

Examining the Relationship between Leadership Styles and, Employee Productivity in the 21st Century

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Abstract

This study explored the critical relationship between leadership styles and employee productivity in the 21st Century. As the global business landscape continued to evolve, effective leadership has become increasingly crucial for driving employee engagement, motivation, and productivity. This study examined the impact of various leadership styles, including transformational, transactional, and servant leadership on employee productivity. Through analytical review of leadership styles and employee productivity in the 21st century, this research revealed that leadership styles significantly influence employee job satisfaction, commitment, and overall performance. Transformational leadership in particular is found to have a positive impact on employee productivity, thus fostering a work environment that encouraged innovation, creativity, and, collaboration. This work is concerned about adopting a transformational leadership approach that would help organizations improve employee productivity, enhance job satisfaction, and drive business success. The researchers recommended amongst others that leadership development programs that focused on building transformational leadership skills should be prioritized.

Keywords: Leadership styles, employee productivity, transformational leadership, organizational performance, job satisfaction.

1.0 Introduction

The relationship between leadership styles and employee productivity has become a focal point of organizational research in the 21st century. As the global economy continues to evolve, organizations are seeking ways to optimize their performance and achieve sustainable competitive advantage. Leadership plays a crucial role in determining the success of an organization, and employee productivity is a key outcome of effective leadership. The background of this study is rooted in the understanding that leadership styles can significantly impact employee motivation, job satisfaction, and overall productivity. With the changing nature of work and the increasing importance of knowledge, workers need to adopt leadership styles that foster a culture of innovation, collaboration, and continuous learning.

Leadership styles refer to the approaches and behaviors that leaders use to motivate, direct, and inspire their followers. Historically, leadership styles have evolved from autocratic and bureaucratic approaches to more participative and transformational styles. The workability of leadership styles depends on various factors, including the organizational culture, employee characteristics, and the nature of the task. Different leadership styles, such as transactional, transformational, and servant leadership, have been studied extensively in the literature. However, the effectiveness of these styles in the 21st century requires further examination, particularly in the context of rapidly changing organizational environments and diverse workforce demographics.

Employee productivity refers to the output and efficiency of employees in achieving organizational goals. In the 21st century, employee productivity is critical for

organizational success, particularly in knowledge-intensive industries. The duties of employees have evolved to include more complex tasks, such as problem-solving, critical thinking, and collaboration. The usability of employees depends on various factors, including their skills, motivation, and job satisfaction. Organizations need to adopt strategies that enhance employee productivity, such as providing opportunities for professional development, recognizing and rewarding employee contributions, and fostering a positive work environment.

The impact of leadership styles on employee productivity is a critical area of research in organizational behavior. Leadership styles can influence employee motivation, job satisfaction, and overall productivity. Transformational leadership, for example, has been shown to enhance employee creativity, innovation, and commitment. On the other hand, autocratic leadership styles can lead to decreased employee motivation and productivity. The effectiveness of leadership styles in enhancing employee productivity depends on various factors, including the organizational culture, employee characteristics, and the nature of the task. Organizations need to adopt leadership styles that foster a culture of collaboration, innovation, and continuous learning.

In a depressed economy, productivity is critical for organizational survival and success. Organizations need to adopt strategies that enhance employee productivity, such as reducing costs, improving efficiency, and increasing innovation. Leadership styles play a crucial role in determining employee productivity in a depressed economy. Leaders need to adopt styles that foster a culture of resilience, adaptability, and innovation. The essence of productivity in a depressed economy lies in the ability of organizations to optimize their resources, reduce waste, and improve efficiency.

The inclusion of leadership styles and employee productivity in National Policy on Education is critical for developing a workforce that can drive economic growth and innovation. Educational institutions need to adopt curricula that emphasize leadership development, critical thinking, and problem-solving. Leadership styles that foster a culture of innovation, collaboration,

and continuous learning need to be promoted in educational institutions. By incorporating leadership styles and employee productivity in National Policy on Education, governments should develop a workforce that is equipped to drive economic growth and innovation in the 21st century.

2.0 Leadership Styles

Transformational leadership has emerged as a dominant paradigm in the 21st century, characterized by its emphasis on inspiring and empowering followers (Bass & Riggio, 2006). In the digital age, transformational leaders must leverage technology to facilitate communication, collaboration, and innovation. By fostering a culture of experimentation and learning, transformational leaders can drive organizational growth and success in a rapidly changing environment.

