

**LEADERSHIP STYLE AND ITS IMPACT ON EMPLOYEE PERFORMANCE
AT ROMPIN DISTRICT AND LAND OFFICE OF PAHANG.**

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**Report submitted in fullfill of the requirement for the degree of Bachelor of
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DECLARATION

I declare that this thesis entitle ‘leadership style and its impact on employee performance at ‘Rompin District and Land Office of Pahang’ is the result of my own research except as cited in the references. The thesis has not been accepted for any degree and is not concurrently submitted in candidature of any other degree.

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DEDICATION

To my parent Mr. Ma'arof bin Adam and my lovely mother Mdm. Noriha binti Othman for nursing me with affections and love, to my sisters I love both of you and to all my friend I love you all sincerely.

ABSTRACT

The purpose of this study is to identify the leadership style and its impact on the performance of employees at 'Rompin District and Land Office of Pahang. There have three main objectives of in this study are to identify leadership styles that can contribute to employee performance, identify factors that can affect employee performance, and determine the impact of leadership style on employee performance. This study was conducted on the government sector in Rompin district, Pahang where it focused on respondents serving in the District Administration and Land of Rompin, Pahang. The research method used in this study was quantitative and focused on the data collection process through questionnaire. The Statistical Package for Social Science (PSSS) has been applied in this study for the purpose of analyzing the data obtained by the researcher through a questionnaire survey conducted. Therefore, the researcher has provided 80 sets of questionnaires to be distributed to respondents comprising employees in the 'Rompin District and Land Office of Pahang' by using the Likert scale.

ABSTRAK

Kajian ini dijalankan adalah bertujuan untuk mengenalpasti gaya kepimpinan dan impaknya kepada prestasi pekerja di Pejabat Daerah dan Tanah Rompin, Pahang. Terdapat tiga bentuk objektif kajian yang dikemukakan dalam kajian ini antaranya ialah untuk mengenalpasti gaya kepimpinan yang dapat menyumbang kepada prestasi pekerja, mengenalpasti faktor yang dapat memberi kesan kepada prestasi pekerja, dan menentukan kesan gaya kepimpinan terhadap prestasi pekerja. Kajian ini telah dijalankan terhadap sektor perkhidmatan awam di daerah Rompin, Pahang dimana ianya memberi fokus kepada responden yang berkhidmat dalam jabatan Pentadbiran Daerah dan Tanah Rompin, Pahang. Kaedah kajian yang digunakan dalam kajian ini adalah bersifat kuantitatif dan lebih memberi fokus kepada proses pengumpulan data melalui kajian soal selidik. *Pakej Statistik untuk Sains Sosial (PSSS)* telah digunapakai dalam kajian ini bagi tujuan menganalisis data yang diperolehi oleh pengkaji melalui kajian soal selidik yang telah dijalankan. Oleh yang demikian, pengkaji telah menyediakan 80 set soal selidik untuk diedarkan kepada responden yang terdiri daripada pekerja dalam jabatan Pentadbiran Daerah dan Tanah Rompin, Pahang dengan menggunakan skala Likert.

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CHAPTER 1

INTRODUCTION

1.1 Background

The first chapter in this project will include all about problem statement, research question, research objective, significance of study and scope of study. The topic that focusing on this study is about leadership. The title of this study is about ‘ Leadership style and its impact on employee performance at ‘*Rompin District and Land Office of Pahang*’. Leadership is the art of motivating a group of people to act towards achieving a common goal. According to Northouse (2007), “Leadership is a process through which an individual influence a group of people to attain common goals”. The leadership style will influence an employee performance through leadership attitudes that can give satisfying towards an employee job. Employee performance can be define As an individual's job accomplishment after exerting the necessary effort on a job connected with a significant job, a committed profile and sympathetic peers or employers (Hellriegel, Jackson & Slocum, 1999 ; Karakas, 2010).

