

CHAPTER ONE

GENERAL INTRODUCTION

1.1 BACKGROUND OF THE STUDY

The challenges of achieving the goals of an organization come with it the task of finding people with good leadership qualities to lead the organization. Ulrich (2002) argues that the competitive edge of companies no longer lies in its product, but in its people therefore a major factor that determines the success of any organization is the effectiveness of its employees. This is thought to be directly linked to commitment of employees towards the goals of the organisation.

Employee retention can simply be defined as the strategies put in place by an organization to retain its employees and reduce turnover. Employee retention depends on commitment. According to Taylor (1998) employee commitment depends on how satisfied they are with leadership and this to a large extent can be attributed to the relationship between the leadership of the organisation and the employees. It is important to note that, people are becoming a source of competitive advantage for most organizations so the commitment of employees is critical to the success of the organization (Ulrich, 2000). According to Wexley and Yukl (1984), the reactions of employees to their leaders will usually depend on the characteristics of the employees as well as on the characteristics of the leaders.

Leadership is an incremental component that centers the existence, survival and functioning of any group or organisation. Indeed, the organisations recognise that their success is highly-dependent upon the quality and effectiveness of this dimension. There are two main functions that leaders are bounded to perform. The first is central on accomplishing the task towards the

attainment of goals such as initiating actions, keeping members attention on the goal, clarifying issues, helping the group develop a procedural plan, evaluating the work done and making expert information available. The second is on developing member's feelings to maintain the strength of the organisation. Leaders are expected to keep interpersonal relations, arbitrate excuse, provide encouragement, give chance to divert, stimulate self-direction and increase interdependence among organisational members.

As such, staff retention falls under the umbrella of the second function. Staff retention is a challenge for contemporary organisations as the skills shorten worsens. Various retention strategies are in place including rewards and recognition program, training and development, flexible working arrangements and others. How people want to be managed and how people are being managed and the gap between contributes to either high or low staff retention rates. Since, in reality, the gap is relatively wide and that organisations are finding difficulties in responding to such, there still remains the question on why and how employees will remain to their employment and contribute to a greater degree to the organisation. The challenge is tended on the conduct of the leaders; surprisingly though, very little attention has been given to the impact of leadership-related variables on staff retention.

1.2 STATEMENT OF THE PROBLEM

The problem that will be addressed in the study is how various leadership styles implicate staff retention and how leaders affect staff retention in general. How leadership styles determine the levels of turnover within the organisation will be explored. Previous researchers such as Kanter (1982) and Pavett and Lau (1983) pointed out that an important component of successful management is the ability to influence others. Also other research

work have argued that, committed employees are more motivated and dedicated towards meeting and achieving organisational goals (Pfeffer, 1998).

It is possible to argue that employee's turnover could have a positive impact on organizational performance if staff lost is non-skilled and/or non-committed or weary old personnel whose replacement could inject innovation into the organisation and reduce stagnation. Attracting and retaining skilled employees is a major problem in developing countries such as Ghana where organisations not only compete among themselves for the few skilled labour, but also compete with the advanced countries for the same personnel due to migration.

It could be argued that factors that could affect such employees' commitment include salary, other job opportunities, career development opportunities and working conditions/environment. However, in order to retain skilled employees in the global competitive market, there is the need to understand the issues of leadership that affect commitment to an organisation in order to address them properly. The focus of this research is to understand relationship of leadership on employee retention. In the process, the other factors as highlighted above would also be explored to determine the extent of their impact on the subject.

1.3 OBJECTIVES OF THE STUDY

The main objective of the study is to assess the effects of leadership styles on staff retention at Building and Road Institute.

The specific objectives that are addressed include.

1. To outline the qualities of the leaders at BRRI.
2. To determine the factors that affect staff retention and understand the rationale for leaving employment at BRRI
3. To analyse the degree of influence of leadership styles on staff retention at BRRI

1.4 RESEARCH QUESTIONS

In lieu with this, the research will seek to answer the following specific questions:

1. What are the qualities of leaders that generally affect staff retention at BRRI?
2. What are the factors that affect staff retention and what are the rationale for employees leaving employment at BRRI?
3. What is the degree of influence of leadership styles on staff retention at BRRI?

1.5 JUSTIFICATION OF THE STUDY

The study is significant in several respects. In the first place, it will help reveal the pertinent issues as far as employee retention is concerned. To leadership of BRRI, it will inform them of the right leadership style to adopt as a way of ensuring employee commitment and retention. Further, employee turnover is a universal problem and can challenge any organization in any part of the world. It depends not only on the internal dynamics of the organization but also on external environment and job market factors. The study will be useful for organisations striving to increase job satisfaction and institutions which are concerned with keeping their staff. The study will add to the body of knowledge on retention strategies and leadership styles in organisations. The study will further serve as a reference material for other researchers and students engaged in similar studies.

1.6 OVERVIEW OF RESEARCH METHODOLOGY

The study used both primary and secondary sources of data. The research used questionnaire and interview as data gathering tools to effectively ascertain the needed primary data. The secondary data was sourced from relevant institutional documents, relevant books, journal articles and web portals. The study used a sample size of 65 respondents from the Institute. Findings and results were analysed with the help of the Statistical Package for the Social Sciences (SPSS).

1.7 SCOPE OF THE STUDY

The study for this analysis was limited to staff of Building and Road Research Institute (BRRI) of Council for Scientific and Industrial Research (CSIR) situated at Fumesua near Kumasi in the Ashanti Region of Ghana. The emphasis was on the effect of leadership styles on staff retention.

1.8 ORGANISATION OF THE STUDY

The study comprises five chapters. Chapter one discussed the background, problem statement, scope, justification, and objectives for undertaking this research project. Chapter two looked at existing literature related to the study to gain an understanding of the research topic. Chapter three consists of the research methodology that the research used to undertake the study. Chapter four presented the findings to the study. Chapter five summarized the findings of the study and also made recommendations that contribute to solving the problem raised, as well as a recommendation for further study.

1.9 LIMITATIONS

The study had its limitations. A major limitation was financial constraints and lack of time, which made the intended sample size of 120 cut down to 65. Also only the formal leaders (Directorate, divisional and sectional) were chosen, leaving non-formal heads (Union, Associations and clubs).

Another limitation of the study was the unwillingness of the respondents to give additional comment which to us can be attributed to fear of intimidation for speaking the truth, even with the confidentiality assured.

CHAPTER TWO

LITERATURE REVIEW

2.1 INTRODUCTION

This chapter reviews literature that is relevant to the study. Accordingly, the chapter provides discussions on the theory of leadership, leadership characteristics, employee retention in an organization, and organizational commitment.

2.2 EMPLOYEE RETENTION

Employee retention can simply be defined as the strategies put in place by an organization to retain its employees and reduce turnover. Employee retention can be represented by a simple statistic (for example, a retention rate of 80% usually indicates that an organization kept 80% of its employees in a given period) (Abbasi and K.W. Hollman, 2000). The rate of retention is the inverse of the rate of employee turnover and expectedly if a relatively high number of employees stayed at post within a specified period then the retention rate is high and the turnover rate is low i.e. (Retention rate = $1/\text{turnover rate}$). Retaining employees is an important goal of every organization. It helps reduce wastage in terms of the time, effort and money spent in hiring and training new employees and integrating them into the organization. Moynihan & Pandey (2007) have called employee turnover as an organization's loss of memory.

Retaining all the employees may not be the desire of every business. Most of the organizations are concerned with retaining the high performers, those who possess key skill and knowledge needed to run the organization and those who are difficult to be replaced. Greenberg and Sweeney (2010) also emphasize that organizations should make efforts to keep their best talent despite difficult times. They further argue that it is the top performers

that distinguish one business from another. Cardy & Lengnick-Hall (2011) also advocate that if best workers are not retained, an organization can be negatively affected from the operational to the strategic level and that human capital remains one of the few resources that can provide a sustainable competitive advantage. They however suggest that employees should be classified as platinum, gold, iron and lead, and that organizations should spend more effort to retain platinum employees as compared to the lead employees.

2.3 THE CONCEPT OF LEADERSHIP IN AN ORGANISATION

Today's business environment has created a need for leaders who can meet the challenges and demands of organizations. Despite the many writings on the topic, leadership has presented a major challenge to practitioners and researchers interested in understanding the nature of leadership (Northouse, 2001). Giving one specific definition of leadership is a very complex task and there are a number of views on the nature of leadership in the literature making it wide with no generally acceptable definite definition (Bass, 1985). Bass, approaches leadership in terms of styles and has described three well known styles of leadership, laissez-faire, transactional, and transformational leadership.

Other literature defined leadership as a position, a person, a behavioural act, a relationship or a process and others too define it as a process of influencing a group of individuals to achieve a common goal. Rauch and Behling (1984) and Hsieh (1993) all regarded leadership as the process of influencing a group to move towards the goal. This research will adapt Bass' approach of leadership (i.e. in terms of styles) as it describes the various leadership styles in detail.

Leadership is a kind of process between people, where one or several people are trying to influence others. You behave in a certain way in order to affect others thoughts and behavior (Jacobsen et al, 2002). Leadership can be described in two ways depending in how it is viewed. One way is that there is one leader and the others are followers and there is a difference between them. The other way to view leadership is that a leader role arises natural in every social system and there are no differences between leader and follower (Yukl, 2006).

In the study we use the first view with one leader and followers. According to Yukl there is a difference between management and leadership. Managers exhort people to perform better and have concerns about how things are being done, while leaders are more concerned in what people thinks and tries to make them agree in important things to be done. Management is about setting goals, creating action plans and establishes structure in the organisation. Leadership is more about developing vision and strategies than trying to motivate and inspire the subordinates to follow and achieve them (Yukl, 2006).

2.3.1 Perspective in leadership style

In the 1940's and 1950's there were two major surveys done by Ohio State University and University of Michigan in leadership behaviour and the subordinates' effectiveness. Both of them showed that subordinates valued their leaders from without two dimensions, 1) how they develop good relations with subordinates by being supportive and 2) how much they focus on effectiveness and structuring in reaching formal goals (task-oriented).

These dimensions were quite independent of each other and you could score high or low in both relation- and task orienting at the same time (Jacobsen &Thorsvik, 2002). A task-oriented leader prioritises activities in order to increase efficiency in the company. To achieve

this he or she clarify what results are expected, direct works and monitor performance. A relation-oriented leader support and encourage employees in several way to reach goals, through coaching, mentoring, allowing people to take decision in how to do a task, giving information and so on (Yukl, 2006).

In 1964 Blake and Mouton presented a model called the managerial grid which is a development of previous studies. It has two dimensions like the Ohio and Michigan study, person- and task oriented, but includes concern for people *and* concern for production instead. If you score high in concern for people and low in concern for production it means that you are more concerned with people's feelings and wishes and have no concern in the result of production. According to Blake and Mouton the high-high leader is to prefer because he/she creates engagement to the task in supplying subordinates needs (Yukl, 2006).

When Ekvall and Arvonen investigated leadership style in Sweden, based on Ohio state study, they found a third dimension called change-centered leadership style (Ekvall et al, 1991) The change-oriented behaviors main objective is to understand the environment, finding innovative ways to adapt to it, and implementing major changes in strategies, products, or processes (Yukl, 2006). Ekvall and Arvonen developed a model called *CPEChange/development, production/task/structure and employee/relation centered leadershipbehavior*. They found that the dimension change-centered leadership behavior had four discernible extents, which were leader as a promoter of change and growth, he/she has a creative attitude, is a risk taker and has visionary qualities (Ekvall&Arvonen, 1991).

