

Leadership Styles And Employee Achievement And Performance In The Lesotho Insurance Industry

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Abstract:

Background: The leadership of an organisation has direct impact on the employee achievements which translates into the performance of employees, the culture of that organisation as well as employee satisfaction. It is therefore important for an organisation to put emphasis on an appropriate leadership style that will have positive results on employee performance. The case study sought to determine the relationship between different leadership styles and employee performance at selected insurance companies in Lesotho, focusing on transactional, transformational and autocratic leadership styles.

Materials and Methods: The study adopted a positivist research paradigm with a survey research design, a self-administered questionnaire called multi-factor leadership questionnaire was used as a quantitative research methodology. The study population consisted of 420 employees across 4 different insurance companies from which a sample of 140 was conveniently selected. Data was analysed through the statistical package for social sciences (SPSS), comprised in statistical techniques such as ANOVA and regression analysis. Pearson's correlation statistics was also used to analyse the level of the relationship between the dependant and independent variables.

Results: The results of the study revealed that there was a significant use of transactional, transformational and autocratic leadership styles in all the four insurance companies. Transactional and transformational leadership styles had a positive impact on employee performance, but autocratic leadership style had a significant negative effect.

Conclusion: for organisations to improve employees' performance and overall productivity, they must swiftly implement policies that support transformational and transactional leadership style behaviors in their supervisors and leadership level staff members. Autocratic leadership style traits should be terminated and not promoted among supervision employees.

Key Word: Leadership, Autocratic leadership, transactional leadership, transformational leadership, employee performance.

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I. Introduction

Numerous organisations have put effort into improved productivity and growth of the turnover and for that to be realised, leadership has become too of mind. There is a need for effective and efficient leadership for the organisation to achieve its strategic goals and realise the profits. The environment is ever changing, and the competitive landscape is becoming fierce. In recent years, specifically in years after 2020 (post covid-19 era), there has been a wave of leadership changes in many organisations across the globe. In 2024, Starbucks replaced its leader with just 17 months on the job citing, weakened sales and low demand ¹ and the commodity trading company Trafigura, removed all its oil marketing company Puma Energy executives in 2021 with reasons spanning from investors being disgruntled, low sales, increased debt and possible bankruptcy ². These are not the only organisations that saw changes in leaders, Nestle also made a leadership change in August 2024 as it faced a challenge to grow sales ³. There have been multiple changes as the organisations anticipate the changes in the environment. The insurance industry in Lesotho can be considered to still be in the growing stage, and each company is looking for more sustainable ways to grow and capture a larger market share, decrease possible employee turnover as competition investigates acquiring efficient employees and to improve sales. The study will focus on the four leading insurance companies that offer life, and non-life covers as well as employee benefits and long-term investments.

II. Material And Methods

This survey research study was carried out on employees of four selected insurance companies based in Lesotho from February 2024 to May. A total population of 420 full time employees were for this study. A total of 140 employees were confirmed for this study through convenience sampling.

Study Design: Positivist research method using a survey research study design was adopted.

Study Location: This was a corporate based study done among employees working in the insurance industry in four insurance companies based in Maseru, Lesotho.

Study Duration: February 2024 to May 2024.

Sample size: 140 employees from selected insurance companies.

Sample size calculation: The sample size was estimated on a non-probability research method. The sampling error and precision of data methods are not easily determined when using convenience sampling. The target population from which I randomly selected the sample was considered 420 employees. The convenience sampling was initiated for the available permanent employees of each insurance company.

Subjects & selection method: The study population was drawn from permanent employees of multiple insurance companies. There was a population of 420 permanent employees from the companies which were willing to participate. Multiple insurance companies were requested to participate they declined. Of the available insurance companies, 420 employees were willing and able to participate without any conflict. Employees were distributed into consideration of their year of service. Employees from 1 month of service to more than 10 years of services were included in the study.

Inclusion criteria:

1. Permanent employee of any insurance company in Lesotho (especially. Those willing to participate in the study)
2. Either sex
3. Aged \geq 18 years,
4. Employee should be operational level staff member to middle manager

Exclusion criteria:

1. Employees under probationary work
2. Sales agents
3. Executive leadership
4. Shareholders and Appointed directors
5. Employees under active investigation
6. Employees under suspension during the study period.

