

## The Relationship between Leadership Behaviors and Employee Performance: Evidences from Somali Telecommunication Industry

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### ABSTRACT

*This study will seek to investigate the relationship between leadership behavior and employee performance in Mogadishu. Emphasis was put on trying to establish the relationship between leadership behavior and employee performance in Mogadishu-Somalia. The study employed the use of both descriptive and correlation research design to establish the nature of the relationships.*

*To analyze the data, the spearman correlation statistical tool was used with the aim of establishing the relationship between above variables. This formed the basis of the detailed analysis, conclusions and recommendations. The findings revealed the existence statistically significant has a positive relationship between leadership behavior and employee performance, the study also indicate that there is a statistically significant moderate positive relationship between leadership behavior and employee performance on the basis of the findings, the researchers made the following conclusions. Telecommunication industry should provide good leadership behavior to their employees that will improve performance of employees. Telecommunication companies should employee performance appraisal to promote better satisfaction finally, telecommunication industries should factor into account or internal and external factors that can effects employee performance.*

**Keywords:** Leadership behavior, Employee Performance, Individual Competence, Group and Situation

### INTRODUCTION

Leadership can be defined as a process whereby an individual influences a group of individuals to achieve a common goal. However, good leaders must understand that positive relationships with all organizational stakeholders are the gold standard for all organizational efforts. Good quality relationships built on respect and trust are the most important determinants of organizational success. As the performance of an organization is dependent on the quality of the workforce at all levels of the organization it is essential to discuss the concept of individual performance (Tample, 2002).

Leadership behavior plays a very important role in enhancing employee job satisfaction, work motivation and work performance. Good leadership behavior accelerates the development of most organizations. Therefore, plays a critical role in the performance of organizations. On the other hand, employee performance is an important building block of an organization and factors which lay the foundation for high performance must be analyzed by the organizations. Since every organization cannot progress by depending on one or two individuals' effort, it is collective effort of all the members of the organization. Performance is a major multidimensional construct aimed to achieve results and has a strong link to strategic goals of an organization (Mwita, 2000). In this study there are indicators that can be

measured leadership behavior such as Individual Competence, Group Competence and work situations.

Employees are the most important assets in organizations, which without, the goals and objectives may not be attained. Several studies have been conducted on the roles that good leaders can play in achieving increase employee job performance. A good leadership may play a mediating role in the relationship between organizational culture and employee outcomes and an atmosphere for good leadership to flourish; which will ultimately leads to increased employees' job performance (Toor & Ofori, 2009). There are indicators of employee performance like Job knowledge, Communications and Information Availability.

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In the US businesses (Bass and Avolio 1989), managers still exhibit it in varying amounts (Bass 1990a). Prior research has found that laissez-faire leadership has an adverse effect on work-related outcomes of employees (Bass 1990; Yammarino and Bass, 1990). Most of the extant leadership research is based on data collected in the North American context (Northouse, 1997).

Regarding leadership styles of German managers, Kuchinke (1999), in his comparison of US and German telecommunications. Employees, has found that the US respondents ranked higher than Germans on two dimensions of transformational leadership (charisma and inspirational motivation).

In the context of Africa, It is recognized that leadership, especially in Africa, is difficult and management systems appear currently to be mainly results and control oriented with some country differences. Democratic Republic of Congo is more control oriented. Mozambique, Rwanda, Burkina Faso and Botswana are more people (oriented) normative. According to (Neely, 1995) Africa for the new millennium demands exceptional leadership. The emergence of a new style of leadership is critical not only for global Africans, but also for a world confronting globalization. There are many challenges, particularly of political, culture, poverty, illiteracy and disunity, yet Africans have come together in Mombasa (and earlier in Gaborone) to maximize and affirm the potential for positive leadership on our continent (Matriz, 1995).

In the competitive world with technological changes within the business environment, it is very important that organizations employ leadership styles that enable organizations to survive in a dynamic environment (Martiz, 1995). And also theoretically, there are three basic ways to explain how people become leaders: the trait leadership theory, the great event theory and the process leadership theory (Bass, Avolio, & Goodheim).

In the context of Somalia, telecommunication industry has been considered as one of the most important industry in Somalia's economy the industry has full contribution in terms of technological innovation, unemployment reduction, and acting as a source of public contribution to the society. Every telecommunication company attempts to popularize its services, renew its products, and make innovations in order to become well known and gain

the major part of the market (Ali & Ibrahim, 2014). There is a little understanding of how the leadership in these companies supports employee performance. Therefore, the current study examines the relationship between leadership behavior and employee performance evidences from Somali Telecommunication industry.

