as names and other delicate personal information that could expose the respondents from the questionnaire. This was done to ensure that the respondents' identities were kept anonymous; thus, away from exposure to third parties. In terms of plagiarism, all applicable information obtained from different sources were paraphrased and suitably referenced (i.e. in-text and end-text). A plagiarism test was then conducted to check for possible plagiarism. The study set of similarity index of at most 18%. Confidentiality was also certified by assuring respondents that information provided on the questionnaire would be kept confidential with none of them to be used for purposes other than this study. It could be deduced that, the study ensured that all possible ethical issues were properly addressed.

Data Processing and Analysis

After gathering sufficient data from respondents, the data would then be processed using the IBM SPSS version 26 software. The software provides more accurate information by treating missing data properly, assigning the code reasons for the missing data and contains all the relevant analytical tools. The processed data is subsequently analysed using both descriptive (means, standard deviation) and inferential (linear regression) statistical techniques. The descriptive statistics specifically mean scores are used for ranking the perceived leadership styles as required in the research objective one. The mean score is suitable for interpreting and communicating information to people (Saunders et al., 2009). The rule of thumb is that the higher a mean score if a given leadership style, the higher its perceived adoption in the company. Also, based on Cohen, Xanthopoulos and Jones's (1988) assumption, a mean score between 1 to 2.94 indicated 'low' and those between 2.95 to 5 indicated 'high' preference.

In terms of research objectives two and three which seek to investigate the effect of transactional and transformational leadership styles on employee performance, the linear regression is used. The linear regression is an analytical tool for assessing how a criterion (dependent) variable is statistically explained by one or more predictor (independent) variables. It has the following assumptions: multivariate normality, no multicollinearity, no auto-correlation and sampling adequacy (Schmidt & Finan, 2018). In terms of sampling adequacy, the rule of thumb is that the study should not have a minimum of 30 cases. As such, a data is assumed normal and relevant for regression analysis if it has over 30 cases (i.e. dataset).

Previous studies have suggested that, an adequate sample has the strength of overruling the other assumptions associated with regression analysis (Creswell, 2014; Creswell & Creswell, 2017). It is to note that, the study ensured that all the assumptions were met prior to analysis. For instance, it relied on a dataset of more than 100 cases. The results were finally presented in tables, discussed and its findings were supported or disapproved with previous related studies.

Chapter Summary

The chapter discussed the research methods employed to achieve the purpose of the study. This section specifically presented the key elements of research methods comprising approach, design, population, sampling procedure, data collection instrument, among others used in the study. The explanatory research design was adopted and thus used the quantitative research approach. The chapter also revealed that both descriptive and inferential statistical tools such as percentages, frequencies, means, standard deviation scores and linear regression were used to analyse the primary data gathered from structured questionnaires. The study's results were presented and discussed in the next chapter.

CHAPTER FOUR

RESULTS AND DISCUSSION

Introduction

This chapter presented the study's results and discussion. It specifically comprised the respondents' socio-demographic characteristics, perceived leadership styles and how transactional and transformational leadership styles affect employee performance at Cummins Ghana. This chapter concluded with a chapter summary.

Respondents' Socio-Demographic Characteristics

This section presented the respondents' socio-demographic characteristics with respect to sex, age, highest educational level, job position and working experience. This was based on 143 relevant responses retrieved out of the 150 administered questionnaires; with a response rate of 95.3%. Table 3 presented the description of the respondents' profile.

With reference to Table 3, majority (100) representing 69.9 percent of the respondents were males, whereas (43) representing 30.1 percent of them were females. The result means that majority of the workers at Cummins Ghana are males and this could be attributed to the nature of work at the organisation. Also, Table 2 revealed that majority (61; 42.4%) of the respondents were between the ages of 45 to 54 years. This result was followed by 21 percent of the respondents between the ages of 35 to 44; 17.5 percent were over 54 years; 15.4 percent of them were between 25 to 34 years and finally, 3.5 percent of them were between the ages of 18 to 24 years. This means that, majority of the respondents are matured enough to respond to issues in the questionnaire.

