AN ASSESSMENT OF THE DIFFERENT LEADERSHIP STYLES ON BUSINESS PERFORMANCE: A CASE STUDY OF TM HYPERMARKET IN BULAWAYO, ZIMBABWE

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ABSTRACT
This study sought to investigate the leadership styles on organisational performance at the TM Hypermarket branch in Bulawayo. The purpose of this study was concerned with analysing the effects of leadership styles on performance and establish the extent to which leadership styles are compatible with the required strategy. Finally, the research aimed to assess the effectiveness of the TM Hypermarket employee career promotional policy. The study used both quantitative and qualitative approaches. Using convenience sampling, a sample of 90 respondents were included in the study. The collected data were analysed using descriptive statistics techniques. The findings indicated that corporate leadership style was not highly practiced. Authoritative leadership dominated the organisation, especially in departmental offices, whereas participative leadership was less prevalent. Conclusions were that the lack of corporate leadership, dominating authoritative leadership style and low participative leadership style contribute to the poor performance of the organisation. Recommendations from the study were that visionary leaders and empowerment is necessary to motivate employees at TM Hypermarket in Bulawayo.

Key words: Leadership Styles; Performance; Business; Assessment; Changing Realities

Introduction
The purpose of this study is to explore the effect of leadership styles on business performance. More precisely, the study focuses on the identification of the best leadership style that managers must adopt in the discharge of their responsibilities at TM Hypermarket in Bulawayo, Zimbabwe. The main focus of the study is on the current leadership styles within the business and the impact of these leadership styles on the performance of the business. To achieve this purpose, the study seeks to identify relevant leadership styles that are required in the situations experienced by the TM Hypermarket branch in Bulawayo.

Objectives of the Study
The objectives of the study are as follows:

- To assess the current leadership styles within TM Hypermarket, Bulawayo, Zimbabwe.
To analyse the effectiveness of TM Hypermarket’s employee promotional policy in producing competent leaders to lead the branches of the organisation.

To evaluate the impact of the current leadership styles on the performance of TM Hypermarket, Bulawayo, Zimbabwe.

To establish the extent to which the current leadership styles at the TM Hypermarket, Bulawayo branch are compatible with the required strategy implementation for the entire organisation.

To make recommendations to the management of TM Hypermarket, Bulawayo, to improve the organisation’s performance.

LITERATURE REVIEW

Introduction
This chapter deals with detailing a review of the literature on the topic of interest. A literature

The Essence of Leadership
According to Carter and Jones-Evans (2006:293), “the art of leadership is to hold employees accountable for results, while at the same time, maintaining morale and employee satisfaction.” Bass (1997:17) advises that the essence of leadership is conceived “as the focus of group processes, as a matter of personality, as a matter of inducing compliance, as the exercise of influence; as particular behaviours, as a form of persuasion; as a power relation, as an instrument to achieve goals; as an effect of interaction, as a differentiated role, as an initiation of structure, and as many combinations of this definition.”

It follows that it is difficult to access a definition of leadership that is both common and or widely accepted. This may be because leadership, by its nature, is characterised by its attributes rather than by norms. The essence of leadership seems to refer to an ability to influence others to willingly contribute to the attainment of predetermined organisational goals, thereby enhancing organisational performance.

The relationship between the phenomena of “leadership” and “performance” is alluded to in Schein’s (2005:15) definition of an “organisation,” wherein he states: “An organisation is the planned coordination of the activities of a number of people, for the achievement of some common goals (i.e.: the performance), through division of labour and function, and through a hierarchy of authority and responsibility (i.e.: the leadership).”

Amos, in Louw and Venter (2006:56), purports that leadership is the ability to utilise cognitive and emotional intellect to influence people to achieve organisational vision and goals, whilst ensuring short-term stability and long-term viability, by knowing when to use the different types of theoretical models, recognising the need for change, and steering the implementation of the required change (that is adapt and renew). Daft (2006:71) concisely suggests that the essence of leadership simply involves influence, intention, personal responsibility, shared purpose, followers, and change. However, reference to change in the foregoing definition can also be contextualised with the “changing realities” in the global business environment. These changing realities constantly influence the roles and styles of leadership that are required in firms.
Changing Realities

Ireland and Hitt (2005:87) caution that without effective leadership, the probability that a firm can achieve superior or even satisfactory performance when confronting the challenges of global economy, will be greatly reduced. Furthermore, the realities associated with the global business environment have evolved profoundly in recent decades. Bartlett and Goshal (2005:123) advise that the 21st century had introduced new paradigms, with technological, competitive and market changes eroding the effectiveness of the hierarchical business structure.

On a different but related note, Malnight (2008:6) states that it is critical that leaders understand who they are and how their identity affects their capacity to communicate (and to collaborate). In this regard, it is overtly clear that leaders need to model the kind of communication that they view as critical to the success of their organisations. Once a leader has addressed his or her own communication challenges and shortcomings, he or she can begin to systematically address the barriers to effective, highly collaborative communication within an organisation. Ultimately, it is the quality of a company’s dialogue that determines how it receives the incoming flow of rapidly changing information. Whether the information confuses, overwhelms, informs or inspires has a direct impact on the decision-making process and the performance of a company.

According to Birchfield (2008:67), the complexity of globalisation and technology are putting demands on leadership that render old models of leadership woefully inadequate. Consequently, leaders of this day and age must be highly flexible, comfortable with fast changing environments and capable of utilising multi-leadership styles. These far reaching developments have created unique challenges for leaders (Wieand, 2008:85). The rapidity of change and subsequent increase in complexity has exceeded the ability of leaders to adapt. Today, perhaps the most critical factors for effective leadership are the capacity to embrace paradox, tolerance ambiguity and/or act flexibly. These factors determine a leader’s ability to master ongoing change and create sustainable and good performance. Significantly, this ability to adapt largely represents an emotional challenge rather than an intellectual one. Johnson (2005:37) suggests that the only effective way to meet this emotional challenge is to attack and remove the critical emotional barriers that restrain effective leadership.

Johnson (2005:33) asserts that leaders increase their internal flexibility by addressing the emotional barriers inhibiting their ability to change. He goes on to argue that the critical component of effective leadership today is the ability to see reality as clearly and as objectively as possible. In other words, only those who have a stable and authentic sense of self, who know their blind spots, fears and shortcomings, can view the unfolding of the world around them with equanimity and objectivity, and, thus, enable themselves to see the opportunities and challenges that arise (Amos, 2006:234). Without this self knowledge, and, even if their business strategies and initiatives are correct, leaders will be ineffective because their organisations will execute sub-optimally.

The Evolving Role of Leadership

Bartlett and Ghoshai (2005:114) present compelling arguments for the new competencies, skills and abilities that they have observed in the evolving role of leaders. The authors suggest that organisations are shifting away from singular-power and exclusive capitalist-based approaches to a position that is based on leveraging the expertise, knowledge and wisdom of all empowered
employees. Hence, in coining the phrase “from organisation man to individualised corporation,” Bartlett and Ghoshal (2005:114) advise that “as the industrial Era evolved into the information Age, the organisation’s scarce resource is shifting from capital to knowledge.”

