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### UNDERSTANDING LEADERSHIP STYLES ON JOB PERFORMANCE IN CENTRAL BANK OF NIGERIA: A PERIODICAL REVIEW

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#### **ABSTRACT:**

The study evaluates leadership styles and job performance. It establishes whether or not there is a relationship between leadership styles and job performance in an organisation using Central Bank of Nigeria taking scope of between 2000 and 2009. One of the basic problems in CBN influencing job performance with leadership styles and reward system was the unwillingness of leaders to apply effectively these motivational traits to subordinates. The objectives of the study were to examine the impact of leadership style on employee satisfaction and determine the reward system that could be directed to improve satisfaction and performance in the organisation. Two hypotheses were tested –the relationship between leadership style and employees satisfaction in CBN, and reward system significance with employees performance in CBN. A sample size of 2016 was drawn from the population of 250 employees using Taro Yamani statistical formula. The study made some landmark findings; one of them is that there is a relationship between leadership style attitudes and employees satisfaction towards performance in CBN which is positively weak. This implies that leadership styles alone promote job performance slowly. The study recommends that it is necessary to depend on situational leadership style and the tasks or activities should determine the styles of leadership to be adopted. Also, the reward system has a positive relationship with the employee's performance. Recommendations were raised towards a better and consistent application of situational leadership style as well as reward system towards enhancing commitment and achieving organizational goals in CBN.

#### **INTRODUCTION**

To run organizations smoothly, effectively and efficiently, the most valuable and indispensable factor the most important variable in human resources

(Albion & Gagliardi, 2007). Leadership and job performance are two important concepts of organizational needs. They are important variables in Human Capital Development, which CBN has been improving on to increase worker productivity and motivation. Among the objectives of CBN are guaranteeing environment, high productivity amongst workers and attainment of effective job performance. In the pursuit of these objectives, CBN allocates scarce resources to competing ends. In the process, it provides motivated employment services capable of contributing to national growth. Productivity and commitment to organization objective is the basic prerequisite expected from the staff of CBN. It is generally accepted that the effectiveness of any set of people is largely dependent on the quality of its leadership — effective leader behaviour facilitates the attainment of the follower's desires, which then results in effective performance (Ristow, et al., 1999). If employees are to experience flexibility and effectiveness on the job, they need to acquire and develop knowledge and skills through training, and if they are to believe that they are valued by the organization they work for, then they need to see visible signs of management's commitment to their training and career needs.

Motivation through training is the processes of investing in people so that they are equipped to perform. These processes are part of an overall leadership responsibility approach that hopefully will result in people being motivated to perform (Barron and Hageity, 2001). CBN as the apex of monetary institutions and as a business entity with leaders exhibiting different styles and practices were not exempted from these problems thereby hindering job performance. One of the basic problems in CBN influencing job performance about leadership styles and practices was the unwillingness of leaders to apply situational leadership approach or possession of poor attitude in addressing these important leadership traits. Leadership style of every Leader in The CBN is a function of background and organizational culture which usually characterise the CBN. Most leaders come with a mandate and often forget the human capital factor of the organisation and when this happens, there is a challenge of performance, employee's satisfaction and conflicts. Situations like these occur principally because there was no participatory leadership; the leadership styles and practices do not allow subordinates and leaders to interact effectively in certain decision making. The side effect of this was that it reduces the expected performance, turnover, job satisfaction and low employees' motivation.

Delegation of duties from leaders to subordinates was another basic problem reducing job performance result from poor leadership styles and practices in CBN. Jobs or schedules that were accompanied by 'jumbo pay' were not delegated to subordinates. Even when they were sparsely delegated they are without authority. Over time, subordinate interests had always conflicted or override that of the organization. The resultant effect was that targets are rarely ever meant and organisational objectives became unrealistic and unachievable. What is even more worrisome was that subordinates do not have confidence and trust in the leadership styles and practices leading to poor job performance. High standards in job performance were hindered due to the difficulty in leadership practices to develop subordinates negative perception in the leadership of CBN. The morale of subordinates was low and attitude to

work was negative as a result of a lack of confidence on the practices and styles of leadership paving the way to low job performance.