Table 3: Socio-demographic Characteristics of Respondents

	Frequency	Percent
Sex		
Male	100	69.9
Female	43	30.1
Age		
18-24	5	3.5
25-34	22	15.4
35-44	30	21.0
45-54	61	42.7
Over 55	25	17.5
Level of Education		
Certificate	2	1.4
Diploma	26	18.2
First Degree	89	62.2
Master's degree	26	18.2
Job Position		
Field Service Technicians	25	17.5
Engineers	30	21.0
Service Administrators	41	28.7
Managers	22	15.4
Regional Leaders	9	6.3
Supervisors	16	11.2
Working Experience		
Below 1 year	16	11.2
1 – 3 years	18	12.6
4 – 6 years	44	30.8
7 – 10 years	61	42.7
Over 10 years	4	2.8
Total	143	100.0

Source: Field survey (2020)

Table 3 further presented the highest educational qualifications of the respondents and revealed that, majority (62.2%) of them were degree holders; 18.2 percent of them were HND holders; 18.2 percent had professional certificates and finally, 1.4 percent had Diploma certificates and its equivalent. This means that, all the workers at Cummins Ghana have undergone formal education and as such, could understand and respond to various items in the questionnaire.

With respect to the respondents' job positions, majority (28.7%) of them were service administrators occupying various sections including accounts and finance, human resource, general administrators and stores persons. Also, 21 percent of the respondents' engineers comprising field service engineers and commission engineers; 17.5 percent of them were field service technicians including after-market leaders/technicians; 15.4 percent of them were managers occupying positions such as logistics, health and safety, finance, account and operational managers; 11.2 percent of them supervisors, while 6.3 percent of them were regional and assistant regional leaders. This means that, all the respondents occupied relevant roles in the company and as such could provide adequate information to achieve the study's' set objectives.

Finally, the working experience of the respondents were presented in Table 2 and it was revealed that, majority (42.7%) of the respondents have worked for 7 to 10 years; 30.8 percent of them have worked for 4 to 6 years; 12.6 percent of them have worked for 1 to 3 years; 11.2 percent have worked for less than 1 year and finally, 2.8 percent of them have worked for over 10 years. Since the company was established in Ghana in 2009, it could be deduced that majority of the workers have adequate working experience at the company

and as such could provide reliable information to achieve the study’s research objectives.

Perceived Leadership Styles at Cummins Ghana

This section presented the study’s research objective one with respect to the workers’ perceived leadership styles at Cummins Ghana. The mean score with standard deviation were used for this analysis as they are appropriate for ranking. The descriptive analysis was also based on Cohen’s (1988) assumption where mean scores between 1 to 2.9 indicated ‘low’ and those between 3 to 5 indicated ‘high’ and also the higher the mean score, the higher the workers’ perception about the adoption of leadership styles in the company. This descriptive result was presented in Table 4.

Table 4: Perceived Leadership Styles at Cummins Ghana

Perceived Leadership Styles	N	Mean	Std. Deviation
Transformational style	143	4.27	.888
People-oriented style	143	4.09	1.013
Democratic style	143	4.04	.963
Transactional style	143	3.90	1.109
Task-oriented style	143	3.59	1.036
Charismatic style	143	3.49	1.250
Laissez-faire style	143	3.48	1.162
Bureaucratic style	143	3.29	1.266
Autocratic style	143	3.13	1.344
Valid N (listwise)	143		

Source: Field survey (2020)

From Table 4, it could be seen that there are several types of leadership styles implemented by various leaders globally. Among these styles, the workers of Cummins Ghana perceived transformational leadership style as the most used by managers in the company. This is because, the transformational leadership style had the ‘highest’ mean score of 4.27 with standard deviation of 0.888. This means that, managers of Cummins Ghana are proactive, valuable personal values, vision-oriented and innovative. These managers also promote trust among their subordinates, interact positively with them and help in developing their capabilities. Transformational leaders also provide significant motivational packages to their workers in order to help them grow and develop.

The result implies that, the transformational style is employee-centred and thus, managers of Cummins Ghana adopt it in a bid to continuously develop their employees to achieve set organizational targets. This finding is in line with previous studies by Steinwart and Ziegler (2014) who found transformational leadership style among the most used and effective for developing employees. Mohiuddin (2017) added that this leadership style promotes employee development by focusing on their moralities, competencies and values.

The result was followed by the people-oriented leadership style with a higher mean score of 4.09 with standard deviation of 1.013. This leadership style is similar to the transformational style where the development of people (i.e. employees) are the primary focus. This means that, a number of leaders in the company adopt this style by identifying and developing the talents and strengths of employees in order to promote their performance levels. According to Engelbert and Wallgren (2016), these leaders put people into advantageous positions to benefit from positive job characteristics. Cuevas (2017) and

Bintang et al. (2017) also found that with this style, team members are mostly risk takers, productive and earn full management support.

