Power Distance as Moderator of the Relationship between Organizational Leadership Style and Employee Work Attitudes: An Empirical Study In Ghana

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Abstract

Using cross-sectional and correlational design, the study investigated the relationship between perceived organizational leadership styles; democratic, autocratic and laissez-faire and work attitudes: organizational commitment, turnover intentions and perception of job insecurity with the moderating role of cultural factor of power distance. The sample comprised 238 employees selected from 8 organizations in Accra-Tema metropolis in Ghana. Results indicated that perceived organizational leadership styles relate positively with employee work attitudes with cultural factor of power distance moderating the relationship. It was concluded that to enhance positive employee attitudes, the prevailing cultural factor of power distance in the society within which the organization is established might be considered in the exercise of leadership style.

Key Words: leadership style, organizational commitment, turnover intention, job insecurity, Ghana.

1. INTRODUCTION

Organizational leadership is an influence process primarily concerned with managing and directing the affairs of an organization or an institution of people towards the attainment of an objective (Northouse, 2007). It is estimated that 45% to 65% of the total factors causing success or failure of organizations are decided by leaders (Bass, 1990). If an organization intends to keep outperforming in a competitive environment, leadership is the most influential factor. The excellent leader does not only inspire subordinates’ potential to enhance efficiency but also meets their behavioral and attitudinal requirements in the process of achieving organizational goals. Leaders do not achieve results themselves; they influence organizational outcomes through other people. Good leaders develop sound strategies and structures that appeal to employees, reward their commitment, and minimize their turnover (Kaiser & Hogan, 2007; Lord & Brown, 2004; Sheard & Kakabadse, 2004).

The kind of leadership style exhibited by managers to a large extent influences organizational valued outcomes such as low employee turnover, reduced absenteeism, customer satisfaction, and organizational effectiveness (Lim, 2007).

However, different situations may call for different leadership styles according to the situational model of leadership style. The style adopted should be favorable to the interest of individual members whose attitudes and behaviors determine the achievement of the set objectives of the organization. According to Durham-Taylor, (2000), employee attitudes represent one of the key areas for measuring organizational effectiveness. Studies have found that different leadership styles has significant relationships with worker's motivation, attitudes, and job performance in organizations (Bass, 1985; Stodgill, 1974). Unsatisfactory leadership style or behavior to an employee’s assessment or perception may affect his or her work attitudes including commitment, turnover intentions and perception of job insecurity (Brannon, Barry, Kemper, Schreiner & Vasey, 2007). However, the links between leadership and organizational outcomes such as work attitudes are complicated. The complexity arises because the links are influenced by a number of factors (Hogan & Kaiser, 2005; Kaiser & Hogan, 2007) including culture. Organizational culture can strongly influenced by national culture which may determine the prevalent leadership style (Rollinson, 2005).

An employee’s perceived assessment of his or her supervisor’s behavior with subsequent effect on his work attitudes may be influenced by the level of power distance. Power distance is the degree of inequality that exists; and is accepted among people with and without power in a given culture (Hofstede, 1987). The leader-behavior and follower acceptance problem is embedded in the power distance that exists as a norm in the society. An individual who is inclined towards high power distance may mostly accept any leadership style since it is his or her belief that the ultimate power resides in the leader. That individual may not interpret any leader behaviour as a threat to his or her job and it may not affect any other attitude related to his or her job.

Studies suggest that various leadership styles were effective in achieving organizational goals in different situations (Silverthorne, 2001; Waldman, House and Puranam, 2001). Therefore there exists the notion that a particular leadership style is not more effective than the other but depends on the situation. But the question is, will employees accept and perform their roles under a particular style of leadership in a particular situation with all positive work attitudes involving commitment,
job security and turn over? Studies on leadership in organizations have over the years concentrated mainly on employee job satisfaction and performance. Also findings of studies on leadership conducted in some cultures may not be applicable in some other cultures. This study therefore aims to investigate the relationship between organizational leadership styles and work attitudes with the moderating role of power distance to expand the frontiers of the study of leadership and work attitudes in Ghanaian organizational context.

1.1 Research Questions

1. What is the relationship between organizational leadership styles of democratic, autocratic and laissez-faire and work attitudes of organizational commitment, turnover intentions and job insecurity?
2. What is the influence of power distance on the relationship between leadership styles and employee work attitudes?