Nowadays, there have a lot of challenges that's faced by the organization to achieve their objective. According to Evans, Pucik & Barsoux (2002), 'Organizations are facing increased competition due to globalization, technological, political and economic changes, prompting these organizations to train their employees as one of the ways to prepare them to adapt to the above-mentioned increases and thus enhance their production. Through that, leadership plays a vital role in any industry. It is because leadership will play an important role to give an impact toward an employee performance and satisfaction. For any organisation to achieve better turnover and appreciation, a beneficial connection between both parties which is leaders and staff is very essential.

In the current situation of organization managerial, this study focusing on the leadership style at '*Rompin District and Land Office of Pahang*' towards the productivity of employee performance. Leader is one who leads an organization, department, or group to carryout certain tasks. Leader should have an ability to control their employee to carryout the tasks more effectively. Leader take the responsibility influence their employee to achieve a high performance in the job scope. The best leadership style will have the ability to influence their employee to become more satisfied with their jobs in the organization. Good performance that shows by an employee toward the organization will give a positive impact to the organization and can achieve the objective, increase the image of the organization, reducing requirement, training cost, and give the excellence service to the customer.

1.2 Problem Statement

Human resource is the most important part in the organizational structure that can influence employee performance and satisfaction at the workplace. It is importance to influence the successful of an organizational productivity.

Employee performance can be classified such as duties, meeting deadlines and employee competence.

Furthermore, there have several leadership style that needed by the organization to give an impact on employee performance. For instance, some of the organisation confronted the issue in terms of bad innovation, low productivity and failure to fulfill the performance goal. This happen due to lack of strategic intervention of specific leadership style. This study is to investigate the leadership style that can influence employee performance at '*Rompin District and Land Office of Pahang*'. It important to understand how the leader works with an efficient performance that can affect the worker and organisation by analysing and identifying the variables that will be studied at '*Rompin District and Land Office of Pahang*'.

1.3 Research Question

This study is to investigate leadership style and how its can give an impact on employee performance at '*Rompin District and Land Office of Pahang*'. The questions to be address in this study are as per below :

- 1) What the leadership style that can influence employee performance ?
- 2) What the factor that can affect employee performance ?
- 3) What the impact of leadership style on employee performance at Rompin District and Land Office of Pahang.

1.4 Research Objective

The general of this study are outlined below :

- 1) To identify the leadership style contributes toward an employee performance.
- 2) To identify the factor can affect an employee performance.
- 3) To determine the impact of leadership style on employee performan

1.5 Significance of Study

This research will provide an knowledge of the presented notion of data and information generation. This can give an advantage to an employee to become more active and competitive in the work environment. This study will focusing in the leadership style and its impacts on employee performance in term of the attitudes, flexibility of work, and the productivity at the workplace. The important of this study focused on the leadership style either autocratic, democratic and participative leadership that can effect employee performance to increase the productivity. This study also conducted to revealing the factor that can effect employee performance in the workplace. Throught the survey toward an employee performance it will show either positive or negative result in term the impacts of leadership style in the workplace. If this study properly planned and managed, it will generate bumber of significant benefit such as a good teamwork, improve the attitude of an employee, valueable communication and a good productivity.

1.6 Scope of Study

The scope of this study is focusing on the leadership style like participative leadership and democratic leadership style that can give an impact towards on employee performance at '*Rompin District and Land Office of Pahang*'. The reseacher choose this organization '*Rompin District and Land Office of Pahang*' because it is based on the experience of the researcher during the internship. Through that it might be easier in term of the time, location, cost and communication. Other than that, the researcher can make a survey or questionnaire more easily.

CHAPTER 2

LITERATURE REVIEW

2.0 Introduction

Leadership has gained scientist recognition around the world. In this chapter shows that there a lot of opinion about the leadership and its impact toward an employee performa from the previous scholarly articles and research. This chapter will explained and discusses about the variable. This study will discuss about the leadership style and its impact on employee performance at *'Rompin District and Land Office of Pahang'*. Beside that, through literature review it will helped the researcher to identify the suitable method that can use by the study either qualitative or quantitative method. After that, this chapter will provide the hypothesis as an expectation of this study. Then the researcher will attached the theoretical framework to provide a particular perspective of this research.

