

Effect of Leadership Style on Performance of Electronic Media Companies in Meru County, Kenya

¹*Doreen Karwitha Muticia, ²Prof. Peter Kihara & ³Dr. Nancy Rintari

^{1,2,3}Kenya Methodist University

*Corresponding Author E-mail: doreenmuticia@gmail.com

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Abstract

Media companies in Kenya, particularly, the small companies have reported poor performance in terms of low profits, low viewership, high employee turnover, and low quality of products and services. The purpose of this study was to determine the effect of leadership style on the performance of electronic media companies in Meru County, Kenya. The study was anchored on the social cognitive theory. Descriptive and explanatory research designs were used. The study population comprised 12 media companies in Central Eastern Region, Kenya. The study targeted 145 management employees working in all the media companies. A random sampling technique was used to determine a sample size of 106 management workers. Primary data was collected using structured questionnaires. The findings indicated that leadership style has a positive and significant effect on media company performance. The research concluded that leadership style was significant in determining the performance of media companies. Transformational, transactional and collaborative were identified as key leadership styles that media companies have adopted. The study recommended the need for media companies to improve their leadership styles. Specifically, the media companies should strengthen transformational, transactional, and collaborative leadership styles.

Keywords: *Leadership Style, Performance, Transformational, Transactional, Collaborative, Electronic Media Companies*

1.0 Introduction

Organizational performance can be interpreted as the ability of a company or firm to complete its mission through strong leadership, effective management, and continuous efforts to achieve goals (Bititci *et al.*, 2018). Strong organizational performance is only possible when an organization produces the right things using the fewest possible inputs. Hourneaux *et al.* (2018) argued that measuring performance plays an important role in translating strategies into results. Performance perspective is of the idea that an organization's strategy needs to be accurately translated into actionable, solid, and measurable performance indicators against which actual performance could then be monitored, evaluated, and improved.

Employees in Malaysia, particularly in government institutions, have long been reprimanded for poor performance, lack of flexibility, inefficiency, lack of transparency, and bureaucracy (Said *et al.*, 2015). Leadership has always been associated with a propensity for hierarchy and

interpersonal interactions in Malaysia. Malaysia is well-known for being the place in the world where leaders wield the most strength and authority. The executive sets and controls the laws and regulations, and they are the ones that make the decisions (Caillier, 2020).

Odumegwu (2019) investigated the relationship between leadership style and employee efficiency in Africa using the leadership route theory. They concentrate on a few corporate organizations in Nigeria's federal capital, Abuja. The findings revealed that there was a strong link between leadership style and employee performance in the company. The willingness of employees to achieve company goals and objectives is affected by organizational leaders and leadership styles, according to this report (Menz, 2015).

The media industry is undergoing tremendous change and the situation is such that competition is based on strategies to develop, promote, distribute and price content, which makes some of the media have the highest ratings. Media companies face stiff competition, especially from the best media companies. On the other hand, most small media companies cannot afford to face increasing competition from big competitors. The majority of the electronic media companies operating in Meru County are particularly small and therefore are unable to cope with the growing competition from the big rivals. This has resulted in poor performance by the small media companies in terms of low profits, low viewership, high employee turnover, and poor quality of products and services.

1.1 Research Problem

In Kenya, media companies, particularly, small companies have reported poor performance in terms of low profits, low viewership, high employee turnover, and low quality of products and services (CAK, 2019). In the recent past, Mediamax, which operates K24 tv and several radio stations retrenched about 150 employees. This is an indication that there is a problem with the performance of media houses. Previous studies have attributed effective strategic implementation to improved organizational performance. This includes Yıldız *et al.* (2014), Dekoulou and Trivellas (2017), and Gakenia (2015). However, no study to the best knowledge of the researcher has focused on the role of strategic implementation, particularly leadership style in driving the performance of media companies in Meru County. Therefore, this study sought to bridge the existing research gap by examining the effect of leadership style on the performance of electronic media companies in Meru County, Kenya.

1.2 Research Hypothesis

H₀: There is no significant relationship between leadership style and performance of electronic media companies in Meru County, Kenya.