2. LITERATURE REVIEW

2.1 Leadership Styles in Organizations

Three main leadership styles exercised in organizations are democratic, autocratic and laissez-faire styles.

2.1.1 Democratic Leadership Style

Democratic leadership style emphasizes group and leader participation in the formulation of the policies that serve as guidelines for the organizational operation. In democratic leadership style, the leader takes into consideration the wishes and suggestion of members as well as those of the leader (Hackman, & Johnson, 1996). It is a human relation approach where all members of the group are seen as important contributors to final decision and to improve the quality of the decision. In this type of leadership style, power and authority are derived from the governed. The democratic leadership does not only increases job satisfaction by involving team members, but it also helps to develop people's skills and promotes teamwork.

Democratic leadership style focuses more on people and there is greater interaction within the group. McGregor (1960) described this leadership style as benevolent, participative, and believing in people. Democratic leadership style results in high employee productivity, satisfaction, cooperation, and commitment. It reduces the need for controls and formal rules and procedures which result in low employee absenteeism and turnover. The leadership style develops competent and committed employees who are willing to give their best, think for themselves, communicate openly, and seek responsibility (Bass, 1990; Stogdill, 1974). However, decision-making becomes over-stretched since opinions and lengthy debates play a key part in the process (Denhardt & Denhardt, 2003).

2.1.2 Autocratic Leadership Style

Autocratic leadership style, also called coercive or dictatorship, involves the manager retaining as much power and decision-making authority as possible (Edem, 1982). In autocratic leadership style, the leader determines policy and assigns task to members without consulting them. The autocratic leaders believe mainly in the rules and regulations, rewards and punishment as motivation. The subordinates carry out the leader’s directives without question(s) and there are no group inspired decisions. The leader centralizes authority in decisions making and supervises work in close detailed manner than in general form.

The autocratic leadership style is useful for new untrained employees who do not know which tasks to perform or which procedures to follow and effective supervision can be provided only through detailed orders and instructions. Also, in situations of short term projects with a highly technical, complex or risky element which must completed in exact specifications, when there are work environments where spans of control are wide and hence the manager has little time to devote to each employee. Finally, it is useful in industries where employees need to perform low-skilled, monotonous and repetitive tasks with generally low levels of motivation (Currivan, 1999).

Research has shown that there is a strong positive correlation between autocratic leadership style and authoritarianism (Bass, 1990; Choi, 2007). Authoritarian leaders depend on their power as weapon for coercion. Although authoritarian leadership style is characterized with high productivity it often results in counter resistance of opposition which restricts output (Choi, 2007). The increase in productivity happens when the leader is present and the leadership style improves worker performance in relatively simple tasks. Authoritarian leadership style breeds hostile attitude, conflicts, distorts and guards communication, high turnover, absenteeism, low productivity, and affects work quality (Gustainis, 2004).

2.1.3 Laissez-Faire Leadership Style

True laissez-faire is in fact “non-leadership” because the leader has almost no influence over the group (Bass, 1999). This makes it difficult to distinguish the leader from the followers. According to Yukl (1994) laissez-faire leadership style is probably a descriptive ideal that does not really exist. This is an effective style to use when: Employees are highly skilled, experienced, and educated. When employees have
pride in their work and the drive to do it successfully on their own. When outside experts, such as staff specialists or consultants are being used and finally when employees are trustworthy and experienced. The philosophical assumption underlying laissez-faire style is that naturally human beings are unpredictable and uncontrollable and trying to understand people is a waste of time and energy. Under the style, the leader tries to maintain a low profile, respects all divisions within the organization, tries not to create waves of disturbance, and relies on the few available loyalists to get the job done (Northhouse, 2007).

Laissez-faire leader lives and work with whatever structure put in place without any suggestions or criticisms. Goals and objectives are established only when necessary and required. Such leader shuns decision-making as much as possible, and would like to avoid communication but communicates only when needed. Thus, the business of employee development is not a concern to the laissez faire leader who believes that employees can take care of themselves (Rowe, 2007).