Procedure methodology

The investigator conducted the study in accordance with the principles and standards of the declaration of UNZABREC. The study was sent to the sponsor and host institutions for approval and notification, then the study protocol with the informed consent form and any other authorizing material was submitted to the research ethics committee in this case being UNZABREC for approval. Once the written approval was received from the research ethics committee, the study commenced.

Participants were free to withdraw from the study at any time, for any reason without prejudice or any effect on their legal right. Only participants who have completed the informed consent form were considered in the study and they were requested to fill the form themselves. Vulnerable participants were not involved in the study, this included any staff members that may still be on probation, internship and/or on short term contracts.

After written informed consent was obtained, a Multi factor leadership questionnaire developed by Bass and Avolio⁴ was used to collect the data of the recruited employees. The questionnaire included socio-demographic characteristics such as age, gender and tenure with the corporation they work for.

The researcher modified the tool to fit the context of the current study. The variable included as a dependant variable was employee performance, and the measure was based on a scale by Yousef (2000)⁵. Some elements such as age, gender, job tenure, and rate of resignation appeal were added to bring the entire questionnaire into context of the current study. Data on this study was collected using a self-complete questionnaire which was distributed to the target sample in all the considered companies and collected after 5 working days. For some respondents, the questionnaires had to be collected after 8 working days due to operational priorities within their respective roles. The questionnaire was divided into manageable parts for the respondent. Part 1 was the letter of introduction by the researcher; Part 2 was a series of questions of statements used to measure the perception of an employee on different leadership styles. Part 3 was a set of statements meant to understand the employee perception on their own performance as well as the performance of their

peers and their loyalty on the company with a statement on their eagerness to resign. Part 4 contained demographic information on the respondent and their term of service to the organisation they are with. Lastly was part 5, which was meant as an appreciation to the respondents for taking their time to complete the questionnaire.

The study adopted scales that have been already validated elsewhere. The study adapted the Multi factor leadership questionnaire (MLQ) which was developed by Bass and Avolio ⁴. Yousef (2000) ⁵ scale was adapted to measure the performance of employees. For reliability the study made use of the Cronbach's alphas which were compared to cut-off point of 0.7. validity is concerned with the extent to which an instrument can measure what it is meant for while reliability is concerned with the ability of an instrument to measure consistently ⁶. According to Pallant ⁷, a Cronbach's alpha higher than 0.7 indicates internal consistency on the instrument used for the study. Cronbach's alphas were produced for each for each scale and the results shown below on table 3.1. the alphas are higher than the cut-off point of 0.7 suggesting that each sub scale in the study had acceptable consistency and are reliable for measuring what they were meant for. The researcher also conducted a Cronbach's alphas reliability test on the context-added statements, and the result is a per below. The results show alphas ranging from 0.701 to 0.997. these alphas are higher than the cut-off point of 0.7, suggesting that the tool used has acceptable internal consistency and it is reliable in measuring what it is meant to measure.

Statistical analysis

Data was analyzed using SPSS version 30.000(172) provided by IMB. Inferential and descriptive statistics was used to analyze the data. Reliability and validity were insured in the study. The reliability of the measuring scales was tested using the Cronbach alpha coefficient. Descriptive analysis was adopted to assess the use of certain leadership styles within the insurance companies under consideration. Cronbach's alphas used to test reliability of the tool with all its dimensions. Inferential statistics, with Pearson's to test bivariate correlation between leadership styles and the overall employee performance as well as the correlation with all measures of employee performance (employee productivity and quality of performance). Multiple regression analysis was used to measure the level at which each leadership style affects employee performance. The level $P < 0.05$ was considered as the cutoff value or significance on the Cronbach alpha coefficient.

III. Result

After the study period, the results revealed presence and perceived use of transformational leadership style by supervisors of selected insurance companies, evident in the mean of 3.0896 and standard deviation of 1.3083 across all dimensions. The results continued to show that transformational leadership style had a significant positive impact on the employee performance with Pearson correlation $r(20) = .876, P < 0.01$. Transactional leadership had a mean of 3.1250 and standard deviation of 1.3145 with a positive impact on employee performance of $r(120) = .878, P < 0.01$. Respondents also perceived their supervisors resembled an autocratic leadership style behaviors with a mean of 3.0719 and standard deviation of 1.4283. Autocratic leadership style had a negative significant correlation with employee performance at $r(120) = -.892, P < 0.001$.

