



Effect of Leadership Approaches on Organisational Management & Economic Growth

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Abstract

This study examines the impact of leadership approaches on organizational management and economic growth, focusing on the roles of autocratic, laissez-faire, servant, transformational, and transactional leadership. Data was collected from 84 employees across the 34 public sector institutions in Nigeria. The respondents cut across senior and Junior level officers. The research explores how these leadership styles influence resource management, employee engagement, and overall organizational performance. The findings reveal that autocratic and laissez-faire leadership negatively affect organizational outcomes, including service delivery and economic growth, while transformational and transactional leadership fosters better management practices and enhanced performance. This study explored the impact of leadership styles on organizational management and economic growth within the context of Nigeria's public sector. Through an analysis of data collected from 84 employees across various public sector institutions, the findings indicated that leadership styles significantly influence organizational performance and economic outcomes. The study recommends adopting leadership styles that encourage innovation, collaboration, and accountability to promote organizational effectiveness and contribute to broader economic development.

Subject Areas

Politics, Public Policy

Keywords

Leadership, Organizational Performance, Autocratic Leadership, Laissez-Faire Leadership, Servant Leadership, Transactional Leadership, Transformational Leadership, Economic Growth

1. Introduction

Leadership plays a pivotal role in shaping organizational management and economic growth, particularly in public and private sector institutions. Effective leadership is crucial not only for guiding employees but also for ensuring optimal resource utilisation and strategic decision-making that contributes to overall economic development. Leadership styles such as autocratic, laissez-faire, servant, transformational, and transactional have a direct impact on how organizations manage their resources, motivate employees, and achieve their goals [1].

In Nigeria, the influence of leadership on public sector performance has been particularly pronounced. Historical challenges, including political instability and ineffective governance, have hindered the country's economic progress [2].

Autocratic and laissez-faire leadership styles, which dominate many public institutions, often result in poor organizational outcomes such as low productivity, inefficient resource management, and limited-service delivery. Conversely, leadership styles that emphasize employee empowerment, collaboration, and strategic vision, like transformational and transactional leadership, have shown a potential to drive economic growth by improving organizational performance.

This study aims to examine the relationship between leadership styles and organizational management within the context of economic growth. It explores how different leadership approaches influence resource management, service delivery, and employee engagement in public institutions. By investigating these dynamics, the research seeks to offer recommendations for adopting leadership strategies that can enhance organizational efficiency and contribute to Nigeria's broader economic development.

2. Literature Review

The relationship between leadership styles and organizational management has been a significant area of study in organizational theory, particularly with its implications for economic growth. Over the years, various scholars have explored how leadership affects organizational structures, employee motivation, and resource allocation, all of which are essential for driving economic development. The literature broadly categorizes leadership styles into five main types: autocratic, laissez-faire, servant, transformational, and transactional leadership, each with unique implications for management and performance [3].

Autocratic leadership, which centralizes decision-making in the hands of a single leader, has been linked to short-term efficiency but long-term inefficiencies, especially in bureaucratic settings like the public sector. Studies show that while autocratic leaders can drive immediate results, their lack of engagement with employees tends to stifle innovation and result in high employee turnover, negatively impacting economic growth [4].

This leadership style is prevalent in developing countries, where hierarchical structures are common, but it has contributed to underperformance in public institutions due to poor employee motivation and inefficient resource management.

Laissez-faire leadership, characterized by a hands-off approach where leaders provide minimal guidance, has also been shown to result in poor organizational outcomes. Scholars such as [5] (Yukl, 2002) argue that laissez-faire leaders often fail to provide the necessary oversight to ensure effective resource management, leading to inefficiency and poor economic outcomes. In sectors where employees require consistent guidance and strategic vision, laissez-faire leadership can significantly hinder performance and economic growth.

On the other hand, **transformational leadership** is associated with higher levels of innovation and employee engagement. Transformational leaders inspire and motivate employees to achieve beyond their expectations by fostering a shared vision and encouraging problem-solving. Research suggests that transformational leadership can lead to significant improvements in organizational management, particularly in complex environments where adaptability and innovation are required [6] (Avolio & Bass, 2004). This leadership style is increasingly recognized as a key driver of economic growth, as it promotes sustainable organizational development and improves resource utilizations.

Transactional leadership focuses on the exchange between leader and follower, where rewards are provided based on performance. While transactional leadership is effective in maintaining operational stability, it does not typically promote the same level of innovation as transformational leadership. However, it remains valuable in environments where efficiency and adherence to established processes are critical, contributing to organizational performance and economic stability.

Lastly, **servant leadership**, which emphasizes the well-being of employees and stakeholders, has gained attention as an approach that fosters strong employee commitment and organizational loyalty. Servant leaders prioritize serving others, which can lead to high employee satisfaction and, consequently, better organizational performance. While not directly tied to rapid economic growth, servant leadership's focus on long-term relationships and sustainable practices has been noted to contribute to organizational health, which can indirectly impact economic development.