2.2 Leadership styles and Work Attitudes

2.2.1 Leadership Styles and Organizational Commitment

Organizational commitment has been identified as a critical factor in understanding and explaining the work-related behavior of employees in organizations. Most definitions of organizational commitment describe the construct in terms of the extent to which an employee identifies with and is involved with an organization (Curry, Wakefield, Price, & Mueller, 2006). Organizational commitment is a state in which an employee feels loyalty to the organization, accepts and internalize goals and values of it, and involves in the organization (Lambert, Hogan, & Griffin, 2007). Organizational commitment has been found to be positively associated with higher work motivation, greater organizational citizenship, as well as higher job performance and may represent one useful indicator of the effectiveness of an organization (Meyer et al., 2002; Riketta, 2002).

Studies suggest significant relationship between leadership styles and organizational commitment. Hannan, Norman and Martin (2002) in a study, reported a strong relationship between worker-centered managerial style and organizational commitment. Exploring the relationship between four prominent models of leadership and the fundamental organizational features; commitment, satisfaction, communication and effectiveness, and the managers’ individual traits, Robbins (2007) reveal that, the spectrum of four leadership styles are inter-related with communication, commitment, satisfaction and effectiveness. The finding is however not specific on which leadership style has a particular effect. Distinction in the appropriateness of the various styles of leadership will therefore be difficult to make. Salancik (2005) suggested that organizational relationships that reduce one's feelings of responsibility will also result in less commitment.

Masih et al. (2003) explored the relationships among principals’ leadership style, school climate, and the organizational commitment. The principal’s leadership style, school climate and the organizational commitment of teachers were found to be interrelated. Teachers perceived higher commitment under a leadership characterized by high consideration, regardless of the level of initiating structure. Teachers’ organizational commitment was positively related to climate openness, characterized by supportive principal behavior and teacher engagement, intimacy and low levels of teacher frustration. Although the theoretical concept of leadership quadrants was upheld in the study, leadership behaviors, particularly the consideration dimensions appear to be more useful in relationship to the areas of school climate and organizational commitment. But the question is will this same conclusion be drawn if different dimensions of leadership are used? Based on the above review, the following hypotheses were formulated:

**Hypothesis 1:** There will be a significant positive relationship between perceived democratic leadership style and employee organizational commitment.

**Hypothesis 2:** There will be a significant negative relationship between perceived Laissez-Faire leadership style and employee organizational commitment.

2.2.2 Leadership Style and Employee Turnover Intentions

Turnover intention is about the subjective perception of the organizational member to quit the current job for other opportunity. High intention to leave may have indirect negative influences at work in the form of withdrawal, i.e. declining participation in a job (Porter and Steers,1973). A great deal of work on organizational turnover has been focused on teams and firm organizational performance, most especially top management teams and their chief executives and to the transferring member’s performance (Harris & Helfat, 1997; Groysberg & Nanda, 2001). There is also a vast body of literature dealing with demographic processes that are triggered by organizational turnover (Williams & O’Reilly, 1998). Yet despite this previous research, the main possible determinants of organizational turnover have been less examined. Mona and Sharif in (2009) examined the relationship between style of leadership; namely, transformational
and transactional leadership and turnover intention. Findings of this study indicated that the transformational leadership was significant in decreasing personnel turnover intention. Among the four factors of transformational leadership style, individual consideration was found to be the most important factor.

Mika et al (2007) researched into team climate, intention to leave and turnover among hospital employees. Prospective study with baseline and follow-up surveys (2-4 years apart) was carried out. Results indicated that among stayers with no intention to leave at baseline, lower self-reported team climate predicted higher likelihood of having intentions to leave at follow-up. Lower co-worker assessed team climate at follow-up was also associated with such intentions. Among all participants, the likelihood of actually quitting the job was higher for those with poor self-reported team climate at baseline. This association disappeared after adjustment for intention to leave at baseline, suggesting that such intentions may explain the greater turnover rate among employees with low team climate. The findings were not too clear on what actually constitutes low team climate. Fleishman and Harris (2002) in the study of the influence of various leadership types on turnover rate and complaint rate found that consideration for the subordinates is negatively connected with the turnover, while the initiating structure is positively connected with turnover.