## **LITERATURE AND HYPOTHESIS DEVELOPMENT**

The traditional perspectives of leadership perceive the concept of leadership as inducing compliance, respect and cooperation. In other words, the leader exercises power over the followers to obtain their cooperation. In addition to that, the old leadership perspectives are based on leader's role as formulating goals, and ensuring their efficient accomplishment (Anderson, Frod, & Hamilton, 1998).

The success of an organization is reliant on the leader's ability to optimize human resources. A good leader understands the importance of employees in achieving the goals of the organization, and that motivating these employees is of paramount importance in achieving these goals. To have an effective organization the people within the organization need to be inspired to invest themselves in the organization's mission: the employees need to be stimulated so that they can be effective; hence effective organizations require effective leadership (Wall, Solum and Sobol, 1992; Maritz, 1995). To have an effective organization, there must be effective and stimulating relations between the people involved in the organization (Paulus, Seta and Baron, 1996).

Some authors have different opinions; some argues that the leader's attention is on what he/she can put into people rather than what he/she can get out of them, so as to build the kind of relationship that promotes and increase productivity in the organization (Maxwell, 1999).

The business environment is changing completely as a result of major societal forces. Technological advances, globalization, deregulation, consumer awareness and the competition are discharge their duty on organizational performances and creating new behaviors and challenges. Although many factors may influence the performance of an organization, there can be little doubt that the quality of leadership available to it will be one of the most critical determinants of ultimate success. Leadership behavior plays a very important role in enhancing employee job satisfaction, work motivation and work performance. Good leadership behavior accelerates the development of most organizations (Mwita, 2000).

Therefore, plays a critical role in the performance of organizations. On the other hand, employee performance is an important building block of an organization and factors which lay the foundation for high performance must be analyzed by the organizations. Since every organization cannot progress by depending on one or two individuals' effort, it is collective effort of all the members of the organization. Performance is a major multidimensional construct aimed to achieve results and has a strong link to strategic goals of an organization (Mwita, 2000).

He defines leadership as a process in which an individual sets direction for other people and carries them along in that direction with competence and productivity. This approach emphasis is on transformation that brings positive change in the organization, groups, interpersonal relationships and the environment the success of an organization is reliant on the leader's ability to optimize human resources a good leader understands the importance of employees in achieving the goals of the organization, and that motivating these employees is of paramount importance in achieving these goals to have an effective organization the people within the organization need to be inspired to invest themselves in the organization's

mission: the employees need to be stimulated so that they can be effective; hence effective organizations require effective leadership(Mwita, 2000).

### **The Relationship between Leadership Behavior and Employee Performance**

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Furthermore Kotter 1988 argues for the ever-increasing importance of leadership in organizations, because of significant shifts in the business environments, such as the change in competitive intensity and the need for more participation of the total workforce leadership is perhaps the most thoroughly investigated organizational variable that has a potential impact on employee performance winning leaders understand what motivates employees and how the employee's strengths and weaknesses influence their decisions, actions, and relationships (Brownell, 2008).

### **Theoretical and Conceptual Framework**

The great man theory is based on the idea that leaders are born with innate, unexplainable leadership skills, which cause other people to see them as heroes it is based on the opinion that leaders are right and leadership is rooted in the authority of their righteousness. Leaders are elevated by their followers on the ground of their unique qualities that others do not have. As a result, followers do not doubt their leader's judgments trait theories are based on great man theories trait approach to the understanding of leadership perceives leadership as the core of organization effectiveness and performance like the great man theories, trait perspective assumes that great leaders are born with distinguished traits/characteristics that make them different from other people research like Ralph Stogdill, in his quest for the secret of great leaders, review many research reports on leadership, based on the assumption that great leaders are born according to indicate that Ralph Stogdill found that leaders were a bit more intelligent, outgoing, creative, assertive, responsible, taller and heavier than average people McGregor's Theory X and Theory Y Managers(McGregor, 1960 )proposed that leadership strategies are influenced by a leader's assumptions about human nature. As a result of his experience as a consultant, McGregor summarized two contrasting sets of assumptions made by managers in industry he developed two attitude profiles, or assumptions, about the basic nature of people these attitudes were termed, Theory X and Theory Y. McGregor maintained that many leaders in essence subscribe to either Theory X or Theory Y and behave accordingly (Sashkin & Sashkin, 2003).

Trait theory is a situation where some personality traits may lead people naturally into leadership roles. A crisis or important event may cause a person to rise to the occasion, which brings out extraordinary leadership qualities in an ordinary person; this is the Great Events Theory. The process theory is a situation when leadership skills are learnt.

Leadership can be defined as a process whereby an individual influences a group of individuals to achieve a common goal (Northouse, 2007). However, good leaders must understand that positive relationships with all organizational stakeholders are the gold standard for all organizational efforts. Good quality relationships built on respect and trust are the most important determinants of organizational success. As the performance of an

organization is dependent on the quality of the workforce at all levels of the organization it is essential to discuss the concept of individual performance (Temple, 2002).