In conclusion, the literature indicates that while autocratic and laissez-faire leadership styles may offer short-term organizational control, they are not conducive to long-term growth and resource management. Conversely, transformational, transactional, and servant leadership styles are more likely to foster innovation, employee engagement, and effective resource utilization, all of which are critical for driving organizational management and economic growth.

2.1. Theoretical Review

The study of leadership styles has evolved significantly over the decades, with various theories explaining how different leadership approaches affect organizational dynamics and economic outcomes. Leadership theories can broadly be divided into traditional and contemporary models, each offering insights into how leadership influences organizational management and, ultimately, economic growth.

For instance, the Ibo apprenticeship system which is deeply rooted in the cultural and social fabric of the Ibo people of eastern Nigeria, has long been recognized as a unique and influential approach to skill development, entrepreneurship, and organizational management ([7]). It stands as a powerful example of indigenous knowledge systems driving human capital development and economic growth. This system, far from being a mere vocational training program, represents a complex social institution that shapes leadership styles, influences organizational management practices, and ultimately contributes to the economic vitality of Ibo communities and beyond.

The Ibo apprenticeship system is characterized by a structured, hands-on learning approach where individuals, often youth, are placed under the mentorship of experienced practitioners or “masters” within a particular trade or profession. This method of knowledge transfer not only fosters the development of technical skills but also instills valuable soft skills, such as discipline, problem-solving, and the ability to work collaboratively.

Several scholars have highlighted the significance of apprenticeship as a powerful mechanism for human capital development and economic growth and explored the role of apprenticeship systems in leadership development and organizational management. For instance, the concept of “leader apprenticeship” has been examined in the context of the Arab world, highlighting the importance of socially constructed realities in shaping leadership development processes. Additionally, the literature on leadership in Africa has emphasized the need to move beyond the narrative of deficiency and focus on practical approaches to capacity building in African organizations [8].

Trait Theory was among the earliest leadership theories, focusing on the inherent characteristics or traits that make individuals effective leaders. According to this theory, successful leaders possess certain qualities, such as charisma, intelligence, and decisiveness, which enable them to drive organizational performance [9] (Stogdill, 1974). However, trait theory has been criticized for its limited scope, as it does not account for the influence of situational or environmental factors on leadership effectiveness. In the context of economic growth, while certain traits may contribute to leadership success, broader organizational and economic conditions also play significant roles.

Behavioral Theories, such as the Ohio State and Michigan studies, shifted focus from inherent traits to the behaviors’ leaders exhibit. These theories propose that effective leadership can be learned through the adoption of specific behaviors, such as task-oriented or people-oriented approaches [10].

Task-oriented leaders focus on achieving organizational goals, while people-oriented leaders emphasize employee satisfaction and well-being. In relation to economic growth, the behavioral approach suggests that leaders who balance task efficiency with employee motivation can create high-performing organizations that contribute positively to the economy.

Contingency Theories highlight that there is no one-size-fits-all leadership

style; instead, effective leadership depends on the situation. Fiedler's Contingency Model, for example, suggests that the effectiveness of a leadership style is contingent on the leader's control over a situation and the work environment [11] (Fiedler, 1967). This theory is particularly relevant to economic growth, as it emphasises the need for leaders to adapt their style to changing organizational and economic circumstances. Leaders in dynamic environments, such as those in fast-growing economies or rapidly changing industries, may need to switch between autocratic, transformational, or transactional styles based on specific challenges.

Transformational Leadership Theory, developed by [12] (Bass, 1985), focuses on leaders who inspire and motivate followers by creating a shared vision, fostering innovation, and promoting employee engagement. Transformational leaders not only enhance organizational performance but also drive long-term economic growth by encouraging creativity, adaptability, and strategic thinking. This theory has become particularly influential in recent studies on leadership and economic development, as transformational leaders are seen as key drivers of organizational sustainability and economic progress.

Transactional Leadership Theory emphasises a system of rewards and punishments to maintain operational stability and meet organizational goals. Although transactional leadership is less focused on innovation compared to transformational leadership, it plays a vital role in ensuring efficient resource management and maintaining economic stability, especially in environments that require adherence to strict regulations and processes.

Servant Leadership Theory, popularized by [13] (Greenleaf, 1970), argues that leaders should prioritize serving their followers and stakeholders, promoting a sense of community and collaboration. Servant leadership has been linked to improved organizational loyalty and long-term sustainability. Although it may not directly lead to rapid economic growth, servant leadership's focus on ethical practices and stakeholder well-being can support sustainable development by fostering trust and long-term organizational health.

Leadership theories provide a comprehensive framework for understanding how different styles influence organizational management and economic growth. While traditional theories like trait and behavioral models offer insights into individual leadership qualities, contemporary approaches such as transformational, transactional, and servant leadership focus on adapting to organizational needs and promoting sustainable economic development [14].