Nick (2007) investigated the effect of organizational climate on job satisfaction, anxiety, and propensity to leave. The outcome reported from this study indicate that leadership predicted significantly the three outcome variables measured but the styles of leaderships that prevailed and what the actual relationships with the outcome variables were not highlighted. That is, if it is propensity to leave being turnover intention, which style of leadership would predict this? Fleishman and Harris (2002) in a study of influence of various leadership types on turnover rate and complaint rate among 217 employees it was concluded that consideration for the subordinates is negatively connected with the turnover while the initiating structure is positively connected with turnover. On the basis of the review, it was hypothesized that:

**Hypothesis 3:** There will be a significant positive relationship between perceived autocratic leadership style and employee turnover intention.

2.2.3 Leadership Style and Job Insecurity

Job security is the probability that an individual will keep his or her job (Waldman et al, 2001) Some organizational factors such as leadership and personal factors such as education, work experience, job functional area and work industry have been found to impact on job security (Hinkin & Tracey, 2000). A study by Davidson (1997) among nurses revealed that effective communication patterns and work autonomy contributed favorably to nurses perception about quality of care, overall enjoyment of the job and total job security. Erkutlu and Chafra (2006) found that laissez-faire leadership style in a boutique hotel led to negative results in organizational performance such as low satisfaction, high stress, and low commitment by followers to corroborate earlier findings. The level of job satisfaction under laissez-faire leadership is was found to be less than under democratic leadership (Bass, 1990). On the basis of the review above the following hypotheses were formulated

**Hypothesis 4:** There will be a significant positive relationship between perceived autocratic leadership style and employee perception of job insecurity.

**Hypothesis 5:** There will be a significant positive relationship between perceived Laissez-Faire leadership style and employee perception of job insecurity.

2.3 Power Distance as a moderator between Leadership Style and Work Attitudes

The Global Leadership and Organizational Behaviour Effectiveness Research Program (GLOBE), as well as a substantial amount of other empirical research (House, Wright, & Aditya, 1997), has demonstrated that what is expected of leaders, what leaders may and may not do and the status and influence bestowed on leaders vary considerably as a result of the cultural forces in the countries or regions in which the leaders find themselves. There will almost certainly be resistance to new leadership and organizational practices when such practices violate existing collective shared norms and expectations for leaders (Gagliardi, 1986). Studies have demonstrated that people resist new leaders when the new leader initially behaves in a manner inconsistent with perceivers’ expectations or stereotypes (Hanges, Braverman & Rentsch, 1991; Smith & Brown, 1997). These laboratory studies have shown that the resistance to acceptance of a new leader is so strong that the functional relationship between leadership perceptions and other variables is nonlinear and discontinuous in nature. Various individual difference variables (e.g. personality, stereotypical attitudes) as well as situational factors (e.g. mental workload, job-context) have been found to increase or diminish this resistance to accept new leaders (Hanges et al., 1997). Bochner and Heskethin (1994) studied the influence of power distance and individualism against
collectivism on job related attitudes, among employees from 28 different cultures. Findings suggested that the out groups in all the settings engaged in more behaviours that the host culture would regard as counter normative. Thus, leadership style in one culture is likely to be dysfunctional in other cultures (Hofstede & Hofstede, 2005). The research on leadership styles shows enormous variability among subcultures and subgroups. Situational and contingency theories of leadership have illustrated the differences in leadership styles among various groups. In a study in Zepp, Cambodia, and Hong (2007) compared perceptions of leadership traits and behaviors among teachers, provincial politicians and farmers and identified large differences in the perceptions of these subcultures about what constitutes good or bad leadership. In general, it was realized that cultures with high power distances tend to display low individualism and cultures with low power distances tend to display high individualism. They concluded again that salespersons' organizational commitment is influenced both directly and indirectly (via role stress) by their managers' leadership behaviors (Agarwal, 1993). On the basis of the above review, it was hypothesized that:

Hypothesis 6: Level of power distance will moderate the relationship between perceived autocratic leadership style and employee perception of job insecurity.

CONCEPTUAL FRAMEWORK

A hypothesized model of the relationships between leadership styles and work attitudes with power distance as a moderator

3. METHODOLOGY

3.1 Research Design

The study adopted the cross-sectional survey method. According to Smith and Davis (2004) it is a non-experimental method in which data is collected from two or more groups of participants at the same, rather limited time on an issue of interest.