2.4 LEADERSHIP CHARACTERISTICS.

Early leadership theories concentrated on the characteristics of successful leaders, their traits, behavior, power, influence and situational approaches whilst recent ones have focused on the role of followers and the correlated nature of leadership. In recent times, leadership characteristics have shifted to leadership styles/behaviours. Bass and Avolio (1994; 1997) have developed the Full Range Leadership (FRL) model which describes leaders as utilising a wide range of the different forms of leader behaviors. Starting with transformational leader behaviors to transactional leader behaviors reaching then to the lowest leader interaction of laissez-faire leader behavior, each of these leadership styles have been described to have a direct effect on individual and organizational level outcomes. This section will review each approach.

2.4.1 The Transformational Leadership Style

Yukl (1989) defined transformational leadership as the process of influencing major changes in attitudes and assumptions of organizational members and building commitment for the organizational mission and objectives. The relationship between a transformational leader and followers is characterized by pride and respect (Bass & Avolio, 1990a). They indicated that instead of a simple exchange and agreement, transformational leaders provide a vision and a sense of mission, inspire pride, and gain respect and trust through charisma.

Bass and colleagues (Avolio, Bass & Jung, 1995; 1999) have identified that, transformational leadership exhibit some various types of behavioural components: idealized influence (attributes and behavior); inspirational motivation; intellectual stimulation and individualized consideration. Idealized influence attributes occur when followers identify with and emulate those leaders who are trusted and seen as having an attainable mission and

vision. Idealized influence behavior refers to leader behavior which results in followers identifying with leader and wanting to emulate him/her, the leader is trusted and respected. He/she maintains high moral standards and the followers seek to emulate his/her. With inspirational motivation the leader expressly and characteristically emphasizes to subordinates the need to perform well and helps to accomplish the organizational goals.

Bass and Avolio (1994) pointed out that leaders adopting this behavior have an ability to strengthen their followers' responses and explain important ideas in simple ways. Also with intellectual stimulation, the leader stimulates the subordinates' understanding of the problems and identification of their own beliefs and standards.

Finally, individualized consideration with which the leader treats followers as individuals but all are treated equitably. Individual's needs are recognized and assignments are delegated to followers to provide learning opportunities. Transformational leaders are change agents and visionaries encouraging individuals and having the ability to deal with complexity, ambiguity and uncertainty (Tichy & Devanna 1996) and also tend to be more acceptable to employees and affect employee job satisfaction level and innovativeness.

2.4.2 The Transactional Leadership Style

Bass (1990) explained transactional leadership as an exchange relationship between leader and follower and is grounded in the social learning and social exchange theories, which recognize the reciprocal nature of leadership. Bass and Avolio (1997) described transactional leadership to communicate with their subordinates to explain how a task must be done and let them know that there will be rewards for a job done well and identified some types of behavior inherent to transactional leadership in terms of two characteristics: the use of contingent rewards and management by exception (active/passive).

They described contingent reward as the reward that the leader will bestow on the subordinate once the latter has achieved goals that were agreed to. By making and fulfilling promises of recognition, pay increases and advancement for employees who perform well, the transactional leader is able to get things done. Bass (1985) therefore argues that by providing contingent rewards, a transactional leader might inspire a reasonable degree of involvement, loyalty, commitment and performance from subordinates. They again indicated that, transactional leaders may also rely on active management by exception which occurs when the leader monitors followers to ensure mistakes are not made, but otherwise, allows the status quo to exist without being addressed.

In passive management by exception, the leader intervenes only when things go wrong and subordinates receive contingent punishment in response to obvious discrepancies from the standard performance while in active management, subordinates are monitored and then corrected if necessary in order for them to perform effectively (Akinyele, 2007). In general, one can conclude that transactional leadership is an exchange relationship that involves the reward of effort, productivity and loyalty and the focus is on role clarification.

2.4.3 The Laissez-Faire Leadership Style

Deluga (1990) describes the laissez-faire leader as an extreme passive leader who is reluctant to influence subordinates' considerable freedom, to the point of abdicating his/her responsibilities. There is no relationship exchange between the leader and the followers. It can therefore be concluded that, Laissez-faire style of leadership represents a non-transactional kind of leadership style in which necessary decisions are not made, actions are delayed, leadership responsibilities ignored, and authority unused. A leader displaying this form of non-leadership is perceived as not caring at all about others' issues (Ali, 2009).

2.5 ORGANISATIONAL COMMITMENT

According to Mathieu and Zajac (1990), if organizational commitment is intact then there will be relatively no turnover. Employees with sense of organizational commitment are less likely to engage in withdrawal behavior and more willing to accept change (Iverson and Buttigieg, 1998). It is therefore important for managers and leaders to pay more attention to the employee's organisational commitment. Some researchers suggest that organizational commitment continues to be a powerful attitudinal response in employees and the benefits of organisational commitment have well been documented including satisfaction, performance, lower turnover and lower absenteeism (Amah, 2009).

Organisational commitment is a highly desirable trait that employers want in an employee; Some authors such as Porter, Crampton and Smith, 1976; Mowday and McDade, (1979) suggest that commitment is the psychological bond an individual has with an organisation given the contribution a highly trained and committed employee can make to organisational productivity, keeping such an employee should be a high priority for the organization. However, Scholl (1981) indicates that the way organisational commitment is defined depends on the approach to commitment that one is adhering to and accordingly, organisational commitment is defined either as an employee attitude or as a force that binds an employee to an organisation.

However, According to Suliman and Isles (2000), there are currently four main approaches to conceptualizing and exploring organizational commitment and these are the attitudinal approach, the behavioural approach, the normative approach and the multidimensional approach. The main focus of this study is on organisational commitment as a multidimensional concept that represents the relationship between an employee and employer

therefore, Meyer and Allen's (1991) multidimensional approach to organisational commitment is discussed as well as characteristics of the employee, organisational characteristics and work characteristics on organizational commitment.

2.6 THE MULTIDIMENSIONAL CONCEPT OF COMMITMENT

Various researchers support the notion that, organisational commitment should be seen as a multidimensional concept. Angle and Perry (1981) indicated that different factors within the organisation will influence the development of different components of organisational commitment. Other organizational factors that can possibly have an influence on the development of organisational commitment include trust and leadership behavior.

O'Reilly and Chatman (1986) added to the notion that organisational commitment should be seen as a multidimensional construct by developing their multidimensional approach based on the assumption that commitment represents an attitude towards the organization, and the fact that various mechanisms can lead to development of attitudes. They argue that commitment could take three distinct forms that is compliance, identification and internalization taking Kelman's (1958) work as their basis.

Meyer and Allen (1984), based on Becker's side-bet theory, introduced the dimension of continuance commitment to the already existing dimension of affective commitment. As a result, organizational commitment was regarded as a bidimensional concept that included an attitudinal aspect as well as a behavioural aspect. In 1990, Allen and Meyer added a third component, that is, normative commitment to their two dimensions of organisational commitment and proposed that commitment as a psychological attachment may take the

following three forms: the affective, continuance and normative forms which has become the most popular multi-dimensional approach to organisational commitment.

2.7 THE THREE COMPONENT MODEL OF ORGANISATIONAL COMMITMENT

The three-component model of organisational commitment by Meyer and his colleagues (1990;1991; 1997 and 2001) is the most popular approach to organisational commitment; it incorporates affective, continuance and normative commitment as its dimensions and the focus of this study therefore each of the components would be reviewed next.

2.7.1 Affective Commitment

This according to Allen and Meyer (1990) is an emotional attachment to an organisation in which an employee identifies with and enjoys membership in the organisation. Thus, affective commitment consists of three dimensions: development of an emotional involvement with an organisation, identification with an organisation, and a desire to maintain its membership. Antecedent variables which are variables about the organisation and the employee's experiences that influence the development of the organisational commitment once the individual has selected membership in an organisation and which is associated with affective commitment are in three major forms, that is, personal characteristics, organisational characteristics and work experiences (Meyer and Allen 1991).

According to Meyer and Allen (1991), the relationship between demographic variables and affective commitment are neither strong nor consistent. For organisational characteristics, Meyer and Allen (1991) explain that employees who perceive a high level of support from the organisation are more likely to feel an obligation to repay the organisation in terms of affective commitment and characteristics that can induce perceptions of organizational

support to induce organisational commitment includes structure, culture and organisational level policies.

Because of affective commitments' relationship with desirable work behaviors such as increased productivity, personnel stability, lower absenteeism rate, job satisfaction and organizational citizenship, it is the most widely discussed form of psychological attachment to an employing organisation (Mowday, Porter & Steers, 1982).

2.7.2 Continuance Commitment

Continuance commitment is the second organisational commitment dimension by Allen and Meyer (1990) which is based on the idea that the investments, or side bets, an employee makes in an organisation as they remain in it, such as time, job effort, work friendships, organization specific skills, and political deals, constitute costly sunk costs that discourages them from external employment alternatives (Jaros, et al., 1993) and is known as Becker's (1960) side-bet theory. The employee feels compelled to commit to the organization because the monetary, social, psychological, and other costs associated with leaving are high (Awan and Mahmood, 2010).

Allen and Meyer (1990) further explained continuance commitment as a form of psychological attachment to an employing organisation that reflects an employee's presence in an organisation as the high costs involved in leaving therefore the decision to stay in an organisation and retain the created benefit.

Allen and Meyer (1990) again indicated that, in addition to the fear of losing investments, individuals develop this commitment because of a perceived lack of alternatives and this would be based on perceptions of employment options outside the organisation where employees believe they do not have the skills required to compete for positions in another field or who work in environments where the skills and training they get are very industry specific. As a result, such employees could feel compelled to commit to the organisation because of the monetary, social, psychological and other costs associated with leaving the organisation.

Meyer & Allen, 1991 summarizes two types of antecedent variables associated with continuance commitment to include investments and employment alternatives. Investments can also take the form of time devoted to a particular career track or development of work groups or even friendship networks (Romzek, 1990). Romzek again indicated that, investment factors such as promotion prospects, development of work group networks, performance bonuses, the accrual of vacation and sick leave, family-friendly policies and retirement benefits get employees to feel that they have made big investments in the organization. Unlike affective commitment, which involves emotional attachment, continuance commitment reflects a calculation of the costs of leaving versus the benefits of staying.

2.7.3 Normative Commitment

The third of Allen and Meyer's (1990) dimensions of organisational commitment is normative commitment which indicates an employee's sense of duty to remain in an organization. Randall and Driscoll (1997) also added that, normative commitment is an employee's moral commitment that manifests itself when an organisation provides moral and

financial support for the employee's development. This explains that, when employees start to feel that the organisation has spent either too much time or money in developing and training them, they might feel obligated to stay with the organisation especially, individuals whose organisation paid for their tuition while they were improving qualifications.

In general, normative commitment is most likely when individuals find it difficult to reciprocate the organisation's investment in them. This type of commitment differs from continuance commitment, because it is not dependent on the personal calculations of sunken costs. The aspects of organisational commitments differ only on the basis of their underlying motives and outcomes and the consequences of employee commitment to the organisation will affect the ability of organisations to retain its most valuable human resource (Price, 1997).

