# The Impact of Autocratic, Democratic and Laissez-Fair Leadership Style on Employee Motivation and Commitment: A Case Study of Afghan Wireless Communication Company (Awcc)

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**Abstract:** Employees are considered to be the most effective asset in achieving organizational objectives and goals. Employees have the tendency to enhance the organization's productivity and profitability by utilizing the organizational capital efficiently and effectively. In order to advantageously utilize this asset, leadership style is considered to be the most important determinant to increase employee motivation and commitment. Inspirational leadership and even one-man decision-making in business are decreasing in the face of growing acceptance of the team work idea. A good many of today's top executives think of themselves more as captains of teams or group leaders than as star performers. Important decisions are likely to be group decision. Top man need to be at stating problem, encouraging free discussion. And getting ideas from others. The importance of leadership in any group activity is too obvious to be over-emphasized. Whenever there is an organized group of people working towards a common goal, some type of leadership becomes essential. Autocratic, democratic and laissez-faire leadership styles are selected for the purpose of this research, because; it is very difficult to cover all types of leadership styles in such a small manuscript, these three leadership styles are more common, they are more often used in public and private sectors and lastly they are easier to be understood by different levels of respondents.

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# I. Introduction

Leadership is an important element of the directing function of management. Whenever there is an organized group of people working towards a common goal, some type of leadership becomes essential. The power of leadership is the power of integrating. The leader stimulates what is best in us, he unites and concentrates what we feel only groupingly and scatteringly. He is a person who gives from to the unutilised energy in every man.Leadership is one of the most important as well as commonly debated subjects of the business world. Researchers have mentioned several forms of leadership styles in the business arena. In fact, autocratic, democratic and laissez-faire leadership styles are the oldest and the most recognized leadership styles throughout the world. A number of researches indicated tremendous effects of different types of leadership styles on employees from various aspects. Studies suggests that employees work more effectively and productively when, their managers adopt a specific leadership style.Leadership Style can be defined as the pattern of behavior that a leader apply to get the work done through his/her followers or it can be said that a leadership style is a method through which a leader puts his/her leadership practices in place to interact with his/her subordinates.It is obvious, that without desirable leadership style, it is almost impossible for firms to achieve their objectives. In fact, there are varieties of leadership styles used by different managers and leaders all around the globe. Researches argue that a leader's power and behavior are the two main factors determining the leadership style of the leader. Researches indicate that most of the time leaders are not aware how far their leadership style influences on employee performance, satisfaction, motivation, attitude, self-image, health, and energy level.

# II. Research Methodology

The thrust of this research will be exploratory research. In such cases, extensive preliminary work needs to be done to gain familiarity with the phenomena in the situation. The answers to the research questions is based on information gathered from pertinent literature regarding leadership, motivation and commitment. Current academic journals, articles and books on strategic management as well as behavioral science has provided the main body of data. The information pertinent to the main research question as well as its sub-components first has logically arranged, then analyzed. It is likely that the insights and familiarity gained into these concepts has provided new ideas for further investigation (empirical research)

#### Study Design: exploratory research

**Study Location**: The study focused on the employees of the Afghan Wireless Communication Company in Kabul and other 8 regions and 18 major departments.

Study Duration:20 September to 12 march 2017

**Sample size:** The total population of the research has reached to more than 5,000 employees of the company scattered in different provinces of Afghanistan.

**Sample size calculation:** A questionnaire was distributed using convenience sampling method to a total number of 200 employees of different departments of the company. A large number of AWCC employees were excluded from this study because; many of them does not have enough literacy to respond to the questionnaire, and many of them were working in very remote areas of Afghanistan where they were not easily available for the study. Many of these questionnaires were provided to the respondents via email and the rest were physically submitted to the respondents.

## Leadership-Styles

What is essential about leadership-styles with respect to motivation and commitment, is to consider those that address the role of the leader in relation to his or her subordinates. Just like the discussion on the definition of leadership above, the many authors that address leadership-styles cannot agree on one, universal, view.

## Autocratic /Authoritarian leadership style

An Autocratic leader is a leader who retains most of the authority for himself/herself.in this style of leadership there is a high emphasis on performance and low emphasis on people. It assumes that people are lazy, irresponsible, and untrustworthy. According to this style planning, organizing, controlling and decision-making should only be done by the leader with minimum involvement of his/her subordinates.