The foregoing postulations can be applied to the case study of Coca Cola. Whilst both Martin Jansen and his predecessor Philipp Gutsche were successful CEOs during their respective tenures at Coca Cola, it could be argued that Gutsche’s hierarchical approach (a top-down leadership style) and his capital based focus would probably not have yielded the desired results in the new reality. In contrast to Gutsche’s leadership style, Jansen adopted the “PPP-management” approach (namely; purpose; processes, people). Jansen supported his approach with a philosophy of collaboration, enticing confidence, trust, commitment, stretched initiative, execution, discipline and support from his diverse team.

Grant (2006:142) declares that the greatest challenge for leaders in the 21st century would be to benefit from the gains associated with transforming the knowledge that lies between human heads into explicit and reusable knowledge. Bartlett and Ghoshal (2005:114) suggest that “the objective of the evolving leadership role would be to capture and leverage the knowledge and the expertise of each employee.” This implies that leaders would have to embody enhanced people management skills and that this task requires a leadership style that is characterised by unique behaviours.

**Strategic Leadership**

**Strategy**

Before examining the relationship between leadership styles and performance (which is defined as the achievement of strategic plan objectives), it is necessary to first define and understand what strategy means. Different scholars have provided different definitions to the concept of strategy. Strategy is an outcome of a continuous process of strategic management. The concept of strategy has been adapted from the military for use in business. Strategy is a term that comes from the Greek term *strategia*, meaning “general ship.” In the military, strategy often refers to manoeuvring troops into position before the enemy is actually engaged (Andrew, 2004:121). Strategy, then, has no existence apart from the ends sought. It is a general framework that provides guidance for actions to be taken, and, at the same time, is shaped by the actions taken (Thompson and Strickland, 2005:273). Similarly, O’Regan and Ghobadian (2004:78), suggest that strategy articulates the means by which the organisation endeavours to convert its intentions into organisational capability.

Strategy represents an organisation’s chosen mode for interacting with its task environment (Gupta, 2006:39). It is a learning process, much like the scientific process of hypothesis testing (Beatty and Quinn, 2007:11). This implies that the necessary condition for formulating strategy is a clear and widespread understanding of the ends to be obtained. Andrews (2004:13) defines corporate strategy as the pattern of decisions in a company that determines and reveals its objectives, purposes, or goals, produces the principal policies and plans for achieving those goals, and defines the range of business the company is to pursue, the kind of economic and human organisation it is or intends to be, and the nature of the economic and non-economic contribution it intends to make to its shareholders, employees, customers and communities. All businesses compete for customers in an external product-market environment (Gupta, 2006:46). Therefore, it
cannot be overemphasised that strategy entails evaluating different sets of actions and promoting those that maximise opportunities for organisational survival in an environment characterised by immense competition.

**Leadership as Part of Strategy Implementation**

The quality of leadership and strategy is widely viewed as instrumental in maintaining and improving competitive performance (O’Regan and Ghobadian, 2004:130). Furthermore, O’Regan and Ghobadian (2004:133) argue that the gap between strategy and intended strategy is, among other factors, a function of the quality of an organisation’s leadership. One of the central challenges of modern organisations is strategic leadership at all levels of a firm (Bailey, 2007:93). The task of leadership is to ensure the effective deployment of corporate strategy (O’Regan and Ghobadian, 2005:79). Therefore, empirical research has shown that leadership and strategy are positively related.

More recent studies suggest that leadership is a requirement for strategic success (O’Regan and Ghobadian, 2005:80). As the number of strategic dimensions and corresponding initiatives increases, so does the pressure on leadership (Hsieh et al., 2005). With this in mind, one may be tempted to place the importance of the role of leadership into the limelight and also to point out the fact that, in most cases, leadership is decisive in the accomplishment of strategy.

Leadership has been explored as a question of meaning to look at how people are manipulated into cooperation, high levels of effort or how culture can be created. With such an agenda, leadership and strategy become synonymous, as both concepts are concerned with creating organisational cultures and structures that promote and achieve results (Colville et al., 2006:347). It is clear that the driving force connecting strategy and an organisation can only be leadership, at all levels. In addition, O’Regan and Ghobadian (2005:81) suggest that the formulation and deployment of strategic actions by effective leaders result in strategic competitiveness and above average returns. Consequently, one may say that the principal task of leadership is to ensure effective deployment of the corporate strategy. Building on this view, Cascella (2007:69) believes that in order to achieve its strategy, a business must create an organisational culture that fosters alignment between the strategy and the work that is performed between each department and function.

According to Hsieh et al. (2005:254), strategy will not succeed in a void and leadership often makes the difference between merely reaching for great opportunities and actually realising their potential. Furthermore, Hsieh et al. (2005:254) argue that even the best strategy can fail if a company does not have a cadre of leaders with the right capabilities at the right levels of an organisation. In simpler terms, it seems overtly clear that the task of closing the gap between strategy and implementation demands forecasting on clear priorities, creating common understanding through real dialogue and engendering a learning orientation in the organisation. When these things happen the strategy is a shared understanding that exists in the fabric of the organisation (Beatty and Quinn, 2007:17).

**Role of Leadership Styles in Staff Retention**

Why is retention important? Not surprisingly, employee turnover can be financially expensive as well as costly for knowledge retention. There are many outdated theories that have been replaced
by new and improved notions of leadership and retention. To illustrate, older practices revolved more around measuring employee performance rather than on measuring the success of employee retention efforts. Retention directly correlates with job satisfaction; employers who want to understand employees’ opinions, motivation and satisfaction can conduct anonymous surveys to aid in decision-making, benefits, work needs and identifying early triggers of possible turnover. Appreciating one’s employees is probably the number one thing that leadership can do to retain employees. It goes without saying that a nice benefit package with tuition reimbursement and vacation from a company will help too. The bottom line is that if employees feel valued and are utilising their talents, they will be more satisfied with their position and less likely to voluntarily leave (Bliss, 2011:06).

One of the critical roles of management is to create a work conducive employment environment. It also includes influencing employees’ decisions to be committed and remain with the organisation even when other job opportunities exist outside the organisation (Chiboiwa, 2010:10). Beard (2007:46) asserts that the role of leadership and supervisor is crucial to staff retention and argues that employees leave managers not the companies. In this particular regard, one tends to wonder the extent to which leadership styles at the TM Hypermarket branch in Bulawayo are contributing towards the employee turnover phenomenon.

According to Taylor (2004:230), organisations can no longer afford the risk to leave the responsibility for keeping well-performing employees in the hands of the human resources department. Responsibility and accountability for retaining talent need to move out to the front lines and into the hands of leaders. Leaders and their skill for building a climate of retention and a culture that speaks to the employees in a way that encourages them to stay, is an organisation’s best defence against unwanted turnover. Leaders are, therefore, the secret weapon in keeping valued talent longer. Two-way communication is regarded as a core management competency and a key management responsibility. Leaders should adopt a style that establishes and confirms their leadership authority by means of appearing competent and trustworthy. Effective leaders should guide members in a manner that allows them to contribute to the achievement of the group’s overall goals (Mat, 2008:210).

Employees are more likely to remain in an organisation if they believe that their managers show interest and concern for them, if they know what is expected of them, if they are given a role that fits their capabilities and if they receive regular positive feedback and recognition. The quality of the relationships an employee has with his or her immediate manager elongates employee stay in an organisation (Ferreira, 2007, cited in Michael, 2008:27). Gwavuya (2011:15) affirms that incompetent leadership results in poor employee performance, high stress, low job commitment, low job satisfaction and turnover intent. Therefore, the importance of leadership styles on the performance levels of any organisation cannot be overemphasised.