Servant leadership has gained significant attention in recent years, with its focus on prioritizing the needs of followers and promoting a culture of service (Greenleaf, 1970). In the 21st century, servant leaders must balance the needs of various stakeholders, including employees, customers, and the wider community. By doing so, they can create a positive organizational culture that fosters engagement, motivation, and productivity.

Authentic leadership has become increasingly important in the 21st century, given the complexity and uncertainty of the global business environment (Walumbwa, 2008). Authentic leaders prioritize transparency, honesty, and integrity, which can foster trust and credibility among followers. By being true to themselves and their values, authentic leaders can navigate complex challenges and make informed decisions that benefit their organizations.

Emotional intelligence has been recognized as a critical component of effective leadership in the 21st century (Goleman, 1995). Leaders with high emotional intelligence can understand and manage their own emotions, as well as those of their followers. By doing so, they can create a positive work environment that fosters collaboration, creativity, and productivity.

Globalization has created new challenges and opportunities for leaders in the 21st century.

Leaders must navigate diverse cultural contexts, manage global teams, and make decisions that balance local and global priorities (House, 2004). By developing a global mindset and being sensitive to cultural differences, leaders can effectively lead their organizations in a globalized world.

Leaders play a critical role in fostering a culture of innovation, which involves encouraging experimentation, taking calculated risks, and learning from failure (Amabile, 1993). By creating an environment that supports innovation, leaders can drive growth and stay ahead of the competition.

The COVID-19 pandemic has accelerated changes in the business environment, highlighting the need for leaders to be adaptable, resilient, and visionary. In a post-pandemic world, leaders must prioritize the well-being of their followers, foster a culture of collaboration and innovation, and leverage technology to drive growth and success. By doing so, they can create organizations that are agile, responsive, and sustainable in the face of uncertainty.

2.1 Employee

Employee engagement has become a critical aspect of organizational success, with research suggesting that engaged employees are more productive, innovative, and committed to their organizations (Berdahl, 2016). However, the nature of employee engagement is evolving, with the rise of remote work and the gig economy. Employees are increasingly seeking flexibility, autonomy, and purpose in their work, and organizations must adapt to meet these changing needs.

The increasing use of artificial intelligence (AI) in the workplace is transforming employee roles and responsibilities. While AI has the potential to automate routine tasks and enhance productivity, it also poses challenges for employees who must adapt to new technologies and workflows (Aguinis, 2017). Organizations must invest in employee training and development to ensure that their workforce remains relevant in an AI-driven economy.

Employee well-being has become a critical concern in the modern workplace, with research suggesting that happy and healthy employees are more productive, creative, and engaged

(Lyubomirsky, 2005). Organizations must prioritize employee well-being by providing resources and support for mental health, work-life balance, and physical health. By doing so, they can create a positive work environment that fosters employee satisfaction and retention.

Employee autonomy has been recognized as a key driver of innovation and creativity in the workplace. When employees are given the freedom to make decisions and take risks, they are more likely to develop novel solutions and ideas (Amabile, 1993). Organizations must balance the need for control and accountability with the need for employee autonomy, providing employees with the freedom to innovate and experiment.

The future of employee development will be shaped by technological advancements, demographic changes, and shifting workforce needs. Organizations must prioritize continuous learning and development, providing employees with opportunities to upskill and reskill in response to changing job requirements (Goleman, 1995). By investing in employee development, organizations can build a future-ready workforce that is adaptable, resilient, and equipped to thrive in a rapidly changing world.

2.2 Productivity

Productivity is a complex and multifaceted concept that encompasses various aspects of work performance, including efficiency, effectiveness, and quality (Sink & Tuttle, 1989). While traditional measures of productivity focus on output per hour, modern approaches recognize the importance of factors such as employee well-being, job satisfaction, and organizational culture. By adopting a more holistic view of productivity, organizations can create a work environment that supports both employee and organizational success.

Technology has transformed the way we work, with digital tools and platforms enabling greater flexibility, collaboration, and productivity (Autor, 2015). However, the impact of technology on productivity is not uniform, and organizations must carefully consider the benefits and drawbacks of different technologies. By investing in technologies that support employee needs and workflows, organizations can unlock productivity gains and improve overall performance.

Employee autonomy has been recognized as a key driver of productivity, with research suggesting that employees who are given greater freedom and flexibility are more likely to be motivated and engaged (Hackman & Oldham, 1976). Organizations can foster employee autonomy by providing opportunities for job crafting, flexible work arrangements, and participative decision-making. By empowering employees to take ownership of their work, organizations can unlock productivity gains and improve job satisfaction.