2.8 RELATIONSHIP BETWEEN LEADERSHIP STYLES AND EMPLOYEES COMMITMENT

According to Wexley and Yukl (1984), the reactions of employees to their leaders will usually depend on the characteristics of the employees as well as on the characteristics of the leaders. Employee commitment is influenced by the internal organisational environment, including organisational climate, leadership types and personnel relationships while the quality of the leader and employee relationship or the lack of it has a great influence on the employee's commitment to the organisation (Chen and Spector 1991).

Employees are more satisfied with leaders who are supportive than with those who are either indifferent or critical towards subordinates (Yukl 1971) as this was indicated by Wilkinson & Wagner (1993) that is, it is stressful for employees to work with a leader who has a hostile

behavior and is unsupportive. If subordinates are not capable of how to perform the work by themselves they will prefer a leader who will provide adequate guidance and instructions (Wexley & Yukl 1984). It is therefore important to note that, followers can influence leaders just as leaders can influence followers as various authors agree that, leadership is a critical factor in the success or failure of an organisation and can contribute to an employee's desire to remain committed to the organisation (Bass 1997).

2.9 LEADERSHIP AND EMPLOYEE RETENTION

High employee retention is key to service excellence and operational excellence. By retaining more staff, organisations will reduce overtime and use of temporary staff. With lower employee turnover, transition costs for new employees decrease. Length of stay will go down because seasoned employees will move a patient through the system more efficiently. Because a retained staff understands the organisation's processes and procedures, fewer errors and better outcomes will occur. Greater employee satisfaction correlates to higher customer satisfaction resulting in fewer complaints But how do we win back our workforce?

Blogler (2002) proposes a "five-pillar leadership" concept which describes a sustained focus on people, service, quality, finance, and growth. These five pillars support an organisation's journey to enduring service and operational excellence, and a key part of that excellence is a loyal, productive staff. By setting metrics under goals for each of the pillars, and by measuring progress toward the goals, leaders get results. Results in the first three pillars-people, service, and quality-drive results in the last two pillars-finance and growth (Bryman, 1992).

Studer (2003) identifies some key prescriptive practices that five-pillar leaders can use to drive employee retention, examples of the kinds of results these practices can achieve, and tools that leaders use to "hardwire" strategic direction, communication, and accountability across all five pillars.

2.9.1 A Domino Effect

As a focus on people encourages employees to become more engaged and satisfaction rises, retention then increases and drives substantial gains in each of the other pillars. How exactly does an organisation demonstrate commitment to its people and begin this positive domino effect? Although there are many ways to encourage staff satisfaction, the following three approaches are identified by Studer to typically lead to the greatest success: Effective leader rounding, 30- and 90-day new employee retention meetings, and Peer-recommended employee selection (Studer, 2003).

2.9.2 Effective Leader Rounding

Effective leader rounding involves creating an ongoing dialogue with employees in your own department and in other areas of the organization. The goals and desired outcomes of these conversations are very specific: to fix systems, remove barriers, model "ownership" behaviors, ensure goals are getting accomplished, and identify staff to be rewarded and recognized. Leaders should approach rounding with key questions such as "What's going well?" "Do you have the tools and equipment to do your job today?" "Who has been helpful to you?" "Which systems can be improved?" When employees have these conversations with their supervisors, they know their boss cares about them as individuals, will listen to their concerns, and appreciates them. These are the key drivers of employee satisfaction (Studer, 2003).

2.9.3 30- and 90-Day Retention Meetings

It's particularly important to focus retention efforts on those newly hired. To demonstrate a people-first commitment to employees, supervisors should meet with each new employee at the 30- and 90-day mark and ask the following questions: How do we compare with what we said in your interviewing process? Employees frequently have concerns during the first month of employment that should be addressed (Studer, 2003).

2.9.4 Using Peer Review for Employee Selection

Because ensuring a good initial fit is so critical to employee retention, organisations should use a disciplined approach to employee selection. One way to encourage good hiring is to have staff members in the department interview pre-screened candidates. Not only does peer-interviewing ensure the best cultural fit between the candidate and the organization, but it also fosters a sense of investment among current staff when they make the recommendation to hire (Studer, 2003).

2.10 TURNOVER INTENTION

Turnover intention is defined as an employee's personal estimated probability that he or she has a deliberate intent to leaving the organisation permanently in near future. Employee turnover intention is refers to an employee who are considering and thinking to quit a job (Firth *et al.*, 2004). The word "intention", is the main determinants of actual quitting from the job behavior (Salahudin *et al.*, 2009).

Turnover are classified and categorized into voluntary or involuntary, as well as functional or dysfunctional, each will have varying degree of impact on the organisation (Wells and Peachey, 2010). Wells and Peachey (2010) claimed that voluntary turnover is defined as a

process in which an employee makes decision whether to stay on or leave the organisation. Mobley (1982) further commented that this type of turnover is usually dysfunctional and can be most detrimental to the organisation. It is also warned that those that most likely to leave the organisation are those most talented and smartest employee within the group. Their valuable experiences, talent, skills and knowledge will leave with them and resulted in deteriorating efficiency (Abbasi and Hollman, 2000).

In contrast, involuntary turnover is referred to the situation in which the organisation undertaken the control over the employee's decision to stay or leave the organisation (McPherson, 1976). The reason why it is classified as functional turnover is due to the often removal of under-performing employees (Watrous *et al.*, 2006).

CHAPTER THREE

RESEARCH METHODOLOGY AND ORGANISATIONAL PROFILE

3.1 INTRODUCTION

This chapter describes how the study was conducted. It defines the choice of study approach and design that was used in undertaking the study. The chapter also defines the population and sample size of the study, including the statistical techniques used to analyse the data.

3.2 RESEARCH DESIGN

This study employs the case study as its research design. This design was adopted out of several research designs for conducting a social science research which includes: surveys, experiments, histories and archival analysis. The research adopted the case study research design to stress the intensive examination of the setting.

3.3 RESEARCH STRATEGY

Case studies frequently make use of qualitative data (Shaughnessy et al. 2009). Accordingly, the study was conducted using the qualitative approach. The qualitative method involves collecting, analyzing, and interpreting data by observing what people do and say. The research found this strategy appropriate because apart from answering the initial research questions, qualitative research can provide answers to further research questions.

3.4 POPULATION

Population refers to the whole group that the study focuses on (Malhotra, 2007). The study's population comprises both management and staff of BRRI. Both categories of respondents classification were identified as convenient and relevant to the data gathering process.

3.5 SAMPLING PROCEDURE

Selection of sample was done by convenience. Hence, efforts were made to obtain a representation of respondents across the selected groups. The convenience sampling technique was used in the selection of the participants so as to enable the researchers have a relatively easier access to the required number of responses across the selected groups and to be able to generalize the findings of this study to the population.

3.5.1 Sampling size

Sample size determination is the act of choosing the number of observations to include in a statistical sample. As indicated in the table below, a sample size of 65 respondents, representing 28.6% of the population was used for the study. This comprises Senior Staff (56.9% of the population) and Junior Staff, (43.1% of the population) of the institution.

Table 3.1 Population and Selected Sample

Respondents	Population	Sampled respondents
1. Senior staff	129	37
2. Junior Staff	98	28
Total	227	65

3.6 SOURCES OF DATA

The study used both primary and secondary sources of data. Both sources were expected to enrich the study.

3.6.1 Primary Data

This study collected Primary data through administration of questionnaires to the selected samples. The researcher settled on questionnaires, formal and informal interviews with management and staff. It was conducted in correlation with the theoretical framework which helped the researcher to ask questions that addressed the research problem.

3.6.2 Secondary Data

The secondary sources used in this research included institutional reports, published journal articles, published books, company website among other secondary data sources. This was expected to raise the validity and reliability of the study. In the opinion of Ghauri & Gronhaug (2002), the advantages for using secondary data may include enormous saving in time and money because the researcher needs only to go to the library and locate and utilize the sources.

3.7 DATA COLLECTION INSTRUMENTS

Data collection instruments enable the researcher gather the required data. Data collection instruments used for the study are the questionnaire and the interview. These instruments were identified as the appropriate instruments to use in gathering the data for this current study.

3.7.1 Questionnaire

The questions were made up of open-ended and close-ended questions. Closed-ended questions used the Likert type scale and the open-ended type questions allowed for free expression of views and comments. The questionnaires were distributed to the sampled

respondents and given some time to fill at their convenience. The questionnaire schedule is found in appendix A.

3.7.2 The Interview Method

The interview method was adopted to ascertain some of the information that could not be accessed using the questionnaire. The researchers personally conducted all interviews which were at the convenience of the respondents.

3.8 DATA ANALYSIS TOOLS

Analysis is the ability to break down data and to clarify the nature of the component parts and the relationship between them. The study analyzed data with Statistical Package for the Social Sciences (SPSS). Open-ended responses were analyzed through data reduction, and conclusion creation, to identify trends. Analysis aimed to obtain frequencies and percentages of closed end responses to assist in identifying trends that appeared from responses. This was used to generate tables, bar charts and other relevant graphs.

3.9 VALIDITY AND RELIABILITY

Validity and reliability describes how collection of the data or how the conduction of the analysis brings reliable findings (Saunders *et al.* 2009). The study ensured validity by reducing subject or participant error, subject or participant bias, observer error and observer bias. Essentially, the sampling technique used ensured fairness in representation. The researchers were also objective in their observations and discussions of findings.

3.10 BUILDING AND ROAD RESEARCH INSTITUTE PROFILE

The Building and Road Research Institute (BRRI) is one of the 13 research Institutes of the Council for Scientific and Industrial Research (CSIR), Ghana. The BRRI was established in 1952 as the West African Building Research Institute in Accra. With the attainment of political independence, (Nigeria in 1960 left), the Institute became known as Building Research Institute of the Ghana Academy of Sciences. In 1963 when the Kwame Nkrumah University of Science and Technology (KNUST) , Kumasi faced acute shortage of lecturers in architecture, engineering, planning, quantity surveying, etc., the then government of Ghana found it prudent to relocate the Institute to the KNUST campus.

This was to enable the Institute to offer its facilities and services of its research staff to support the University. In 1964 the Institute's mandate was expanded to include road research duties and hence its new name "THE BUILDING AND ROAD RESEARCH INSTITUTE, (BRRI). At the same time the BRRI was included in the KUMASI SCIENCE CITY DEVELOPMENT project under which all the then existing research Institutes in Kumasi namely, the BRRI, the Forestry Research Institute of Ghana (FORIG) and the Crops Research Institute (CRI) were to be relocated to the Science City Campus at Fumesua. In pursuance of this, the BRRI and for that matter, FORIG remained in temporary structures at KNUST campus, until January 1995 when the BRRI moved to its permanent offices at Fumesua.

Vision

To be a commercial-oriented research and development organization in the construction industry.

Mission Statement of the Institute

To profitably provide Research and Development products, processes and services to the building and road sectors for the socio-economic development of Ghana.

CHAPTER FOUR

FINDINGS AND DISCUSSIONS OF RESULTS

4.1 INTRODUCTION

This Chapter includes finding from survey and interview and its analysis. The findings are presented with the help of tables and figures to easily understand the interpretation of data collection. Further, it contains the results of this study based on analysis of findings, based on the following objectives; staff's general perception of leadership at BRRI, qualities of the leaders that generally affects staff retention at BRRI, factors that affect staff retention and the rationale for staff leaving employment at BRRI, conditions and situations that leaders contribute to staff retention.