According to Millcorvich and Bondream (1997) define employee performance as the degree to which employees accomplish work requirements. Performance is a major multidimensional construct aimed to achieve results and has a strong link to strategic goals of an organization (Mwita, 2000). In this study research will use the definition of Millcorvich and Bondream (1997) define employee performance as the degree to which employees accomplish work requirements because it is more generalized or appropriate than other definitions.

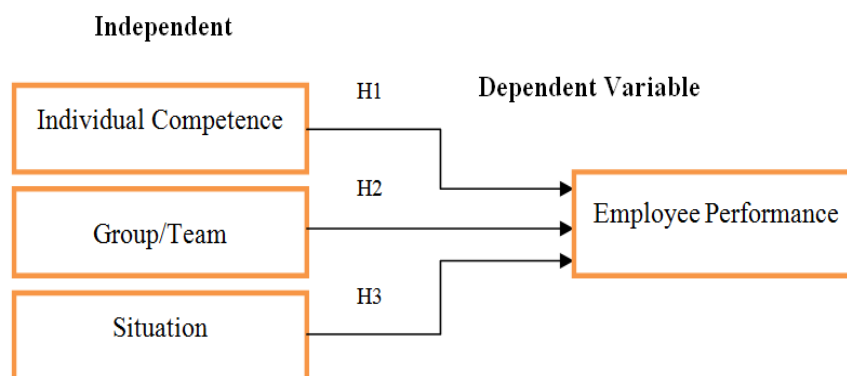


Figure 1. Conceptual Framework

H1: Individual Competence has a positive influence on Employee Performance

H2: Group Competence has a positive influence on Employee Performance

H3: Situation Competence has a positive influence on Employee Performance

## **METHODOLOGY**

### **Research Design and Sample Size**

The study was used a cross-sectional survey design adopting quantitative research design, By adopting quantitative procedures, scientific and statistical approaches was applied to provide greater accuracy of the analysis. The researchers used correlation design. Correlation studies may be used to show relationships between two variables there by showing a cause and affect its relationships the purpose of the research was to identify the relationship between leadership behaviors and employee performance of some selected in private telecommunication industry in Mogadishu, Somalia. This study was used primary data and questionnaire instrument as main tool for collection data, which used in quantitative research. The sample size of this study consists of 144 respondents from managerial and non-managerial staff of Telecommunication industry in Mogadishu.

### **Data Analysis Techniques**

The Statistical Package for Social Science (SPSS Version 16.0) software was used to process and compute the collected data. Both descriptive statistics such as frequency Mean and Standard Deviation, inferential statistics such Cronbach Alpha, Pearson correlation were used for analyzing the data

**FINDINGS AND DISCUSSIONS**

**Table 1. Demographic Characteristics**

| <i>Demographic Variables</i>     |              | <i>Frequencies</i> | <i>Percentages</i> |
|----------------------------------|--------------|--------------------|--------------------|
| <i>Gender of the Respondents</i> | Male         | 104                | 72.2%              |
|                                  | Female       | 40                 | 27.8%              |
|                                  | <i>Total</i> | <i>144</i>         | <i>100%</i>        |
| <i>Age of the Respondents</i>    | 25-30        | 91                 | 63.2%              |
|                                  | 30-35        | 27                 | 18.8%              |
|                                  | 35-40        | 10                 | 6.9%               |
|                                  | 40 Above     | 16                 | 11.1%              |
|                                  | <i>Total</i> | <i>144</i>         | <i>100%</i>        |
| <i>Marital Status</i>            | Single       | 62                 | 43.1%              |
|                                  | Married      | 82                 | 56.9%              |
|                                  | <i>Total</i> | <i>144</i>         | <i>100%</i>        |
| <i>Educational Level</i>         | Secondary    | 25                 | 17.4%              |
|                                  | Bachelor     | 71                 | 49.3%              |
|                                  | Master       | 44                 | 30.6%              |
|                                  | PhD          | 4                  | 2.8%               |
|                                  | <i>Total</i> | <i>144</i>         | <i>100%</i>        |
| <i>Employment Type</i>           | Manager      | 53                 | 36.8%              |
|                                  | Non-manager  | 91                 | 63.2%              |
|                                  | <i>Total</i> | <i>144</i>         | <i>100%</i>        |

Primary data 2015

**Gender of the Respondents**

According to the above table, the majority of the respondents of this study 104 equivalent to (72.2%) were male, while the remaining 40 equivalent to (27.8%) were female. Therefore, this indicates those males are dominant to the female in terms of work place.

**Age of the Respondents**

As the above table, the majority of the respondents of this study 91 respondents equivalent to (63.2%) were aged between 25-30 years old, 27 respondents equivalent to (18.8%) are aged between 30-35 years old, 10 respondents equivalent to (6.9%) are aged between 35-40 years old, while the remaining 16 respondents equivalent to (11.1%) are aged 40 and above years old.