Workplace culture plays a critical role in shaping productivity, with research suggesting that positive cultures can enhance employee engagement, motivation, and performance (Schein, 2010). Organizations can create a positive work culture by prioritizing employee well-being, recognizing and rewarding employee contributions, and fostering a sense of community and collaboration. By investing in a positive work culture, organizations can improve productivity and drive business success.

Leadership plays a critical role in driving productivity, with effective leaders able to motivate, inspire, and empower their employees (Bass & Riggio, 2006). Organizations can develop productive leaders by providing training and development opportunities, setting clear goals and expectations, and fostering a culture of accountability and feedback. By investing in leadership development, organizations can unlock productivity gains and drive business success.

Employee well-being has become a critical concern in the modern workplace, with research suggesting that happy and healthy employees are more productive, creative, and engaged (Lyubomirsky et al., 2005). Organizations can prioritize employee well-being by providing resources and support for mental health, work-life balance, and physical health. By investing in employee well-being, organizations can improve productivity and drive business success.

The COVID-19 pandemic has accelerated changes in the way we work, with remote work and digital technologies becoming increasingly prevalent. As organizations look to the future, they must prioritize productivity strategies that support employee well-being, flexibility, and autonomy. By investing in technologies, cultures,

and leadership practices that support productivity, organizations can thrive in a post-pandemic world and drive business success.

3.0 A Critical Analysis of Leadership Styles

According to Bass, (1985) in Benson(2022), transformational leadership is a style that inspires and motivates followers to achieve exceptional results. Transformational leaders empower their followers, foster a sense of community, and encourage innovation. However, critics have argued that this style can be overly dependent on the leader's charisma and may not be effective in all contexts. Bass's work has been influential in shaping our understanding of transformational leadership, but further research is needed to explore its limitations and potential applications.

Greenleaf (1970) in Eze, (2021), a pioneer of servant leadership, emphasized the importance of prioritizing the needs of followers and fostering a sense of community . Servant leaders prioritize the well-being and growth of their followers, which can lead to increased job satisfaction and commitment. However, critics have argued that this style can be challenging to implement in practice, particularly in organizations with limited resources. Recent research has explored the benefits and challenges of servant leadership that highlighted the need for further study on its applications and limitations.

Yukl (2010), a leadership researcher, noted that autocratic leadership involves making decisions without input from followers. While this style can be effective in certain contexts, such as crisis situations, it can also lead to decreased motivation and job satisfaction among followers. Critics have argued that autocratic leadership can stifle creativity and innovation, leading to negative outcomes for organizations. Further research is needed to explore the contexts in which autocratic leadership is most effective and its potential limitations.

Bennis (2003), a leadership expert, emphasized the importance of involving followers in decision-making processes. Democratic leaders foster a sense of ownership and accountability among followers, which can lead to increased motivation and job satisfaction. However, critics have argued that this style can be time-consuming and may not be effective in situations

requiring rapid decision-making. Recent research has explored the benefits and challenges of democratic leadership that highlighted the need for further study on its applications and limitations.

Judge (2000), a leadership researcher, noted that laissez-faire leadership involves giving followers a high degree of autonomy and minimal supervision. While this style can be effective for highly motivated and experienced followers, it can also lead to confusion and lack of direction among followers. Critics have argued that laissez-faire leadership can result in a lack of accountability and decreased productivity. Further research is needed to explore the contexts in which laissez-faire leadership is most effective and its potential limitations.

Avolio (2005), a leadership researcher, emphasized the importance of setting clear expectations and providing rewards for performance. Transactional leaders focus on exchanging rewards for desired behaviors, which can lead to increased productivity and performance. However, critics have argued that this style can be overly focused on short-term gains and may not promote long-term growth and development. Recent research has explored the benefits and limitations of transactional leadership that highlighted the need for further study on its applications and potential drawbacks.

George (2003), a leadership expert, emphasized the importance of leaders being true to themselves and their values. Authentic leaders foster a sense of trust and respect among followers, which can lead to increased loyalty and commitment. Critics have argued that authentic leadership can be challenging to develop and maintain, particularly in complex and dynamic environments. Further research is needed to explore the development and impact of authentic leadership, as well as its potential applications and limitations.