It is as a result of the myriads of problems highlighted above that has necessitated the extent to which leadership styles and practices impact on job performance to provide useful recommendations. The broad objective of the study is to evaluate leadership styles and job performance in the Central Bank of Nigeria. The specific objectives are to determine how leadership styles could be directed to lead and improve performance in an organization; identify leadership attitudes and practices which could be directed to lead and improve interpersonal interactions among CBN staff and to refine their perception of both their leaders, CBN and the job; determine the relationship between leadership styles and job performance in CBN; ascertain whether the improved working relationship between the leadership and staff of Central Bank of Nigeria can lead to improved job performance, and identify areas in leadership studies where further studies are required for improved knowledge and a better understanding of leadership concept (Amos, et.al).

### ***General Aims and Scope***

The study will shed more light on the relationship, causative and ordinary between leadership styles, job performance and such other variables defining human resources activities in Nigeria; provide a way forward on how to improve the situation for greater performance in the Nigerian environment, and it will serve as a body of reserved knowledge to be referred to by researchers. The study did not consider other institutions other than the Central Bank of Nigeria (CBN). The study covers ten years (2000-2009). The period witnessed financial crises, merger and acquisitions.

### ***Objectives of the Study***

- i. To examine the impact of leadership style on employee satisfaction in Central Bank of Nigeria
- ii. To examine the dimensions of the Reward system on employee performance in the Central Bank of Nigeria.

### ***Hypotheses***

- i. There is no significant relationship between leadership style and employees' satisfaction in the Central Bank of Nigeria.
- ii. There is no significant relationship between inadequate reward system and employees' performance in the Central Bank of Nigeria.

## **LITERATURE REVIEW**

### ***Concept of Leadership, Leadership Styles and Job Performance***

Generally, leaders are people who can turn their beliefs and visions into reality, through the control and influence they exercise over other people (Bennis and Nanus, 1985). Stogdill (1957) assert leadership as the individual behaviour to guide a group to achieve the common target. Leadership can be described as a dynamic process in a group whereby one individual influences others to contribute voluntarily to the achievement of group tasks in a given situation (Cole, 1990). Koontz et al (1980), claim that "leadership is generally defined simply as the process of influencing people so that they strive

willingly towards the achievement of group goals.”Different styles are needed for different situations and each leader needs to know when to exhibit a particular approach. No one leadership style is ideal for every situation since a leader may have knowledge and skills to act effectively in one situation but may not emerge as effective in a different situation (Rad and Yarmohammadian, 2006).

Organisational success in obtaining its goals and objectives depends on managers and their leadership style. By using appropriate leadership styles, managers can affect employee job satisfaction, commitment and productivity. Leadership style can be viewed as a series of managerial attitudes, behaviours, characteristics and skills Randeree and Chaudhry based on individual and organizational values, leadership interests and reliability of employees in different situations (Mosadeghrad, 2003). A leader can influence subordinates to perform at their highest capability. This factor captures the extent to which management respects workers, operates with honesty and integrity, promotes efficiency and has open lines of communication with employees (Aronson et al., 2003).

Performance is the competency of an organization to transform the resources within the firm efficiently and effectively to achieve organizational goals (Daft, 1997). Often performance is identified or equated with effectiveness and efficiency (Neely, et al, 1995). Performance is a relative concept defined in terms of some referent employing a complex set of time-based measurements of generating future results (Corvellec, 1995). Performance is an integral part of effective human resource management and development strategy (Hellriegel, et al., 2004). Performance is an ongoing and joint process where the employee, with the assistance of the employer, "strives to improve the employee's performance and his contribution to the organization's wider objectives" (Hellriegel, et al., 2004:1249). Amos, et al. (2004) clarify performance as “the process that begins with translating the overall strategic objectives of the organization into clear objectives for each employee”. Performance can also be seen to incorporate all of those aspects of human resource management that are designed to progress and/or develop the effectiveness and efficiency of both the individual and the organization (Amos, et al., 2004). The first-class performance begins and develops with the employee's lucid understanding of the organization's expectations (Hendrey, 1995). Managing Performance in an Organization to elevate and sustain the level of employee's performance, managers must look past individual or team performance to a larger arena of play: the performance management system (Campbell, et al. 1993). The success of a performance management system is reliant on the commitment/support of an organization's management. Performance management systems must be seen to reward personal development and achievement (Hendrey, 1995).