2.0 Theoretical Framework

The social cognitive theory was initially coined by Bandura (1986) as an extrapolation of the social learning theory. The theory stipulates that when people observe patterns that execute sequences of behavior and behavior, they memorize the repetition sequence and use this data to guide subsequent behavior. People do not learn new habits by attempting and failing on their own, but humanity's survival depends on replicating others' actions. Observers can choose whether or not to repeat behavior based on whether or not people are rewarded or punished for their actions, as well as the outcome of those actions. The media offer models in many different settings for a wide variety of people (Bandura, 2009).

Bandura (1986) argues that behavioral, personal (cognitive and biological) factors and environmental events act as determinants of interactions that influence each other in both ways. While the factors differ in their strength as an influence, they do not always act simultaneously.

Most of the external influences influence behavior through cognitive processes because symbols and texts are given meaning. Individuals can self-regulate, which provides satisfaction with the application of valuable standards and is judgmental in response to their behavior (Bandura, 1994). As part of their ability to reflect, people test their thinking reflectively using four ways of thinking: A compelling, logical, substitutionary, and active process of evaluating the appropriateness of their thoughts and the results of their actions. Representatively (actions that are felt or enjoyed through imaginary participation in the experiences of others) begin in early childhood learning (Bandura, 1992). The exciting sensations experienced through comparison with television experiences can lead to common misconceptions about people, places, or things.

According to Bandura (1977), self-efficacy is based on the basic premise of psychological procedures, a socio-cognitive theory in which perceived self-efficacy influences action choices and behavioral attitudes. Person effectiveness goals assess commitment and determination in the face of obstacles. Self-efficacy is a management and organizational phenomenon that increases inspiration and cognitive capacity for greater individual success in all aspects of life (Momeni *et al.*, 2014). The term "self-efficacy" was coined to describe an individual's ability to succeed in a given situation (Mokhber, 2016).

Renko *et al.* (2015) also recognize the use of social cognitive theory to identify and evaluate entrepreneurial leadership as a construct that influences group members' success and directs them to implement and use new opportunities. The study by Cai *et al.* (2019) also mostly derives from social cognitive theory. According to the authors, belief in creative efficiency enables workplace developments to develop creative ideas (Tierney & Farmer, 2011). At both the individual and team levels, parallel motivational mechanisms are effective (Chen & Kanfer, 2006). Entrepreneurial leadership, in other words, encourages employee creative self-efficacy in terms of expressing themselves creatively, as well as team creative effectiveness in terms of team innovation (Shin & Eom, 2014).

According to the study's findings, team innovative effectiveness has a cross-level effect on the relationship between leadership and employee behavior and productivity. This theory has been deemed relevant and instrumental to the current study since it informs the frameworks involving the leadership of electronic media companies. The theory informs the leadership of the electronic media firms in Meru County, Kenya, and other organizations to uphold good entrepreneurial leadership qualities and techniques that build the human aspect of the organization towards a transformational output. This is because it plays a very critical position in employee development in terms of motivation as well as career advancements. Concerning innovation, a proactive and innovative leader is the driver of the motivation behind the operations of the human resource which leads to certain aspects as the new ideas as a result of teamwork, brainstorming as well as benchmarking. The theory, therefore, anchors the leadership style and performance objective in this study.

2.1 Empirical Review

Chowdhury (2014) conducted an empirical study into the effect of leadership styles on employee engagement and dedication in the private sector. The research sampled 326 human resource workers from a population of 650. Triangulation or dual approach was used by the study, which combined primary and secondary data sources. According to the results, a transformational leadership style has a significant relationship with employee engagement. It was also revealed that leadership is crucial in ensuring that employees are empowered at work.

To have workers who are empowered to contribute to the best of their ability, role heads must use both transformational and transactional leadership styles.

Yldz *et al.* (2014) used theoretical statements to determine the impact of leadership style and innovation on business success. The form of management used is transformation and transaction management. The case is an explanatory study that used a questionnaire to collect primary data from 576 people working in the service sector and companies in Istanbul. According to the results, both leadership style and innovation had a positive impact on business outcomes. In addition, innovation, transformational leadership, and transaction management have been shown to have a positive influence on business performance.