4.1.1 Demographic of Respondents

Variable of gender and age were inquired in the questionnaire to know the demographic and social features of the respondents. Creating a profile of the respondents would help better to address the challenges pertaining to these groupings. In all, 65 people answered the questionnaire. The demographic composition of the respondents provides the following picture.

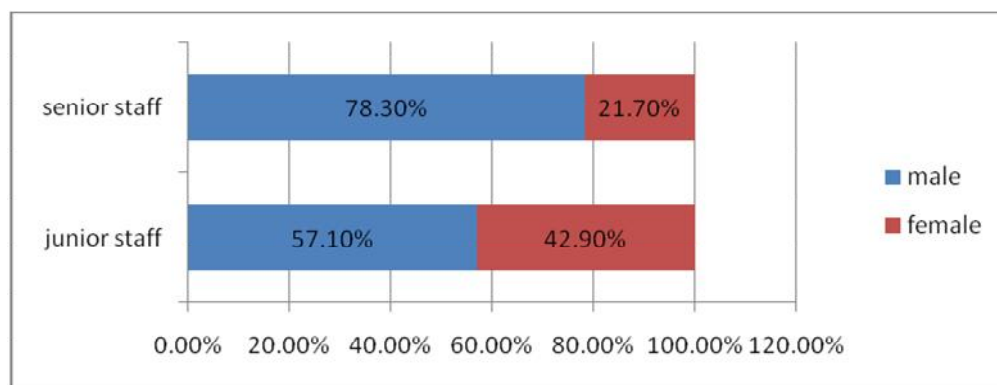
Table 4.1: **Demographic composition of Respondents**

Gender	Respondents	
	Junior staff (%)	Senior staff (%)
Male	57.1	78.3
Female	42.9	21.7
Total	100	100

Source: Field Data June (2012)

The results given in Table 4.3 show that most of the respondents were males which constitute 57.1% and 78.3% for junior and senior staff respectively. It is an indication that there are more male employees at BRRI than the number of female employees. A potential could however be that more male respondents were selected for the study. But even then, the interest of males to respond to the survey was clearly evident. This proportion is visualized in the following figure.

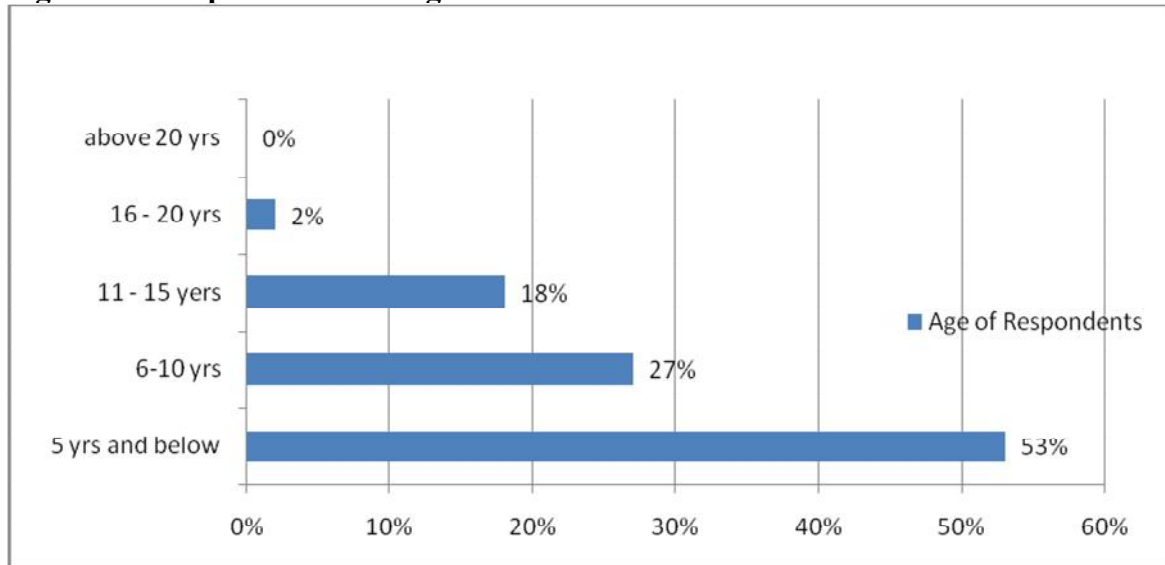
Fig 4.1 Gender of Respondents



Source: Field Data June (2012)

Findings also revealed that approximately 70% of respondents had been with the organisation for less than 10 years (ref. fig. 4.2) which is an indication that most of the respondents have not been in the organisation for long.

Fig 4.2 Years spent with the organisation



Source: Field Data June (2012)

4.2 FINDINGS TO RESEARCH OBJECTIVES

All questions in the questionnaire were framed to assist the study ascertain the effect of leadership styles on staff retention.

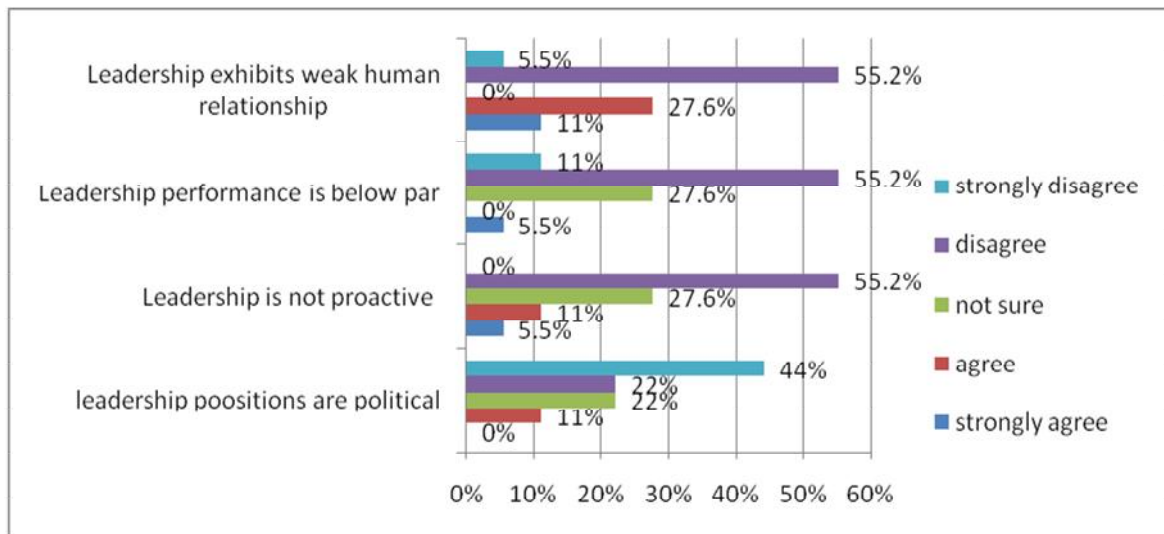
4.2.1 Employees' perception of Leaders

This section examined employees' perception of leadership in the organisation based on some stated criteria presented to respondents. This assessment considered leadership at the Directorate, Divisional Heads, and Sectional Heads. The subsequent discussion therefore dwells on each of the divisions stated

4.2.1.1 Directorate

Respondents' perception of leadership at the directorate is depicted in the figure below. As stated already, assessment seeks to measure the opinion of respondents on the selected criteria.

Fig 4.3 Staff Perception of Leadership at the Directorate



Source: Field Data June (2012)

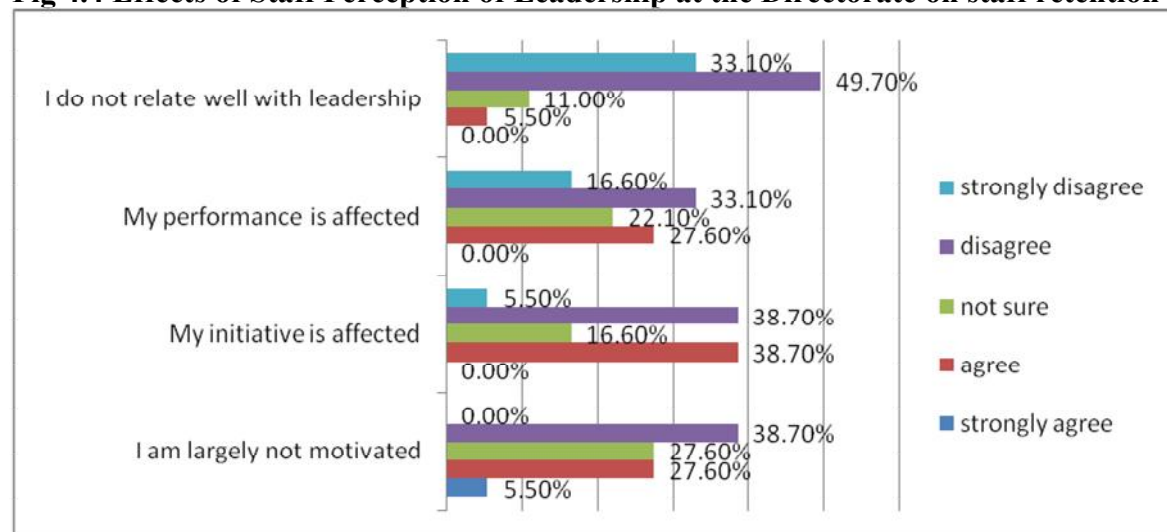
The results given in the figure above reveals that leadership positions at the directorate is not political. This is in respect of the responses which suggested that 0 % of respondents sampled strongly agreed to the statement ‘leadership positions are political’, 11% agreed, 22% were not sure, 22% disagreed while 44% strongly disagree. Results to the statement ‘leadership is not proactive’ revealed that 5.5% of respondents strongly agreed, 11% agreed, 27.6% were not sure, whiles the remaining 55.2% disagreed.

Similarly, responses to the statement ‘ Leadership performance is below par’ showed that none strongly agreed, 5.5% agreed, 27.6% were not sure, 55.2% disagreed whiles the remaining 11% strongly disagreed to the statement. Further, regarding the statement ‘Leadership exhibits weak human relations’, 11%strongly agreed, 27.6% agreed, whiles majority disagreed, giving an indication that leadership at the directorate shows good human relations. This is an important factor in staff retention in any organisation.