Research objective one: analysis of leadership style

This subsection of the paper presents the results of the analysis of leadership styles. Three (3) main types of leadership styles were assessed. These were Transformational leadership with four (4) dimensions that contained three (3) items each (idealised influence, inspirational motivation, intellectual motivation and individualised consideration). The second leadership style was Transactional leadership with two (2) dimensions, each with three (3) item statements (contingent rewards and management by exception). The third style was Autocratic leadership with eight (8) items. Descriptive statistics was used to assess the level of each leadership style within each insurance company under consideration. Table1. below presents the results of the Transformational leadership. The mean (M) and standard deviation (S.D) of the four dimensions of Transformational leadership were calculated to assess the level of usage of this leadership style by the respondents' supervisors. The scale used to rate the statements was strongly disagree, disagree, neutral, agree and strongly disagree. The descriptive statistics and the results of the findings are below in Table 1

Table no 1 Descriptive statistics on Transformational Leadership style

	N	Min.	Max.	Mean	S. D
Idealised influence	120	1.00	5.00	3.100	1.2860
Inspirational Motivation	120	1.00	5.00	3.0833	1.2872
Intellectual stimulation	120	1.00	5.00	3.0667	1.3140
Individualised consideration	120	1.00	5.00	3.1083	1.3460
Transformational Leadership (overall)	120	1.00	5.00	3.0896	1.3083
Valid N	120				

The results in Table no 1 show that individualised consideration had the highest mean at 3.1083 and standard deviation of 1.3460, followed by idealised influence with a mean of 3.100 and standard deviation of 1.2860. Inspirational motivation had a mean of 3.0833 and a standard deviation of 1.2872. Intellectual stimulation had a mean of 3.0667 and a standard deviation of 1.3140. The results in Table 4.4 show that overall, Transformational leadership style had a mean of 3.0896 and standard deviation of 1.3083.

Table no. 2 presents descriptive statistics from respondents' assessment on whether their supervisors practice transactional leadership style. Management by exception had the highest mean of 3.1333 and standard deviation of 1.3089. Contingent rewards had a mean of 3.1167 and standard deviation of 1.3296. in Table no. 2, the results show that the overall Transactional leadership style had a mean of 3.1250 and standard deviation of 1.3145. the statistics show that supervisors of the respective insurance companies practice transactional leadership style.

Table no. 2 Descriptive statistics on Transactional Leadership style

	N	Min.	Max.	Mean	S. D
Contingent Rewards	120	1.00	5.00	3.1167	1.3296
Management by Exception	120	1.00	5.00	3.1333	1.3089
Transactional Leadership	120	1.00	5.00	3.1250	1.3145
Valid No.	120				

Table no. 3 presents descriptive statistics from respondents on whether they perceive their immediate supervisor as an autocratic leader or not. The statement 'my supervisor believes employees need to be monitored closely or else they would not perform' had the highest mean of 3.1083 and standard deviation of 1.4307, this was followed by 'leaders in the organisation believe that decision making should be done by leaders alone' which had a mean of 3.1083 and a standard deviation of 1.4540. The statement with the lowest mean of 3.0333 and standard deviation of 1.4432 was 'Leaders believe that a mass population of employees are lazy and need to be always directed'. The overall result of descriptive statistics upon assessing all eight statements calculated a mean of 3.0719 and standard deviation of 1.4283. This mean is high and that indicates that respondents viewed and agreed that their immediate supervisors resembled an autocratic leadership style behaviours towards the employees. This result shows that across the insurance companies under consideration; autocratic leadership style is more exhibited. However, the statistics does not yet show if this leadership style influenced employee performance and at what level.

Table no.3 Descriptive statistics on Autocratic Leadership Style

	N	Min.	Max.	Mean	S. D
My supervisor believes employees need to be monitored closely or else they would not perform their work	120	1.00	5.00	3.1083	1.4307
Leaders in the organisation believe that decision making should be done by leaders alone	120	1.00	5.00	3.1083	1.4540
Managers do not solicit feedback or any ideas from the subordinates	120	1.00	5.00	3.0833	1.4528
Managers in the organisation directly communicate expectations and instructions to subordinates	120	1.00	5.00	3.0583	1.4278
I often feel disengaged and undervalued at work	120	1.00	5.00	3.0667	1.437
Leaders believe that a mass population of employees are lazy and need to be always directed	120	1.00	5.00	3.0333	1.4432
In my organisation, there is clear chain of command with distinct division between subordinates and leaders	120	1.00	5.00	3.0500	1.4367
I feel insecure about my work and need direction from my supervisor constantly	120	1.00	5.00	3.0667	1.4307
Autocratic Leadership style	120	1.00	5.00	3.0719	1.4283
Valid No.	120				

