

**EFFECT OF LEADERSHIP STYLES ON THE PERFORMANCE
OF SMALL AND MEDIUM SCALE ENTERPRISES IN KADUNA STATE.**

By

Onoja Augustine IDOKO

**DEPARTMENT OF BUSINESS ADMINISTRATION, FACULTY OF
ADMINISTRATION, AHMADU BELLO UNIVERSITY, ZARIA**

September, 2017

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P13ADBA8230**

**BEING A DISSERTATION SUBMITTED TO SCHOOL OF POSTGRADUATE
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**DEPARTMENT OF BUSINESS ADMINISTRATION, FACULTY OF
ADMINISTRATION, AHMADU BELLO UNIVERSITY, ZARIA**

September, 2017

Declaration

I declare that this dissertation entitled Effect of Leadership Style on the Performance of Small and Medium Scale Enterprises (SMEs) in Kaduna State has been written by me under the supervision of Dr. A. M. Abu-Abdissamad and Prof. Bello Sabo in the Department of Business Administration. The information derived from the literature has been duly acknowledged in the text and a list of references provided. No part of this dissertation was previously presented for any certificate at this institution or any other institutions.

Augustine Onoja IDOKO

.....

.....

Name of Student

Signature

Date

Certification

This dissertation entitled Effect of Leadership Styles on the Performance of Small and Medium Scale Enterprises (SMEs) in Kaduna State by Augustine Onoja IDOKO meets the regulation governing the award of Master of Science (M.Sc.) Degree in Business Administration of Ahmadu Bello University, Zaria and is approved for its contribution to knowledge and literary presentation.

Dr. A. M. Abu-Abdissamad

Chairman, Supervisory Committee

Signature----- Date-----

Prof. Bello Sabo

Member, Supervisory Committee

Signature----- Date-----

Dr. M. Y. Abubakar

Head of Department

Signature----- Date-----

Prof. S. Z Abubakar

Dean, School of Postgraduate Studies

Signature----- Date-----

Dedication

This dissertation is dedicated to Almighty God for his protection throughout the completion of this dissertation.

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All praise and thanksgiving go to the Almighty Father in heaven for giving me the opportunity to start this programme and guiding me through to the completion of this work successfully. My sincere gratitude and appreciation also goes to my supervisors: Dr. A. M. Abu-Abdissamad and Prof. Bello Sabo. I also wish to acknowledge the Assistant Coordinator of MSc Business Administration: Dr. Ibrahim M. Aminu, the Head of Department Dr. M. Y. Abubakar. I also wish to acknowledge Dr. O. D. Y. Malachy and other lecturers in the Department for their immense contributions towards the successful completion of this dissertation.

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Abstract

The factors which lead to the failures of Small and Medium Scale Enterprises could be tied to their decision making process, hence their leadership. This study set out to analyze the effect of leadership styles on the performance of SMEs in Kaduna State. The study is based on a survey research design through which data were gathered using structured questionnaire retrieved from 158 owner-managers of SMEs operating in Kaduna State. The data were analyzed using simple linear regression, the result of which shows that democratic and laissez-fair leadership styles both have significant and positive effects on the performance of SMEs in Kaduna State. It was also found that autocratic leadership style has positive effect on the performance of SMEs in Kaduna State; however, it was insignificant. In addition, there is also a significant difference in performance of SMEs based on leadership styles. It was concluded that the three leadership styles have positive effect on the performance of SME. The study recommends that owner-managers should ensure that subordinates should be supervised less closely, with effective employees not given too many orders so as not to get them discouraged from putting in their best, it also recommends that SMEs owner-managers should always adopt democratic and laissez faire leadership styles except where situation warrants the adoption of the autocratic.

Table of Contents

Title Page.....	i
Declaration	iii
Certification.....	iv
Dedication.....	v
Acknowledgements	vi
Abstract.....	vii
Table of Contents	viii
List of Tables.....	xi
List of Figures.....	xii
List of Appendices.....	xiii
CHAPTER ONE - INTRODUCTION	1
1.1 Background to the Study	1
1.2 Statement of the Problem	4
1.3 Research Questions	6
1.4. Objectives of the Study	7
1.5 Statement of Hypotheses	7
1.6. Significance of the Study.....	8
1.7. Scope of the Study.....	8
1.8. Limitations of the Study	9

CHAPTER TWO – LITERATURE REVIEW AND THEORETICAL FRAMEWORK ..	10
2.1 Introduction	10
2.2. Concept of Leadership Styles	10
2.3. Concept of Organization Performance	19
2.4. Concept of SMEs.....	21
2.5. Leadership and Performance	23
2.6. Review of Previous Studies on Leadership Styles and Performance	24
2.7. Theoretical Framework	40
CHAPTER THREE - METHODOLOGY.....	43
3.1 Introduction	43
3.2 Research Design	43
3.3 Population of the Study	43
3.4 Sample Size and Sampling Technique	44
3.5. Source and Method of Data Collection Methods	45
3.6. Instruments of Data Collection.....	46
3.7. Validity and Reliability of Instrument.....	47
3.8. Method for Data Analysis	48
3.9. Method of Justification.....	48
CHAPTER FOUR – DATA PRESENTATION AND ANALYSIS.....	50
4.1 Introduction	50
4.2 Data Presentation and Analysis	50
4.3. Factor Analysis.....	60
4.4. Measurement the Reliability of the Research Instrument	63