The democratic leadership style was also found to be among the highly perceived leadership styles with mean score of 4.04 and standard deviation of 0.963. This means that, some of the workers perceive that their superiors exhibit the democratic leadership style where they are allowed to fully participate in decision making processes and other positive work activities. This implies that superiors at Cummins Ghana focus primarily on employee motivation, engagement in order to boost their morale to achieve expected job targets. This finding is supported by Fiaz et al. (2017) who found the democratic style to promote employee morale and development by fully involving them in organisational activities. Al Khajeh (2018) also concluded that this style fully involves employees; thus, effective for promoting participative decision-making processes and employee performance.

From Table 4, other perceived leadership styles adopted by leaders of Cummins Ghana included transactional style (M=3.90; SD=1.109), task-oriented style (M=3.59; SD=1.109), charismatic style (M=3.49; SD=1.25) and laissez-faire style (M=3.48; SD=1.162) respectively. These findings were based on the mean scores of the respondents' responses. With transactional leadership style, for instance, employees are basically induced to succumb to their leaders' or superiors' requirements with less flexibility. These leaders use reward and punishment packages as means of achieving expected job targets and thus effective when leaders want to execute difficult jobs within limited time frames. Ha and Nguyen (2014) found that transactional leaders follow strict rules, organisational policies and processes in achieving expected work outcomes.

Hoxha (2019) concluded that this style is effective for achieving difficult tasks with limited time frames.

Also, Table 4 revealed that the bureaucratic style ($M=3.29$; $SD=1.266$) and autocratic style ($M=3.13$; $SD=1.344$) were also adopted by management of Cummins Ghana, but they ranked the lowest among the other leadership styles. This means that, these styles are less or minimally adopted by superiors at the company. This could be because, they are predominantly less accepted by employees in most organisations. The bureaucratic style, for instance, is associated with following strict organisational policies and regulations in order to achieve expected job targets. As such, very strict and comprehensive policies and strategies are developed by superiors of which subordinates are forced to comply. Germano (2010) and Asghar and Oino (2017) stressed that this style is associated with delays in achieving work targets as subordinates need to follow strict measures, thus discouraging creativity or innovativeness.

Al Khajeh (2018) also revealed that this style leads to delay in delivering projects which require short periods or employee innovativeness. On the other hand, with autocratic leadership style, leaders are perceived bossy since subordinates' work based on strict instructions from the former. This style of leadership gives minimal or no room for employee participation in decision making processes and thus leaders make all the decisions and force subordinates to execute them. This style has, therefore, has been found among the less preferred form of leadership style and most leaders are discouraged from adopting it. According to Iqbal *et al.* (2015) and Callier (2020), autocratic leaders have full control over all organisational decision-making processes and thus related with high levels of adverse effects notably demotivation,

absenteeism, turnover and poor employee and organisational productivity. This could explain why the autocratic style ranked low among the various leadership styles perceived by workers in the company.

From the foregoing, it could be deduced that workers of Cummins Ghana perceive that their leaders prefer the transformational leadership styles to the other styles. Some of the leaders were also perceived to adopt people-oriented and democratic leadership styles; these styles have been embedded into the transformational style. On the other hand, the workers revealed that their leaders least adopted the bureaucratic and autocratic leadership styles. This could be because, these styles have received numerous criticisms due to their reliance on strict, military-like rules hindering employee motivation, innovativeness and commitment levels.

Transformational Leadership Style and Employee Performance

The effect of transformational leadership style on performance of workers at Cummins Ghana was examined in this study of which the results were presented and discussed in this section. This analysis was done using linear regression which aims at examining cause and effect relationships between variables of interests. The results of the regression analysis were presented in three tables (i.e. Table 5, 6 and 7) and discussed thereof. More precisely, Table 5 presented the Model Summary result; Table 6 presented the ANOVA results, whereas Table 7 presented the regression Coefficients.

The regression analysis was reported based on the regression model below:

$$Y(EP) = C + X(TLS) + \varepsilon$$

Where: EP = Employee performance

Y = Coefficient value of the dependent variable

C = Constant term

X = Coefficient value of the independent variable

TLS = Transformational Leadership Style

ϵ = Error Term

The Model Summary, as shown in Table 4, presented the R, R Square, Adjusted R Square and the Estimated Standard Error of the regression model. The study reported the R Square as it measures the goodness of fit of a linear regression model and also considered as more robust as compared to R.

Table 5: Model Summary

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.663 ^a	.440	.436	4.50649

a. Predictors: (Constant), Transformational leadership style (TLS)
Source: Field survey (2020)

The R Square specifically shows the percentage of change in a dependent variable that is contributed by the independent variable(s). From Table 5, an R Square result of 0.44 indicates that about 44.0 percent of change in employee performance is caused by transformational leadership style. This means that, transformational leaders contribute about 44 percent of variation in performance levels of workers at Cummins Ghana. The result implies that, for any change in employee performance at Cummins Ghana, adopting the

transformational leadership style could contribute about 44 percent of the change. Thus, leaders with this style play vital roles in employee performance.