4.2.1.2 How does your perception of leadership at the Directorate affect your stay at BRRI?

This question was posed as a follow up to perception of leadership at the directorate to ascertain how this affects staff retention. The figure below depicts the responses obtained from the respondents

Fig 4.4 Effects of Staff Perception of Leadership at the Directorate on staff retention



Source: Field Data June (2012)

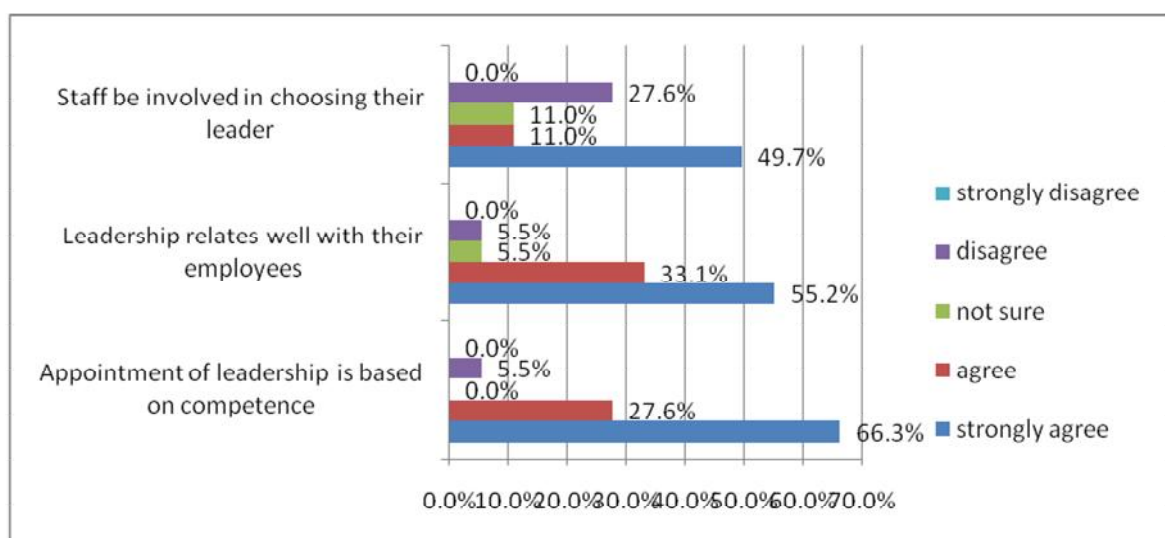
The figure above reveals that leadership style at the directorate on staff is mixed. This is in respect of the responses which suggested that 33.1% of the respondents believe they are not motivated, 27.6 were not sure while the remaining indicated otherwise. Results to the statement 'my initiative is affected' showed majority disagreeing, a breakdown revealing that 38.7% of respondents agreed, 16.6% were not sure, while the remaining disagreed. This also reveals a mixed position, indicating that leadership at the directorate is not inspiring enough.

Similarly, responses to the statement ‘my performance is affected’ showed a split position which also is an indication that employees performance is not affected by leadership style at the directorate .However, the statement ‘I do not relate well with leadership’ had majority strongly disagreeing. An obvious indication that most respondents believe they have good relationship with leadership at the directorate.

4.2.1.3 How would you want to see leadership at the Directorate?

Respondents were provided the opportunity to indicate how they would want to see leadership at the directorate. This section presents the findings as obtained.

Fig 4.5 Staff Position on Proper leadership at the Directorate



Source: Field Data June (2012)

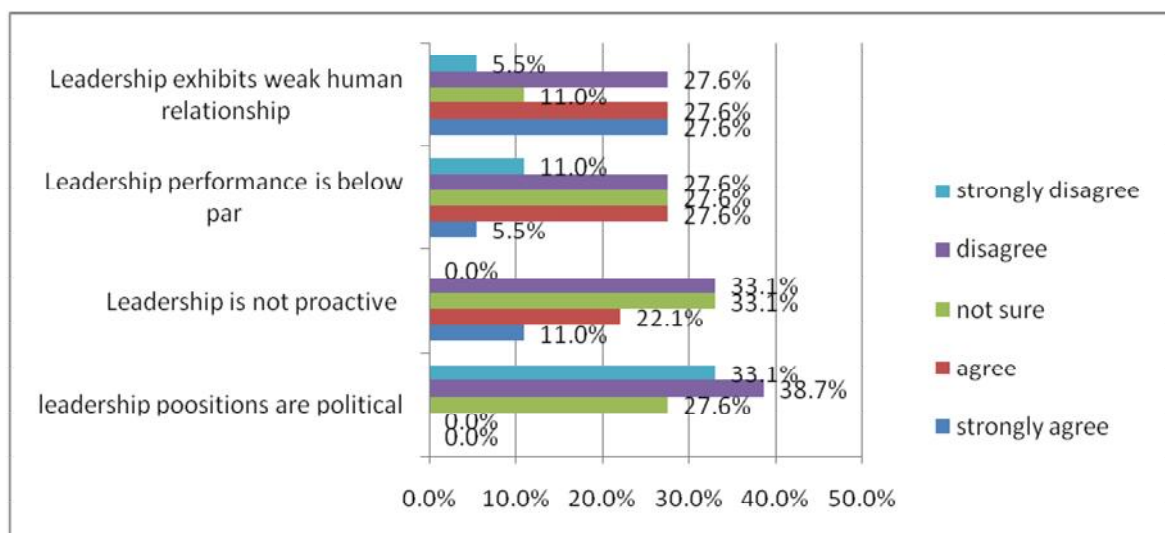
From the chart, it is obvious that respondents will want appointment of leadership to be based on competence. A breakdown revealed that 66.3% strongly agreed, 27.6% agreed whiles 5.5% felt that appointment should not be based on competence. Also, respondents believe that leadership should relate well with their employees. This only confirms the many theories on employee motivation in organisations.

It was also clear that most staff will want to be involved in choosing their leaders. This was obtained when the statement ‘staff should be involved in choosing their leaders’ had 49.7% strongly agreeing, 11% agreed, 115 were not sure, 27.6% disagreed, while none strongly disagreed. Employees are known to feel part of an organisation when they are involved in choosing their leaders. This therefore can be considered in the organisation.

4.2.2 Divisional Head

Respondents’ perception of leadership of Divisional Heads is also depicted in the figure below. Findings showed a trend similar to staff perception of leadership at the Directorate.

Fig 4.6 Staff Perception of Leadership of Divisional Heads



Source: Field Data June (2012)

The results showed over 70% of respondents indicating that leadership positions of Divisional Heads not being political. It can be concluded that there is no political interference in leadership appointments in the case organisation. A breakdown revealed that 0 % of respondents sampled strongly agreed to the statement ‘leadership positions are political’, 0% agreed, 27.6% were not sure, 38.7% disagreed while 33.1% strongly disagree. It was also

evident that at the divisional level, leadership showed mixed reaction. This was obtained through the many respondents who clearly gave this indication.

Similarly, responses to the statement ‘ Leadership performance is below par’ showed that just like in the case of leadership at the directorate, respondents indicated otherwise, suggesting that leadership is living up to expectations at the divisional level. Further, regarding the statement ‘Leadership exhibits weak human relations’, most respondents (55.2%) agreed to this assertion. In organisational practice exhibiting weak human relations could affect the morale of employees in the case of a leader. It is therefore an important finding which suggests the contrary in the case organisation.

4.2.2.1 How does your perception of leadership of Divisional Heads affect your stay at BRRI?

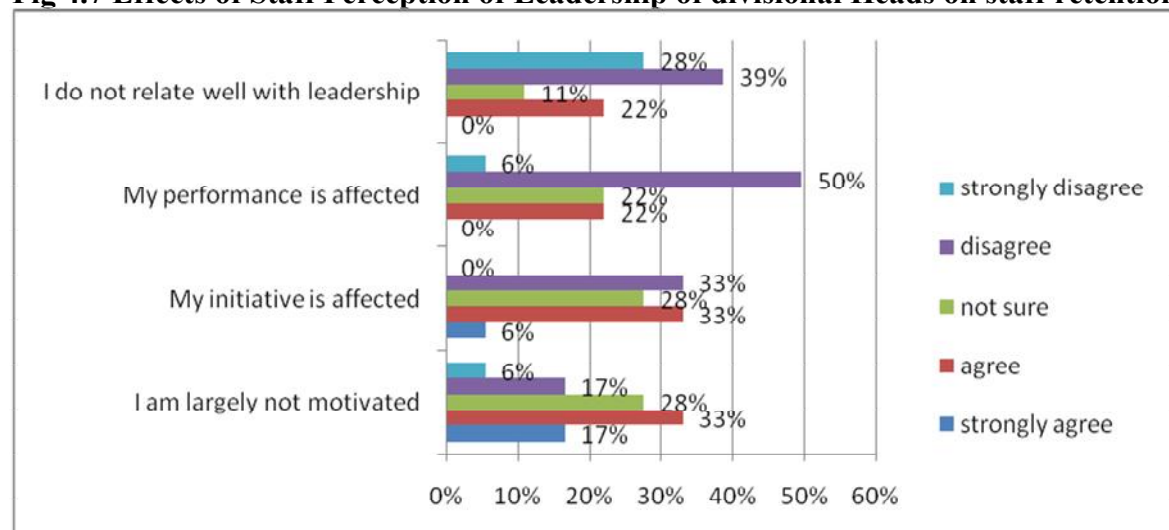
This question sought to establish how staff perception of leadership style at the divisional level affects staff retention. The figure 4.7 below depicts the responses obtained from the respondents

The figure reveals here too a mixed response on whether employees are motivated by leadership style at the divisional level. This is because in respect of the statement ‘I am largely not motivated’ just about half agreed, 28% not sure, while the remaining disagreed, implying that leadership style does not motivate the majority. It is however important that leadership affects the motivation of employees. To retain employees therefore, divisional heads should do more to motivate staff. Results to the statement ‘my initiative is affected’ showed a mixed position, a breakdown revealing that 6% of respondents strongly agreed,

33% agreed, 28% were not sure, while the remaining disagreed. This also reveals a mixed position, indicating that leadership at the directorate is not inspiring enough.

Similarly, responses to the statement ‘my performance is affected’ showed a split position which also is an indication that employees’ performance is not affected by leadership style at the divisional level just like the directorate. However, the statement ‘I do not relate well with leadership’ had majority strongly disagreeing just like the case of leadership at the directorate. An explicit admission that most respondents believe they have good relationship with leadership at the directorate.

Fig 4.7 Effects of Staff Perception of Leadership of divisional Heads on staff retention

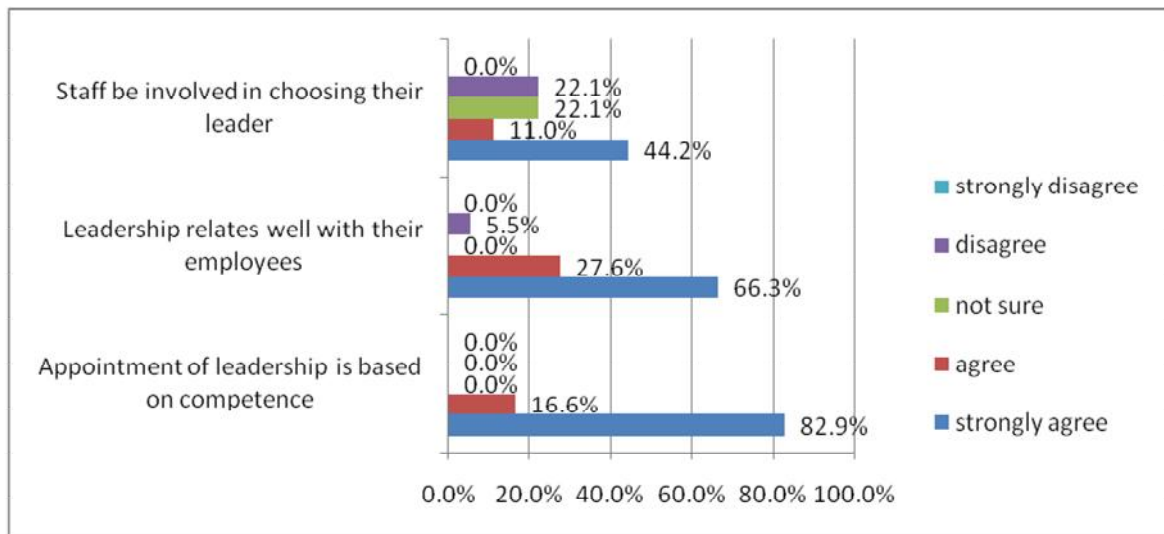


Source: Field Data June (2012)

How would you want to see leadership of Divisional Heads?