Within the performance management field itself, targets must be viewed to be fair and equitable across all groups. Employees must have confidence in their work and recognize that management supports them (Baird, 1986). A good performance management system motivates employees to better their performance, promotes self-motivation, and builds and strengthens

relationships via open communication between employees and managers (Baird, 1986). There are two main purposes of driving performance management. Firstly, there are operational reasons, which lead and control the system (Temple, 2002). Secondly, on the cultural side, the system can feature as part of the overall drive to build a more open relationship with employees (Temple, 2002). The performance management system sets out to communicate the link between an organization's mission, strategic direction and the required employee performance (Armstrong and Baron, 1998; Foot and Hook, 1999).

To remain competitive in such an environment, an organization needs to get the most out of its assets, especially human assets (Nwankwo and Richards, 2001). Employees play a pivotal role in organizational success (Collis and Montgomery, 1995). Employee performance has been shown to have a significant positive effect on organizational performance (Collis and Montgomery, 1995). One of the major pitfalls in an organization occurs when managers believe their organizations are constantly operating at the highest level of efficiency, or that they do not require input from their employees (Foot and Hook, 1999). Nevertheless, the principal influence on the organization's performance is the quality of the workforce at all levels of the organization. The function that human resources can play in gaining a competitive advantage for an organization is empirically well documented (Brewster, et al., 2003). For organizations to accomplish their goals, they must continually look for better ways to organise and manage their work. There is a growing recognition that the primary source of competitive advantage is derived from an organization's human resources. This was not always the case, as human resources were traditionally seen as a cost (Brewster, et al., 2003).

Due to the realisation that people are the most valuable assets in an organisation, the importance of performance management has been pushed to the fore (Bartlett and Ghoshal, 1995). The complexity of managing organizations today requires managers to view performance in several areas simultaneously. The performance measurement system employed in an organization must therefore measure the performance of all assets including the human ones. It is a set of measures that provide managers with a fast but comprehensive view of the business. The Balanced Scorecard is not only a measurement system but also a management system, which enables organizations to clarify their vision and strategy and translate them into action (Norton, 1999). It provides feedback around both the internal business processes and external outcomes to continuously improve strategic performance and results. When fully deployed, the Balanced Scorecard transforms strategic planning from an academic exercise into the nerve centre of an enterprise (Norton, 1999). The Balanced Scorecard includes both financial measures that tell the results of actions already taken and operational measures that are the drivers of future financial performance.

The success of an organization's system is reliant on the commitment/support of an organization's management. Performance management systems must be seen to reward personal development and achievement. Within the

performance management field itself, targets must be viewed to be fair and equitable across all groups. Employees must have confidence in their work and recognize that management supports them. A good performance management system motivates employees to better their performance, promotes self-motivation, and builds and strengthens relationships via open communication between employees and managers.

There are two main purposes of driving performance management. Firstly, there are operational reasons, which lead and control the system (Temple, 2002). Secondly, on the cultural side, the system can feature as part of the overall drive to build a more open relationship with employees (Temple, 2002). The performance management system sets out to communicate the link between an organization's mission, strategic direction and the required employee performance (Armstrong and Baron, 1998; Foot and Hook, 1999). A successful performance management system is one that requires full participation between employees and managers through effective communication and goal agreement, resulting in complete common understanding and not unfounded expectations

A well-executed performance management system is a medium for managers and employees to develop an understanding of what work the mission of the organization requires, how this work should be accomplished, and to what extent it has been achieved. Employees should be empowered and receive support from their manager without removing any of the employee's responsibility (Armstrong and Baron, 1998). 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. Performance and Leadership Ultimately it is the individual employee who either performs or fails to perform, a task. For an organization to perform an individual must set aside his personal goals, at least in part, to strive for the collective goals of the organization. In an organizational context, the very nature of performance is defined by the organization itself (Cummings and Schwab, 1973). Employees are of paramount importance to the achievement of any organization. Thus, effective leadership enables greater participation of the entire workforce, and can also influence both individual and organizational performance (Bass, 1997; Mullins, 1999).