2.1 Employee Performance

Employee performance is about the work that an employee is expected to carry out associated tasks and how well they performed those tasks. An organization assesses the employee performance of their workers by annually or quarterly to help the organization identify the problem and make some improvement with the areas. The different factors at workplace will affect an employee's performance in terms of duties, meeting deadlines, motivation and employee competence. Through an organization's achievement, it will assess whether the workers perform well with their jobs or not. The effectiveness of employee performance will be shown through an action that contributes to attaining organizational goals. According to Sheild (2001), Performance management is seen as a participatory, continuous and potential-oriented scheme, a continuous cycle of criteria setting, monitoring, assessment, diagnosis and improvement, action plans and emerging market growth resources. Leaders in the organization have responsibility to develop a high performance culture toward the subordinates (Armstrong, 2006).

The literature begins with the large number of factors that may affect the performance of employees in the workplace. Employee job performance has always been a major challenge in organizational management and the implementation of effective ways to motivate employees to achieve and generate higher job performance as well as improving organizational competitiveness is the primary objective of each organization (Lee & Wu 2011). Ogbulafor (2011) states that employee performance is instrumental in the development and profitability of organizations. Employees are the main factor that ensure the daily activities and operations of the organization to become smooth (Mudah, Rafiki & Harahap 2014). Similarly, Oluwafemi (2010) states that the effectiveness and efficiency of the organization will depend on how effective and efficient their employees are. An employer's ability to comprehend employee satisfaction about the schedules and daily responsibilities can have a big impact toward

employee productivity and performance. Kelidbari, Dizgah, and Yusefi (2011) state that the efficiency of staff work has been a major problem for organisation executives. Similarly, employee performance is a main edifice of the elements of an organisation that lay the basis for elevated performance that organisations need to critically scrutinize in order for them to succeed (Abbas and Yaqoob, 2009). Additionally, Work performance can be defined as complete worker efficiency in meeting expected value and performing duties in accordance with the organization's procedures and time specifications (Lee, 2011).

Therefore, factor that can affecting employee performance toward the organization which is leadership style, training, motivation, communication, and meeting deadlines. According to Ahmad and Shahzad (2011), obvious employee performance embodies the employee's complete faith in their behavior and contributions to the organization's achievement, and further states that compensation method, performance assessment and promotional activities are a determinant of employee performance. In other opinion state that an employee performance as an indicator of financial or other outcome of the employee that has a direct connection with the performance of the organisation as well as its achievement, further revealed that working atmosphere, leadership, team and co-worker relationship, training and career development, reward programme, guidelines and procedures and workstation wellbeing as well as employee engagement are major factors that determine employee performance (Anitha, 2013).

Other than that, A research undertaken by Alagaraja1 and Shuck (2015) aimed at discovering an opinion on organizational setup and employee engagement in or understanding the performance-enhancing factor. An individual performance in the workplace can be increased through training and development. It can helped the organization to achieve high productivities and organizational goals. Beside that, leaders play a big role in term of influencing the workers to become more perform in doing their work. There a lot of leadership characteristic that can influence the employee in term of the

productivity, creativity and critical skills. According to Sadikoglu and Cemal (2010), staff performance provides innovation performance and firm effectiveness as a whole so that efficient efforts of accomplished, inspired and committed human resources produce creative ideas for new goods or services and directly increase quality, operational performance and client satisfaction.