Respondents were provided the opportunity to indicate how they would want to see leadership at the divisional level. This section presents the findings as obtained

Fig 4.8 Staff Position on Proper leadership of Divisional Heads



Source: Field Data June (2012)

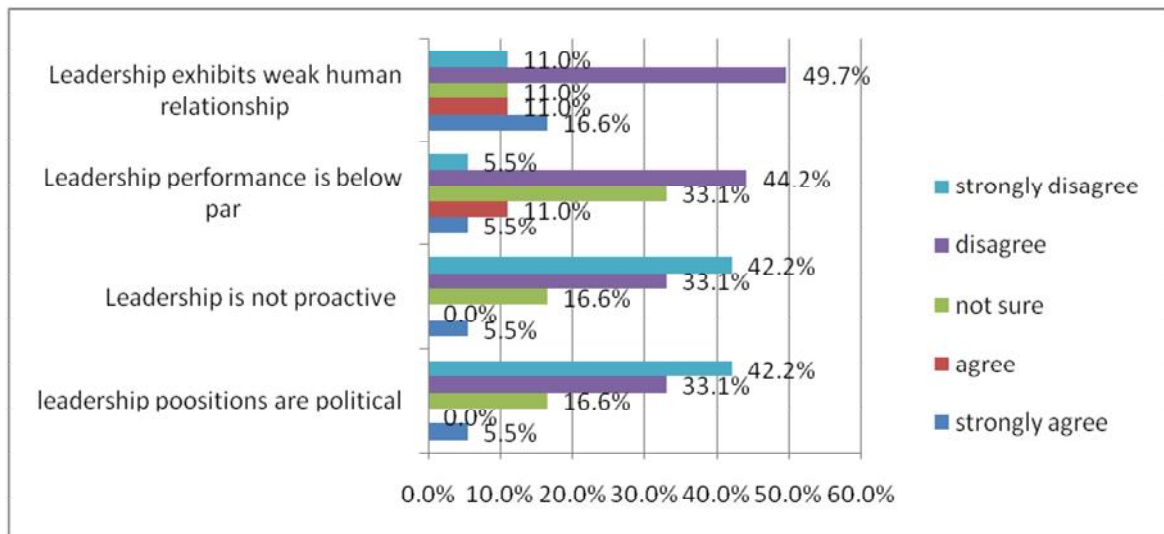
From the chart, most respondents will want appointment of leadership to be based on competence. A breakdown revealed that 82.9% strongly agreeing, 16.6% agreed while none disagreed. Also, respondents believe that leadership should relate well with their employees.

There were bases to suggest that most staff will want to be involved in choosing their leaders. This was obtained when the statement ‘staff should be involved in choosing their leaders’ had majority agreeing. Employees are known to feel part of an organisation when they are involved in choosing their leaders. This therefore can be considered in the organisation.

4.2.3 Sectional Heads

Respondents’ perception of leadership at the sectional head is depicted in the figure below.

Fig 4.9 Staff Perception of Leadership of Sectional Heads



Source: Field Data June (2012)

The results showed over 70% of respondents indicating that leadership positions of sectional Heads not being political. It can be concluded that there is no political interference in leadership appointments in the case organisation. A breakdown revealed that, 5.5% % of respondents sampled strongly agreed to the statement ‘leadership positions are political’, 0% agreed, 16.6% were not sure, 33.1% disagreed while 42.2% strongly disagree. It was also evident that leadership at the sectional level exhibit proactiveness. This was obtained through the many respondents who clearly gave this indication.

Similarly, responses to the statement ‘ Leadership performance is below par’ showed that just like in the case of leadership at the directorate, respondents indicated otherwise, suggesting that leadership is living up to expectations at the sectional level. Further, regarding the statement ‘Leadership exhibits weak human relations’, most respondents (60.7%) disagreed to this assertion. In organisational practice exhibiting weak human relations could affect the morale of employees in the case of a leader. It is therefore an important finding which suggests the contrary in the case organisation.

4.2.3.1 How does your perception of leadership of Divisional Heads affect your stay at BRRI?

This question sought to establish how staff perception of leadership style at the divisional level affects staff retention. Figure 4.10 depicts the responses obtained from the respondents.

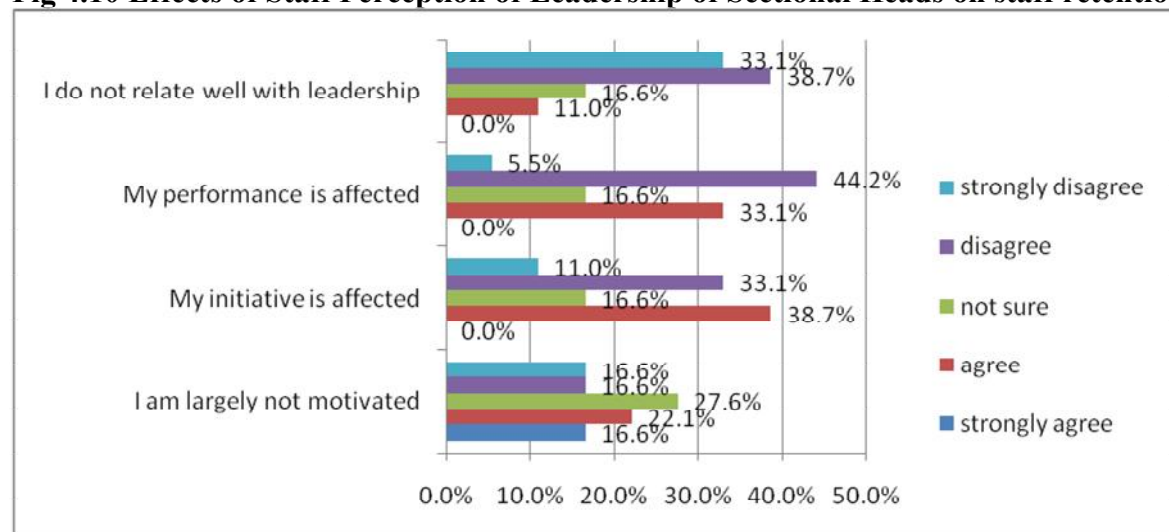
The figure reveals here too, a mixed response on whether employees are motivated by leadership style at the divisional level. This is because in respect of the statement ‘I am largely not motivated’ 28.7% agreed, 33.2 disagreed while 27.6% not sure. Implying that leadership style does not motivate the majority, neither does it demotivate the majority. It is however important that leadership affects the motivation of employees. To retain employees therefore, divisional heads should do more to motivate staff. Results to the statement ‘my initiative is affected’ showed a mixed position, a breakdown revealing that 11% of respondents strongly agreed, 38% agreed, 16.6% were not sure, while the remaining disagreed. This also reveals a mixed position, indicating that leadership at the directorate is not inspiring enough.

Similarly, responses to the statement ‘my performance is affected’ showed a split position which also is an indication that employees’ performance is not affected by leadership style at the divisional level just like the directorate. However, the statement ‘I do not relate well with leadership had majority strongly disagreeing just like the case of leadership at the directorate. An explicit admission that most respondents believe they have good relationship with leadership at the directorate.

4.2.3.2 How does your perception of leadership of Sectional Heads affect your stay at BRRI?

This question was posed as a follow up to perception of leadership at the sectional to ascertain how this affects staff retention. The figure below depicts the responses obtained from the respondents.

Fig 4.10 Effects of Staff Perception of Leadership of Sectional Heads on staff retention.



Source: Field Data June (2012)

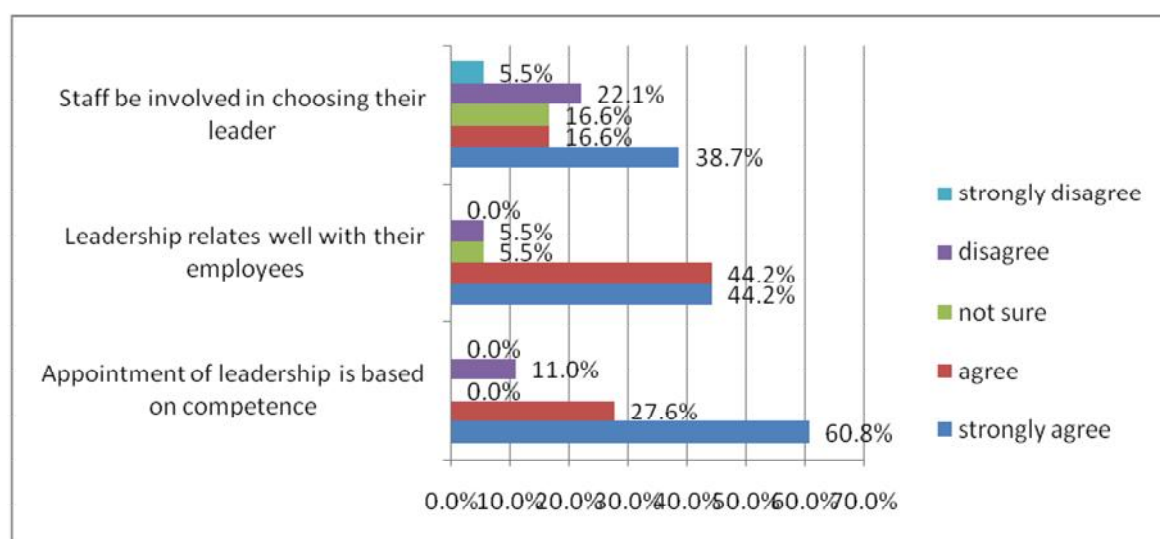
4.2.3.3 How would you want to see leadership of Sectional Heads?

Respondents were provided the opportunity to indicate how they would want to see leadership at the sectional. This section presents the findings as obtained.

Most respondents will want appointment of leadership to be based on competence. Also, respondents believe that leadership should relate well with their employees, just like what was revealed in the two scenarios above.

There was reason to establish that most staff will want to be involved in choosing their leaders.

Fig 4.11 Staff Position on Proper leadership of Sectional Heads



Source: Field Data June (2012)

4.2.3. General Opinion of respondents of BRRI

Questions asked on general opinion of BRRI from respondents are shown in table 4.2 below in percentage representation.

Table 4.2: General Opinion of respondents of BRRI

Statement/Rating	Strongly Agree	Agree	Neutral	Strongly disagree	Disagree
I will recommend the institute to other job seekers	24.3	42.0	29.8	3.9	0.0
Reward systems should be improved	47.5	52.2	0.0	0.0	0.3
Current crop of leadership should be maintained	17.7	24.0	33.0	25.3	0.0
I will leave at the least opportunity	3.7	23.2	38.7	23.9	10.5

The table reveals, majority (66.3%) of employees would recommend the institute to other job seeker. To the statement ‘Reward systems should be improved’ almost (99.7%) all the respondents agreed to the statement. Results to the statement ‘Current crop of leadership should be maintained’ showed a mixed position, a breakdown revealing that 17.7% of respondents strongly agreed, 24.0% agreed, 33.0% were not sure, while the remaining disagreed. In respect of the statement ‘I will leave at the least opportunity’ 3.7% strongly agreed, 23.2% agreed, 38.7% were not sure, 23.9% strongly disagreed while 10.5% disagreed.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

This chapter presents the summary of findings, conclusions and recommendations made to the study.

