

EFFECTS OF LEADERSHIP STYLES ON EMPLOYEE PRODUCTIVITY IN THE INSURANCE INDUSTRY: EVIDENCE FROM GHANA. (DBL)

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Abstract

Leadership is considered as a critical means of creating and facilitating employee and organisational productivity. The right leadership drives organisational performance by enhancing the productivity of employees. In the Insurance Industry in Ghana, there has not been any consensus on the right leadership style that will drive employee productivity. Hence this study sought to investigate various leadership styles and how they impact on employee productivity and the degree to which employee morale and motivation moderate the relationship.

A quantitative research method approach was adopted for this study by using the descriptive research design. A sample size of two hundred and ninety (290) employees of insurance companies were used for the quantitative study. The researcher used random sampling approach after getting the required insurance companies and their employees. Findings from the analysis conducted revealed that charismatic, democratic and laissez faire leadership styles as the significant determinants of employee productivity. Moreover, employee morale moderated the relationship between laissez faire leadership style and employee productivity. Motivation, on the other hand, moderated the relationship between charismatic and laissez-faire leadership styles and employee productivity. The findings of the study imply that, for an institution to drive employee productivity, no single leadership style is sufficient. Hence it is important that leaders exhibit characteristics of the various leadership styles based on the specific situation at hand. Thus, it is recommended that leaders should not be staked with just one leadership style, but should lead based on the traits of individual employees and the specific organizational situation at hand.

Keywords: Employee morale, Motivation, Leadership styles, Insurance companies, Employees.