2.2. Leadership and Public-Sector Performance

In moments of increasing pressures and need for disclosure requirements with regards to public sector institutions, understanding the role of leadership in improving the performance of public sector institutions is considered a tool for achieving development and inspiring confidence in public sector or government.

Scholars like [15] (Profiroiu & Profiroiu, 2001), have noted the challenges with establishing public sector performance because of the complex role being performed

by the public sector. It is however noted that an alternative could be to define performance in the light of the interplay between objectives, means and results (hence performance would be the outcome of combining efficiency, effectiveness, and proper budgeting). [16] (Handler *et al*, 2004) also proposes an alternative to measuring or tracking performance in the public sector through indexes that measure or relay expectations such as business confidence, standard of living and gross domestic production indexes about the public sector measuring and describing activities of public sector institutions.

Where generally accepted criteria for public sector performance is difficult to come by in the public sector could be made more comprehensive through a review of the interplay between inputs, process, outputs and outcomes using strategic intents like; *are we doing the things right?* and *are we doing the right things?* As encapsulated in **Figure 1** below by [17] [18] (Mihaiu, 2014) and (Mckinsey, 2010).

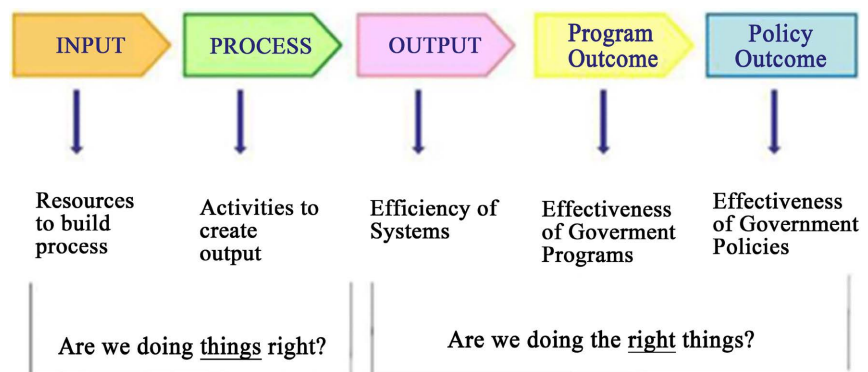


Figure 1. Public sector performance measurement (Mihaiu, 2014) [17].

Borne *et al.* (2006) [19] have also made mention of the challenges in developing public sector performance indicators due to issues like handling the *concept of performance, methods of obtaining performance data* and evaluation of such public-sector *performance data*.

These challenges are driven by the complexity and multidimensional nature of public-sector performance due to other details like financial records, quality of service, fulfilment of social and environmental requirements amongst others. This is because all goals are not measurable and as a result the need or use of bench marking analysis to address these details. According to [20] (Newcomer, 2007) there are challenges that may constitute obstacles towards the implementation of a public-sector performance management system. These challenges may include communication difficulties, lack of prerequisite analytical skills of leaders and stakeholders involved in the evaluation process, lack of skills or lack of sophistication with evaluation methods and the impact of political factors.

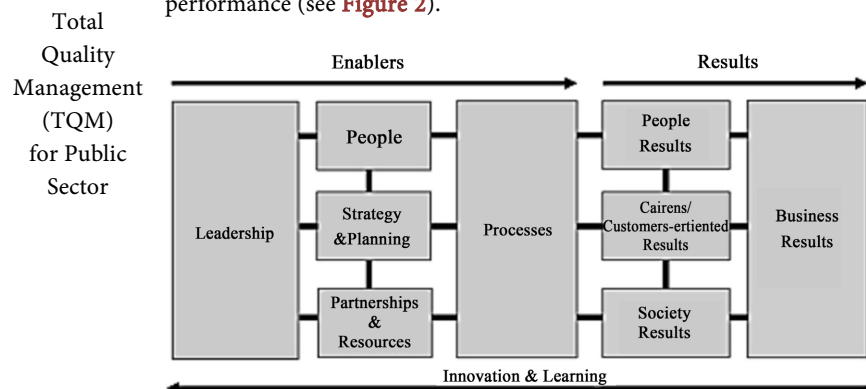
[21] [22] Stefanescu *et al* (2010) and Hans, (2002) also identified certain causes of difficulties in defining and measuring public sector performance such as the

diversity with which performance is perceived, nature of the offered public service, complexity of the socio-economic environment, nature of service users, and the influence of political structures amongst other issues. Scholars like Hans (2010) [22]-[26], (Comaniciu *et al.*, 2012), (Rohm, 2002), (Rowghani, 2017) amongst other scholars have proposed public sector performance models that measure public sector performance by capturing issues that are of economic and social importance.

These models as captured and described in **Table 1** below consist of total quality management, balanced score card, bench marking and public service value models all of which have been modified to address the issues around public-sector performance.