Research conducted on the state of the South African Training industry indicated that management style was the most prominent retention factor in South Africa (Netswera, 2005:36). Sherman et al. (2006:58) found, in their research, that the majority of the employees in the organisations surveyed planned to remain with their organisations for at least the next five years because of the prevailing culture of management care. Chew (2004:44) notes that leadership behaviour has a positive influence on organisational commitment and turnover intention. On the
other hand, Muindi (2011:23) establishes that leadership style (specifically lack of involvement in decision making) and inadequate communication are two of the issues that cause employee dissatisfaction. From the foregoing, it is pertinent to note that leadership style is crucial, not only for staff retention, but also for the general performance of an organisation.

If companies need to reduce turnover, implementing stricter hiring policies would filter out staff that are not appropriate for the position or for the team. This would also strengthen existing teams knowing that they have a say in hiring and being excited to receive competent employees as part of their team. In addition, companies need to provide solid mentorship focused on individual and team building. Who wouldn’t want to be part of a system that is constantly trying to motivate and challenge their employees? Often times, generation Y employees get bored in the day-to-day operations, so providing novel ways of meeting objectives is important for generating higher levels of satisfaction. Furthermore, leaders should take time to invest in their staff by getting to know them, to really understand each individual’s personality and get a feel for what motivates them. Too often, managers are restricted by their own responsibilities to take time to invest in their staff, whereas these types of strategies can have huge benefits and drastically reduce employee turnover.

**Turnover Costs**

Although some degree of employee turnover is inevitable and may even be sought after to keep a team fresh, motivated and competent, certain strategies can be put into practice to reduce unwanted turnover. Employee retention is directly related to profitability and the cost associated with employee turnover can be significant, not to mention disruptive. While a position is vacant, other team members must manage their own responsibilities in addition to the outstanding positions’ duties, which can be taxing both mentally and physically taking a toll on overall morale. Even when a new employee is hired, the frustration does not end immediately as there will be necessary training before new employees can be fully productive and not require assistance to function.

According to Bliss (2011:08), there is a checklist of items to appropriately calculate the hard and variable cost of turnover in any organisation. This includes the cost associated with a person leaving or a vacant position, recruitment costs, training costs, lost productivity costs, new hire costs, and, finally, lost sales. Of course, in addition to hard costs, intangible costs can also pose issues. For instance, the organisational and departmental knowledge that is lost when an employee departs, takes a lateral position, or is promoted to another department or company.

**Leadership and Performance**

Leadership is identified as an important subject in the field of organisational behaviour. The component of leadership is the one with the most dynamic effects during individual and organisational interaction. In other words, the ability of management to execute ‘collaborated effort’ depends on leadership capability. Mehra et al. (2006:232) explain that the excellent leader not only inspires subordinates’ potential to enhance efficiency, but also meets their requirements in the process of achieving organisational goals. Fry (2003:693) explains leadership as the use of leading strategy to offer inspiring motives and to enhance the staff’s potential for growth and development. Several reasons indicate that there should be a relationship between leadership style and organisational performance. The first is that today’s intensive and dynamic markets
feature innovation-based competition, price formation rivalry, decreasing returns, and the creative destruction of existing competencies (Taffinder, 2006:150). This is supported by Ashibogwu (2008:18), who emphasises that effective leadership behaviours can facilitate the improvement of performance when organisations face these new challenges.

On the other hand, organisational performance refers to the ability of an enterprise to achieve objectives, such as high profit, quality product, large market share, good financial results and survival, at pre-determined times using relevant strategies for action (Koontz and Donnell, 2005:231). Organisational performance can also be used to view how an enterprise is doing in terms of profit margins, market share and product quality in relation to other enterprises in the same industry. Consequently, it is a reflection of the productivity of members of an enterprise measured in terms of revenue, profit, growth, development and expansion of an organisation.

**Transactional Leadership**
Understanding the effects of leadership on performance is also important, because leadership is one of the key driving forces in a firm’s performance. Effective leadership is seen as a potent source of management development and sustained competitive advantage for organisational performance improvement (Rowe, 2001:81). For instance, transactional leadership helps organisations achieve their current objectives more efficiently by linking job performance to valued rewards and by ensuring that employees have the resources needed to get the job done (Zhu et al., 2005:39). According to Sartre (1992:121), “transactional leaders are always willing to give you something in return for following them.” It can be any number of things, including a good performance review, a salary increase, a promotion, new responsibilities or a desired change in duties. The problem with transactional leaders is expectations. If the only motivation to follow is in order to get something, what happens during lean times when resources are stretched thin and there is nothing left with which to make a deal? That said, transactional leaders sometimes display the traits or behaviours of charismatic leaders and can be quite effective in many circumstances while creating motivated players (Sartre, 1992:122). They are able to make deals that motivate, which can prove beneficial to an organisation. The issue is simply one of sustainability.

**Transformational Leadership**
Visionary leaders create a strategic vision of some future state, communicate that vision through framing and the use of metaphors, model the vision by acting consistently, and build commitment, trust, motivation, and hence performance in the new organisational environments. Zhu et al. (2005:52) suggest that visionary leadership will result in high levels of cohesion, commitment, trust, motivation, and, hence, performance in new organisational environments.

Mehra et al. (2006:245) argue that when some organisations seek efficient ways to enable them to outperform others, a longstanding approach is to focus on the effects of leadership. Team leaders are believed to play a pivotal role in shaping collective norms, helping teams cope with their environments and coordinating collective action. This leader-centred perspective has provided valuable insights into the relationship between leadership and team performance. Some studies have explored the strategic role of leadership to investigate how to employ leadership paradigms and use leadership behaviour to improve organisation performance (Keller, 2006:202). This is because intangible assets, such as leadership styles, culture, skill, competence
and motivation are seen increasingly as key sources of strength in those firms that can combine people, processes and organisational performance. According to Arvonen and Petterson (2005:101), different leadership behaviours have different leadership effects on organisational outcomes. On this note, Avolio et al. (2004:231) suggest that leadership style is positively associated with organisational commitment in a variety of organisational settings and cultures. This view is consistent with the theory of transformational leadership.

A number of researchers theorise that transformation leadership is linked to organisational performance. Transformational leaders influence followers’ organisational commitment by encouraging them to think critically by using novel approaches, such as involving followers in decision-making processes, inspiring loyalty, while recognising and appreciating the different needs of each follower to develop his or her personal potential (Avolio et al., 2004:953). Furthermore, the authors argue that transformational leaders are able to influence followers’ organisational commitment by promoting higher levels of intrinsic value associated with goal accomplishment, emphasising the linkages between follower effort and goal achievement, and by creating a higher level of commitment on the part of a leader and followers to a common vision, mission and organisational goals.

Consistent with the above viewpoint, Pryor et al. (2007:98) argue that properly aligned human assets are the key to successful implementation of organisational strategy. Employees who play a part in deciding what to do, feel a much greater amount of ownership over making it happen. By encouraging followers to seek new ways to approach problems and challenges, identifying with followers’ needs, transformational leaders are able to motivate their followers to get more involved in their work, resulting in higher levels of organisational commitment. Transformational leaders empower their subordinates. Generally, employees who feel empowered perform better, which helps the organisation to translate its strategy into action.