3.2 Participants

A total of 300 full-time employees who do not occupy clear and distinct leadership positions from Accra-Tema Metropolis in Ghana were randomly sampled for the study. There were 173 (72.7%) males and females 65 (27.3%) representing and respectively. Their ages ranged from 24-71 years with a mean of 40.23 (SD = 9.47). Out of the 238 respondents, 138 were drawn from the public sector, 52 from private local organizations and 47 from multinationals, representing 58.0%, 21.8% and 19.7% respectively. Respondents in the service sector within the organizations studied were 114, manufacturing 82 and marketing 42, representing 47.9%, 34.5% and 17.6% respectively.

3.3 Measures

Leadership Styles: The Leadership expert Scale (originally 20 items) adapted from Simon (2009) was used (α: Autocratic =.70, Democratic = .73, and Laissez Faire = .75). It has a Cronbach alpha of .79. Since the scale is employer or leader rated, it was revised into an employee or follower rated with 12 items measuring autocratic, democratic, and hands-free or laissez-faire leadership styles selected for the purpose of this study. Responses are anchored on a 7-point scale ranging from (1= strongly disagree to 7= strongly agree). Items 1, 4, 7 and 10 represent the autocratic facet, items 2, 5, 8 and 11 represents the democratic facet whilst items 3, 6, 9 and 12 represent the laissez-faire facet. The facet with a higher score shows the leadership style that a leader is perceived to lean towards.
Organizational Commitment: The Organizational commitment scale (Allen & Meyer, 1990), a 24-item likert scale with three facets of Affective Commitment, Continuance Commitment, and Normative Commitment was used in the study. Each facet contains 8 items rated along a 7-point scale (1= strongly disagree to 7= strongly agree). Higher scores reflect higher commitment. The scale has Cronbach alpha of 0.70 for the total scale, 0.81 for affective, 0.87 for normative and 0.77 for continuance.

Turnover Intention: This was measured using a 4 item scale developed by Kelloway, Gottlieb, and Barham (1999). The items show an inclination to quit employment, but the intention does not necessarily manifest actual turnover. The four items produced an acceptable reliability level (Alpha= 0.93). Each item is rated along a 7-point scale (1= strongly disagree to 7= strongly agree).

Perception of Job Insecurity: It is a 10 item questionnaire (Probst, 2003) which measures the level of uncertainty one has in relation to his or her ability to retain membership of an organization (Cronbach alpha = .81). Each item is rated along a 7-point scale (1= strongly disagree to 7= strongly agree). Higher score on the scale reflect a strong feeling of insecurity on one’s job.

Power Distance: Power Distance scale (Hofstede, 1980) was used in the study. It measures the degree of inequality that exists and is accepted among people with and without power. A high power distance score indicates that society accepts an unequal distribution of power and people understand "their place" in the system. A low power distance score means that power is shared and well dispersed. It also means that society members view themselves as equals. It is a 7 item likert scale validated with 263 workers across 28 countries (cultures). A cronbach Alpha of .88 was reported by Erez and Earley (1993). The scoring format include; 1= strongly to 7= strongly agree. High scores on the scale reflect higher power distance, and low scores reflect lower power distance.

3.4 Research Procedure

Permission and consent of the management of the participation organizations and that of the participants themselves were sought. All those occupying leadership positions were identified and excluded. Questionnaires were then distributed by the researchers and their assistants to the participants in unsealed envelops via their contacts in the organisations. Completed questionnaires were returned to researchers via the organisational contacts. Participants who were willing to keep the questionnaires were allowed to do so for one week. The data collection period lasted for one month. The response rate was 79.3% i.e. 238 usable questionnaires were retrieved out of 300.