Table 6 also presented the ANOVA results of the regression model.

Table 6: ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2251.961	1	2251.961	110.888	.000 ^b
	Residual	2863.494	141	20.308		
	Total	5115.455	142			

a. Dependent Variable: Employee performance
 b. Predictors: (Constant) TLS
 Source: Field survey (2020)

The ANOVA statistics report how the regression equation fits a given data (i.e. clearly predict a dependent variable) properly. This analysis is interpreted based on the assumption that the F statistic should be less than 0.05 to indicate the regression model’s statistical significance. From Table 5, the study’s regression model’s Sig. value was 0.000 which is less than the assumed 0.05; indicating that, overall, the study’s regression model can significantly predict the endogenous variable (employee performance). This means that, transformational leadership style can significantly predict or affect performance of workers in the company. The result implies that, any change in this leadership style would directly cause a statistically significant change in employee performance at the company.

Finally, the study discussed the results of the regression coefficient in this section. The result was specifically presented in Table 7.

Table 7: Coefficients^a

Model	Unstandardized		Standardized		
	B	Std. Error	Beta	T	Sig.
1 (Constant)	20.098	1.598		12.574	.000
TLS	.459	.044	.663	10.530	.000

a. Dependent Variable: Employee performance
Source: Field survey (2020)

The standardised coefficients provide the necessary information for determining whether or not the independent variable (i.e. transformational leadership style) statistically contribute to the model (i.e. based on the Sig. value). It is also effective for predicting employee performance from transformational leadership style. As such, the study reported the regression model below:

$$EP = 20.098 + 0.663TLS$$

From the regression equation, the study made the following statements: according to the intercept which is presented by the constant term, in absence of transformational leadership style, employee performance remains constant at 20.098. With reference to the slope represented by the standardised coefficient of TLS, a unit increase in EP is accounted for by TLS. More precisely, TLS predicts about 66.3 percent of variance in EP. Based on Cohen’s (1988) criteria, where coefficient values between 0.50 to 0.69 indicate ‘moderate’, it could be deduced that transformational leadership style moderately predicts a change in performance of workers at Cummins Ghana. This is a clear indication that, this leadership style is a moderate predictor of employee performance and as such,

the company's leaders or superiors should continue to adopt this style of leadership.

The result also implies that a unit increase in transformational leadership style would significantly and positively lead to a unit increase in employee performance by 66.3 percent; indication of the predictor variable's statistically significant contributions to promoting employee performance. As such, the more the company's management adopt this style, the higher their employees' performance levels. Simply put, transformational leadership style has statistically significant, positive and moderate effect on performance of workers at Cummins Ghana. This finding is buttressed by various previous studies by Amankwaa and Anku-Tsede (2015), Ariyabuddhiphongs and Kahn (2017) and Hoxha (2019). Al-Amin (2017), for instance, found this style to be positively correlated with employee performance among SMEs in Bangladesh, India.

Similarly, Veliu et al. (2017) found that transformational leadership style is a significant positive and strong predictor of employee performance in Business organisations in Kosovo. Abdilahi (2016) also had similar findings although the study focused on employees in Dashen Bank. Hoxha (2019) emphasised that the transformational leadership style is employee-oriented and thus leaders provide immense support and assistance to their employees in order to promote their performance levels. The study concluded that transformational leadership contributes positively towards improving employee performance in Malaysia's work organisations. These are clear indications that this leadership style is directly associated with enhancing employee performance and as such has been widely adopted by various managers in differing organisational settings.

Transactional Leadership Style and Employee Performance

Previous studies have provided differing outcomes with respect to the effect of transactional leadership style on employee performance in various organisational settings. This section, specifically presents and discusses the result with reference to whether transactional leadership significantly affect employee performance at Cummins Ghana. This objective was analysed using the linear regression statistics and discussed based on three tables: Tables 8, 9 and 10 respectively. Table 9 specifically presented the Model Summary of the study's regression equation:

$$Y (EP) = C + X(\text{TrLS}) + \varepsilon$$

Where: EP = Employee performance

Y = Coefficient value of the dependent variable

C = Constant term

X = Coefficient value of the independent variable

TrLS = Transactional Leadership Style

ε = Error Term

Based on the regression equation above, the study presented the Model's summary result.