Evidence from a large number of studies indicates that transformational leadership can enhance subordinate motivation and performance (Yukl, 2008:721). Employees’ commitment is important for team cohesiveness, which is defined as the degree to which members are attracted to a group and motivated to remain part of it. Griffin et al. (2006:61) postulate that the style of the leader may vary, as may the content of the leader’s vision and the context in which it takes root. This is consistent with the position and arguments of Yukl (2008:722), who suggests that leaders must be prepared to modify their leadership behaviour, the competitive strategy, and the formal programs and structures to meet the challenges that confront them in an increasingly turbulent and uncertain environment.

Avolio et al. (2004:954) argue that empowered employees see themselves as more capable and able to influence their job and organisations in a more meaningful way. All these arguments are relevant to the study because they speak to the role of leadership in an organisation and the effects it has on the success of an organisation.
Factors Contributing to Poor Leadership
Leadership is undoubtedly one of the most ubiquitous potential stressors in the workplace. Although most stressors are specific to a given workplace, virtually everyone has a formal leader to whom they report.

Abusive Leadership
According to LeBlanc et al. (2006:235), abusive leadership occurs when individuals in a formal leadership role engage in aggressive or punitive behaviour toward their employees. These behaviours can vary widely from leaders degrading their employees by yelling, ridiculing, and name calling to terrorising employees by withholding or threatening employees with job loss and pay cuts. Such behaviours have been variously termed “workplace harassment” (Rospenda, 2004:127). Although conceptually abusive supervision includes acts of physical violence, empirically, the incidence of co-worker violence (including leader-follower violence) is very low (Kelloway, 2002:84). Acts of non-physical aggression are relatively more common. According to (Pizzino, 2005:40), supervisors accounted for 20% of aggressive behaviours reported by unionised respondents, whereas members of the public were responsible for 38% respondents’ reports of aggressive behaviour. These data suggest that the actions of co-workers, including leaders, have a stronger impact on personal well being than do the actions of the members of the public.

Workload and Work Pace
The experience of being overworked is not new, and, if anything, some would suggest that it is increasing in particular sectors (Cooper, 2003:53). The strains associated with being overworked have been found uniformly negative across behavioural, psychological and physiological outcome domains. According to Kickul (2005:43), issues of workload and work pace become increasingly important in an environment in which hours of work are increasing (for example, in supermarkets such as the one included in this study). Organisational leadership is clearly linked to workload and pace in most organisations. By establishing the pace of work, the amount of work that is required, and, by specifying deadlines, organisational leaders effectively establish workloads and an appropriate work pace for most individuals. Thus, when leaders set tight deadlines or assign extra tasks without considering existing work-loads, they become a source of workplace stress through the experience of overload. To the extent that passive leaders are unaware of the concerns of their employees, they may be less attuned to the amount of work that their employees can reasonably manage, and, thus, endorse a heavy workload and unmanageable work pace (Kelloway, 2009:61). Similarly, abusive leaders who, in their actions, display little concern for the welfare of their employees may also be more likely to set unreasonable deadlines and workloads than highly effective leaders.

Factors Influencing Leadership Style
A leadership style adopted by a leader or a manager in an organisation can also be influenced by the nature and quality of employees in the workplace. Leaders employ different styles according to the nature and quality of their subordinates. A leadership style used by a manager of highly skilled professionals would be different to that employed by a manager who looks after low skilled professionals. The nature of a firm’s human capital and the manner in which it is managed can impact employee and firm performance. Liu et al. (2005:152) argue that
Empowering leadership styles are more effective for managing knowledge-based employee group than directive, transactional or transformational leadership styles.

**Leadership and Financial Performance**

Leadership behaviours can influence the financial performance of an organisation (Yukl, 2008:708). This is consistent with the position and findings of a study conducted by Goleman (2000:12), which revealed a direct relationship between leadership style and financial results. Widely celebrated cases of a direct leadership-performance link may be found in numerous anecdotal accounts of improvements in company performance that is attributed to a change in leadership. Another similar study was conducted by Elenkov (2002:38) to investigate the main effects of transformational and transactional leadership behaviours on organisational performance of Russian companies. The findings from the study revealed that transformational leadership directly and positively predicted the organisational performance of Russian companies over and beyond the impact of transactional leadership.

In a study conducted by Arvonen et al. (2006:112) involving the relationship between leadership behaviours as predictors of cost and change effectiveness, it was found that there is a statistically significant relationship between leadership behaviour and both outcomes (i.e.: cost and change). The authors’ measured leadership using the cost, production and employee orientation model, which embraces three types of leadership, centering on change production and employees.

In another study conducted by Wendt et al. (2009:358) examining the relationship between leadership and team cohesiveness in different societal cultures, it was found that directive leadership and supportive leadership were negatively and positively related with team cohesiveness, respectively. Another study conducted by Koene et al. (2002:193) examining the effect of different leadership styles on two financial measures of organisational performance, three measures of organisational performance and three measures of organisational climate in 50 supermarket stores from a large of chain in the Netherlands revealed that there is a strong relationship between leadership and financial performance. Moreover, the findings from the study showed that leadership styles have differential effects on organisational performance. Some researchers argue that the impact of leadership styles on performance is influenced by the size of the organisation. Following this line of reasoning, it may be argued that the effect of a manager’s leadership behaviour on financial performance will be stronger in smaller sized organisations than in larger organisations.

**Leadership Styles**

Leadership style is defined as the pattern of behaviours that leaders display during their work with and through others (Hersey, 2006:130). The leadership literature has a rich tradition of conceptualising leadership typologies. In typical typology, leader behaviours are theoretically clustered into prominent types of styles of leadership.

**Participative Leadership Style**

Participative leadership is also known as democratic leadership. All members of a team are involved in identifying essential goals. Members are given the task to develop procedures or strategies to achieve the established goals. From this perspective, participative leadership can be seen as a leadership style that relies heavily on the leader functioning as a facilitator rather than
simply issuing orders or making assignments. These views are consistent with the positions or arguments of Beatty and Quinn (2007:3), who argue that leaders must ensure that people have clear, shared priorities. They must work to develop a climate that generates common understanding. By giving workers a voice in decisions, participative leaders build organisational flexibility and responsibility and help generate fresh ideas (Goleman, 2000:16).

Authoritative Leadership Style
The authoritative leader is seen as an expert in the company and is able to clearly identify the goals that will lead the organisation to success. An authoritative leadership style is also referred to as directive leadership style or coercive leadership style by some scholars. Liu et al. (2003:152) suggest that authoritative leadership tries to establish followers as compliant subordinates by relying on such behaviours as command and direction, assigned goals, and punishments. Followers have little direction over the job and are rarely allowed to participate in decision-making. Authoritative leadership inhibits an organisation’s flexibility and dampens employees’ motivation (Goleman, 2000:18). However, it is important to indicate that authoritative leadership is useful in some leadership scenarios that demand the use of authority.

Supportive Leadership Style
Supportive leadership style (which is also referred to as the coaching style by certain scholars), focuses more on personal development than on immediate work-related tasks. It works well when employees are already aware of their weaknesses and want to improve, but not when they are resistant to changing their ways (Saowalux Peng, 2007:45). It has a rational approach and presumes that senior managers have a vision and a way of realising it but, in large part, strategy is as much a means of rationalising management power and privilege as it is a guide of actions.

To influence people in an organisation successfully, leaders must design their message to appeal to the heads and hearts of those they are trying to influence as well as to those individuals’ desires for personal and professional growth and for the success of the organisation as a whole (Grayson, 2002:13). Other studies examined the relationships between leadership styles and team performance. A study conducted by Burke et al. (2006:301) revealed that the use of task focused behaviours is moderately related to perceived team effectiveness and team productivity and that person-focused behaviour were related to perceived team effectiveness, team productivity and team learning.