Akparep *et al.* (2019) evaluated the impact of leadership style on organizational effectiveness at Tumakavi Development Association in Tamale, Ghana's Northern region. A survey design was utilized in the study, with 74 professionals and paraprofessionals working in the libraries surveyed as respondents. The focus of the discussion was on democratic leadership and its effect on job performance. According to the study's findings, a democratic leadership style has a positive effect on subordinates' job performance because it leads to improved employee efficiency. This form of leadership tends to produce highly efficient workgroups, as well as high levels of job satisfaction among subordinates. The study suggested, among other things, that heads of academic libraries be encouraged to follow democratic leadership styles because they produce better results in subordinates' job performance and, as a result, in users' satisfaction with library services.

Considering that leadership is one of the most important factors in the success or failure of an organization, Al Khajeh (2018) examines the influence of leadership style on organizational effectiveness. Transformative, transactional, autocratic, charismatic, bureaucratic, and democratic leadership styles are examined. Researchers used primary and secondary analysis and collected primary data using a quantitative approach and research tools based on a research questionnaire. To achieve the research objectives, secondary research was gathered through a study of previously published literature. Organizational success is negatively correlated with charismatic, bureaucratic, and transactional leadership styles, according to the results. On the other hand, transformative, autocratic, and democratic leadership styles have a positive influence on company success. According to experts, organizations should adopt a leadership style that enhances people's talents and skills.

Kim *et al.* (2014) examined the relationship between CEO leadership style and company performance in the face of perceived environmental uncertainty in Korea. The effect of transformation and transaction management on firm effectiveness is objectively and subjectively compared in this study, where the owner management style is examined. These results support the hypothesis that the CEO's transformative leadership style has a positive effect on the company's objective and subjective efficiency. In times of uncertainty, the CEO's transformative leadership style has an even greater impact on success. In comparison, it was found that the manager's leadership style did not have a significant effect on the company's objective results. In a high uncertainty climate, it is found that the influence of the leading transaction leader style on the subjective performance of the company is greater.

Organizations have been forever transformed by digital technology. Digitization is transforming companies, work environments, and processes, and bringing new difficulties for managers, just as mobile printing has hastened our historical evolution (Cortellazzo *et al.*, 2019). This is a qualitative research project that will look into the function of leadership in the digital world: Key findings imply that executives are key players in the evolution of digital

culture: they must build relationships with many stakeholders who are dispersed and rely on collaborative methods that enable attention under difficult conditions, all while dealing with pressing ethical dilemmas. However, the leadership style and performance of broadcasters were not examined in this study.

3.0 Methodology of the study

The study adopted descriptive and explanatory research designs. The study population comprised 12 media companies in Central Eastern Region, Kenya. The study targeted 145 management employees working in all the media companies. A random sampling technique was used to determine a sample size of 106 management workers. Primary data was collected using structured questionnaires. As descriptive statistics, frequencies, percentages, means, and standard deviations were used. Correlation analysis was used to assess the link between the independent and dependent variables.

4.0 Results and Discussion

4.1 Descriptive Analysis

The respondents were requested to state their views about statements on leadership styles in the organization.

Table 1: Descriptive Statistics on Leadership Styles

| Statement | Strongly disagree | | Disagree | | Neutral | | Agree | | Strongly agree | | M | S.D |
|--|-------------------|-----|----------|-----|---------|----|-------|-----|----------------|-----|------------|------------|
| | N | % | N | % | N | % | N | % | N | % | | |
| There are elements of passive avoidant leadership in the company | 40 | 42% | 42 | 44% | 6 | 6% | 6 | 6% | 1 | 1% | 1.8 | 0.9 |
| The company leadership is transformational | 4 | 4% | 8 | 8% | 5 | 5% | 34 | 36% | 44 | 46% | 4.1 | 1.1 |
| The company leadership is transactional | 3 | 3% | 7 | 7% | 5 | 5% | 33 | 35% | 47 | 50% | 4.2 | 1.0 |
| The company leadership is authoritative | 51 | 54% | 31 | 33% | 6 | 6% | 5 | 5% | 2 | 2% | 1.7 | 1.0 |
| The company leadership is collaborative | 3 | 3% | 7 | 7% | 5 | 5% | 42 | 44% | 38 | 40% | 4.1 | 1.0 |
| Overall mean | | | | | | | | | | | 3.2 | 1.0 |

The findings in Table 1 reveal that 82% of the participants noted that company leadership was transformational, the company leadership was transactional (85%), and the company leadership was collaborative (84%). Contrary, 86% of the participant disagreed with the assertion that there were elements of passive avoidant leadership in the company, and the company leadership was authoritative (87%). The overall mean of 3.2 indicated that there were mixed reactions concerning leadership styles used in the media companies in Meru County. A standard deviation of 1.0 indicated low variation in the responses.