Table 8: Model Summary

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.255 ^a	.065	.058	5.82439

a. Predictors: (Constant), Transactional Leadership Style (TrLS)

Source: Field survey (2020)

From Table 8, it could be deduced that the regression model had an R Square of 0.65; indicating that transactional leadership style contributes about 6.5 percent of change in employee performance. This means that, other leadership styles coupled with various relevant factors notably work life balance, job stress, employee development, among others contribute about 93.5 percent to performance of workers at the company. The result is a clear indication that this leadership style is minor contributor to employee performance and this arguably explains its perceived adoption by leaders of Cummins Ghana. More precisely, transactional leaders contribute a meagre 6.5 percent to employee performance at Cummins Ghana. Table 8 also presented the ANOVA result of the regression model.

Table 9: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	332.232	1	332.232	9.794	.002 ^b
	Residual	4783.223	141	33.924		
	Total	5115.455	142			

a. Dependent Variable: Employee performance

b. Predictors: (Constant), TrLS

Source: Field survey (2020)

The ANOVA result in any regression model reports how a regression equation clearly fits a specific data (i.e. predicts a dependent variable). The result shows whether the independent variable has a statistically significant relationship with the dependent variable to aid prediction. The rule of thumb is that, the regression model is assumed statistically significant if the F statistic is less than 0.05. thus, the model is not significant if the F statistic is statistically above the assumed 0.05 benchmark. As such, from Table 8, the regression

model is statistically significant since the F statistic (i.e. Sig.) is 0.002 (i.e. <0.05). This means that, the independent variable (TrLS) does a good job in predicting the dependent variable (EP).

Based on the ANOVA result, the final regression equation was developed:

$$EP = 27.894 + 0.255TrLS$$

Table 10 finally presented the Coefficients of the regression model to provide adequate information to show how the independent variable (i.e., based on standardised coefficients) predicts the dependent variable.

Table 10: Coefficients^a

Model		Unstandardized		Standardized		
		Coefficients		Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	27.894	2.779		10.039	.000
	TrLS	.228	.073	.255	3.129	.002

a. Dependent Variable: Employee performance
Source: Field survey (2020)

More precisely, the beta coefficients under the column marked “Standardised” is effective for predicting how transactional leadership style affect employee performance. Based on this, the following statements were reported: with reference to the intercept (i.e. based on the constant value), the absence of transactional leadership style will lead to a constant employee performance at 27.894. Also, based on the slope which is represented by the standardised coefficient of TrLS, a unit increase in EP is accounted for by the former. Thus, TrLS predicts about 25.5 percent of variance in EP.

Using Cohen's (1988) criteria, where coefficient values between 0.10 to 0.29 indicate 'very weak', it could be deduced that transactional leadership style is a very weak predictor of change in performance of workers at Cummins Ghana. This is a clear indication that, the transactional leadership style has a very weak influence on employee performance as such should be adopted with caution and attentiveness. The result also implies that a unit increase in the transformational style would lead to a significant positive but very weak increase in employee performance. This could be because, the transactional style does not encourage innovativeness among employees as leaders are more focused on achieving set targets through incentives (i.e. rewards and punishments).

The study's finding is in line with Ha and Nguyen (2014) who asserted that the transactional leadership style induces employees into meeting set goals by taking corrective actions, enforcing rules and regulations amid providing contingent rewards. Also, a study by Shah and Hamid (2015) performance of functional managers to be significantly affected by the transactional style. Abdilahi (2016) similarly found transactional leadership have a significant positive but weak effect on employee performance in the Dashen Bank, Ethiopia. Omonona and Oni (2019) buttressed this point by also finding this leadership style to significantly enhance performance of employees among Fast Moving Consumer Goods companies in South Africa.

Chapter Summary

This chapter specifically presented the results and associated discussion based on the study's research objectives. Key issues discussed included perception about leadership styles and how transformational and transactional

leadership styles affect employee performance at Cummins Ghana. Among the various leadership styles identified, the result revealed the transformational and people-oriented leadership styles as the most preferred style adopted by management of Cummins Ghana. Also, both transformational and transactional leadership styles were found to significantly and positively promote employee performance with the former having moderate effect, whereas the latter had very weak effect. Based on these findings, the next chapter focused on the study's summary, conclusions and recommendations.



CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Introduction

This chapter focused on the summary, conclusions and recommendations of the study.

Summary

The study aimed at examining the effect of leadership styles on performance of workers at Cummins Ghana. Based on this, the study developed the following research objectives to:

1. assess the perceived leadership styles adopted at Cummins Ghana.
2. examine the effect of transformational leadership style on employee performance at the company.
3. examine the effect of transactional leadership style on employee performance at the company.