Laissez Faire Leadership Style
The laissez fair leadership style is also known as the “hands off” style. It is one in which the manager provides little or no direction and gives employees as much freedom as possible. All the authority and power is given to the employees and they must determine goals, make decisions and resolve problems on their own. In a study conducted by O’Regan and Ghobhadian (2005:6), it was found that the laissez fair leadership style was positively correlated with both long and short term organisational performance.

RESEARCH METHODOLOGY
Target Population
The population of relevance consisted of a branch manager, an assistant branch manager, departmental managers, supervisors, current employees and former employees of TM Hypermarket, Bulawayo. The categories chosen were thought to be involved in the leadership management, decision-making and forming of the branch. The study population comprised 110 employees. From the above population, the human resource supervisor was consulted to obtain the contact details of current employees and former employees. Reige (2003:82) further advises that the quality, validity and reliability of a case study research method are enhanced by the application of the aforementioned design tests. In this study, clear evidence is presented that enables the reader to comprehend and appreciate derivation of all the interpretations that are made.

The “credibility” indicator was addressed by ensuring that transcripts of the interviews were communicated to the relevant research participants for their approval. Further, copies of the digital recordings of these interviews were also forwarded to the research participants for the purpose of cross referencing against the contents of the transcripts.

Limitations of the Research
As with all research, this study was restricted to only current and former employees of TM Hypermarket, Bulawayo. Low response rates and issues involving sampling bias and representatives were some of the common limitations encountered in this study. A further limitation in this study was the small sample size of the former employees. It was difficult to contact former employees and to convince them to complete the questionnaires. A study of this nature requires a relatively large sample from both current and former employees. Some of the challenges encountered in this study are consistent with views of other researchers in the field of leadership and performance. Similar to the experience of leadership research more generally, there are problems of definition, appropriate unit of analysis and fundamental perspective (Levy, 2005:98).

RESULTS, DISCUSSION AND INTERPRETATION OF FINDINGS

Age Distribution of the Respondents

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>19 and Below</td>
<td>8</td>
<td>8.9</td>
</tr>
<tr>
<td>20 – 39</td>
<td>42</td>
<td>46.7</td>
</tr>
<tr>
<td>40 – 59</td>
<td>36</td>
<td>40</td>
</tr>
<tr>
<td>60 – 79</td>
<td>4</td>
<td>4.4</td>
</tr>
<tr>
<td>Total</td>
<td>90</td>
<td>100</td>
</tr>
</tbody>
</table>

As observed from Table 4.2.1 above, it is clear that 42 (46%) are between 20 and 39 years of age, 36 (40%) are between 40 and 59 years of age, 8 (8.9%) are 19 or younger and 4 (4.4%) are 60 to 79 years old. This means that the majority of the respondents (who took part in the study) were between the ages of 20 and 39. During the interview sessions, it was noticed that employees in this age bracket (20-39) had more attachment to their organisation and had hands-on
experience in their respective departments. It appears as though these employees are more motivated to perform.

**Distribution of Respondents by Sex**

**Table 4.2.2: Distribution of Respondents by Sex.**

<table>
<thead>
<tr>
<th>Sex</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>48</td>
<td>53.3</td>
</tr>
<tr>
<td>Female</td>
<td>42</td>
<td>46.7</td>
</tr>
<tr>
<td>Total</td>
<td>90</td>
<td>100</td>
</tr>
</tbody>
</table>

The purpose of this item was for use in further analysis to establish the correlation between sex and performance. As observed from Table 4.2.2, it is clear that 48 (53.3%) were male as opposed to female, who constituted 42 (46.7%) of the participants. This presupposes that, generally, the margin between males and females is minimal. This implies that there was equal representation of the male and female employees at TM Hypermarket. During the face-to-face interviews, it was found that gender bias was insignificant to cause low performance at the TM Hypermarket in Bulawayo; hence, such issues were never raised as some of the ailments affecting the ability to perform adequately.

**Distribution of Respondents by Level of Education**

**Table 4.2.3: Distribution of Respondents by Level of Education.**

<table>
<thead>
<tr>
<th>Level of Education</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secondary</td>
<td>28</td>
<td>31.1</td>
</tr>
<tr>
<td>Diploma</td>
<td>54</td>
<td>60</td>
</tr>
<tr>
<td>Degree</td>
<td>8</td>
<td>8.9</td>
</tr>
<tr>
<td>Masters</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>90</td>
<td>100</td>
</tr>
</tbody>
</table>

The purpose of this question was to establish the educational competence of the employees at TM Hypermarket in Bulawayo. As observed from Table 4.2.3, 54 (60%) were diploma holders and 28 (31.1%) were secondary school certificate holders. Only 8 (8.9%) of the participants represented people with degrees. There were no respondents with masters’ degree. This implies that most of the respondents at TM Hypermarket are limited by qualifications to attain higher positions.

**Distribution of Respondents by Marital Status**

**Table 4.2.4: Distribution of Respondents by Marital Status.**

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>30</td>
<td>33.3</td>
</tr>
<tr>
<td>Married</td>
<td>60</td>
<td>66.7</td>
</tr>
<tr>
<td>Total</td>
<td>90</td>
<td>100</td>
</tr>
</tbody>
</table>

The purpose of this question was to investigate the marital stability of employees and to establish whether there may be any problems arising from the marital status distributions of employees.
As observed above, Table 4.2.4 shows that 60 (66.7%) of the respondents were married as compared to 30 (33.3%) who were single. This may imply that most of the respondents in the study had high levels of maturity and integrity that are in the execution of their duties at TM Hypermarket, Bulawayo.

**Distribution of Respondents by Years of Service**

**Table 4.2.5: Distribution of Respondents by Years of Service.**

<table>
<thead>
<tr>
<th>Number of years</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-4 years</td>
<td>44</td>
<td>48.9</td>
</tr>
<tr>
<td>5-9 years</td>
<td>18</td>
<td>20</td>
</tr>
<tr>
<td>10 and more</td>
<td>28</td>
<td>31.1</td>
</tr>
<tr>
<td>Total</td>
<td>90</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 4.2.5 shows the distribution of respondents according to their years of service. Out of the total number, 48.9% had been working in the organisation for between 0 and 4 years, 20% have been working for the organisation between 5 and 9 years and 31.1% have been working for the organisation for 10 years or more. This may imply that most employees at TM Hypermarket do not have enough experience at their work station to help them execute their duties satisfactorily. It was also noted during the interviews that more than half the number of people whose experience is 10 years and above are part of the management team of TM Hypermarket.

This is an important characteristic that helps the organisation planners to estimate labour turnover in the organisation and to be in the right frame of mind to determine the manpower requirements of the organisation at any point in time. It also helps management to upgrade its workers to higher positions. In order to investigate the labour turnover, it was important to explore the length of time the respondents have been working at TM Hypermarket in Bulawayo. The lengthy duration of employment of some of the workers at the branch could be an indication of satisfactory working conditions. This, amongst other factors, may have contributed to lower rates of employee turnover among these categories of employees.

