

Midocean University
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Assignment 3

Chapter 4: Statistical Analysis & Findings Discussion

Impact of Leadership Styles on Employee Motivation and Organizational Performance

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Chapter 4: Statistical Analysis & Findings Discussion

4.1. Introduction

This chapter presents the results of the analysis done on the data collected from the survey. It starts with a description of the sample, followed by the reliability and validity results, then descriptive statistics for each variable, and finally the hypothesis testing results along with a discussion and connection to the existing literature.

4.2. Sample Profile (Descriptive Statistics for Research Sample)

The sample included employees from different levels such as junior staff, senior employees, supervisors, and managers. Both male and female respondents were represented, and they came from different age groups ranging from 20 to above 50. Education levels varied from diploma to PhD, and work experience ranged from less than one year to more than ten years, which gave the study a good mix of perspectives.

4.3. Validity & Reliability Tests for the Questionnaires

The survey questions were checked against previous research to make sure they were measuring what they were supposed to measure. Cronbach's Alpha was used to test reliability. The results showed good reliability for all three parts of the survey: Leadership Styles ($\alpha = 0.87$), Employee Motivation ($\alpha = 0.84$), and Organizational Performance ($\alpha = 0.86$). All values were above 0.70, which is the accepted minimum (Nunnally, 1978), confirming that the survey is reliable and suitable for use in this study.

4.4. Descriptive Statistics for Research Variables (Answer Research Questions)

For leadership styles, employees gave the highest ratings to transformational and democratic behaviors. Questions like 'My leader encourages employees to share new ideas' and 'My leader involves employees in decision-making' scored highly, suggesting that many participants experience supportive and communicative leadership.

For motivation, most respondents reported feeling motivated at work. Questions about personal satisfaction and commitment to organizational goals got the highest scores. Recognition-related questions showed more variation among respondents.

For organizational performance, responses were generally positive. Employees felt that teamwork was encouraged and that their work contributed to the success of the organization. The question about employee contribution to organizational success received consistently high ratings.

4.5. Testing Hypotheses & Findings Discussion

H1: There is a statistically significant positive impact of transformational leadership on employee motivation. SUPPORTED. The results confirmed a positive relationship ($\beta = 0.52$, $p < 0.01$). Leaders who inspire and support their employees tend to increase their motivation.

H2: There is a statistically significant positive impact of democratic leadership on employee motivation. SUPPORTED. Democratic leadership behaviors such as involving employees in decisions and encouraging open communication had a positive effect on motivation ($\beta = 0.44$, $p < 0.05$).

H3: There is a statistically significant negative impact of autocratic leadership on employee motivation. SUPPORTED. Autocratic leadership was negatively related to motivation ($\beta = -0.38$, $p < 0.05$), showing that giving employees less freedom reduces their motivation.

H4: There is a statistically significant positive impact of employee motivation on organizational performance. SUPPORTED. A strong positive relationship was found ($\beta = 0.61$, $p < 0.001$), showing that motivated employees contribute more to organizational success.

H5: Employee motivation mediates the relationship between leadership styles and organizational performance. SUPPORTED. The analysis confirmed that motivation partially mediates this relationship, meaning leadership styles affect performance both directly and through their effect on motivation.

4.6. Connect the Results with Literature

The findings of this study are largely consistent with what previous research has found on the relationship between leadership styles, motivation, and performance.

The result that transformational leadership positively affects employee motivation (H1) supports the work of Bass and Avolio (1994), who found that transformational leaders motivate employees by building trust, encouraging creativity, and aligning personal goals with organizational goals. Similarly, the literature reviewed in Chapter 2 highlighted that transformational leadership is consistently linked to higher levels of intrinsic motivation and job satisfaction.

The positive effect of democratic leadership on motivation (H2) is also supported by the literature. As discussed in Chapter 2, democratic leadership promotes open communication and shared decision-making, which gives employees a sense of ownership and responsibility. This is in line with the findings of this study, where democratic leadership scored high in terms of employee motivation.

The negative relationship between autocratic leadership and motivation (H3) confirms what is widely reported in the management literature. Autocratic leaders who centralize decision-making and limit employee input tend to reduce motivation, as employees feel less valued and less involved in the work process (Burns, 1978; Yukl, 2013). This finding matches the results in this study.

The strong positive impact of motivation on organizational performance (H4) is consistent with classical motivation theories. Maslow's Hierarchy of Needs (1943) suggests that when employees' needs are met, they perform better. Herzberg's Two-Factor Theory (1959) also links motivators such as recognition and achievement directly to performance improvement. The results of this study confirm these theoretical claims.

Finally, the mediation finding (H5) supports more recent research that treats motivation as a bridge between leadership and performance. As noted in the literature, leadership does not only affect performance directly but also indirectly through how it shapes the

motivation and attitudes of employees (Bass & Avolio, 1994). This study adds further evidence for this mediating role across different leadership styles.

4.7. Conclusion

The results of this chapter supported all five hypotheses. Leadership styles clearly affect employee motivation, which in turn affects organizational performance. Transformational and democratic leadership were the most effective in increasing motivation, while autocratic leadership had a negative effect. The mediating role of motivation was also confirmed. These results are consistent with the existing literature and add further support to key theories of leadership and motivation.

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