The study was underpinned by Fiedler's contingency theory of leadership amid relying on the quantitative approach and explanatory design. With reference to the nature and approach to the study, primary data was obtained through structured questionnaires administered to 150 employees. Out of this, 143 of the responses were valid and accurate for analysis; achieving a response rate of 95.3%. The valid data was then processed using IBM SPSS Statistics version 26; analysis was done using both descriptive and inferential statistical tools. More precisely, the descriptive statistics specifically means and standard deviations were used to analysis research objective one, whereas objectives two and three were analysed using linear regression (i.e. an

inferential statistical tool). The analysed data was then discussed in Chapter four and below are the key findings:

The first research objective of the study aimed at assessing the perceived leadership styles at Cummins Ghana. Among the various leadership styles identified, the study found transformational, people-oriented and democratic leadership styles among the most preferred and adopted by superiors. On the other hand, the laissez-faire, bureaucratic and autocratic leadership styles were the least preferred and adopted leadership styles at the company. The result implies that, the company's workers perceive that their superiors are generally employee-oriented and thus primarily focus on employee growth and development. This is because, transformational leaders are mostly employee-centred and as such fully involves employees in all organisational activities including decision-making processes. These leaders also focus on employee welfare and as such provide motivational incentives to promote employee satisfaction, commitment, retention and performance levels.

The second research objective focused on examining how transformational leadership style affect performance of workers at Cummins Ghana. The study found transformational leadership to have a significant positive and moderate effect on workers performance levels at the company. This implies that, a unit increase in this leadership style would lead to a significant unit increase in employee performance. Thus, for any improvement made in transformational leadership, a moderate increase in employee performance will be experienced. Arguably, the competitive nature of business environments has induced firms including Cummins Ghana to adopt this

leadership style which aims at meeting employees' requirements in a bid to improve their performance levels.

Finally, research objective three focused on examining the effect of transactional leadership style on employee performance at Cummins Ghana. The study's result revealed this leadership style to be significantly and positively correlated with employee performance, however, the effect of the former on the latter was very weak. The finding indicates that a unit increase in transactional leadership style will lead to a very weak unit increase in employee performance. This implies that, the transactional leadership style has very minimal influence on performance of workers at Cummins Ghana. Therefore, for any improvement made in this style of leadership will lead to a very small significant improvement in performance of workers at the company.

Conclusions

This study presented a general overview and relevant discussion on leadership styles and workers' performance within previously related literature. This study has specifically revealed relevant information that could inform policies related to adopting the most appropriate leadership style in a bid to continuously strengthen employee and organisational performance levels. The study provided the following conclusions based on its key findings:

The emerging issues in research objective one was that the transformational leadership style is the most preferred and adopted style of leadership at Cummins Ghana. This key finding has been buttressed by related studies which indicate that organisations, in recent times, adopt leadership styles which focus on employee development. As such, they basically adopt transformational leadership because it embeds the people-oriented and

democratic leadership styles. On this note, the study concluded that the transformational leadership is the highly perceived leadership style to be adopted by superiors at Cummins Ghana. This is a clear indication that leaders in this company are employee-centric and as such focus primarily on employee motivation, wellbeing, satisfaction and productivity levels.

With reference to research objective two, the transformational leadership style as found to significantly and positively affect employee performance at Cummins Ghana. This finding has largely been supported by previously related literature which argue that employees feel motivated and satisfied if they perceive that existing leadership styles focus on their development. Employees would, therefore, feel a sense of belongingness to the organisation and as such put in much efforts to continuously improve performance levels. The study, therefore, concluded that transformational leadership style contributes significantly to improving the performance levels among organisations notably Cummins Ghana.

The third research objective of the study revealed a significant positive effect on transactional leadership style on employee performance at Cummins Ghana. Although this leadership style is generally unpopular due to its strict nature, it could be adopted to improve employee performance in instances where executing certain tasks require strict organisational policies, measures and directions. As such, the finding also coincides with other findings which revealed that some specific duties would be successfully executed when reward or punishment incentives are provided. Other studies also assert that transactional leadership improves employees' performance through established

rules, standards and incentives. It was, therefore, concluded that workers performance levels are positively affected transactional leadership style.

The study generally concluded that leadership styles notably transformational and transactional leadership styles have significant effects on employee performance. These are clear indications that leadership styles play tremendous roles in improving performance of workers in organisations notably Cummins Ghana. Clearly, no organisation can function properly without adopting relevant leadership styles and also adopting only one style could eventually impede employee performance. It was, therefore, unsurprising to find that both transformational and transactional leadership style have positive influence on employee performance and as such, depending on the situation, leaders can adopt any of these styles in a bid to enhance performance levels of employees in any organisation notably Cummins Ghana.