4.RESULTS

4.1 Descriptive Statistics

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>SD</th>
<th>Skewness</th>
<th>Kurtosis</th>
<th>Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Democratic leadership</td>
<td>19.45</td>
<td>3.44</td>
<td>-.105</td>
<td>-.535</td>
<td>.85</td>
</tr>
<tr>
<td>Autocratic leadership</td>
<td>19.67</td>
<td>3.46</td>
<td>-.098</td>
<td>-.396</td>
<td>.83</td>
</tr>
<tr>
<td>Laissez faire leadership</td>
<td>19.35</td>
<td>3.52</td>
<td>-.184</td>
<td>-.615</td>
<td>.89</td>
</tr>
<tr>
<td>Organizational commitment</td>
<td>1.25</td>
<td>12.80</td>
<td>.336</td>
<td>1.174</td>
<td>.88</td>
</tr>
<tr>
<td>Turn over intention</td>
<td>18.91</td>
<td>4.19</td>
<td>-.334</td>
<td>-.006</td>
<td>.86</td>
</tr>
<tr>
<td>Perception of insecurity</td>
<td>45.17</td>
<td>7.70</td>
<td>.158</td>
<td>.626</td>
<td>.87</td>
</tr>
<tr>
<td>Power distance</td>
<td>32.83</td>
<td>4.45</td>
<td>-.062</td>
<td>.093</td>
<td>.90</td>
</tr>
</tbody>
</table>

Table 2 presents the Pearson product moment correlation matrices for the relationship between various leadership styles as perceived by the subordinates and their work attitudes.
Table 2: Pearson-Product Moment Correlations between the Variables in the Study

<table>
<thead>
<tr>
<th>Variables</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Democratic</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Autocratic</td>
<td></td>
<td>.458**</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Laissez-faire</td>
<td></td>
<td>.338**</td>
<td>.460**</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Organizational commitment</td>
<td></td>
<td>.347**</td>
<td>.188**</td>
<td>.137*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Perception of job insecurity</td>
<td></td>
<td>.174**</td>
<td>.397**</td>
<td>.236**</td>
<td>.055 ns</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Turnover intention</td>
<td></td>
<td>.054 ns</td>
<td>.238**</td>
<td>.068 ns</td>
<td>-.026**</td>
<td>.087 ns</td>
<td></td>
</tr>
<tr>
<td>7. Power distance</td>
<td></td>
<td>-.161*</td>
<td>-.074 ns</td>
<td>-.088 ns</td>
<td>.006 ns</td>
<td>.049 ns</td>
<td>-.049 ns</td>
</tr>
</tbody>
</table>

N=238, * = p<.05, ** = p<.01, ns = not significant.

4.2 Hypotheses Testing

These Pearson’s Product-Moment correlation test and the Hierarchical Multiple Regression were used to test for the hypotheses.

**Hypothesis 1**: ‘There will be a significant positive relationship between perceived democratic leadership style and employee organizational commitment’. The results indicated a significant positive relationship between the two variables (r = .347, n = 238, p < .01) (see table 2). The hypothesis is therefore supported.

**Hypothesis 2**: There will be a significant positive relationship between perceived Laissez-Faire leadership style and employee organizational commitment’. The results indicated significant positive relationship between the two variables (r = .137, n = 238, p < .05) (see table 2). Based on this result the hypothesis is supported.

**Hypothesis 3**: ‘There will be a significant positive relationship between perceived autocratic leadership style and employee turnover intention’. The results show a significant positive relationship between the two variables (r = .238, n = 238, p < .01) (see table 2). The hypothesis is accordingly supported.

**Hypothesis 4**: There will be a significant positive relationship between perceived autocratic leadership style and employee perception of job insecurity. The results indicated a significant positive relationship between the two variables (r = .397, n = 238, p < .01) (see table 2). The hypothesis is accordingly supported.

**Hypothesis 5**: There will be a significant positive relationship between perceived Laissez-Faire leadership style and employee perception of job insecurity. The results indicated a significant positive relationship between the two variables (r = .236, n = 238, p < .01) (see table 2). The hypothesis is therefore supported.

**Hypothesis 6**: Level of power distance will moderate the relationship between perceived autocratic leadership style and employee perception of job insecurity. Baron and Kenny’s (1986) approach, using hierarchical multiple regression was used to test for this hypothesis.
Table 4.3 Summary of Hierarchical Multiple Regression for the Moderation Effect of Power Distance on Perceived Autocratic Leadership Style and Employee Perception of Job Insecurity Relationship