## **Democratic/Participative Leadership Style**

Democratic leadership, also known as participative leadership, is conducted in which group members take a more participative role in the process of making decision. Democratic leadership is able to influence people in a consistent manner and conducive to basic democratic principles and processes, such as self-determination, inclusiveness, and participation and serious thought. Democratic leader acts as a central controlling unit of the team when consults his team during any decision making. Democratic leadership is associated with increased followers 'productivity, satisfaction, engagement, and commitment.

#### Laissez-Faire Leadership Style

A laissez-faire leader lacks direct supervision of employees and fails to provide regular feedback to those under his supervision. Highly experienced and trained employees requiring little supervision fall under the laissez-faire leadership style. However, not all employees possess those characteristics. This leadership style hinders the production of employees needing supervision. The laissez-faire style produces no leadership or supervision efforts from managers, which can lead to poor production, lack of control and increasing costs.

#### Impact of Leadership Styles on Employees Motivation

The word motivation has been derived from motive which means any idea, need or emotion that prompts a man in to action. Whatever may be the behavior of man, there is some stimulus behind it. Stimulus is dependent upon the motive of the person concerned. Motive can be known by studying his needs and desires. Many studies suggested that autocratic leadership leads to lower levels of job satisfaction and employee motivation because autocratic leaders are primarily concerned with task accomplishment. They are not worried about the happiness or satisfaction of their followers. Mostly, they motivate their followers by punishment, threat and disciplinary action rather than by rewards.

## Impact of Leadership Styles on Employees Commitment

No organizations in today's competitive world can perform at peak levels unless each employee is committed to the organization's objectives and work as an effective team member. An employee's commitment is a concern to all organizations because it has been linked to reduced turnover, increased knowledge sharing, increased organizational citizenship behaviors, higher acceptance of organizational change, ethical behavior and reduced absenteeism. Organizational commitment is a combination of loyalty to the organization and attachment of employees with the organization and putting effort on behalf of organization for the achievement of organizational goals. The leadership style has a great impact on employee's commitment and without a proper leadership style, employees are not prepared to develop their skills and competencies, take on board the

enhanced responsibilities for quality, work organization and problem solving, and 'go the extra mile' to come up with improvements and innovations.

## **III. Result**

Table (1) and Figure (1) illustrates that 66 % of the respondents believe that democratic leadership style motivates them most. On the other hand, (16.5%) of the respondents think that autocratic leadership style motivates them. (9.5%) of respondents think that laissez-faire style of leadership motivates them and finally, (8%) of the respondents believe that other leadership style motivates them.

<b>Tuble 1</b> . Leadership style when hereases the Motivation level at AWCC				
Leadership styles	Frequency	Percent	Cumulative percent	
Autocratic	33	16.5	16.5	
Democratic	132	66	82.5	
Laissez-faire	19	9.5	92	
Others	16	8	100	
Total	200	100		

 Table 1: Leadership style which increases the Motivation level at AWCC

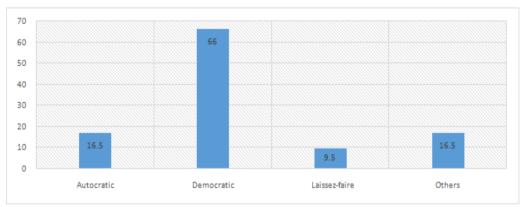


Figure (1): Effects of Leadership Styles on Employees Motivation

## Leadership style which increases level of Commitment in organization

From the below table and chart we can find that (53.5) percent of respondents thinks that Democratic leadership style increases commitment the most at AWCC, (22.5%) of respondent believe that Autocratic leadership increases commitment, (14.5%) of respondent believe on Laissez-faire leadership for increasing commitment and (9.5%) believes on other leadership style for increasing commitment at AWCC.

Table 2: Leadership style which increases the employee's Communent of AwCC				
Leadership styles	Frequency	Percent	Cumulative percent	
Autocratic	45	22.5	22.5	
Democratic	107	53.5	76	
Laissez-faire	29	14.5	90.5	
Other	19	9.5	100	
Total	200	100		

**Table 2:** Leadership style which increases the employee's Commitment of AWCC

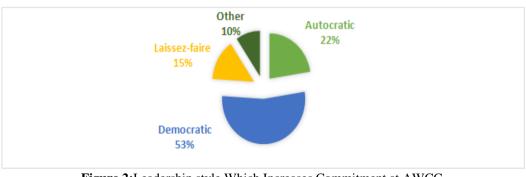


Figure 2:Leadership style Which Increases Commitment at AWCC

## Relationship of Leadership Styles with Employee's Educational Level

The below figure shows that the respondents having the grade 12<sup>th</sup> or below are more interested to autocratic leadership style, by increasing the level of education the interesting toward democratic leadership style increases. A sudden inclination towards democratic leadership is seen in the higher education, A little increase is again observed with Bachelor's degree and once again a drop in the Master's level and finally a total decline to (7%) with PhD. However, inclination towards democratic leadership style is lower with the 12<sup>th</sup> grade or below, with a sudden up swing with Bachelor degree. It rises again to a higher degree with Master's and the climax of (79%) with a PhD.