Research objective two: Analysis of employee performance

The Employee Performance was assessed using eight (8) dimensions. The scale used to rate the statements or questions was, very high, high, average, very low and low. Upon thorough reliability and validity test, the statements; 'How do you evaluate the performance of yourself at your job as compared with your peers doing the same job?' and 'How do you evaluate the performance of your peers at their jobs as compared to yourself doing the same job?' were excluded from the study and the respondents also resembled a bit of confusion from these 2 statements. The other statements from the eight that were dropped are 'Performance rewards are objectively dependent of individual performance and productivity' as this statement is a construct that can be used to assess the leadership style rather than be a construct assessing the level of performance but rather a variable that could have an impact on an employee's productivity. The second set of statements 'I am highly motivated to perform my job most of the time, and I have high levels of job satisfaction most of the time'

are also variables that impact the employee performance rather than assess the employee performance levels. So, for the context of the study only 3 self-test statements were considered. Table no. 4 presents the result of employee performance assessment. The results show that productivity was scored lowest with a mean of 2.8667 and standard deviation of 1.5281 while quality of performance was had a mean of 3.0833 and standard deviation of 1.3258. The assessment indicates an overall low employee performance with a mean of 2.9750 and standard deviation of 1.4050. The low score is subject to further analysis which will be the focus on the next section, to determine whether the employee performance level is affected by the perceived leadership style on supervisors in the insurance companies under consideration.

Table no. 4 Descriptive Statistics on Employee Performance

	N	Min	Max.	Mean	S. D
How do you rate quality of your performance?	120	1.00	5.00	3.0833	1.3258
How do you rate your productivity	120	1.00	5.00	2.8667	1.5281
Employee Performance score	120	1.00	5.00	2.9750	1.4050
Valid No.	120				

Research objective three: effects of leadership style on employee performance

Correlation analysis

Table no. 5 presents the results of a bivariate correlation based on Pearson’s correlation statistics transformational leadership style (Mean= 3.0896 and S. D=1.3083), positively correlated with employee performance overall performance (Mean= 2.9750 and S. D=1.4050), $r(120) = .876, P<0.01$. When assessing further, there was a positive correlation between transformational leadership (mean =3.0869 and S. D=1.3083) and employee productivity on the job (mean = 2.8667 and S. D=1.5281), $r(120) = .866, P<0.01$. There was a positive correlation between transformational leadership, (mean = 3.0869 and S. D= 1.3083) and employee quality of performance (mean = 3.8033 and S. D=1.3258), $r(120) = .863, P<0.01$.

Table no. 6 results reveal that there was a strong positive correlation between idealised influence (mean= 3.100 and S. D= 1.2860) and overall employee performance (mean= 2.9750 and S. D= 1.4050), $r(120) = .876, P<0.01$. There was a positive correlation between idealised influence (mean= 3.100 and S. D= 1.2860) and quality of performance (mean= 3.8033 and S. D=1.3258), $r(120) = .863, P<0.01$. There was also a strong positive correlation between idealised influence (mean = 3.100 and S. D=1.2860) and employee productivity rate (mean =2.8667 and S. D= 1.5281), $r(120) = .866, P<0.01$.

Inspirational motivation (mean= 3.0833 and S. D= 1.2872) correlated positively with overall employee performance (mean =2.9750 and S. D= 1.4050), $r(120) = .881, P<0.01$. Inspirational motivation (mean= 3.0833 and S. D= 1.2872) correlated positively with quality of performance (mean= 3.8033 and S. D=1.3258), $r(120) = .867, P<0.01$. There was also a strong positive correlation between Inspirational motivation (mean= 3.0833 and S. D= 1.2872) and employee productivity rate (mean =2.8667 and S. D= 1.5281), $r(120) = .867, P<0.01$.

Intellectual stimulation (mean= 3.0667 and S. D= 1.3140) correlated positively with overall employee performance (mean= 2.9750 and S. D= 1.4050), $r(120) = .874, P<0.01$. There was also a strong positive correlation between Intellectual stimulation (mean= 3.0667 and S. D= 1.3140) and quality of performance (mean= 3.8033 and S. D=1.3258), $r(120) = .860, P<0.01$. Intellectual stimulation (mean= 3.0667 and S. D= 1.3140) also had a strong positive correlation with employee productivity rate (mean =2.8667 and S. D= 1.5281), $r(120) = .858, P<0.01$.