**Leadership**

**Leadership Styles used at TM Hypermarket**

**Table 4.3.1: Leadership Styles used at TM Hypermarket.**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Democratic</td>
<td>36</td>
<td>40</td>
</tr>
<tr>
<td>Authoritarianism</td>
<td>48</td>
<td>53.3</td>
</tr>
<tr>
<td>Both</td>
<td>6</td>
<td>7.7</td>
</tr>
<tr>
<td>Total</td>
<td>90</td>
<td>100</td>
</tr>
</tbody>
</table>

As seen from Table 4.3.1 above, 7.7% of the respondents gave both leadership styles as being used by supervisors or managers in the organisation. The highest amount, 53.3%, said supervisors or managers use authoritarianism as a leadership style and 40% of respondents reported the democratic style. The authoritarianism style of supervision is the dominant style
adopted by most of the supervisors and managers at the branch. However, some use either democratic and both styles depending on the situation. There appear to be different ways in which supervisors approach workers to motivate them and help to increase productivity.

The concept of supervision envisions members of an organisation and supervisors collaborating to accomplish the organisation’s goals and to help each member mature both as a person and as a leader. From the interviews conducted, some supervisors justified their adoption of an authoritarian style on the basis of the fact that it facilitates quick decisions, prompt action and unit of direction. However, too much use of authority may result in industrial disputes, which is likely to produce frustration and retard the growth of the capacity of the employees. According to Gosh (2005:120), this style is becoming less effective due to the fact that “the new generation is more independent and less submissive and not amenable to rigid control; people look for less ego to satisfactions from their jobs and revolution of rising expectation change the attitude of the people.”

Modern trends favour sharing the responsibility with employees, which helps foster enthusiasm among the workers. This, therefore, may explain why 40% of the supervisors in this case study used a democratic style of leadership. This style brings about improved moral and higher motivation, increased co-operation with management and a reduction of grievances (Gosh, 2005).

**Satisfied with Supervisory Style**

**Table 4.3.2: Satisfied with Supervisory Style.**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>42</td>
<td>46.7</td>
</tr>
<tr>
<td>No</td>
<td>46</td>
<td>51.1</td>
</tr>
<tr>
<td>No response</td>
<td>2</td>
<td>2.2</td>
</tr>
<tr>
<td>Total</td>
<td>90</td>
<td>100</td>
</tr>
</tbody>
</table>

With reference to Table 4.3.2 above, 46.7% of respondents said they were satisfied with the supervisory style being used by their supervisor. On the other hand, 51.1% indicated that they were not satisfied with the style used, while 2.2% did not respond to the question. The dissatisfaction of the majority of the respondents (as was established from interviews) is due to the fact that some of these supervisors' styles do not allow for the empowerment of the workers in terms of encouraging workers and thus not contributing to the organisational goals. These styles, particularly the democratic style, give workers the power to make their voices heard in decisions that affect them. The ability to describe certain situations, events, feelings and circumstances is very crucial to the understanding of employees’ actions and reactions at any given period of time, especially as far as human conduct is concerned. This is because workers’ feelings, actions and reactions convey volumes of messages, which do not take place in a vacuum.

These feelings, actions and reactions depend heavily on how people understand, analyse and interpret particular meanings, circumstances and situations. When one describes certain situations and relations positively, it is more likely for one to also have a more positive and peaceful interaction with others in that context.
Responses to Authoritative and Participative Leadership Styles (Qualitative Information)

According to the results from the interviews, most of the respondents highly believed that their performance was assessed by their supervisors alone. Most of the respondents/managers believed that performance measurement was conducted the authoritative way, where a few or no employees are consulted when the supervisors are conducting performance appraisals. This implies that, at TM Hypermarket, employees’ performance is not shared between the supervisors and the employees. Therefore, employees lack the liberty to know where they go wrong since supervisors only return with compliments. This was authoritative to the extent that employees who were taken as poor performers would be surprised with letters of employment termination. Most the employees would wonder what to do with such authoritative measures. During the interview sessions, most participants believed that authoritative leadership brought about performance the autocratic way, yet other forms of leadership would approach the employee from a more humanistic manner.

Most of the employees disagreed that there was leadership freedom in their departments. This implied that there was less liberty to have flexible leadership prevailing in the different departments. The respondents appeared to disregard the use of participative leadership by their supervisors. They suggested that their supervisors mainly used an authoritative style in most instances. During the interview process, most employees narrated numerous problems associated with leadership at TM Hypermarket in Bulawayo. Most of the employees in the departments agreed that their bosses were either very arrogant or did not care about important performance measurements. Most departments that practiced the participative leadership style had a huge presence of corruption to the extent that very few employees were concerned about what the real rules of performance were but the ability to satisfy the supervisor’s needs. It was found that in some departments where the participative leadership style was prominent, there were high levels of daily performance. Such departments were most profitable, including the bakery department and the butchery department, which were flourishing maximally. Within some departments, supervisors or managers were readily approachable, friendly and not arrogant towards employees. Based on the findings, it is evident that these two types of leadership styles are used most prominently in the organisation. The participative leadership style leads to performance, though the results are slower than when using authoritative leadership.

Responses to Employee Performance

Table 4.3: Responses to Employee Performance.

<table>
<thead>
<tr>
<th>STATEMENT</th>
<th>SD</th>
<th>D</th>
<th>A</th>
<th>SA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 I always report at work in time.</td>
<td>39</td>
<td>43.3</td>
<td>14</td>
<td>15.6</td>
</tr>
<tr>
<td>2 I always meet my daily targets.</td>
<td>67</td>
<td>74.4</td>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td>3 I am motivated to work.</td>
<td>10</td>
<td>11.1</td>
<td>47</td>
<td>52.2</td>
</tr>
<tr>
<td>4 My colleagues encourage me to work.</td>
<td>15</td>
<td>16.7</td>
<td>43</td>
<td>47.8</td>
</tr>
</tbody>
</table>
There is teamwork in my department.

My supervisor is a team player.

I am given the needed support with my supervisor to meet my duties.

My performance is assessed daily by my supervisor.

My performance is limited by poor leadership of my supervisor.

I am comfortable with my supervisor’s leadership styles.

---

<p>| | | | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>There is teamwork in my department.</td>
<td>30</td>
<td>33.3</td>
<td>33</td>
<td>36.7</td>
<td>15</td>
<td>16.7</td>
</tr>
<tr>
<td>6</td>
<td>My supervisor is a team player.</td>
<td>25</td>
<td>27.8</td>
<td>40</td>
<td>44.4</td>
<td>12</td>
<td>13.3</td>
</tr>
<tr>
<td>7</td>
<td>I am given the needed support with my supervisor to meet my duties.</td>
<td>20</td>
<td>22.2</td>
<td>30</td>
<td>33.3</td>
<td>18</td>
<td>20</td>
</tr>
<tr>
<td>8</td>
<td>My performance is assessed daily by my supervisor.</td>
<td>13</td>
<td>14.5</td>
<td>10</td>
<td>11.1</td>
<td>37</td>
<td>41.1</td>
</tr>
<tr>
<td>9</td>
<td>My performance is limited by poor leadership of my supervisor.</td>
<td>20</td>
<td>22.2</td>
<td>41</td>
<td>45.6</td>
<td>20</td>
<td>22.2</td>
</tr>
<tr>
<td>10</td>
<td>I am comfortable with my supervisor’s leadership styles.</td>
<td>32</td>
<td>35.6</td>
<td>39</td>
<td>43.3</td>
<td>12</td>
<td>13.3</td>
</tr>
</tbody>
</table>