Table 1. Public sector performance measuring and evaluating models.

The total quality concept was adopted for use in the public sector in the 1980's with the aim of attaining objectives such as improving public services and increasing performance through efficiency and effectiveness according to [24] (Comaniciu *et al.*, 2012). The Common Assessment Framework (CAF), is an example of the application of total quality management in line with the premise when leadership drives and aligns strategy, planning, processes, people or citizens and customers in addition to resources it would result in outstanding organizational performance (see **Figure 2**).



CAF Diagram Courtesy: Comaniciu *et al.* (2012)

Figure 2. The common assessment framework model.

Balanced Scorecard for Public Sector

According to [25] (Rohm, 2014), the balance scorecard is a planning and management system developed by Robert Kaplan and David Norton in the 1990s with the intent of evaluating the performance of organizations within the public sector public space using four perspectives as key performance measures or indicators:

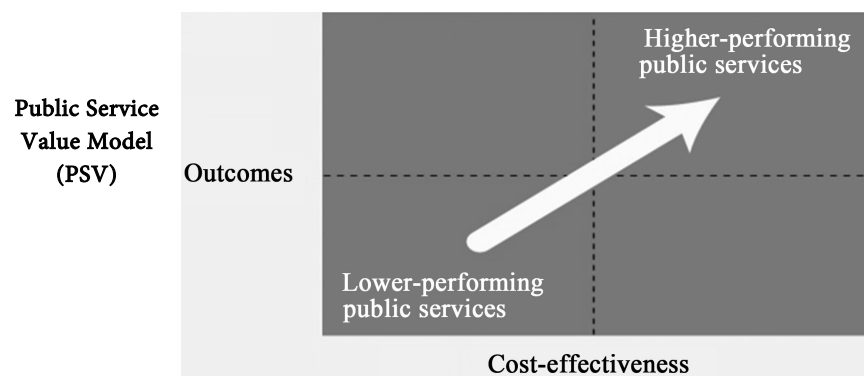
- ⇒ Customers and stakeholders' perspective
- ⇒ Financial perspective
- ⇒ Internal business processes perspective
- ⇒ Employees and organizational perspective.

Continued

Benchmarking is a project and quality control tool that facilitates measurement of public sector performance by referencing a standard or comparing best practices.

Benchmarking As an underlying framework for the compilation of indexes such as ease of doing business and economic measures, benchmarking aids the identification of shortcomings or deficiencies and measures that are required to address such (Benchmarking is pervasively used to address the multi-dimensional nature of evaluating public sector performance.

The public service value model analyses the process of value creation in public organizations in relation to indicators i.e. outcomes and cost-effectiveness indicators as noted by [26] (Rowghani, 2017). The intent of the model is to gauge and drive performance from lower to higher performance in tandem with cost and outcome (see **Figure 3**).



Source: Rowghani and Accenture

Figure 3. Showing the aspects of public service value model.

2.3. Literature Gap

It is noted that there are challenges in linking the relationship between organizational performance and leadership. These noted gaps center around the focus being placed more on performance at an individual level and less on the impact of leadership on performance at the organizational level particularly the public sector despite the myriad of research into the leadership and performance dynamic.

One of the noted gaps and issues is the lack of an integrated relationship between the concepts of leadership and performance as noted by [27] (Colm & Shephard, 2017), (Avery & Jing, 2008) [28] and other scholars centered more on psychological variables while overlooking determinants like context and levels of leadership. It therefore presents a point of departure to provide further clarification on the impact of variables like leadership styles and types and how it impacts organizational performance from a public-sector perspective through this research.

The basis for this study also is the fact that previous research into the impact of leadership on performance have dwelled more on individual level outcomes such as job satisfaction and performance as noted in the works of [29]-[34] (Obiwuru *et al.*, 2011), (Ojokuku, 2012) and (Lim & Ployhart, 2004). As noted by the challenges in emerging market countries like Nigeria significant attention has not

been paid to the influence of a leader on group or organizational processes and outcomes.

Scholars like (Yukl, 2002) [5] have pointed to the fact that theories on the visionary leadership model have dwelled too narrowly on small groups and call for greater attention to team-based studies (the angles by Yukl, Lim and Ployhart present additional basis for looking at the leadership and performance dynamic from the public sector perspective as gaps and areas for research). Other problems in our review relate to nature and means of determining performance measurement. The noted mode of performance measurement used by researchers have tended to separate financial from non-financial measures as most scholars rarely combine or even include other measures that have social impact or socio-political relevance as noted by (De Smet *et al*, 2007) [32].

Also, there has been a neglect of the dynamics that exist in terms of service user or consumer satisfaction and leadership as a yardstick for public sector performance measurement. Previous studies as stated in [27] (Colm and Sheppard, 2017) have been somewhat skewed in favor of employee satisfaction in relation to leadership as a means of measuring organizational performance.