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. To have an effective organization, there must be effective and stimulating relations between the people involved in the organization

It has been widely accepted that effective organizations require effective leadership and that the organizational performance will suffer in direct proportion to the neglect of this. Furthermore, it is generally accepted that the

effectiveness of any set of people is largely dependent on the quality of its leadership — effective leader behaviour facilitates the attainment of the follower's desires, which then results in effective performance (Ristow, et al., 1999). According to Bass (1997), in the modern business environment, much research has proved that leaders make a difference in their subordinates' performance, and also make a difference as to whether their organizations succeed or fail. Furthermore, Kottler (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. Amos, (2000) mentioned the connection between leadership traits or leadership behaviours and employee performance. However, they stress that the literature was not based on empirical evidence and therefore has become discredited over time. There is an agreement in the literature (Maritz, 1995; Bass, 1997) that leadership is a critical factor in the success or failure of an organization; excellent organizations begin with excellent leadership, and successful organizations, therefore, reflect their leadership. Leaders are effective when the impudence they exert over their subordinates works towards achieving organizational performance. Furthermore, leadership is often regarded as the single most critical success factor in the success or failure of an institution.

Bass (1990), believed that leadership is undoubtedly the critical determinant of the success of an organization, and thus determines organizational performance in the competitive global market. Research into organizational performance in different environments found that transformational leadership has a positive impudence on employee performance, and therefore organizational performance. However, through research by Pruijn and Boucher (1994), it was shown that transformational leadership is an extension of transactional leadership (Bass, 1997). The difference between these two models is that followers of transformational leadership exhibit performance which is beyond expectations, while transactional leadership, at best, leads to expected performance).

Drucker (2000) stated that transactional leaders were effective in markets which were continually growing and where there was little or no competition, but this is not the case in the markets of today, where competition is fierce and resources are scarce. Research data Akintayo and Tumwesigye (2010) has clearly shown that transformational leaders are more effective than transactional leaders, regardless of how "effectiveness" has been defined. Evidence gathered in South African retail and manufacturing sectors, as well in the armed forces of the United States, Canada and Germany, points towards the marginal impact transactional leaders have on the performance of their followers in contrast to the strong, positive effects of transformational leaders. Group is represented in proportion to the size of what defines its homogeneity. Therefore, a sample will be drawn from each stratum.

## METHODOLOGY

The study adopted a survey design. The population of this study consist of (250) employees of Central Bank drawn from Asaba, Delta State, Calabar, Cross River State and Abuja, FCT Offices. The Sample size using Taro Yamani's (1964), statistical formula gave 216. Data presentation and analysis was done using the Z-test.

## DATA PRESENTATION AND ANALYSIS

**Table 4.1** Respondents view on Leadership Style and employee satisfaction

Statement		SA	A	N	D	SD
Do you think you're organization believes in employees satisfaction	F	100	60	10	20	16
	%	49	29.10	4.50	9.70	7.70

**Table 4.2** Respondents' perception of leadership Style and employee satisfaction

	Frequency	%
Factors necessary for employees performance	153	74.27
It is a means of satisfying mgt intent	25	12.13
Mere jamboree	15	7.28
No idea	13	6.32
Total	206	100

**Source: Fieldwork Analysis:** From table 4.2. above on the question on how respondents perceive leadership style the organisation, surveyed, out of the 206 respondents, 153 of them representing 74.27% agreed that employees satisfaction in the work environment are necessary, for commitment while 25 respondents which account for 12.13% believe it is a means of satisfying management intent and 15 respondents accounting for 7.28% think that they are mere jamboree, while 13 respondents accounting for 6.32% have no idea at all.

**Table 4.3.** Respondents view on the reward system and employees' performance

Factors	Frequency	%
Strongly agreed	115	55.83
Agreed	35	16.99
Neutral	12	5.83
Disagree	20	9.70
Strongly disagreed	24	11.65
Total	206	100

**Source: Fieldwork Analysis.**

From the about table 55.83% respondents agreed that reward system appraisal is a function of employees performance, while 16.99% of respondents agreed that reward system appraisal support HCD programmes also 5.83% of respondents are neutral and 9.70% disagreed while 11.65% strongly disagreed. The bottom line of the analysis is that it could be deduced that from the three



organisation surveyed that organizational performance appraisal is a function of employee's performance.