The respondents were requested to state their views about statements on performance. Findings are shown in Table 2.

Table 2: Descriptive Statistics on Organization Performance

| Statements | Strongly disagree | | Disagree | | Neutral | | Agree | | Strongly agree | | M | S.D |
|---|-------------------|----|----------|-----|---------|----|-------|-----|----------------|-----|------------|------------|
| | N | % | N | % | N | % | N | % | N | % | | |
| The company profitability has increased with introduction strategic implementation. | 8 | 8% | 7 | 7% | 4 | 4% | 33 | 35% | 43 | 45% | 4.0 | 1.3 |
| The company market share has increased with introduction strategic implementation. | 4 | 4% | 0 | 11% | 5 | 5% | 39 | 41% | 37 | 39% | 4.0 | 1.1 |
| The company service quality has improved with introduction strategic implementation. | 5 | 5% | 5 | 5% | 3 | 3% | 35 | 37% | 47 | 50% | 4.2 | 1.1 |
| The company customer satisfaction has increased with introduction strategic implementation. | 3 | 3% | 6 | 6% | 3 | 3% | 38 | 40% | 45 | 47% | 4.2 | 1.0 |
| The company employee commitment has increased with introduction strategic implementation. | 3 | 3% | 9 | 10% | 7 | 7% | 28 | 30% | 48 | 51% | 4.2 | 1.1 |
| The company number of employees has improved with introduction strategic implementation. | 6 | 6% | 4 | 4% | 1 | 1% | 29 | 31% | 55 | 58% | 4.3 | 1.1 |
| Overall mean | | | | | | | | | | | 4.2 | 1.1 |

The results reveal that 80% of the participants noted that the company profitability had increased with the introduction of strategic implementation, the company market share had increased with the introduction of strategic implementation (80%), the company service quality had improved with the introduction of strategic implementation (87%), the company customer satisfaction had increased with introduction strategic implementation (87%), the company employee commitment has increased with introduction strategic implementation (81%), and the company number of employees has improved with introduction strategic implementation (89%). The overall mean of 4.2 denoted that the participants agreed with the assertions on performance. A standard deviation of 1.1 indicated a low variation of the responses.

4.2 Correlation Analysis

The correlation between the independent and dependent variables is presented in this segment. Table 3 shows the results.

Table 3: Correlation Results; Leadership style and Performance

| | | Firm Performance | Leadership styles |
|-------------------|---------------------|------------------|-------------------|
| Firm Performance | Pearson Correlation | 1.000 | |
| | Sig. (2-tailed) | | |
| Leadership styles | Pearson Correlation | .752** | 1.000 |
| | Sig. (2-tailed) | .000 | |

** Correlation is significant at the 0.01 level (2-tailed).

The findings in Table 3 indicate that leadership styles had a positive and significant association with the performance of media companies ($r = .752$, $P = .000$). The null hypothesis (H_0) that there was no significant association between leadership style and electronic media company performance in Meru County, Kenya was rejected as a result of these results. This was supported by a P-value of $0.000 < 0.05$. This implied that leadership style had a significant relationship with the performance of media companies. The finding concurs with Chowdhury (2014) assertion that leadership style such as transformational has a significant relationship with employee engagement. Similarly, Yldz *et al.* (2014) established that leadership style had a positive impact on business outcomes.

5.0 Conclusion

According to the findings, leadership styles have a favorable and significant impact on the success of media enterprises in Meru County. In particular, the study identified transformational, transactional, and collaborative as key leadership styles that media companies have adopted. This implies that the improvement of these leadership styles will significantly enhance the performance of media companies.

6.0 Recommendations

The study discovered that leadership styles in Meru County had a favorable and substantial impact on media company performance. The study recommended the need for media companies to improve their leadership styles. Specifically, the media companies should strengthen transformational, transactional, and collaborative leadership styles. This can be achieved through management commitment to embrace administration methods that focus on influencing and encouraging employees. The management should also create a favorable environment where employees can be free to exchange ideas with them. Further, the management should promote teamwork across departments.

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