In line with scholars like [33] (Tideman, 2016) this research aims to consider indexes like the annual growth rate of the country's gross domestic product as a measure of business competitiveness as published by the National Bureau of Statistics. This measure is indicated in **Figure 4** below as a benchmark of measuring public sector performance in relation to the prevalent leadership style in the case of Nigeria.



Figure 4. GDP annual growth for Nigeria 2011 - 2024.

While there has been significant research on leadership styles and their influence on organizational performance, a gap remains in understanding how these leadership styles directly affect broader economic outcomes, particularly in developing economies like Nigeria. Much of the existing literature focuses on leadership's impact at the organizational level, examining factors such as employee

satisfaction, team dynamics, and operational efficiency. However, the connection between leadership and economic growth, especially through the lens of public sector management, is less explored.

Most studies on **leadership styles** emphasize their effects on internal organizational outcomes such as job performance, employee motivation, and resource management without fully considering their implications for **national economic growth**. Leadership styles like autocratic and laissez-faire are often examined in the context of internal control and efficiency, but their role in stifling or enabling broader economic development is not extensively discussed. In contrast, the potential of **transformational and servant leadership** to drive sustainable economic growth, by fostering innovation and long-term strategic planning, remains under-explored in much of the research (Leite & Rua, 2022) [34].

Additionally, many studies concentrate on leadership in the **private sector**, where organizational goals are often profit-driven, and there is a stronger alignment between leadership effectiveness and economic outcomes. However, fewer studies focus on the **public sector**, where leadership styles can have a profound impact on public service delivery, resource management, and overall national economic performance. Given the public sector's critical role in shaping infrastructure, governance, and regulatory frameworks, a deeper investigation into how leadership influences economic development is crucial.

Moreover, there is a lack of comprehensive research addressing how leadership styles can either enable or hinder organizational adaptability in rapidly changing economic environments. The global economy is becoming increasingly volatile, and leadership that fosters innovation, flexibility, and strategic foresight is more necessary than ever. However, current studies do not sufficiently address how leadership styles can be tailored to cope with economic fluctuations and drive sustainable growth.

In summary, the literature reveals a gap in the understanding of the link between leadership styles and economic growth, particularly in public sector organizations. While there is ample research on leadership's impact on organizational management, its broader influence on national economic development, especially in emerging economies, requires further exploration.

3. Methodology

This study employs a **quantitative research design** to assess the impact of leadership styles on organizational management and economic growth. The research focuses on Analyzing how different leadership styles autocratic, laissez-faire, servant, transformational, and transactional affect resource management, employee engagement, and overall organizational performance in public sector institutions. The study uses a structured questionnaire to gather data on leadership styles and their impact on key performance indicators (KPIs) such as budget utilisation, service delivery, and economic growth indicators (Blumberg, *et al.*, 2011) [35].

3.1. Research Design

A **cross-sectional survey** method was employed to collect data from employees across various public sector organizations in Nigeria. This approach was chosen to capture a snapshot of the current leadership styles and their immediate effects on organizational management and economic outcomes. The use of a quantitative survey allowed for statistical analysis of the relationships between leadership styles and economic performance metrics.

3.2. Questionnaire Development

The questionnaire was designed based on established leadership and management frameworks, ensuring alignment with key variables related to leadership styles and organizational performance. The survey consisted of three sections:

Demographic Information: This section gathered data on the respondents' age, gender, years of experience, and job level.

Leadership Styles: Using a 5-point Likert scale, respondents were asked to rate the prevalence and effectiveness of various leadership styles (autocratic, laissez-faire, servant, transformational, and transactional) within their organizations.

organizational Performance and Economic Impact: Questions focused on the organisation's resource management efficiency, service delivery outcomes, and the institution's perceived contribution to economic growth.

3.3. Sampling

The study used **simple random sampling** to select respondents from a broad range of public sector institutions. This method ensured that every employee had an equal chance of participating, reducing the likelihood of sampling bias. The sample consisted of **employees at various levels** (junior, middle, and senior) to ensure a comprehensive perspective on leadership practices across the hierarchy. A total of **100 questionnaires** were distributed, and **84 valid responses** were collected for analysis.

3.4. Data Analysis

Data collected through the questionnaires were analysed using **statistical software** such as SPSS. Descriptive statistics were used to summarize the demographic data and responses on leadership styles, while correlation and regression analyses were conducted to examine the relationships between leadership styles and organizational performance. Additionally, inferential statistics helped determine the significance of leadership styles in influencing key economic indicators. This methodology allowed for an objective and systematic analysis of how leadership styles impact both organizational management and broader economic outcomes in Nigeria's public sector.

3.5. Data Collection & Sample Size Determination

The data collection process for this study involved the use of a structured

questionnaire distributed to employees in various public sector institutions across Nigeria. The goal was to gather comprehensive data on leadership styles, organizational management practices, and their impact on economic growth.