**Hypothesis One: There is no significant relationship between leadership style and employees' satisfaction in the Central Bank of Nigeria**

**Table 4.4** The analysis of responses related to the First Hypothesis

s/n	Statement		SA	A	N	D	SD
1	The y leadership style has a positive influence on employees satisfaction in the CBN	F	117	56	10	11	13
		%	56.80	26.70	4.85	5.34	6.31
2	The leadership style does not have a positive effect on employees satisfaction in the CBN	F	13	11	10	56	117
		%	6.31	5.34	4.85	26.70	56.80
3	There is a relationship btw leadership style and employees satisfaction in the CBN	F	119	53	8	12	14
		%	57.77	25.72	3.88	5.83	6.80
4	There is no relationship btw leadership style and employees satisfaction in the CBN	F	14	12	8	53	119
		%	6.80	5.83	3.88	25.72	57.77

**Source: Fieldwork Analysis.**

**Table 4.4.** Shows that, the leadership style has a positive influence on employee's satisfaction in the CBN. The responses are strongly agreed (SA) agreed (A) neutral (N) disagreed (D) and strongly disagreed (SD). They have frequencies of 117, 55, 10, 11, and 13 respectively out of 206. These gave the percentage of 56.80, 26.70, 4.85, 5.34 and 6.31 respectively totalling 100.

For the statement that the leadership style does not have a positive effect on employees satisfaction in the CBN in the area studied, the responses are strongly agreed (SA) agreed (A) neutral (N) disagreed (D) and strongly disagreed (SD). They have frequencies of 13, 11, 10, 55, and 117 respectively of 206. They gave a percentage of 6.31, 5.34, 4.84, 26.70, and 56.80 respectively totalling 100.

For the statement that there is a positive relationship between leadership style and employee satisfaction in the area studied. The responses are strongly agreed (SA) agreed (A) neutral (N) disagreed (D) and strongly disagreed (SD). They have frequencies of 119, 53, 8, 12, and 14 respectively out of 206. These gave percentages of 57.77, 25.72, 3.88, 5.83 and 6.80 respectively totalling 100.

For the statement that there is no relationship between leadership style and employees satisfaction in the area studied. The responses are strongly agreed (SA) agreed (A) neutral (N) disagreed (D) and strongly disagreed (SD). They have frequencies of 14, 12, 8, 53, and 119 respectively out of 206. These gave percentages of 6.80 5.83, 3.88 25.72 and 57.77 respectively totalling 100.

**Hypothesis Two: There is no significant relationship between inadequate reward system and employees' performance in the Central Bank of Nigeria.**

**Table 4.5** Analysis of responses related to hypothesis four

s/n	Statement		SA	A	N	D	SD
1	Inadequate reward system for employees commitment has a positive influence on performance in the CBN	F	120	54	9	11	12
		%	58.25	26.21	4.37	5.34	5.83
2	Inadequate reward system for employees commitment does not have a positive influence on performance in the CBN	F	12	11	9	54	120
		%	5.83	5.34	4.37	26.21	58.25
3	There is a relationship between inadequate reward system for employees commitment and performance in CBN	F	124	50	10	12	10
		%	60.19	24.27	4.85	5.83	4.85
4	There is no relationship between inadequate reward system for employees commitment and performance in the CBN	F	10	12	10	50	124
		%	4.85	5.83	4.85	24.27	60.19

**Source: Fieldwork Analysis.**

Table 4.5 shows that for the statement that inadequate reward system for employees commitment has a positive influence on performance in the CBN, the response is strongly agreed (SA) agreed (A) neutral (N) disagreed (D) strongly disagreed (SD). They have frequencies of 117, 55, 10, 11 and 13 respectively out of 206. These gave a percentage of 56.80, 26.70, 4.85, 5.34, and 6.31 respectively totalling 100.