The aim of presenting this kind of data was to record how employees rated themselves on employee performance, given the difference aspects of performance presented to them in the instrument. According to Table 4.3.4 above, respondents highly disagreed or disagreed that most of them reported earlier at work station, with a frequency of 39 (43.3%) and 14 (15.6%), respectively. This strongly implies that most employees at TM Hypermarket in Bulawayo do not arrive early to work. Perhaps this explains why performance has declined during the critical observations, with tendencies to leave work early, going for lunch and coming back close to 3pm. The languid nature at TM Hypermarket employees denotes the need to assess leadership styles at TM Hypermarket as they are either not effective or don’t initiate a sense of individual urgency. Sincerely, the second statement supports the argument that most of the employees, 67 (74.4%) strongly disagree with the statement that they always meet their daily targets. When it came to actual performance, most employees were reluctant to agree that they were motivated to perform. Indeed, most of them 47 (52.2%) disagreed with the statement, implying that the majority of employees are not motivated to perform. This requires two diversions in interpreting the data: one may want to believe that the employees’ demotivation was caused by low motivational rewards employed by TM Hypermarket, but, on the other hand, many employees that were interacted with believe that management was affected by poor leadership that was manifested through bureaucracy, politics and poor team leadership.

It was found that when most employees were interviewed, employee relations were relatively low. However, some employees at TM Hypermarket exhibited some level of relaxation but most employees believed that there are no employee relations at TM Hypermarket. Consequently, this had also reduced teamwork at TM Hypermarket. Indeed, 66 (69%) of respondents believe there was no teamwork in their respective departments. It was observed that effective teamwork was noticed during crucial work, but, during normal performance, most departments lacked proper and organised teamwork. It was noted that supervisors were not team players, 25 (27.8%) and 40 (44.4%) meant that most supervisors were not team players since most participants responded in that manner. It was further noted that most respondents believed that their performance was assessed daily by their supervisors, 37 (41.1%). However it was perplexing to note that most respondents believed that their skills and abilities were not fully utilised, since 20 (22.2%) and 41 (45.6%) strongly disagreed or disagreed, respectively.
Financial Performance Indicators (2010-2012)
Time-series Analysis

Table 4.4.1: Time-series Analysis.

<table>
<thead>
<tr>
<th></th>
<th>30 Sept 2012</th>
<th>30 Sept 2012 (%) of sales</th>
<th>30 Sept 2011 (%) of sales</th>
<th>30 Sept 2010 (%) of sales</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RETURN ON SALES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>4.196</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>-2,405</td>
<td>-57.3</td>
<td>-57.5</td>
<td>-54.9</td>
</tr>
<tr>
<td><strong>GROSS MARGIN</strong></td>
<td>1.791</td>
<td>42.7</td>
<td>42.5</td>
<td>45.1</td>
</tr>
<tr>
<td>Operating costs</td>
<td>-2.314</td>
<td>-55.1</td>
<td>-60.2</td>
<td>-49.2</td>
</tr>
<tr>
<td><strong>OPERATING MARGIN</strong></td>
<td>-523</td>
<td>-5.4</td>
<td>-10.6</td>
<td>2.5</td>
</tr>
<tr>
<td>Taxation</td>
<td>-77</td>
<td>1.8</td>
<td>2.7</td>
<td>-0.9</td>
</tr>
<tr>
<td><strong>RETURN ON SALES</strong></td>
<td>-600</td>
<td>-4.4</td>
<td>-7.2</td>
<td>2.3</td>
</tr>
<tr>
<td><strong>MEDIUM TERM TARGETS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market share</td>
<td>17%</td>
<td>17%</td>
<td>&gt;20%</td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>US$4.196m</td>
<td>US$3.1m</td>
<td>US$6m- US$7m</td>
<td></td>
</tr>
<tr>
<td>Operating cost to sales</td>
<td>55.1%</td>
<td>60.2%</td>
<td>30%-35%</td>
<td></td>
</tr>
<tr>
<td>Return on sales</td>
<td>(4.4%)</td>
<td>(7.2%)</td>
<td>&gt;10%</td>
<td></td>
</tr>
<tr>
<td>Stock turn</td>
<td>2.9 times</td>
<td>2.9 times</td>
<td>5 times</td>
<td></td>
</tr>
</tbody>
</table>

Source: TM Group of companies Hypermarket Bulawayo branch (2012).

The above information clearly indicates unpleasing financial performance of the TM Hypermarket branch in Bulawayo. The situation is deteriorating gradually and the main challenge is the inability to meet the predetermined benchmarks. The branch has not achieved the desired financial performance standards; there was already evidence (as detailed in Table 4.4.1) that gross margins had improved by 0.2%, operating costs to sales had reduced by 5.1% and the return-on-sales ratio had improved by 2.8% in 2011 versus 2012. Generally, there was an improvement in financial performance that can be attributed to both the employees and also the favourable macro-economic environment that promoted the retail industry in general. This macro-economic condition has had a positive effect on what could have been a more natural performance by the TM Hypermarket branch in Bulawayo. There was no improvement in the market share, despite the claims made by some of the participants that they worked very hard to bring back the branch to its past glory. Furthermore, it was noted that, currently, there are no implemented strategies to increase the market share.
Breakdown of TM Company Retention and Promotion Strategy
This qualitative information was extracted from the TM company policy document. The TM Company retains employees, first, by having a higher standard for rigorous section of staff. The retention strategy is to hire the right employees as well as implement and enforce strict hiring practices. All employees must go through a 90-day probationary period followed by a team and management evaluation. This enforces a few strategies to keep the staff motivated and playing effectively as a team. After the evaluation, there is a group vote and they decide whether to hire the employee permanently. This voting system empowers staff to be objective and take ownership over decision-marking, which develops leadership skills possibly leading to a chance of promotion within the company. Bonuses and profit sharing is associated with team performance, so existing staff are careful about who gets their votes. Thirteen times a year, the TM Company calculates performance, and, dependent upon how productive the team has been relative to its goals, the team is monetarily rewarded.

As proven by the TM Company policy, when one expects the best, one gets the best. The company implements strict hiring practices to ensure best fit employees. Empowering staff to be accountable for team development is an essential way to guarantee teams are working together as equal and that there is fellowship amongst them. If companies need to reduce turnover, implementing stricter hiring policies would filter out staff that were not a good fit for the position or the team and would strengthen existing teams knowing they have a say in hiring and being excited to receive competent employees as part of their team. In addition, they provide a solid mentorship focused on individual and team building. Who wouldn’t want to be part of a system that is constantly trying to motivate and challenge their employees? Often, millennially born individuals get bored with the day-to-day operations, so providing fun ways of meeting objectives will be a breath of fresh air resulting in a higher level of satisfaction.

Furthermore, leaders should take time to invest in their staff by getting to know them, to really understand each individual’s personality and get a feel for what motivates them. Too often, managers are bogged down in their own responsibilities to take time to invest in their staff, and these types of strategies, if properly implemented, can have huge payoffs and drastically reduce employee turnover. The information that was obtained from the interviews conducted showed that most of the operative workers are not even aware of the company’s policy. It was also noted, with great concern, that some of the employees even want to join other branches whose performance are strong in order to receive bonuses. Due to the branch’s poor performance, no bonuses were paid for the past three years. Most of the respondents were also unaware of the company’s promotional policy, believing that it is the responsibility of senior management at the branch to determine who should be hired and promoted. The TM Company’s retention and promotion strategy is one of the best, as was advised in the literature review that a brilliant strategy is of little value unless it can be implemented effectively. It is evident that the failure to implement strategy is contributing to poor performance at the TM Hypermarket in Bulawayo.