Individualised consideration (mean= 3.1083 and S. D= 1.3460) had a strong positive correlation with overall employee performance (mean= 2.9750 and S. D= 1.4050), $r(120) = .869, P<0.01$. There was also a strong correlation between Individualised consideration (mean= 3.1083 and S. D= 1.3460) and quality of performance (mean= 3.8033 and S. D=1.3258), $r(120) = .857, P<0.01$. Individualised consideration (mean= 3.1083 and S. D= 1.3460) also had a strong correlation with employee productivity rate (mean =2.8667 and S. D= 1.5281), $r(120) = .853, P<0.01$.

Transactional leadership (mean= 3.120 and S. D= 1.3145) had a positive correlation with overall employee performance (mean= 2.9750 and S. D= 1.4050), $r(120) = .878, P<0.01$. Transactional leadership (mean= 3.120 and S. D= 1.3145) had positive correlation with quality of performance (mean= 3.8033 and S. D=1.3258), $r(120) = .866, P<0.01$. There was also strong positive correlation between Transactional leadership (mean= 3.120 and S. D= 1.3145) and employee productivity rate (mean =2.8667 and S. D= 1.5281), $r(120) = .868, P<0.01$.

Contingent rewards (mean= 3.1167 and S. D= 1.3296) had a strong correlation with overall employee performance (mean= 2.9750 and S. D= 1.4050), $r(120) = .870, P<0.01$. There was a positive correlation between Contingent rewards (mean= 3.1167 and S. D= 1.3296) and quality of performance (mean= 3.8033 and S. D=1.3258), $r(120) = .857, P<0.01$. There was also a positive correlation between Contingent rewards (mean= 3.1167 and S. D= 1.3296) and employee productivity rate (mean =2.8667 and S. D= 1.5281), $r(120) = .857$.

Management by exception (mean=3.1333 and S. D = 1.3089) had a positive correlation with employee performance (mean= 2.9750 and S. D= 1.4050), $r(120) = .863, P < 0.01$. There was also a strong positive correlation between Management by exception (mean=3.1333 and S. D = 1.3089) and quality of performance (mean= 3.8033 and S. D=1.3258), $r(120) = .851, P < 0.01$. Lastly, Management by exception (mean=3.1333 and S. D = 1.3089) correlated positively with employee productivity rate (mean =2.8667 and S. D= 1.5281), $r(120) = .853, P < 0.01$.

Autocratic leadership (mean= 3.0719 and S. D= 1.4289) had a negative and significant correlation with employee performance (mean= 2.9750 and S. D= 1.4050), $r(120) = -.892, P < 0.001$. Additionally, Autocratic leadership (mean= 3.0719 and S. D= 1.4289) had a strong negative correlation with quality of performance (mean= 3.8033 and S. D=1.3258), $r(120) = -.877, P < 0.001$. There was also a strong negative correlation between Autocratic leadership (mean= 3.0719 and S. D= 1.4289) and employee productivity rate (mean =2.8667 and S. D= 1.5281), $r(120) = -.944, P < 0.001$.

In summary, the results of the correlation analysis indicated that there was strong correlation between Transformational leadership style and employee performance when measured on both dimensions of employee quality of work and employee productivity. Transactional leadership also had a strong positive correlation with overall employee performance. Both dimensions of transactional leadership yielded a positive correlation with the two dimensions of employee performance. Autocratic leadership style had a significant negative correlation to the overall employee performance and the results continued to show a significant negative correlation with both employee quality of work and employee productivity as the two dimensions of employee performance.