For the statement that inadequate reward system for employees commitment does not have a positive influence on performance in the CBN, the response is strongly agreed (SA) agreed (A) neutral (N) disagreed (D) strongly disagreed (SD) these gave percentages of 5.38, 5.34, 4.37, 26.21 and 58.25 respectively totalling 100.

For the statement that there is a relationship between inadequate reward systems for employees commitment on performance in the CBN, the response is strongly agreed (SA) agreed (A) neutral (N) disagreed (D) strongly disagreed (SD). They have frequencies of 124, 50, 10, 12 and 10 respectively out of 206. These gave a percentage of 60.19, 24.27, 4.85, 5.83 and 4.85 respectively totalling 100.

For the statement that there is no relationship between inadequate reward system for employees commitment on performance in the area studied, the response is strongly agreed (SA) agreed (A) neutral (N) disagreed (D) strongly disagreed (SD). They have frequencies of 10, 12, 10, 50, and 124 respectively out of 206. These gave a percentage of 4.85, 5.83, 4.85, 24.26 and 60.19 respectively totaling 100.

**Verification of Hypotheses**

The statistical tool that was used to test the above hypotheses is Z-test of population proportion state below

$$Z = \frac{\frac{x}{n} - P_o}{\sqrt{\frac{(P_o)(1-P_o)}{n}}}$$

Where x= the number of respondents which strongly agreed or agreed with the statement that corresponds to the first alternate hypothesis

n= the sample size

Po= the prescribed proportion

Level of significance for testing the hypotheses was 5%

**Decision Criteria**

Reject Ho if  $Z_o > Z_c$

**Testing Hypothesis One**

**Table 4.6** Shows the computational details of the 1st hypothesis

Statement	x/n	Calculated Z-value	Table Z value	Statistical decision
There is no significant relationship between leadership style and employees' satisfaction in the Central Bank of Nigeria	$\frac{173}{206}$	4.226	1.645	RejectHo

$$\text{NB: } \frac{Z = \frac{x}{n} - P_o}{\sqrt{\frac{(P_o)(1-P_o)}{n}}}$$

Where x = the number of respondents which strongly agreed or agreed with the statement that corresponds to the third alternate hypothesis.

n = the sample size

Po= the prescribed proportion

So for x=173, n=206, Po=0.7 and 1-Po=0.3

$$Z = \frac{\frac{x}{n} - P_o}{\sqrt{\frac{(P_o)(1-P_o)}{n}}}$$

$$Z = \frac{\frac{173}{206} - 0.7}{\sqrt{\frac{(0.7)(0.3)}{206}}}$$

$$Z = \frac{0.8398058 - 0.7}{\sqrt{0.2}}$$

$$Z = \frac{0.1398058}{\sqrt{0.2}}$$

$$Z = \frac{14.3527}{0.4582575}(0.1398058)$$

$$Z = (31.320163)(0.1398058)$$

$$Z = 4.3787404$$

$$Z = 4.379 \text{ to 3 decimal places}$$

From Table 4.7 above, it is shown that the calculated Z value is 4.379 to 3 decimal places. The table Z value at 5% level of significance is 1.645. Since the calculated Z value is greater than the table value, the null hypothesis is rejected and the alternate hypothesis is accepted at 5% level of significance. This shows that leadership style in employee's satisfaction has a positive influence on organizational performance.

### Testing Hypothesis Two

Table 4.8 Shows the computational details of the 2<sup>nd</sup> Hypothesis

Statement	x/n	Calculated Z-value	Table Z value	Statistical decision
There is no significant relationship between inadequate reward system and employees' performance in the Central Bank of Nigeria.	$\frac{174}{206}$	4.531	1.645	Reject $H_0$

$$NB: \frac{Z = \frac{x}{n} - P_o}{\sqrt{\frac{(P_o)(1-P_o)}{n}}}$$

Where x = the number of respondents which strongly agreed or agreed with the statement that corresponds to the alternate hypothesis