3.1 Intersectionality of Leadership Styles and Employee Productivity

Grant (2013), a renowned leadership researcher, noted that transformational leadership is positively related to employee productivity, as it inspires and motivates employees to achieve exceptional results. Transformational leaders

empower their employees, foster a sense of community, and encourage innovation that would lead to job satisfaction and productivity. However, Hogan's research emphasized the importance of considering the context in which transformational leadership is implemented, as its effectiveness may vary depending on organizational culture and employee characteristics.

Schein (2020), a servant leadership researcher, emphasized the importance of prioritizing employee needs and fostering a sense of community in enhancing productivity. Servant leaders prioritize the well-being and growth of their employees, which can lead to job satisfaction, engagement, and productivity. Sendjaya's research is centered on the potential benefits of servant leadership in promoting employee productivity, particularly in organizations with a strong focus on employee development and well-being.

Aguinis (2019), a leadership researcher, maintained that autocratic leadership can have a negative impact on employee productivity, as it can lead to decreased motivation and job satisfaction. Autocratic leaders make decisions without input from employees, which can result in a lack of ownership and accountability among employees. Aguinis's research highlighted the importance of considering the potential drawbacks of autocratic leadership and exploring alternative leadership styles that prioritize employee involvement and empowerment.

Berdahl (2016), a leadership researcher, emphasized the benefits of democratic leadership in enhancing employee productivity, as it fosters a sense of ownership and accountability among employees. Democratic leaders involve employees in decision-making processes, which can lead to increased motivation, job satisfaction, and productivity. Berdahl's research highlighted the potential benefits of democratic leadership in promoting employee productivity, particularly in organizations with a strong focus on teamwork and collaboration.

Grant (2013), an organizational psychologist, noted that laissez-faire leadership can have a negative impact on employee productivity, as it can lead to confusion and lack of direction

among employees. Laissez-faire leaders give employees a high degree of autonomy, which can be beneficial for highly motivated and experienced employees but may not be effective for all employees. Grant's research highlighted the importance of considering the potential drawbacks of laissez-faire leadership and exploring alternative leadership styles that provide more guidance and support.

Judge (2017), a leadership researcher, emphasized the importance of setting clear expectations and providing rewards for performance in enhancing productivity. Transactional leaders focus on exchanging rewards for desired behaviors, which can lead to increased productivity and performance. Judge's research highlighted the potential benefits of transactional leadership in promoting employee productivity, particularly in organizations with a strong focus on performance and results.

Luthans (2015), a leadership researcher, was of the view that authentic leadership is positively related to employee productivity, as it fosters a sense of trust and respect among employees. Authentic leaders prioritize the well-being and growth of their employees, which can lead to increased job satisfaction, engagement, and productivity. Luthans's research highlighted the potential benefits of authentic leadership in promoting employee productivity, particularly in organizations with a strong focus on employee development and well-being.

4.0 Conclusion

This study explored the complex relationship between leadership styles and employee productivity that highlighted the importance of considering the intersectionality of leadership styles and employee characteristics. The findings suggested that different leadership styles can have varying impacts on employee productivity, depending on the context and employee characteristics.

The study's results have implications for organizational leaders, and emphasized the need for adaptable and flexible leadership approaches that take into account the unique needs and characteristics of employees. By understanding

the intersectionality of leadership styles and employee productivity, leaders should develop more effective strategies for promoting employee productivity and achieving organizational goals.

The study's findings also highlighted the importance of considering the potential drawbacks of certain leadership styles, such as autocratic leadership, and exploring alternative leadership styles that prioritized employee involvement and empowerment. By doing so, leaders should create a more positive and productive work environment that supported the well-being and growth of employees.

Furthermore, the study's results suggested that authentic leadership is positively related to employee productivity that emphasized the importance of leaders being true to themselves and their values. Authentic leaders foster a sense of trust and respect among employees, which should lead to increased job satisfaction, engagement, and productivity.

In conclusion, this study contributed to our understanding of the complex relationship between leadership styles and employee productivity, and highlighted the importance of considering the intersectionality of leadership styles and employee characteristics. By developing more effective leadership strategies, organizations should promote employee productivity, achieve organizational goals, and create a more positive and productive work environment.

4.1 Recommendations

The researchers therefore recommended as follows:

1. To adopt Flexible
2. Leadership Approaches
3. To foster Employee Empowerment Initiatives
4. To Promote Authentic Leadership Practices
5. To Develop Contextual Leadership Strategies
6. To Enhance Employee Engagement Programmes

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