<table>
<thead>
<tr>
<th>Step</th>
<th>B</th>
<th>SEβ</th>
<th>B</th>
<th>F</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>45.183</td>
<td>.460</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Autocratic leadership</td>
<td>.883</td>
<td>.133</td>
<td>.397*</td>
<td>44.003</td>
<td>.000</td>
</tr>
<tr>
<td>Step 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>45.186</td>
<td>.459</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Autocratic leadership</td>
<td>.897</td>
<td>.133</td>
<td>.403*</td>
<td>22.985</td>
<td>.000</td>
</tr>
<tr>
<td>Power distance</td>
<td>.140</td>
<td>.104</td>
<td>.081</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Step 3</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Constant</td>
<td>45.110</td>
<td>.456</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Autocratic leadership</td>
<td>.883</td>
<td>.132</td>
<td>.397*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Power distance</td>
<td>.194</td>
<td>.105</td>
<td>.112</td>
<td>17.508</td>
<td>.000</td>
</tr>
<tr>
<td>Autocratic leadership x power distance</td>
<td>-.063</td>
<td>.027</td>
<td>-.144*</td>
<td>.018</td>
<td></td>
</tr>
</tbody>
</table>

Note. $R^2 = .158$, .164 and .184 for steps 1, 2, and 3 respectively, $\Delta R^2 = .154$, .157 and .173 for steps 1, 2, and 3 respectively. *p<.05, **p<.01, ***p<.001

The interaction term between autocratic leadership and power distance on perception of job insecurity was statistically significant [$\beta = -.144$, $t = -2.37$, $p = .018$]. The interaction term accounted for 18.4% ($R^2 = .184$) of the variance in the criterion variable (i.e. perception of job insecurity). Power distance therefore moderated the relationship between autocratic leadership and perception of job insecurity to support the hypothesis.

4.4 Summary of Main Findings

The main findings are summarized in an observed model presented in Figure 4.
Fig.4.1: Observed Model of Relationships between Leadership Styles and Work Attitudes

5. DISCUSSION

5.1 Relationship between Leadership Styles and Work Attitudes

Results support the first hypothesis that ‘there will be a significant positive relationship between perceived democratic leadership style and employee organizational commitment’. These findings are consistent with other studies (Lodahl & Kejner (2006) (Masih & John, 2003) Ti-Wu (2006). Involving subordinates as stakeholders of an organization in decision making makes them feel as being part of the organization. They will therefore be more willing to exert considerable efforts on behalf of that organization since a failure of the organization means a failure of their contribution to the organization’s development. By implication, workplace democracy, regardless of ownership and the authority level of the leaders, is very necessary to enhance followers’ commitment to the organization and the job. The finding suggests that democratic values are cherished so much in the Ghanaian societies just as in other cultures as revealed by the existing studies. This value is not expected in only societal or community level interactions but also in organizations.

The second hypothesis that there will be a significant positive relationship between perceived laissez-faire leadership style and employee organizational commitment was supported. This implies that when a leadership climate in an organization is relaxed or hands-free, the employees are more likely to become committed rather than reduce their commitment which appears inconsistent with other studies (Dawis & Loquist, 2004; Ti-Wu 2006). Emerging from the implicit leadership explanation (Lord & Maher, 1991), perceptual processes could cause employees to interpret the hands free style of the leadership according to their assessment as a confidence in them by management and the only to reciprocate that confidence is through commitment to the organization. This finding can probably be attributed to the assumption that employees will feel easy and relaxed in working if left alone to make their own decisions in the Ghanaian context.

The third hypothesis; there will be a significant positive relationship between perceived autocratic leadership style and employee turnover intention was supported. This finding reinforces the importance of democratic leadership in achieving higher commitment as found in hypothesis one. In formal organizations most especially the private ones where there is individual ownership there can be less resistance on the part of employees towards perceived unacceptable leadership style. An autocratic leadership in such an environment to an employee may simply mean quitting the job since there can be less resistance. Theoretically, an employee’s perception of an unfavorable leadership climate in this case autocratic leadership behaviour is likely to lead to the feeling of insecurity of his/her job which will in turn lead to the intention to quit (turnover) and may eventually lead to the actual turnover (Fishben & Ajzen, 1975). Having the intention to quit without even the actual turnover can be detrimental to the organization in that the employee or the follower reacts to this perceived unfavorable climate by first reducing their commitment or engaging in counterproductive behaviours.