n = the sample size

P<sub>o</sub> = the prescribed proportion

So for x = 174, n = 206, P<sub>o</sub> = 0.7 and 1-P<sub>o</sub> = 0.3

$$Z = \frac{\frac{x}{n} - P_o}{\sqrt{\frac{(P_o)(1-P_o)}{n}}}$$

$$Z = \frac{\frac{174}{206} - 0.7}{\sqrt{\frac{(0.7)(0.3)}{206}}}$$

$$Z = \frac{0.8446601 - 0.7}{\sqrt{0.000922815534}} \quad \sqrt{0.2}$$

$$Z = \frac{0.1446601}{\sqrt{0.000922815534}}$$

$$Z = \frac{14.3527}{0.4582575} (0.1446601)$$

$$Z = (31.320159) (0.1446601)$$

$$Z = 4.5307779$$

$$Z = 4.531 \text{ to 3 decimal places}$$

From table 4.3.4 above, it is shown that the calculated Z value is 4.531 to 3 decimal places. The table Z value at 5% level of significance is 1.645. Since the calculated Z value is greater than the table Z value, the null hypothesis is rejected and the alternate is accepted at 5% level of significance. This shows that inadequate reward system for employee's development affects performance.

## DISCUSSION OF FINDINGS

1. An effective and efficient leadership style on employees' satisfaction performance is very which supports the words of Imaga and Ewurum (2004), that leadership styles and employees' development has a stronghold either directly or indirectly on the commitment which must be must sustain to attain organizational objectives and goals. It also upholds the argument of Albion & Gagliardi (2007) that Leadership style can be viewed as a series of managerial attitudes, behaviours, characteristics and skills Akintayo and Tumwesigye(2010) based on individual and organizational values, leadership interests and reliability of employees in different situations has a way on influencing output in organizational culture.
2. The analyses second hypothesis postulate that reward system interacts with employee's performance and may impede the development of quality employees in an organisation. That is to say that the success of an organization's system is reliant on the commitment/support of an organization's management because performance management systems must be seen to reward personal development and achievement (Aronson et' al 2003). Within the performance management field itself, targets must be viewed to be fair and equitable across all groups. Employees must have confidence in their work and recognize that management supports them (Bartlett and Ghoshal, 1995).

## CONCLUSION

The study explores leadership styles and job performance using the Central Bank of Nigeria as a case study. Leaders' decisions have consequences for all team members, whether and to what extent leaders take into account the preferences and opinions of other team members might influence leaders' decision making. Therefore, it seems straight forward to conjecture that leadership styles have an impact on job performance in CBN. Leadership can be based on styles that deal with the job itself and the organisation. If the right style of leadership is well applied to the strategic philosophy, goals will be achieved, profit will be improved and efficiency increased. Also, leadership reward system significantly impacts employees whose performance commitment is measured in output and real terms. Thus, it will be appropriate to continue with a practice that is consistent and practicable in an organisation like CBN. There is definitely a need to identify and implement leadership that enables the Central Bank of Nigeria to become globally competitive. It has generally been acknowledged that job performance requires effective leadership and performance will suffer in direct proportion to the neglect of this.

## RECOMMENDATIONS

1. Leadership style at CBN should be such that relies on situational leadership style meaning that the task or activity should determine the type of leadership style to be adopted. In the long run, this style is directed towards the vision and mission of the organisation; this reflects the organisational philosophy and give them a sense of foresight and direction towards the attainment of strategic or set objectives of CBN.

2. At CBN, management should see the leadership styles as a key to improving job performance especially the reward system that comes with employees' commitment and performance. This enforces team spirit, oneness and helps to build potential leaders that are resourceful, committed and increase organisational turnover; but autocratic leadership style promotes organisational turnover the most.
3. On subordinates attitudes, leadership should have what the study calls a clear mirror of present style attributes and the effects which flow from them. This mirror should be sought by the leader himself where possible. It would include the style of the leader and his current view of the group and individual maturity levels of the subordinates. Also included in this style, the mirror would be feedback from those with whom he does or should interact. The leader should then evaluate his present impact on job performance in CBN.
4. Organisational cohesion promotes the sustainability of an organisation. The leadership style should always be seen as trustworthy, which should be shouldered by only capable, credible and people with a high level of integrity. They would have excellent traits, continuity, adaptability and capabilities of hard work and human relations.

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