Table no. 5 correlation between leadership style and employee performance

		Correlations											
		Transformational_leadership	Idealised_influence	Inspirational_motivation	Intellectual_stimulation	Individualised_consideration	Transactional_leadership	Contingent_Rewards	Management_by_exception	Autocratic_Leadership	Quality_of_your_performance	Rate_of_productivity	Employee_Performance
Transformational_leadership	Pearson Correlation	1	.990**	.995**	.991**	.979**	.981**	.966**	.986**	-.905**	.863**	.866**	.876**
	Sig. (2-tailed)		<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001
	N	120	120	120	120	120	120	120	120	120	120	120	120
Idealised_influence	Pearson Correlation	.990**	1	.990**	.981**	.970**	.976**	.966**	.981**	-.900**	.863**	.866**	.876**
	Sig. (2-tailed)			<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001
	N	120	120	120	120	120	120	120	120	120	120	120	120
Inspirational_motivation	Pearson Correlation	.995**	.990**	1	.985**	.975**	.982**	.971**	.986**	-.903**	.867**	.869**	.881**
	Sig. (2-tailed)				<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001
	N	120	120	120	120	120	120	120	120	120	120	120	120
Intellectual_stimulation	Pearson Correlation	.991**	.981**	.985**	1	.989**	.973**	.972**	.977**	-.893**	.860**	.858**	.874**
	Sig. (2-tailed)					<.001	<.001	<.001	<.001	<.001	<.001	<.001	<.001
	N	120	120	120	120	120	120	120	120	120	120	120	120
Individualised_consideration	Pearson Correlation	.979**	.970**	.975**	.989**	1	.984**	.984**	.979**	-.895**	.857**	.853**	.869**
	Sig. (2-tailed)						<.001	<.001	<.001	<.001	<.001	<.001	<.001
	N	120	120	120	120	120	120	120	120	120	120	120	120
Transactional_leadership	Pearson Correlation	.981**	.976**	.982**	.973**	.984**	1	.991**	.995**	-.914**	.866**	.868**	.878**
	Sig. (2-tailed)							<.001	<.001	<.001	<.001	<.001	<.001
	N	120	120	120	120	120	120	120	120	120	120	120	120
Contingent_Rewards	Pearson Correlation	.966**	.966**	.971**	.972**	.984**	.991**	1	.986**	-.902**	.857**	.856**	.870**
	Sig. (2-tailed)								<.001	<.001	<.001	<.001	<.001
	N	120	120	120	120	120	120	120	120	120	120	120	120
Management_by_exception	Pearson Correlation	.986**	.981**	.986**	.977**	.979**	.995**	.986**	1	-.908**	.851**	.853**	.863**
	Sig. (2-tailed)									<.001	<.001	<.001	<.001
	N	120	120	120	120	120	120	120	120	120	120	120	120
Autocratic_Leadership	Pearson Correlation	-.905**	-.900**	-.903**	-.893**	-.895**	-.914**	-.902**	-.908**	1	-.877**	-.944**	-.892**
	Sig. (2-tailed)										<.001	<.001	<.001
	N	120	120	120	120	120	120	120	120	120	120	120	120
Quality_of_your_performance	Pearson Correlation	.863**	.863**	.867**	.860**	.857**	.866**	.857**	.851**	-.877**	1	.939**	.989**
	Sig. (2-tailed)											<.001	<.001
	N	120	120	120	120	120	120	120	120	120	120	120	120
Rate_of_productivity	Pearson Correlation	.866**	.869**	.869**	.859**	.853**	.863**	.856**	.853**	-.944**	.939**	1	.954**
	Sig. (2-tailed)												<.001
	N	120	120	120	120	120	120	120	120	120	120	120	120
Employee_Performance	Pearson Correlation	.876**	.876**	.881**	.874**	.869**	.878**	.870**	.863**	-.892**	.989**	.958**	1
	Sig. (2-tailed)												<.001
	N	120	120	120	120	120	120	120	120	120	120	120	120

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

Multiple Regression analysis

The multiple regression analysis was carried out to estimate the impact of leadership style (independent variable) on employee performance (dependant variable). The results are presented in the tables in this section. The results are presented in Table no. 6 to Table no. 8 of this sub-section. Table no. 6 presents a summary of the model, and the item of interest is the Adjusted R Square (R²) statistics which is .794 and .819. This suggests that leadership style that is a constant has a variability of 79.4% and 81.9% on another constant.

Table no. 6 Model summary

Model Summary ^c					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.892 ^a	.796	.794	.605	
2	.906 ^b	.822	.819	.567	2.246

- a. Predictors: (Constant), Autocratic Leadership
- b. Predictors: (Constant), Autocratic Leadership, Transformational_leadership
- c. Dependent Variable: Employee Performance

Table 7 presents the analysis of the variance (ANOVA) results. The focus should be on the F-statistics. Of interest on this table is the F-statistics and the related sig. values. The result show that the F-statistics is 269.506 and P<0.01 which shows that a regression relationship exists. The model has enough power to predict employee performance from leadership style scores.