CONCLUSIONS AND RECOMMENDATIONS

Findings from the Study
Existing research on the leadership-performance relationship is full of difficulties and has many unsolved problems, including methodological problems. In this study, therefore, data were
collected from two different sources. More specifically, leadership style was measured from a managerial view, while organisational performance was measured from the employees themselves, financial and customer satisfaction in terms of market growth. Based on the findings, it was concluded that leadership styles influence staff retention and organisational performance within the TM Hypermarket in Bulawayo. The primary findings indicated that the democratic and authoritative leadership styles are the most commonly used leadership styles within the Bulawayo TM Hypermarket.

Findings from the Literature Review
It was established, through interviews, that the dominant authoritative leadership style has a negative impact on both employee performance and organisational performance. This means that an authoritative leadership style affects individual performance in a way that compromises their efficiency to work, their innovation and creativity. On the other hand, a participative leadership style can lead to decentralisation, which, in turn, can positively affect organisational performance by enhancing creativity (Northouse, 2002:97). Aside from the widely debated issues of subsidiary and devolution in the European Union and in the U.S., it has been at the centre stage policy of policy experiments in the last two decades in a large number of developing and transition economies in Latin America, Africa and Asia. However, the World Bank, for example, has embraced it as one of the major governance reforms on its agenda (many of the World Development Reports of recent years as well as other bank documents give the matter a great deal of criticism), since it mostly creates authoritative structures that promote poor governance and reduce the free transition of power.

However, Daniel (2002) states that the centralised states have lost a great deal of legitimacy, since the authoritative leadership style in organisations have compromised a range of benefits. The above is in line with the present study’s findings where, through interviews, rampant internal conflicts were identified, and, in order to diffuse these social and political tensions, the branch developed authoritative-based management strategies to ensure the achievement of the organisation’s objectives. Hence, TM Hypermarket has encouraged an authoritative approach to management.

Findings from the Primary Research
Following analysis of the results from observation and questionnaire administration, it was found that corporate leadership does not exist at TM Hypermarket and few employees really understand the practice of corporate leadership. It was further noted, through interviews with supervisors, that department heads and team leaders at the branch are not flexible to the extent where the corporate culture develop freely. It was further noted that, due to the influx of policies at TM Hypermarket, most departmental heads, supervisors and team leaders do not practice corporate leadership because of the phobia of being challenged by employees. When interviewed, most speakers lacked the strong belief that the Bulawayo branch could upgrade to a more corporate image where transparency, accountability, employee empowerment and collegial relationship could be cherished. Similarly, Nkata (2005:140) notes that the importance of corporate leadership through team work and team building require the creation of a climate in which productive and harmonious relationships can thrive and are maintained through partnerships between management and employees. At the TM Hypermarket in Bulawayo,
corporate leadership is important for fostering change management through the use of strategic approaches.

Democratic leadership positively affects employee performance. This kind of revelation was also reflected in the interviews conducted at different departments, where it was identified that most employees enjoyed less authority from their supervisors. This, however, compromised employee performance in the departments that had supervisors and managers who practiced participative leadership. Although employees enjoy this kind of leadership, Mullins (2002:43) argues that during the past four decades, the impact of leadership styles on organisational performance has been a topic of interest among academics and practitioners working in the area of leadership. Perhaps the most prominent reason for this interest is the widespread belief that leadership can affect the performance of an organisation.

The style of leadership adopted is considered by some researchers (for example, Maicibi, 2006:126) to be particularly important for achieving organisational goals and evoking performance among subordinates. Despite the widespread acknowledgment of the importance and value of leadership, when studying the leadership literature, it was striking that the concept of leadership lacked coherence and agreement at TM Hypermarket in Bulawayo, something that has lead some departments to adopt the participative approach to management. Most of the leadership literature confuses the definitions of effective leadership by failing to make clear distinctions in some definitions, such as leaders and non-leaders, effective and ineffective leaders, as well as overlooking the levels of leadership (Fisher, 2004:89). In addition, Fisher (2004) further noted that participative leadership may have its advantages where both the employer and employee are given an opportunity to engage in the participation of performance schedules to the point where they both share equal responsibilities for driving work requirements. Fredrick Feidler’s contingency theory suggests that effective group performance depends on the proper match between the leader’s style when interacting with the subordinates and the degree to which the leader controls and influences situations. Though Fiedler made an important contribution towards understanding leadership effectiveness, his theory failed to include additional contingency variables such as leadership participation in organisations.

Different leadership paradigms may affect performance differently, depending on the context. Thus, when researching the leadership-performance relationship, the context needs to be taken into account and more paradigms need to be considered. Moreover, there are methodological problems in most existing studies. The majority of field studies have been cross-sectional in design, and the common-method bias often has been a problem when performance has been measured. The quality of performance measurement is critical for determining outcomes about whether leadership matters and not all studies have been well designed (Debushis, 2002:78). When selecting measurements of performance, many researchers’ (for example, Homann and Jones, 2005:130; Keller, 2006:141; Lim and Ployhart, 2004:89) have neglected to focus on the correlation between financial performance, customer satisfaction and employee satisfaction. Employing either financial measurements or non-financial measurements rather than employing all the three in order to enhance the validity of the research may yield insufficient information. Therefore, closer attention is needed to ensure that the measures of organisational performance are adequate and sufficient.
Conclusions
The first conclusion echoed the first objective and it was concluded that organisational performance is being affected by the dominating leadership style; employees expressed the desire to execute duties under the corporate settings rather than the existing leadership styles. Authoritative leadership style creates a dislike of work and reduces the inherent motivation to work freely.

Similarly, following the second objective, it was concluded that the TM Company is one of those companies with the best promotional policies where recommendations for promotion are done by team members according to the company policy. Interviews with senior managers at TM Hypermarket revealed that it was justified for the senior managers to recommend promotional posts emanating within the branch, which is done to protect the interests of the organisation. This was cited as one of the major reasons for leaving the Branch, since chances of being promoted at the Branch are low. Preferred candidates to take positions, at times, come from other branches.

Relative to the third objective, it was concluded that a participative leadership style was mostly applied to departments that had no formal work procedures of performance. It was noted that these departments are performing better than the majority of departments using an authoritative leadership style.

Further still, in respect of objective four, it may be concluded that strategy implementation is partially done, considering that the retention and promotional policy is not being strictly adhered to.

Recommendations
Relative to the above conclusions, TM Hypermarket lacks transformational leaders. More transformational leaders are needed to inspire and motivate followers through personal vision and energy. In addition, transformational leaders are leaders who engage with followers, focus on higher order intrinsic needs and raise consciousness about the significance of specific outcomes and identify new ways in which such outcomes might be achieved. This study supports the position of Gartner and Stough (2002), who suggest that transformational leadership has more influence than transactional leadership. In this way, employees may ignite their potential, feel part of the organisation and perform maximally for the organisation.

The use of an authoritative leadership style should be reduced and a participative style should be encouraged in other departments. An authoritative leadership should only be used when it is necessary to do so. The company’s strategy should be implemented to reduce conflict between management and employees. Team leaders, supervisors and departmental heads are encouraged to accept promotional recommendations made by team members to motivate employees.

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BIBLIOGRAPHY