5.1.1 Demographic of Respondents

Variable of gender and age were inquired in the questionnaire to know demographic and social features of the respondents. 65 people answered the questionnaire most of whom were males constitute 57.1% and 78.3% for junior and senior staff respectively.

Findings also revealed that approximately 70% of respondents had been with the organisation for less than 10 years which may suggests that there has been a lot of new recruitment for the past ten years.

5.1.2 Findings to Research Objectives

The study established that leadership positions in the organisation are not political. This is in respect of the responses which revealed this. Results to the statement ‘leadership is not proactive’ revealed that leaders shows proactiveness in all the three levels of leadership..

Most respondents believed that leadership at the divisional level shows poor human relations. The research saw this as an important factor in staff retention in any organisation. There was evidence of a mixed response on whether employees are motivated by leadership style at the

divisional level. This is because in respect of the statement ‘I am largely not motivated’ just about half agreed while a small number disagreed, implying that leadership style does not motivate the majority.

It is however important that leadership affects the motivation of employees. To retain employees therefore, divisional heads should do more to motivate staff. Results to the statement ‘my initiative is affected’ showed a mixed position for all the three levels of leadership.

Similarly, responses to the statement ‘my performance is affected’ showed a high level of disagreement to work of performance by leadership style. However, the statement ‘I do not relate well with leadership’ had majority strongly disagreeing in all the three levels. An explicit admission that most respondents believe they have good relationship with leadership at the directorate and sectional level.

5.1.3 The impact of other factors on leadership styles and employee commitment

Responses to interview revealed that staff turnover was minimal over a period of 10 years. Findings emerging from this study concerning the relationship between leadership style and employee retention indicated that, although employees to a large extent are satisfied with the leadership that alone did not explain the employee’s commitment to remain in the organisation. The interviews revealed other issues that tended to also explain the worker’s decision to remain in their employment which may be unrelated to having a continuance, normative or affective commitment. Some of these issues may be attributed to transfer policy and housing policy.

As stated by Wexley and Yukl (1984), the reactions of employees to their leaders will usually depend on the characteristics of the employees as well as on the characteristics of the leaders. Chen and Spector (1991) also explained that, the quality of the leader and employee relationship or the lack of it has a great influence on the employee's commitment to the organisation.

However, since we are looking at retention as a multidimensional concept representing a relationship between an employee and an employer, from the various researchers in our theory, we would agree with Meyer and Allen's (1990) proposal that commitment is a psychological attachment and may take the following three forms: the affective, continuance and normative forms, in addition proposals from Angle and Perry (1981) are also confirmed, that is, that different factors within the organisation will influence the development of different components of organisational commitment, thus, organisational factors including trust and leadership behavior can possibly have an influence on the development of organisational commitment by employees.

5.2 CONCLUSION

The main objective of this study was to investigate the relationship between leadership style and employees' retention. The study and other theoretical sources support the notion that, there is a relationship between leadership styles (transformational, transactional and laissez-faire) with employees' (affective, normative and continuance) commitments and their retention.

5.3 RECOMMENDATIONS

If an organisation requires their employees to develop organisational commitment, our recommendation would therefore be that; there should be comprehensive training provided that will encourage leadership to exhibit leadership behaviors (transformational and transactional) that would build commitment. Leadership within the organisation should demonstrate their commitment to the employees by sharing information, provide for the development and growth of employees within the organisation and policies that would improve employees' reward. In this era of high skilled employees' turnover, leaders need to communicate to their employees the sense that the organisation respects them and values the contributions that they make.

All these would improve the leaders' leadership styles that would in effect improve the employees' sense of leaving or remaining in the organisation.

5.4 RECOMMENDATIONS FOR THE AREA OF FURTHER RESEARCH

Further research could be performed to investigate other factors (e.g. other employment options and associated benefits) that influence individual employee's decision, irrespective of leadership style to either remain or leave an organisation.

BIBLIOGRAPHY

1. Allen, N. J., and Meyer, J. P. (1996) *Affective, continuance and normative commitment to the organization: an examination of construct validity*, Journal of Vocational Behavior, 49:252-276.

Angle, H. L. and Perry, J. L. (1981). *An empirical assessment of organizational commitment and organizational effectiveness*, Administrative Science Quarterly, 26: 1-14.

Avolio, B. J., Bass, B. M. and Jung, D. I. (1995) *MLQ multifactor leadership questionnaire: Technical Report*. Redwood City, CA: Mind Garden.

Bass, B. M., (1990). 3rd Edition. *Bass and Stogdill's handbook of leadership: Theory, Research and Managerial Applications*. New York: The Free Press

Bass, B. M. (1997). *Does the transactional-transformational leadership paradigm transcend organizational and national boundaries?* Journal of American Psychologist, 52(2):130-139.

Bass, B. M. and Avolio, B. J. (1990a) *Transformational leadership development: Manual for the multifactor leadership questionnaire*. Palo Alto: CA Consulting Psychologist Press

Bass, B. M. and Avolio B. J. (1997) *Full Range of Leadership Development: Manual for the Multi-factor Leadership Questionnaire*. California: Mind Garden

Becker, H. S. (1960) *Notes on the concept of commitment*. American Journal of Sociology, 66:32 – 40.

Bennett, H. and Durkin, M. (2000). *The effects of organizational change on employee psychological attachment: an exploratory study*, Journal of Managerial Psychology, 15(2):126 147.

Bless, C. and Higson-Smith, C. (2000). *Fundamentals of Social Research Methods: An African Perspective*. 3rd Edition. Lusaka: Juta.

Chen P.Y., & Spector, P.E. (1991) *Negative affectivity as the underlying cause of correlations between stressors and strains*. Journal of Applied Psychology, Vol.76,pp.398-407.

Coetzee, M (2005). *The Fairness of Affirmative Action: An Organizational Justice Perspective*. University of Pretoria, South Africa

Decotiis, T. and Summers, T. (1987). *A path analysis of a model of the antecedents and consequences of organizational commitment*, Human Relations, 40: 445-470.

Deluga, R. J. (1990). *The effects of transformational, transactional, and laissez faire leadership characteristics on subordinate influencing behavior*. Basic & Applied Social Psychology, 11(2):191-203.

Den Hartog, M., Van Muijen, J. and Koopman, P. (1997). *Transactional versus transformational leadership*, Analysis of the MLQ, 70:19-43.

Dubrin J., (2008). *Leadership Research Findings, Practice and Skills*. Biztantra India.

Drucker Peter F, (Winter 1999). *California Management Review*; ABI/INFORM Global pg. 79

Dunham, R., Grube, J. and Castaneda, M. (1994). *Organisational commitment: The utility of an interaction definition*. Journal of Applied Psychology, 79:370-380.

Guion, A. L. (2002). *Triangulation: Establishing the Validity of Qualitative Studies*. University of Florida. Publication: September 2002

Hsieh, W. C. (1993). *School administration*. Taipei: Wu Nan Iverson, R. D. and Buttigieg, D. N. (1998). *Affective, Normative and Continuance Commitment: Can the 'Right Kind' of commitment be managed?* Unpublished Working Paper for the Department of Management, University of Melbourne.

Jaros, S., Jermier, J., Koehler, J. and Sincich, T. (1993) *Effects of Continuance, Affective and Moral Commitment on the Withdrawal Process: An Evaluation of Eight Structural Equations Models*. Academy of Management Journal, 36:951-995.

Jermier, J. and Berkes, L. (1979). *Leader behavior in a police command bureaucracy: A closer look at the quasi-military model*, Administrative Science Quarterly, 24:1-23.

Kanter R. M. (1982). *The middle manager as innovator*. Harvard Business Review 60: 95-105.

Kreitner, (1998). *Management*. 7th ed.: Houghton Mifflin

Kelman, H. C. (1958). *Compliance, identification, and internalisation: three processes of attitude change*, Journal of Conflict Resolution, 2:51-60.

Mathieu, J. E. and Zajac, D. M. (1990). *A review and meta-analysis of the antecedents, correlates, and consequences of organizational commitment*, Psychological Bulletin, 108:171-194.

McGregor, D. (1960). *The human side of enterprise*. New York: McGraw-Hill
Meyer, J. P. and Allen, N. J. (1991). *A three-component conceptualisation of organizational commitment*, Human Resource Management Review, 1(1):61–89.

Meyer, J. P. and Allen, N. J. (1993). *Commitment to organization and occupations: Extension of a three-component model*, Journal of Applied Psychology, 78(4):538-551.

Meyer, J. P. and Allen, N. J. (1997). *Commitment in the workplace*. Thousand Oaks, CA: Sage.

Morrow, P. (1983). *Concept redundancy in organizational research: The case of work commitment*, Academy of Management Review, 8:486-500.

Mowday, R. and McDade, T. (1979). *Linking behavioral and attitudinal commitment: a longitudinal analysis of job choice and job attitudes*, Academy of Management Proceedings, 84-88.

Mowday, R. T., Porter, L. W. and Steers, R. M. (1982). *Employee-organization linkages: The psychology of commitment, absenteeism, and turnover*. New York: Academic Press

Nijhof, W. J., De Jong, M. J. and Beukhof, G. (1998). *Employee commitment in changing organizations: an exploration*, Journal of European Industrial Training, 22(6):243-248.

Northouse, P. G. (2001). *Leadership: Theory and Practice*. Thousands Oaks, CA: Sage.

Nyengane, H. M. (2007). *The Relationship between Leadership Style and Employee Commitment* An Exploratory Study in an Electricity Utility in South Africa. Unpublished manuscript, Rhodes University.

O'reilly, C. and Chatman, J. (1986). *Organizational commitment and psychological attachment: the effects of compliance, identification, and internalisation on prosocial behavior*, Journal of Applied Psychology, 71:492-499.

Parry, K. W. (1998). *Grounded theory and social process: A new direction for leadership research*. *The Leadership Quarterly*, 9(1), Spring, 85-105.

Pavett C, Lau A (1983). *Managerial work: The influence of hierarchical level and functional specialty*. Acad. Manage. J. 26: 170-177.

Penley, L. E. and Gould, S. (1988). *Etzioni's model of organizational involvement: a perspective for understanding commitment to organizations*, Journal of Organizational Behavior, 9:43-59.

Pfeffer, J. (1998). *Seven practices of successful organizations*, California Management Review, 40(2):96-123.

Price A. (1997). *Human Resource Management in a Business Context*. Oxford: International Thomson Business Press.

Pruijn, G. H. J. and Boucher, R. J. (1994). *The relationship of Transactional and Transformational Leadership to the Organizational Effectiveness of Dutch National Sports Organizations*, European Journal of Sport Management, 72-87.

Randall, D. M. & O'Driscoll, M. P. (1997). *Affective versus calculative commitment: human resource implications*. Journal of Social Psychology, 137.

Rauch, C. F., & Behling, O. (1984). *Functionalism: basis for an alternate approach to the study of leadership*. New York, USA: Persimmon Press.