3.6. Data Collection Method

A **self-administered questionnaire** was used to collect data from public sector employees. The questionnaire was distributed both manually and electronically (via email and online survey platforms), allowing for broad reach and improving response rates. This mixed approach ensured that participants across different levels of the organizational hierarchy had access to the survey, regardless of their location or work schedules.

The questionnaire was structured into three main sections:

Demographic Information: Including questions about the respondent's age, gender, job role, and years of experience.

Leadership Styles: This section used a 5-point Likert scale to assess respondents' perceptions of the leadership styles prevalent in their organisation, such as autocratic, laissez-faire, servant, transformational, and transactional leadership.

Organizational Performance & Economic Growth Indicators: This section focused on evaluating the effectiveness of leadership styles in improving organizational performance (e.g., budget management, service delivery) and their contribution to broader economic indicators like institutional efficiency and productivity.

3.7. Sample Size Determination

A sample of **100 employees** was targeted for this study, selected from various ministries, departments, and agencies in the public sector. To ensure a representative sample, **simple random sampling** was used, allowing each employee an equal chance of being selected. This method helped avoid sampling bias and ensured a diverse range of responses, capturing insights from employees at different organizational levels. Out of the 100 distributed questionnaires, **84 valid responses** were returned and used for analysis. This response rate was considered adequate for the purposes of the study, as it provided a reliable dataset for examining the relationship between leadership styles and organizational performance.

3.8. Data Management and Integrity

To ensure the integrity of the data, responses were carefully reviewed for completeness and accuracy. Incomplete questionnaires were excluded from the final analysis, and efforts were made to maintain the confidentiality of all participants. Additionally, the data were entered into **SPSS** for processing and statistical analysis, allowing for precise interpretation of the results.

3.9. Study Validity & Reliability

Ensuring the **validity** and **reliability** of this study was essential to maintaining the

accuracy and credibility of the findings. Validity refers to the degree to which the research instruments accurately measure the intended variables, while reliability pertains to the consistency of the results across different administrations of the same instrument.

Validity:

To enhance the validity of the questionnaire, the survey items were developed based on established leadership and organizational performance frameworks. The questions were structured to reflect the core aspects of each leadership style: autocratic, laissez-faire, servant, transformational, and transactional alongside key performance indicators related to resource management and economic growth. The **content validity** of the questionnaire was ensured by aligning the survey items with theoretical constructs from the literature, ensuring that the questions were relevant and addressed the research objectives. A **pilot test** was conducted with a small group of public sector employees to check for clarity, coherence, and any potential ambiguity in the questions. Feedback from the pilot test was used to refine the questionnaire, ensuring that the final version accurately captured the data needed to examine the impact of leadership styles on organizational management and economic growth.

Reliability:

To assess the reliability of the questionnaire, **Cronbach's alpha** was used as a statistical measure to test the internal consistency of the survey items. A **Cronbach's alpha value above 0.70** was considered acceptable, indicating that the items consistently measured the same constructs. This measure ensured that the responses regarding leadership styles and organizational performance were reliable across the sample.

Additionally, the survey was designed with **standardized questions** using a 5-point Likert scale, allowing for consistency in responses across participants. The use of closed-ended questions facilitated easier quantification of the data and improved the reproducibility of the results. To further enhance reliability, the data collection process followed consistent procedures across all respondents, whether the questionnaires were administered manually or electronically. This helped to eliminate biases that could arise from variations in survey administration methods. Measures were taken to ensure that the data collected were both accurate and complete. Incomplete or ambiguous responses were excluded from the analysis, and the integrity of the dataset was maintained through double-entry checks when inputting responses into statistical software. The careful review of all returned questionnaires minimized errors, ensuring the reliability of the overall findings (Blumberg, *et al.*, 2011) [35].

4. Data Presentation, Analysis & Interpretation

The analysis of the data collected from public sector employees was conducted using **SPSS**, a statistical software program designed for managing and analyzing quantitative data. The goal of the analysis was to assess the relationship between

different leadership styles: autocratic, laissez-faire, servant, transformational, and transactional and organizational management outcomes, as well as their influence on economic growth as highlighted in **Table 2** below.

4.1. Descriptive Statistics

Descriptive statistics, such as means, standard deviations, and frequency distributions, were calculated to provide an overview of the demographic characteristics of the respondents and their perceptions of leadership styles within their organizations. The sample of **84 respondents** was composed of a diverse range of public sector employees from junior, middle, and senior levels. The analysis revealed that **autocratic leadership** was the most experienced leadership style, with a mean score of **4.41** on the Likert scale, followed by **laissez-faire leadership** at **4.21**. In contrast, **servant leadership** had the lowest mean score of **2.89**, indicating that it was less prevalent in the public sector institutions surveyed (**Figure 5**).