Recommendations

Based on the study's conclusions, relevant recommendations were hereby made for each research objective:

Among the various leadership styles, workers of Cummins Ghana perceived transformational leadership style as the most adopted style of leadership in the company. As such, the study recommended that management of Cummins Ghana should continue to improve upon the transformational style of leadership by constantly encouraging employees to directly involve themselves in organisational activities. This can be achieved by continuously streamlining this leadership style to fully focus on employee development through employees' involvement in decision making processes and provision of full career development assistance. Also, a unit could be established to

constantly identify, receive, monitor, evaluate and address employees' challenges in order to promote their development.

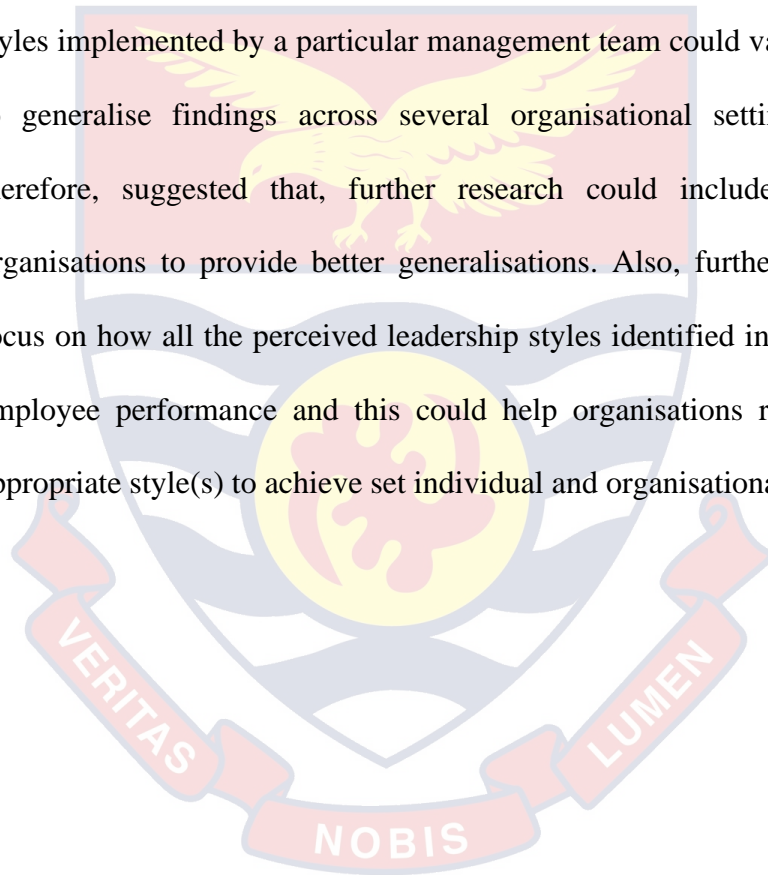
The study also found transformational leadership style to positively affect workers' performance at Cummins Ghana. This style helps management to understand their employees' interests and provide necessary incentives aimed at motivating and satisfying them. The study recommended that, management of Cummins Ghana should improve existing policies and practices associated with employee development. This could be done through implementation of comprehensive employee development packages such as award schemes, scholarships (full or partial) and free employment opportunities. These award schemes should aim at recognising and acknowledging employees' efforts while continuously seeking their development in order to ultimately improve their performance levels.

Finally, the research discovered that transactional leadership style has a substantial beneficial impact on staff performance at Cummins Ghana, although it is a very little effect. This style assists authorities in developing policies and standards for monitoring and correcting substandard performance through corrective measures/actions. Additionally, different incentive programmes are in place to recognise high performers, despite the fact that this approach is associated with bureaucratic, task-oriented, and laissez-faire leadership styles. The research concluded that management at Cummins Ghana should exercise caution when using this leadership style, since excessive use may have a detrimental effect on worker performance. However, management's corrective measures in the case of poor performance should be clearly defined in a fair and

transparent way in order to avoid internal conflict and encourage improved individual and organisational performance.

Suggestions for Further Research

Although the study provides useful insights into leadership styles and employee performance at Cummins Ghana, the results cannot be generalised to all business entities in Ghana. This is because, the study only relied on the opinions and suggestions of workers at Cummins Ghana. Arguably, leadership styles implemented by a particular management team could vary, thus difficult to generalise findings across several organisational settings. The study, therefore, suggested that, further research could include other relevant organisations to provide better generalisations. Also, further research could focus on how all the perceived leadership styles identified in this study affect employee performance and this could help organisations rely on the most appropriate style(s) to achieve set individual and organisational goals.