2.2 Leadership style that influence employee performance

2.2.1 Definition of Leadership

Leadership can be define as there are person who attempted to define the concept (Stogdill,1974). Based on Talet (2015), state that leadership is a wide-ranging method requiring authority, accountability and energy delegation. Leadership is the art of motivating a group of individuals to achieve a shared objective. Leader will play an important role to ensuring organization to achieve their vision to become reality. According to Cojocar (2008), leadership is define as an ability of people to influence and enable others to contribute to the effectiveness and achievement of their organizations. So in the process of leadership, an executive of the organization can be directly guide and influence their workers in term of their attitudes and work toward the accomplishment of specific goal in a given situation. In organizational context, leadership is the ability of the top management to influence the subordinates to do their task with confidence.

Therefore, leadership is the individual's capacity to impact and guide the followers. Based on Jago (1982), he state that leaders influence a group of individuals throught their knowledge and skills. It is called as a process of leadership. Every leaders should know their traits that can influence their actions. Leadership is learned, the leadership's abilities and understanding can be affected by their characteristics such as convictions, value, ethics, and

personality. Knowledge and skills contribute directly to the process of leadership, while the other attribute give leader certain characteristics that make them unique. According to the article that published by Harvard Business Review about the ‘ Leadership Good to Great’ author by Jim Collins state that ‘leadership is the most powerfully transforming executives dealing with a paradoxical mix of personal humility and will, timid and ferocious. They concentrate on empowerment beyond control for employee performance growth.

Futhermore, there have a lot of leadership style that applied by different of an organizational culturer. According to Mohammad Mosadegh Rad and Hossein Yarmohammdian (2016), there have several leadership style that can applied such as autocratic, democratic, participative, bureucratic, laissez-faire, charismatic, transformational, transctional, and situational leadership. This different leadership style will applied in different situation and culture of the organization. Through that the leadership should know the right time to applied the leadership style based on the particular approaches. Leader have their own skills and knowledge on particular situation that helped them to perform effectively. Business author Daniel (2002) states that the style of management can be explained on a scale ranging from autocratic to democratic to participatory to demonstrate the degree of authority and decision-making that creates management and worker power.

2.2.2 Autocratic Leadership

Autocratic leadership also known as authoritarian leadership. Autocratic leadership can be define where by an individual control all the decision making process and takes little input from other group members. According to Cellar (2001), An autocratic leaders make a decision based on their ownself. Basically, an autocratic leadership make a choices or decision based on their ownself without get an opinion from other members and make assumption that people will accept their decision and idea. An autocratic leadership always prefer to

establish strict regulation, controlling formal situation, and have a professional relationship within their subordinates (Malos, 2012). This leadership style mostly use in business organization which are relatively small with fewer an employees. It's also suitable for job environment that fairly routine or required limited skills and in military organization.

Furthermore, an autocratic leadership does not set about learning mentality which is to encourage proactive attitudes among the workers (Sauer 2011). It is may cause a lot of problem that faced by the workers in term of their job specification. An employee cannot access and imagine the real task that want by their leader and it might be increased misunderstanding about the information. A lack of communication between leader and the subordinates may cause an opportunities to find other information are missed and it might increased a risk in term of misunderstanding about the information. Through that an employee will always make some mistake and it will decrease the productivity of the organization. Nonetheless, an autocratic have a positive impact. An autocratic leaders give a detail information to doing the task to their subordinates in term of what should do and how to do it. Through this, staff can efficiently conduct tasks, solve identified issues, and fulfill objectives or deadlines when the critical factor is time (Sauer 2011 ; Cunningham, Salomone, Wielgus 2015).

According to McGregor (1960) state, there have two theories of employee motivation which is theory 'Y' and theory 'X'. Theory 'Y' will explained about the managers who believes that employees view work as a source of satisfaction, have committed to achieving organizational objectives, self motivated and self direct and accept responsibility and find work as natural as play. Theory 'X' show that manager those who think that an employee inherently dislikes job and therefore must be compelled to do so as they have a little ambition to be directed and value private security above all else. According to (Mondy et al, 1991) Autocratic rulers tend to say what to do and expect subordinates to do. An autocratic leader's subordinates are not engaged in