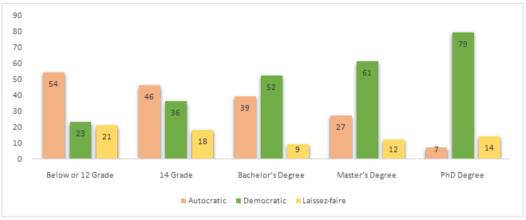


Figure 3: Relationship of Leadership Styles with Employee's Educational Level

## Relationship of Leadership Styles with Employee's Salary

The below bar chart shows that with the increase of salary, preference to autocratic leadership style decreases. Opposite of that with the increase of salary, preference towards democratic leadership style increases as well. It is illustrated that the lowest interest towards democratic leadership styles is (23%) with salary group of less than 100 USD and the highest level of interest shown to democratic leadership style is (71%) with the salary range of more than 2,000USD. On the other hand, the highest level of favor towards autocratic leadership style is (66%) with a salary range of less than 100 USD, but the lowest level of autocratic leadership style (16%) with the salary range of more than 2,000USD. The highest level of favor for the laissez-faire leadership style is (17%) with a salary range of (1501-2000) USD and the lowest interest toward laissez-faire leadership style is (11%) with a salary range of less than 100 USD.

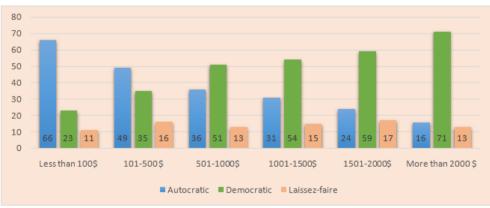


Figure 4: Relationship of Leadership Styles with Employee's Salary

## **IV. Discussion**

An autocratic leadership style results better for employees holding no educational certificates or they are below 12th grade, because they need exact instructions and guidelines. However, with the employees who have got education a little relaxation is required.

There are a number of departments where innovation, creativity and teamwork is a prerequisite of success and on the other hand, there are departments where rigidness, fast decisions and immediate action are needs of the day. That is why, for departments such as Sales, Marketing, Human Resources Management, Billing, etc. a more relaxed, loose, participative and encouraging leadership is required, while for Security,

Operation and other Technical departments where there are established laws, rules and procedures a more rigid and autocratic leadership style is better.

Beside salary increment training and development are the most important factors for increasing the level of satisfaction, commitment and motivation and it results in more productivity of the. Recognition of hard work of employees who work in difficult areas is important as it encourages the level of employee motivation. If an employee continues to expend discretionary effort to produce exceptional results, and that effort isn't recognized, it results in lack of enthusiasm and it increases the level of absenteeism.

Factors such as clear definition of objectives, creating a system of rewards, holding employees accountable, information sharing, knowledge development and training, power sharing and active participation of the leader are useful in the implementation of democratic leadership.

Female staffs are more prone to democratic leadership style. A more flexible and relaxed way of leadership style can be adopted for areas where the majority of its employees are female staff.

Friendly competition is essential for increasing productivity and motivation in an organization. A competitive environment is a productive environment. Encouraging employees to participate in competitions or challenges is healthy and may actually lead to increased camaraderie.

#### V. Conclusion

It is obvious that leadership styles can have a great impact on employees of an organization from different aspects, but it is difficult to know what type of leadership style is suitable when and where. In fact, employee motivation, employee satisfaction, employee commitment, employee performance, employee turnover and employee attendance are the most important indicators of an organization's prosperity or failure, productivity or unproductivity and profitability or non-profitability. It is also a fact that a specific leadership style adopted by managers and directors of an organization are assumed to be one of the most vital factors affecting the above mentioned indicators. Furthermore, adopting an effective leadership style to suite subordinates depends on understanding the relationship between the leadership style and employee age, gender, education, experience level, position rank and salary level, because different types of employees respond differently in various situations. Studies have indicated that specific situations require specific type of leadership style, but the difficult part is to know the effects of these forms of leadership styles on employees of an organization.

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