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APPENDIX

SURVEY QUESTIONNAIRE ON LEADERSHIP STYLE AND EMPLOYEE PERFORMANCE AT CUMMINS GHANA

This survey is designed to gather information on Leadership style and employee performance at Cummins Ghana. Your views are very much important to the study. Every information you provide would be 100% confidential. Thanks for accepting to participate in the study.

SECTION A: DEMOGRAPHIC INFORMATION OF RESPONDENTS

Please indicate your response by ticking (✓) in the applicable box for each question.

1. Sex:
Male Female
2. Age:
18-24 25 – 34 35 – 45
45 – 54 OVER 54
3. Highest Level of Education:
Certificate Diploma Degree
Professional Others (specify).....
4. Kindly indicate your job position.....
5. Working experience (years)
Below 5 5 – 10 11 – 15
16 – 20 21 – 25 26 – 30
Above 30

SECTION B: PERCEIVED LEADERSHIP STYLES

On a scale of 1 – 5, please rate your level of agreement to each statement. Please tick (√) appropriately, from **1 (least agreement) to 5 (Highest agreement)**.

Statements		1	2	3	4	5
	My superior has absolute power over the staff and does not allow us to make suggestions (autocratic)					
	My superior invites all the staff to actively participate in decision making processes (democratic)					
	My superior allows us to do everything on our own but communicates back to us when necessary (laissez-faire)					
	My superior wants the staff to work strictly according to company policies and codes of conducts (Bureaucratic)					
	I think my superior inspires staff to achieve great things and this drives us forward (Charismatic)					
	Since the day I accepted to work in the company, my superior always want me to totally agree with him/her (transactional)					
	My superior is someone who inspires staff with constantly shared vision of the future (transformational)					
	I perceive that, my superior is focused only on the staff getting the job done (task-oriented)					
	I think my superior is totally focused on organising, supporting and developing the employees in the company (people-oriented)					

SECTION C: TRANSACTIONAL LEADERSHIP STYLE

On a scale of 1 – 5, please rate your level of agreement to each statement. Please tick (√) appropriately, from **1 (least agreement) to 5 (Highest agreement)**.

	Statements	1	2	3	4	5
1	I am always informed on what to do if I want to be rewarded appropriately					
2	My superior is satisfied when I meet agreed upon performance standards.					

3	My superior punishes any staff member who does not meet expected standards					
4	My superior provides rewards when set company targets are achieved					
5	My superior corrects any staff member for not meeting expected standards					
6	My superior has established clear rules, regulations and standards which every staff member is expected to follow					
7	My superior directs me to attain pre-determined targets					
8	My superior informs staff on the standards we have to meet to carry out our works					
9	My superior is concerned with my performance for a particular term only					
10	My superior allows us to bring new ideas and create new ways of doing things in the company					

SECTION D: TRANSFORMATIONAL LEADERSHIP STYLES

On a scale of 1 – 5, please rate your level of agreement to each statement. Please tick (✓) appropriately, from **1 (least agreement) to 5 (Highest agreement)**.

Statements		1	2	3	4	5
1	My superior clearly defines the company's vision to us					
2	My superior provides maximum support to the staff					
3	My superior enables me to view and understand work problems from new perspectives or dimensions					
4	The interest of the employees is of great concern to my superior					
5	My leader is focused on positively transforming the lives of the employees					
6	My superior concentrates on staff growth and development					
7	My superior is concerned about employees' performances at all times					
8	My superior gives personal attention to the wellbeing of staff under his/her care					

9	My superior assists us to promote our motivational levels					
10	My superior is able to settle disputes or conflicts among employees amicably whenever they occur					

SECTION E: EMPLOYEE PERFORMANCE

On a scale of 1 – 5, please rate your level of agreement to each statement. Please tick (√) appropriately, from **1 (least agreement) to 5 (Highest agreement)**.

Statements		1	2	3	4	5
1.	I have the ability to respond quickly to problems associated with my work					
2.	I am able to respond positively and quickly to changes in work patterns					
3.	I deliver quality work because it meets all desired standards					
4.	I deliver all assigned tasks on time					
5.	I am very punctual at work thus able to meet performance objectives					
6.	I comply with all ethical standards, company policies and culture					
7.	I am able to personally address challenges associated with my work					
8.	I am able to utilise limited resources (i.e. time, capital, machines) to produce expected output					
9.	I make minimal or no errors/mistakes during work as they could affect my performance levels					
10.	I am always depended upon during emergencies associated with my work					

THANK YOU FOR PARTICIPATING