Romzek, B. S. (1990). *Employee investment and commitment: The ties that bind*, Public Administration Review, 50:374-382

Shamir, B., House, R. J. and Arthur, M. B. (1993) *The motivational effects of charismatic leadership: a self-concept theory*, Organizational Science, 4:577-594.

Taylor, S. (1998). *Employee resourcing*. London: Institute of personnel and development

Toffler, A. (1990). *Power Shift*. New York: Bantam Books.

Tichy, N. & Devanna, M. (1996). *The Transformational Leader*. New York: John Wiley and Sons.

Ulrich, D. (2000). *A New Mandate for Human Resources*. Harvard Business Review, 124-134.

APPENDIX A

QUESTIONNAIRE TO STAFF OF BRRI

THE EFFECT OF LEADERSHIP STYLES ON STAFF RETENTION: A CASE STUDY OF CSIR – BUILDING AND ROAD RESEARCH INSTITUTE

This questionnaire is part of a study that would be used in assessing the effect of leadership styles on staff retention using BRRI as a case study. Respondents are assured of confidentiality, and that information gathered will only be used for academic purposes.

Please fill or tick where appropriate

1. Background Information

Position of Respondent

a. Gender: Male () Female ()

b. Number of Years in Service: 5yrs and below () 6-10yrs () 11-15 yrs () 16 - 20yrs ()
above 20yrs ()

A. DIRECTORATE

Perception of Leadership at BRRI (Please use the following to answer question 2 – 11)

Key: 1-Strongly Agree 2-Agree 3-Neutral 4-Disagree 5-Strongly Disagree

2. To what extent do you agree with the following pertaining to leadership at BRRI?

Statement	1	2	3	4	5
Leadership positions are political					
Leadership is not proactive					
Leadership performance is below par					
Leadership exhibits weak human relationship					

3. How does your perception of leadership affect your stay at BRRI?

Statement	1	2	3	4	5
I am largely not motivated					
My initiative is affected					
My performance is affected					
I do not relate well with leadership					

4. How would you want to see leadership at BRRI?

Statement	1	2	3	4	5
Appointment of leadership is based on competence					
Leadership relates well with their employees					
Staff be involved in choosing their leader					

B. DIVISIONAL HEAD

Perception of Leadership at BRRI

5. To what extent do you agree with the following pertaining to leadership at BRRI?

Statement	1	2	3	4	5
Leadership positions are political					
Leadership is not proactive					
Leadership performance is below par					
Leadership exhibits weak human relationship					

6. How does your perception of leadership affect your stay at BRRI?

Statement	1	2	3	4	5
I am largely not motivated					
My initiative is affected					
My performance is affected					
I do not relate well with leadership					

7. How would you want to see leadership at CSIR – BRRI?

Statement	1	2	3	4	5
Appointment of leadership should be based on competence					
Leadership should relate well with their employees					
Staff be involved in choosing their leader					

C. SECTIONAL HEAD

Perception of Leadership at BRRI

8. To what extent do you agree with the following pertaining to leadership at BRRI?

Statement	1	2	3	4	5
Leadership positions are political					
Leadership is not proactive					
Leadership performance is below par					
Leadership exhibits weak human relationship					

9. How does your perception of leadership affect your stay at BRRI?

Statement	1	2	3	4	5
I am largely not motivated					
My initiative is affected					
My performance is affected					
I do not relate well with leadership					

10. How would you want to see leadership at BRRI?

Statement	1	2	3	4	5
Appointment of leadership be based on competence					
Leadership relates well with their employees					
Staff be involved in choosing their leader					

D. GENERAL OPINION

11. What is your general opinion of BRRI?

Statement	1	2	3	4	5
I will recommend the institute to other job seekers					
Reward systems should be improved					
Current crop of leadership should be maintained					
I will leave at the least opportunity					

Any other comment

.....

.....

.....

.....

.....

**THE EFFECT OF LEADERSHIP STYLES ON STAFF RETENTION: A CASE STUDY
OF COUNCIL FOR SCIENTIFIC AND INDUSTRIAL RESEARCH – BUILDING AND
ROAD RESEARCH INSTITUTE**

GEORGINA BOATENG

LINDA ADU-KWARTENG

EUNICE AWURUCHE

KENNEDY AGYENIM BOATENG

KAKRA ODURO SARPONG

**A PROJECT WORK PRESENTED TO THE DEPARTMENT OF BUSINESS
ADMINISTRATION IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR
THE AWARD OF A BACHELOR OF BUSINESS ADMINISTRATION (BACHELOR OF
BUSINESS HUMAN RESOURCE MANAGEMENT OPTION)**

JUNE, 2012

STATEMENT OF AUTHENTICITY

We have read the university regulations to plagiarism and certify that this report is all our own work and does not contain any unacknowledged work from any other source. We also declare that we have been under supervision for this report herein submitted.

NAME	SIGNATURE	DATE
Georgina Boateng
Linda Adu-Kwarteng
Eunice Awuruche
Kennedy Agyenim Boateng
Kakra Oduro Sarpong

SUPERVISOR'S DECLARATION

I hereby declare that the preparation and presentation of the dissertation were supervised in accordance with the guidelines on supervision laid down by Christian Service University College.

SUPERVISOR'S NAME	SIGNATURE	DATE
Evelyn Owusu Frempong (Mrs.)
Head of Department's Name		
Dr. Kwaku Ahenkora

ABSTRACT

In many organisations the world over, there is a lot of attention on the importance of leadership behavior and style to the operations of organizations and at the same time, organizations are struggling to attract and retain employees. Although several factors have been identified that contribute to employee's decision to either stay in an organization or leave, one critical factor that cannot be ignored is leadership. This study therefore looked at leadership behaviour and its effect on retention using Building and Road Research Institute as a case study. The study examined employees' perception of leadership, effects of staff perception of leadership and staff position on proper leadership in the organisation based on some stated criteria presented to respondents. This assessment considered leadership at the Directorate, Divisional Heads, and Sectional Heads. A sample size of 65 respondents was chosen for the study. Data was obtained through the use of questionnaires and interviews. Data presentation and discussion were supported with line graphs and tables. It was established that generally most respondents will want the appointment of leadership to be based on competence, and also leadership positions in the organisation are not political. Most respondents believed that leadership at the divisional level shows poor human relations. The research saw this as an important factor in staff retention in any organization. Although there was a general agreement that leadership at BRRI was not performing poorly. However, this did not affect employees' sense of devotion to the organization. Generally, findings suggest that leadership behaviors do play important roles in determining employee commitment within an organization. Leadership at BRRI therefore should improve on their relationship skills which was one of the strong issues that emerged. Again, employee participation is also recommended as a management practice that will ensure employee commitment. This is in respect of the general desire expressed by respondents to be involved in decision making. However, it is important to point out that other factors also impact on the decision of employees to either remain or leave an organization.

ACKNOWLEDGEMENT

May the name of the almighty God forever be praised, honoured and adored. To the highest God, glory be thy name.

It is undisputed fact that the writing of such an academic document could never have been done successfully all by ourselves. We wish to place on written record our sincere thanks to all those who assisted us during this research work. Special mention is made of Mr. Richard Ampofo Boadu (M.D of Ultisima Wood Ltd.) and Madam Esther Achiaa Faibil and the entire staff of Building and Road Research Institute for providing valuable information upon demand.

We are indebted to our parents for their moral and spiritual support throughout our education. We cannot b without thanking and praising our competent supervisor, Mrs. Evelyn Owusu Frempong who found time out of her numerous schedules to thoroughly read and correct us as we wrote this research.

DEDICATION

We dedicate this master piece of work to our parents for their care, love and support to us throughout our research.

TABLE OF CONTENT

Statement of Authenticity.....	i
Abstract.....	ii
Acknowledgement.....	iii
Dedication.....	iv
Table of Content.....	v

CHAPTER ONE

GENERAL INTRODUCTION

1.1	Background of the Study.....	1
1.2	Statement of the Problem.....	2
1.3	Objectives of the Study.....	3
1.4	Research Questions.....	4
1.5	Justification of the Study	4
1.6	Overview of Research Methodology.....	5
1.7	Scope of the Study.....	5
1.8	Organisation of the Study.....	5
1.9	Limitations.....	6

CHAPTER TWO

LITERATURE REVIEW

2.1	Introduction.....	7
2.2	Employee Retention.....	7
2.3	The Concept of Leadership in an Organisation.....	8
	2.3.1 Perspective in Leadership Style.....	9
2.4	Leadership Characteristics.....	11
	2.4.1 The Transformational Leadership Style.....	11
	2.4.2 The Transactional Leadership Style.....	12
2.4.3	The Laissez-Faire Leadership Style.....	13
2.5	Organisational Commitment.....	14
2.6	The Multidimensional Concept of Commitment.....	15
2.7	The Three Component Model of Organisational Commitment.....	16
	2.7.1 Affective Commitment.....	16
	2.7.2 Continuance Commitment.....	17
	2.7.3 Normative Commitment.....	18
2.8	Relationship between Leadership Styles and Employees Commitment.....	19
2.9	Leadership and Employee Retention.....	20
	2.9.1 A Domino Effect.....	21
	2.9.2 Effective Leader Rounding.....	21
	2.9.3 30- And 90-Day Retention Meetings.....	22
	2.9.4 Using Peer Review for Employee Selection.....	22
2.10	Turnover Intention.....	22

CHAPTER THREE

RESEARCH METHODOLOGY AND ORGANISATIONAL PROFILE

3.1	Introduction.....	24
3.2	Research Design.....	24
3.3	Research Strategy.....	24
3.4	Population.....	24
3.5	Sampling Procedure	25
	3.5.1 Sampling Size.....	25
3.5	Sources of Data.....	25
	3.6.1 Primary Data.....	26
	3.6.2 Secondary Data	26
3.7	Data Collection Instruments.....	26
	3.7.1 Questionnaire.....	26
	3.7.2 The Interview Method	26
3.8	Data Analysis Tools.....	27
3.9	Validity and Reliability.....	27
3.10	Building and Road Research Institute Profile.....	28

CHAPTER FOUR

FINDINGS AND DISCUSSIONS OF RESULTS

4.1	Introduction.....	30
4.1.1	Demographic of Respondents	30
4.2	Findings to Research Objectives.....	32
4.2.1	Employees' perception of Leaders.....	32
4.2.1.1	Directorate.....	32
4.2.1.2	How does your perception of leadership at the Directorate affect your stay at BRRI?.....	34
4.2.1.3	How would you want to see leadership at the Directorate?.....	35
4.2.2	Divisional Head.....	36
4.2.2.1	How does your perception of leadership of Divisional Heads affect your stay at BRRI?.....	37
4.2.3	Sectional Heads.....	39
4.2.3.1	How does your perception of leadership of Divisional Heads affect your stay at BRRI.....	41
4.2.3.2	How does your perception of leadership of Sectional Heads affect your stay at BRRI?.....	42
4.2.3.3	How would you want to see leadership of Sectional Heads?.....	42
4.2.3	General Opinion of respondents of BRRI.....	43

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1	Introduction.....	44
5.1.1	Demographic of Respondents	44
5.1.2	Findings to Research Objectives.....	44
5.1.3	The Impact of Other Factors on Leadership Styles and Employee Commitment.....	45
5.2	Conclusion.....	46
5.3	Recommendations.....	47
5.4	Recommendations for the Area Of Further Research.....	47
	 Bibliography	 48
	 Appendix	 53