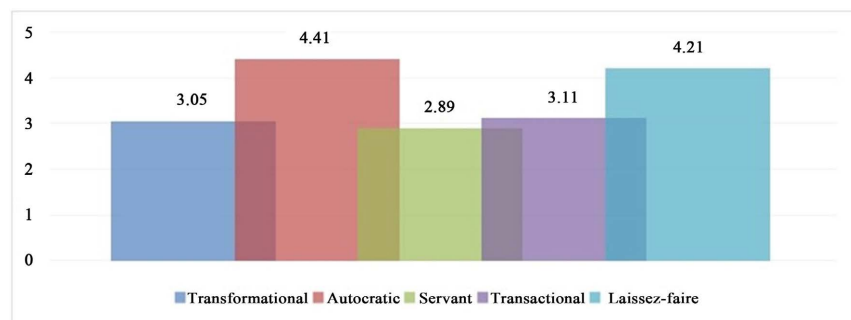


Figure 5. Chart of responses on leadership style frequency.

Table 2. Table of leadership frequency, GDP growth rate and budget to GDP rates.

Leadership style	Standard deviation score	GDP growth rate 2019 - 2023	Budget to GDP rate 2019 - 2023
Transformational	0.964	11.8%	-3.3%
Autocratic	0.834	-103%	-5.6
Servant	1.001	-1.2%	-6.0
Transactional	0.980	56.4%	-5.0
Laissez-faire	0.867	36.2%	-6.1

4.2. Inferential Statistics

To understand the relationship between leadership styles and organizational management performance, **correlation analysis** was conducted. The analysis revealed significant negative correlations between autocratic and laissez-faire leadership styles and key organizational performance indicators, such as budget management and service delivery.

Autocratic leadership was associated with poor resource management and low levels of employee engagement, as respondents reported feeling less motivated to innovate or contribute to organizational improvement. The laissez-faire style similarly showed weak leadership influence, leading to inefficiencies in both decision-

making and operational execution.

Conversely, **transformational leadership** was positively correlated with improved organizational performance, particularly in terms of resource optimization and innovation. Employees who reported experiencing transformational leadership in their institutions noticed higher levels of satisfaction with their roles, more opportunities for collaboration, and greater support for problem-solving initiatives.

Transactional leadership also demonstrated a positive relationship with organizational stability and performance, particularly in settings where adherence to processes and reward-based systems were key to maintaining efficiency.

4.3. Regression Analysis

A **regression analysis** was performed to further investigate the extent to which leadership styles could predict organizational performance and economic growth outcomes. The results showed that **transformational leadership** had the strongest predictive value for positive organizational management outcomes, accounting for a significant percentage of the variance in economic growth indicators such as service efficiency and productivity. **Servant leadership**, while less common in this study, also showed potential for fostering long-term organizational health, which could indirectly contribute to economic development through enhanced employee satisfaction and loyalty.

The following outcomes were derived using the using Pearson's correlation coefficient:

- Standard Deviation vs. GDP Growth Rate: $r = 0.817$ (strong positive correlation)
- Standard Deviation vs. Budget to GDP Rate: $r = -0.941$ (strong negative correlation)
- GDP Growth Rate vs. Budget to GDP Rate: $r = -0.711$ (moderate negative correlation)

The following outcomes were derived using the using Regression Analysis based on the following Linear Regression Model:

- Dependent Variable: GDP Growth Rate
 - Independent Variable: Standard Deviation
- $$\text{GDP Growth Rate} = 53.14 * \text{Standard Deviation} - 10.29$$
- $$\text{R-squared (R}^2\text{)} = 0.667 \text{ (66.7\% of variance explained)}$$

4.4. Hypothesis Testing

Null Hypothesis (Ho): There is no significant correlation between leadership style and economic growth.

Alternative Hypothesis (H1): There is a significant correlation between leadership style and economic growth.

The following considerations were deduced Based on the correlation coefficients and regression analysis:

- Reject the null hypothesis (Ho) in favour of the alternative hypothesis (H1).
- There is a statistically significant correlation between leadership style (Standard Deviation) and economic growth (GDP Growth Rate).

The analysis further suggests the following:

- A strong positive correlation between transformational and transactional leadership styles and economic growth.
- A strong negative correlation between autocratic leadership style and economic growth.
- Servant and laissez-faire leadership styles show moderate correlations.

These findings support the alternative hypothesis (H1), indicating a significant relationship between leadership style and economic development.

4.5. Key Findings

Autocratic and laissez-faire leadership styles are linked to poor organizational performance and hinder economic growth due to inefficient resource management and low employee engagement. **Transformational and transactional leadership styles** promote better organizational management, with transformational leadership particularly driving innovation and long-term growth. **Servant leadership**, while underutilized, has the potential to foster sustainable organizational development, contributing to economic growth through improved employee well-being. [7] (Osiri, 2020) also notes that servant leadership is also the commonly utilized leadership system of the Ibo apprenticeship ecosystem.