Table no. 7 Model fit

Anova						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	167.992	1	167.992	459.583	<.001 ^b
	Residual	43.133	118	.366		
	Total	211.125	119			
2	Regression	173.471	2	86.735	269.506	<.001 ^c
	Residual	37.654	117	.322		
	Total	211.125	119			
a. Dependent Variable: Employee Performance						
b. Predictors: (Constant), Autocratic Leadership						
c. Predictors: (Constant), Autocratic Leadership, Transformational leadership						

Table no. 8 presents the results of the coefficients of the regression model. The model shows a standardised coefficient that is positive on transformational leadership at .378, P<0.01. The results suggest that the employee performance of employees where supervisors practice transformational leadership is positively affected and increased by 37.8%. The results also show that autocratic leadership has a significant negative effect on employee performance where when immediate supervisors practice an autocratic leadership, the employee performance decreased by 89.2% with a standardised coefficient of -.892, P<0.01. The results also continue to show that. Transactional leadership style had an insignificant effect on employee performance as it was almost the same as transformational leadership with a standardised coefficient at 37.8%, P<0.01.

Table no. 8 Regression Coefficient

Coefficients ^a													
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1	(Constant)	5.670	.131		43.310	<.001	5.411	5.929					
	Autocratic Leadership	-.832	.039	-.892	-21.438	<.001	-.909	-.755	-.892	-.892	-.892	1.000	1.000
2	(Constant)	3.479	.545		6.382	<.001	2.399	4.558					
	Autocratic Leadership	-.513	.086	-.550	-5.996	<.001	-.682	-.343	-.892	-.485	-.234	.181	5.515
	Transformational Leadership	.392	.095	.378	4.126	<.001	.204	.580	.876	.356	.161	.181	5.515

a. Dependent Variable: Employee Performance

In summary, multiple regression analysis indicated that transformational leadership positively affected employee performance. The analysis also showed that transactional leadership style had the same effect as transformational leadership style and when used by immediate supervisors, the significance of each on its own is not easily identified by the model. If supervisors exhibited transformational leadership, the employee performance will improve and this is in support of initial hypothesis 1, that transformational leadership positively affected employee performance. The results on transformational leadership were also in support of the previous research studies' results that were discussed in chapter 2, ^{8,9,10}. However, the result refuted previous studies by one researcher based at a commercial bank in Botswana where it was discovered that transformational leadership did not have any significance in enhancing employee performance ¹¹. The results also supported another previous study by other researchers, that transformational leadership and transactional leadership are not contrast but a supervisor can practice a mix of both the leadership styles and be able to yield a higher employee performance ¹².

Transactional leadership positively affects the employee performance but at the same exact level as Transformational leadership and therefore supports the hypothesis of the study that there is a positive effect of transformational leadership on employees in the insurance industry. This result however refutes some of the previous results such as the study that was conducted among the financial sector in Canada which discovered that transformational leadership had a more positive impact on employee performance than Transactional leadership ¹⁰.

Lastly, autocratic leadership was found to negatively affect employee performance. This suggests that the study's third hypothesis that "autocratic leadership negatively affect the employee performance in the insurance industry" can be supported. Furthermore, the study findings are consistent with those reported earlier in two journal articles ^{13,14} which both reported negative relationship between autocratic leadership and employee performance. However, there is inconsistency in the study's result with previous studies ^{15,16}, that reported a positive relationship between autocratic leadership and employee performance.

IV. Discussion

The findings show that Autocratic leadership style is the most exhibited style in the considered companies in the insurance sector. Transformational leadership style and Transactional leadership style have a positive effect on employee performance though a small position of supervisors uses it. Overall scores in Autocratic leadership style were found to be strongly correlated (negatively) with both measures of employee performance. Overall scores in Transformational leadership style were found to positively correlate with both dimensions of employee performance and overall employee performance. Transactional leadership style was found to positively correlate with both measures of employee performance, but the significance level of the effect was found to be low or same as that of transformational leadership. Autocratic leadership style exhibited significant negative effects on employee performance with the overall performance of the insurance sector companies at average, showing a great existence and practice of an autocratic behaviour by the management and immediate supervisors.

The results of the study revealed that most managers of the insurance companies adopted the transactional, transformational and autocratic leadership. The subordinates had a perception that more managers were utilising autocratic traits of leadership when managing them as followers. The results also indicated that subordinates were not keen to supervisors practicing an autocratic type of leadership towards employees and this was evident in the decreasing employee's performance. In summary, the employees of the four insurance companies perceived their supervisor's their own employee performance to be high when their supervisors showed behavioural traits related to transactional and transformational leadership while autocratic leaders negatively affected the employees' performance.

