INFLUENCE OF LEADERSHIP STYLES ON EMPLOYEE MOTIVATION IN AN ORGANIZATION

(A Case of Blue Shield Insurance Company Limited)

ANTONY KANGARA MAINA
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2013
DECLARATION
I declare that this is my original work and has never been submitted for examination and
award in any other university

SIGN: __________________________ DATE: 16/8/2013

MR. ANTONY KANGARA MAINA

SUPERVISOR
This research proposal has been submitted for examination by my approval as a university
supervisor

SIGN: __________________________ DATE: 19.8.2013

MRS. MIRIAM MANYA
ABSTRACT

The purpose of the study was to investigate how the leadership styles affect motivation of employees in an organization. Organization leadership plays a key role in improving organization outcomes by influencing the motivation and capacities of employees as well as the organization climate and environment (Bush 2005). By this way, managers’ leadership style impact on motivation can be explained through Herzberg’s (1959) motivation–hygiene theory. This study was be guided by four research objectives: To identify how autocratic leadership style influence employee motivation in Blue Shield Insurance Company Ltd. To establish how democratic leadership style influences employee motivation in Blue Shield Insurance Company Ltd. To determine how managers who practice laissez faire leadership style affects employee motivation in Blue Shield Insurance Company Ltd. and finally to investigate the extent to which personal characteristics influences motivational strategies employed by managers in Blue Shield Insurance Company Ltd. In order to obtain the research objectives, the study was guided by four research questions formulated from the research objectives. The study findings were therefore valuable to the board of the organization of Blue Shield Insurance Company Limited as it may depict the factors that may lead to motivation of employees, thus retaining them in their job profession. Also from this study managers are to benefit from the provided information on how their leadership styles influence the employee motivation. The findings inform organization managers of the best leadership styles to foster motivation among the staff, thereby improving performance of the organizations, it provides data for managers in understanding the factors that influence their employees’ motivation especially on human interaction, and it provides education with effective ways of assisting managers to improve leadership through training. Previous studies have indicated that employees in some of the organizations have low levels of motivation. It was however, not clear which leadership styles lead to motivation of employees. This led to the purpose of this study. Descriptive survey was used in collecting information by interviewing or administrating questionnaire to a sample of individuals. The study used a descriptive survey design. Data for the study was collected from 1 organization in Nairobi County with the response rate of 76% from the organization indicating a good response rate. Probability sampling was used to ensure that all members of the population have an equal and unbiased chance of appearing in the sample. From the findings, the study recommended that the organization can improve employees’ motivation by putting in place clear employment policies, employing more employees and ensuring regular promotion of the employees. The organization administration needs to satisfy employees and expectation by giving them current information, opportunity for growth and development, effective supervision. This will help to change the employees’ attitude towards the organization and management.