The fourth hypothesis that there will be a significant positive relationship between perceived autocratic leadership style and employee perception of job insecurity has been supported. By implication, the more autocratic a leadership climate in an organization is, the more likely it is that employees will perceive a threat to their jobs. Initial findings established a positive relationship between perceived autocratic leadership atmosphere and turnover intentions. A subordinate’s turnover intention in an organization will most probably come as a result of the feeling of insecurity on his/her job. The feeling of insecurity as a result of perceived autocratic leadership environment can therefore be mentioned through this study to be a precursor to negative work attitudes such as non-commitment. In an organization if decision making is by autocracy as against democratic principles and does not conform to the values and expectations of the follower (Ashforth & Mael, 1989) he/she is likely to feel marginalized or relegated to the background and insecure which can have a ripple effect on a host of other work attitudes on the job such as turnover intentions as revealed by initial findings. Autocratic leadership environment can thus make followers to even misperceive the intentions of a leader and resort to ways to deal with situations when in fact such intentions may not exist.
5.2 Power Distance as a Moderator of the Relationship between Leadership Styles and Work Attitudes

Power distance was found to moderate the relationship between perceived autocratic leadership style and employee perception of job insecurity based on the results of the analysis to support hypothesis six. According to House, Wright and Aditya, (1997) “expected, accepted, and effective leader behaviour varies by culture” Therefore what many followers will accept as an ideal and effective leaders style in the western world may not be the case in some other cultures like Ghana as evident in the present finding.

As noted by Hofstede (1980), African nations and part of Asia, unlike the new worlds, are high power distance countries. Respect for position, age, wealth and other attributes are very paramount among individuals in a society. In their value/belief theory Hofstede (1980) and Triandis (1995) assert that the values and beliefs held by members of cultures influence the degree to which the behaviour of individuals, groups, and institutions within cultures are enacted and the degree to which they are viewed as legitimate, acceptable, and effective. This theory specifically explains the characteristics of a society that makes it more or less susceptible to leadership influence, the extent to which cultural forces influence the expectations that individuals have with respect to the role of leaders and their behaviour, and the extent to which leadership styles vary in accordance with culturally specific values and expectations and finally the extent to which culture moderates organizational processes. An autocratic leadership for example, may be accepted in good faith by an employee and may not pose any threat to that employee since to him or her decision making power should reside solely in that leader. Such individuals will see themselves as followers who will only act on instructions from a leader. This by extension may mean that leaving employees alone to work or the use of the laissez-faire leadership style in this kind of cultural environment will rather pose some level of threat to their jobs making them feel insecure. Mabau et al (2002) found that staffs, especially higher ranking ones who complained about inequalities that exist between management and staff reported higher stress and threat to their careers. By implication, the exercise of leadership power and its success can be enhanced by allowing the cultural values held by followers to decide on the one style that will be most effective.

5.3 Limitations of the study

The research design of this study is cross sectional and correlational and thus, it is not possible to infer a causal relationship. A greater focus on longitudinal research designs may give a better indication of turnover intentions and may highlight stronger underpinning associations.

5.4 Practical Implications of the Findings

This research has some practical implications for management and leaders in organisations and institutions. Organizational commitment of subordinates or employees can be improved by encouraging democratic ideals in the exercise of leadership power in organizations. With the turbulent workforce that has eventuated over the last decade, the need to attract and sustain a productive workforce is increasingly essential to ensure continued organizational success. Organizations interested in reducing employee turnover, assuring their employees of job security and maximizing employee commitment might consider re-examining their leadership climate in relation to the attitudinal structures held by the employees and discourage unfavorable leadership styles such as autocratic styles. The power distance prevailing in the organization should be a key consideration in the exercise of leadership authority. To maximize the feeling of job security among employees the power distance be relaxed among leaders and subordinates.

5.5 Conclusion

Findings from this study suggest that in organisations, various leadership behaviours predict a number of work attitudes both, positively and negatively among
employees. However, the predictive effect of some of the leadership styles depends on the power distance prevailing in the very culture within which the leadership style is being assessed. In a high power distance culture like Ghana, unfavourable leadership behaviour, e.g., autocratic style to an employee may not pose so much threat since the leader is seen as holding the sole and ultimate power. Perceived democratic leadership style relates positively with employee organizational commitment. Autocratic leadership style on the other hand has a significant positive relationship with turnover intention, perception of job insecurity. Laissez faire style is likely to result into perception of job insecurity but relates positively with organizational commitment.

REFERENCES


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