The findings are clear that the employees' performance is affected by the type of leadership style a supervisor exhibits. This information can be used by the insurance companies to develop strategies that concerned with leadership development strategies. according to the results some strategies can be developed. The study indicated that transformational leadership behaviour will lead to higher employee performance the leaders should be aware of what is important to employees. The leadership should strive to exhibit all the behavioural traits of a transformational leader.

The employees in these insurance companies are not feeling valued by their supervisors, and this diminishes their drive to improve productivity and quality of their performance. This type of leadership could lead to a loss of competitive advantage by an organisation. This could also lead to high staff turnover. The supervisors should start encouraging innovation among subordinates, they should start engaging subordinates on sustainable growth strategies. supervisors should develop clear processes and programs soliciting feedback and ideas from subordinates on business growth strategies.

Employees would like to see idealised attributes in their supervisors; therefore, supervisors should act to increase faith from their subordinates and make subordinates feel good to engage with them by showing mutual respect and value towards their subordinates. They should work towards connecting with their subordinates beyond self-interest.

Results of the correlation analysis indicated that transformational leadership, transactional leadership and autocratic leadership all have significant correlation to employee performance. Transformational leadership has a strong positive correlation with all measures of employee performance including the overall employee performance. Leaders should be more aware of the benefits of transformational leadership and try to practice it when leading their followers. Autocratic leadership had a significant negative correlation to all dimensions of employee performance; therefore, supervisors should try to avoid using this leadership style when leading their followers. Supervisors should understand their follower's perception of their leadership behavioural traits and how they can have an impact on the employee performance of those followers.

V. Conclusion

From the results and the study findings, it can be concluded that supervisors who strive to increase productivity of employees, to increase the quality of employee performance and to improve the overall employee performance, should urgently change from an autocratic leadership approach and rather adopt the transformational leadership style only or implement the transformational leadership style with incorporation of transactional leadership

Organisations can use the results of this study to develop leadership training programs for supervisors and the leadership team. They should engage professional on executive leadership programs which are offered by educational institutions and Human resources consultants. The organisation can implement these leadership training programs on timely basis to improve supervisor's leadership. The organisation and supervisors should involve employees in decision making and develop and facilitate training programs on teamwork and organisational improvement to subordinates. These training programs should be part and parcel of the organisation's policies and procedures. The organisation can also develop programs to promote the leadership culture that it strives to achieve. It could use the behavioural traits of the transformational leader as elements of

that culture. The organisation should also investigate policies concerned with recognition and rewards systems. The organisation should implement a review and feedback systems based on the employee needs and organisational needs to improve employee performance.

The leadership should develop programs of mentorship to use as tools to motivate staff. Supervisors should be able to improve creativity on their team and show subordinates what they can achieve and how their contribution to the team translates into the entire organisation's performance.

Supervisors should clarify expectations and set targets as well as standards of achieving those set goals. There should frequent engagements to review those targets and implement ways to improve the performance, that means the supervisors should be able to anticipate challenges and address them with actionable solutions before they become major problems. The supervisor should monitor employee performance on set timely basis that even the follower is aware of. Supervisors need to intervene when a challenge arises and allow the subordinates to give ideas on how to solve the challenges but also be able to make decisions that are best for the organisation quickly.

Recommendations for future studies that can be drawn from the current study are firstly, the future studies could consider how culture elements could affect the relationship between employee performance and leadership style. Some previous studies have differing findings from the current study due to cultural differences as most of those studies were conducted in the western countries or if they were in African countries, it was in those purely democratic (no signs of monarchy structure) countries such as South Africa and Botswana.

Secondly, the future studies could also bring more focus into one significant insurance company in Lesotho, that is, use only one industry leader company to assess the relationship between leadership style and employee performance. This will limit the large spectrum of cultural differences across different insurance companies as this was not considered by the current study but may have had an impact on the leadership perception results.

Lastly, the influences of gender and personality on the perception of leadership were not investigated in this current study but they would have a certain level of influence on the relationship between employee performance and leadership style. Investigating these variables in future studies may provide findings that leaders and organisations would find useful to adjust leadership processes based on these demographics. It is beneficial to investigate the impact of these demographics so that effective leadership training elements can be developed and implemented.

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