Prevalence of Autocratic and Laissez-Faire Leadership: The study found that both autocratic and laissez-faire leadership styles are predominant in Nigeria's public sector. These styles were associated with negative organizational outcomes, including poor resource management, low employee engagement, and ineffective service delivery. Respondents indicated that autocratic leaders stifled innovation and problem-solving, leading to inefficiencies and frustration among employees.

Positive Effects of Transformational Leadership: Transformational leadership emerged as a critical factor for enhancing organizational management and driving economic growth. Leaders who adopted this style were found to inspire and motivate employees, resulting in higher levels of innovation, collaboration, and overall job satisfaction. This leadership approach is essential for navigating the complexities of public sector challenges and fostering a culture of continuous improvement.

Transactional Leadership as a Stabilizing Force: While transactional leadership was less associated with innovation, it played a crucial role in maintaining organizational stability and ensuring that processes are followed. This leadership style was effective in environments requiring structure and efficiency, contributing to better resource management.

Potential of Servant Leadership: Although servant leadership was the least prevalent among the styles examined, it showed promise for enhancing employee loyalty and organizational health. Leaders who prioritize the well-being of their employees foster an environment of trust and commitment, which can lead to

improved service delivery and long-term economic benefits.

5. Recommendations & Conclusion

Promote Transformational Leadership: Public sector organizations should actively promote transformational leadership practices through targeted training and development programs. These programs should focus on developing leaders' skills in motivation, communication, and strategic vision to drive organizational performance and economic growth.

Reduce Autocratic Practices: There should be a conscious effort to move away from autocratic leadership approaches. Public sector leaders must engage employees in decision-making processes to enhance participation and encourage innovative thinking.

Implement Leadership Training for All Levels: Leadership development programs should be instituted for employees at all levels, focusing on various leadership styles, particularly transformational and servant leadership. This initiative will prepare future leaders to effectively navigate challenges and enhance organizational performance.

Encourage a Culture of Collaboration: Organisations should foster a culture that emphasizes teamwork and open communication. This can be achieved by creating platforms for collaboration, feedback, and shared decision-making, which are critical for employee engagement and satisfaction.

Benchmarking and Best Practices: Public sector organizations should benchmark their practices against successful models in both the private sector and other countries. By adopting the best practices in leadership and management, they can improve service delivery and resource efficiency.

5.1. Modernization and Adaptation

Integrate Modern Management Practices: Incorporate elements of strategic planning, financial management, marketing, and digital literacy into the apprenticeship curriculum. This will equip apprentices with the skills needed to thrive in a rapidly evolving business environment.

Leverage Technology: Explore the use of technology platforms for knowledge sharing, mentorship support, and access to wider markets. Online learning platforms and business management tools can complement traditional apprenticeship methods.

5.2. Formalization and Standardization

Develop Standardized Curricula: Establish clear learning outcomes and assessment methods for different trades to ensure consistency and quality across the system.

Formalize Recognition and Certification: Create a system for recognizing and certifying the skills acquired through the apprenticeship, enhancing the credibility and employability of graduates.

5.3. Policy Support and Partnerships

Government Support and Incentives: Encourage government policies that provide financial and logistical support for apprenticeship programs, including tax breaks for businesses that participate.

Public-Private Partnerships: Foster collaborations between Ibo business associations, educational institutions, and NGOs to strengthen the apprenticeship system and ensure its sustainability.

5.4. Addressing Potential Challenges

Ensure Inclusivity: Address potential barriers to entry for women, individuals from marginalized communities, and people with disabilities to create a more equitable and representative system.

Promote Ethical Practices: Establish clear guidelines and mechanisms to prevent exploitation and ensure fair treatment of apprentices within the system.

5.5. Research and Documentation

Conduct Further Research: Invest in research to study the long-term impacts of the Ibo apprenticeship system of eastern Nigeria on economic growth, social mobility, and leadership development.

Document and Disseminate Best Practices: Capture and share successful models and strategies from within the Ibo apprenticeship system to inspire other communities and policymakers.

In conclusion, effective leadership is crucial for enhancing organizational management and driving economic growth and shifting towards more inclusive and transformational leadership styles. Public institutions can optimize their operations, improve service delivery, and contribute positively to the nation's economic development.

The analysis highlights the need for public sector institutions to shift away from autocratic and laissez-faire leadership styles and embrace transformational and transactional approaches. These leadership styles not only improve organizational performance but also have a positive impact on economic growth by promoting resource optimization, innovation, and employee engagement.

This study explored the **impact of leadership styles on organizational management and economic growth** within the context of Nigeria's public sector. Through an analysis of data collected from 84 employees across various public sector institutions, the findings indicated that leadership styles significantly influence organizational performance and economic outcomes.

Conflicts of Interest

The authors declare no conflicts of interest.

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