**Marital Status**

From the above table, the majority of the respondents of this study paper 82 respondents equivalent to (43.1%) are married, while the remaining 62 respondents of this study equivalent to (43.1%) were single.

**Level of Education**

The study shows that the respondent’s educational level the majority were bachelor 71 that equivalent to (49.3%) the respondents that have Master Degree were 44 their percentage are



(30.6%) the secondary level of the respondents were 25 that equivalent to (17.4%) while the remaining of this study were 4 PhD the percentage of their (2.8%) therefore this research paper shows the majority of the respondents were bachelor degree.

**Employment Type**

The above table shows that the respondents were non-manager 91 that equivalent (63.2%) while the remaining 53 equivalent to (36.8%) so this shows that the respondent’s employment ‘type were non-manager.

**Reliability Test**

| No | Variables             | N          | Item      | Item Deleted | Cronbach’s Alpha |
|----|-----------------------|------------|-----------|--------------|------------------|
| 1  | Individual Competence | 144        | 5         | 2            | 0.750            |
| 2  | Group Competence      | 144        | 7         |              | 0.776            |
| 3  | Situation Competence  | 144        | 7         |              | 0.726            |
| 4  | Employee Performance  | 144        | 7         |              | 0.716            |
|    | <i>Overall</i>        | <i>144</i> | <i>26</i> | <i>2</i>     | <i>0.742</i>     |

Table above shows the results of reliability coefficients. All variables achieved an acceptable level of internal consistency since all scores were greater than the rule of thumb (<.70). And the scale deemed reliable for further analysis.

**Descriptive and Correlation Analysis**

| Variables                    | Mean | St. Deviation | 1      | 2      | 3      | 4 |
|------------------------------|------|---------------|--------|--------|--------|---|
| <i>Individual Competence</i> | 3.07 | .524          | 1      |        |        |   |
| <i>Group Competence</i>      | 3.10 | .513          | .595** | 1      |        |   |
| <i>Situation Competence</i>  | 3.11 | .493          | .496** | .641** | 1      |   |
| <i>Employee Performance</i>  | 2.91 | .518          | .246** | .290** | .451** | 1 |

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

The relationship between Individual Competence and Employee performance is (r=0.246 p<0.01) which indicates that Individual competence has significant relationship to the employee performance which is moderate. On the other hand Group competence has also relationship to the Employee performance which is (r=0.290p<0.01) it also indicates that there is significant moderate relationship between Group competence and Employee performance. And lastly there is relationship between situation competence and Employee performance (r=0.451p<0.01) which indicates that situation competence has significant moderate relationship to the Employee performance.

**MAJOR FINDINGS**

This section discovers the research result and findings derived from the distributed questionnaires. The main purpose of this study was to identify the relationship between Leadership Behavior and Employee performance in some selected Mogadishu Somalia

specially telecommunication industries. the findings of the study reveal that majority of the respondents agree same opinion that there is relationship between Leadership Behavior and Employee Performance in Mogadishu-Somalia from Telecommunication Industry The study found that the Leadership Behavior Variable have mean of (3.11) and the standard deviation of (.524) which indicates a very good level. The second variable of this study was Employee Performance which has mean (2.91) and the standard deviation of (.518) which indicates also a very good level. Telecommunication Industries should provide good Leadership Behavior to their Industries that will improve performance of employees companies should employee performance appraisal to promote better satisfaction finally, organizations should factor into account or internal and external factors that can effects Employee performance on other hand the researchers found that there is a positive significant relationship between leadership behavior and employee performance Telecommunication Industries in Mogadishu Somalia.

## **CONCLUSION**

In this paper the researchers have presented and discussed many ideas that related to literature to the Leadership Behavior and Employee performance in Mogadishu-Somalia, its being highlighted and presented many studies across the world that are related to this study, but most of them conducted in the developed countries, but unfortunately there are limited studies in developing countries that attempt Leadership Behavior and Employee performance to the best of our knowledge there is no such study that has been made in Mogadishu-Somalia, so we were attempt to investigate the relationship between the Leadership Behavior and Employee performance for the first time, however we focused the relationship between the Leadership Behavior and Employee performance there is no such study that has been made so far in Somalia, however the researchers was fill the gap for the first time by investigating the relationship between the Leadership Behavior and Employee performance in some selected companies for targeted Telecommunication Industries in Mogadishu the capital of Somalia. The researchers recommend that Telecommunication industry should provide good leadership behavior to their employees that will improve performance of employees. Telecommunication companies should employee performance appraisal to promote better satisfaction finally, telecommunication industries should factor into account or internal and external factors that can effects employee performance.



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