4.5.	Correlation Analysis.....	64
4.6	Violation of Assumptions for Regressions.....	66
4.7.	Test of Hypotheses	67
4.8.	Findings	74
4.9.	Implications of the Findings.....	75
CHAPTER FIVE – SUMMARY, CONCLUSION AND RECOMMENDATIONS		77
5.1	Summary.....	77
5.2	Conclusions	78
5.4	Suggestions for Further Studies.....	80
References		82
Appendix		91

List of Tables

Table 3. 1 Distribution of Questionnaires among 3 Senatorial Zones	45
Table 3. 2 Reliability Test Scores of Variables	48
Table 4. 1: Summary of Responses Rate.....	51
Table 4. 2 Gender of the Respondents.....	51
Table 4. 3 Nature of Business.....	52
Table 4. 4 Number of Years in Business Source.....	52
Table 4. 5 Number of Employees.....	53
Table 4. 6 Educational Qualification.....	53
Table 4. 7 Descriptive Statistics of Autocratic Leadership Style	54
Table 4. 8 Descriptive Statistics on Democratic Leadership Style	55
Table 4. 9 Descriptive Statistics on Laissez-fair Leadership Style	56
Table 4. 10: Descriptive Statistics on SMEs Performance.....	58
Table 4. 11: Result of the Factor Analysis on SMEs Performance	60
Table 4. 12: Result of the Factor Analysis for Independent Variables: Autocratic, Democratic and Laissez- Faire Leadership Styles.....	62
Table 4. 13: Reliability Statistics of the Research Components	64
Table 4. 14: Correlations	65
Table 4. 15: Simple Linear Regression Result (Anova) between Autocratic Leadership Style on the Performance of SMEs	67

List of Figures

Figure 1 Research Model for Leadership Styles and organization performance	42
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List of Appendices

Appendix A: Questionnaire	91
Appendix B: Result of Factor Analysis of the Dependent Variable	93
Appendix C: Result of Factor Analysis of the Independent Variables	95
Appendix D: Reliability Statistics Test: Autocratic, Democratic and Laissez-Fair	97
Appendix E: Reliability Statistics Test: SMEs Performance	98
Appendix F: Simple Regression Result.....	98
Appendix H: MSMEs in Kaduna State	98

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Leadership is one of the most essential factors that influence the organizational success. It helps to direct, guide and persuade the employees of any organization towards achieving its goals and objectives. Effective leadership is a pre-requisite for effective accomplishment of each business tasks (Talat, Sana, Samra & Abeera, 2015). Furthermore, effective leadership supports management development and training, and also provides the building block for organizational performance. Abdulazeez, Hakeem and Bisayo (2014) opine that leadership in business can affect both everyday activities and people; it can also determine participation, attention and acknowledgement of groups and individuals within an organization. Leadership style and its effects on the organizational performance have been a subject matter and core issue of many scholars such as (Puni, Ofei & Okone 2014). Leadership styles cover all aspects of dealing within and outside of an organization, handling or dealing with conflicts, helping and guiding the workforce to achieve or accomplish their tasks (Talat et al 2015). Thus, Leadership style assists organizations to be more creative and profitable.

Organizations exist in varying capacities in Nigeria and they are characterized as small, medium, or large scale businesses. World Bank report in (2008) estimates that, out of twelve (12) million businesses of all sizes operated in various parts of Nigeria, over 70% are small scale businesses. Though, large scale enterprises left alone cannot fast track the desired development and growth challenges that would venture Nigeria as one of the first 20 most viable economies in the world by the year 2020. Consequently, it becomes very

vital for the development of the small and medium scale enterprises (SMEs) in order to take care of some local/rural developmental needs. SMEs are absolutely vital to the survival and growth of every business in organizations.

However, in small and medium scale enterprises (SMEs) the owner/manager has different leadership roles to play; he is the chief risk bearer, chief administrator and strategy implementer, crises solver, policy maker etc. towards organizational goals. However, the extent of success depends on the style of leadership adopted and the environmental situation created for employees to function well (Puni, Ofei & Okone 2014). Lewin, Lippit and White (1939) view that leadership style is one of the factors that determines owner/manager's choice of decisions making process in organizations.

In reality, what is found in various organizations, including SMEs, is one (or a combination of two or more) of the leadership styles predefined by authors. Some owner/managers run their businesses using autocratic style where he/she takes all the decisions, issues instructions and expects others to carry them out without demand or deliberation. In some other organizations, a participative style exists (where the owner makes decision on the basis of agreement) works best. However, in some others, leadership roles may be highly visible and widespread, time committed, while at times, the leadership roles may be less demanding and require a brief ceremonial performance with the details delegated to subordinates (Akoma, Adeoye, Binuyo & Akinwale 2014, Lewin et al 1939). Therefore, the way in which SMEs owner/manager chooses to exercise leadership is likely to have a strong encouragement on the organizational performance, motivation and confidence of subordinates. As such, an understanding of leadership is imperative to even SMEs (Uchenwamgbe, 2013).

In recent years, leadership styles have drawn more attention due to its role in the failure or success of an organization. Puni, Ofei and Okone (2014) view leadership style as one of the most important human resources-related effect, and most deliberated topic in management and psychology. However, in organizations, it was contended that despite the situational challenges being encountered, the objective of any business is to attain goals and leaders must play a vital role to achieve that organizational goals (Nwokocha, as cited in Abdulazeez et al 2014). Avolio and Bass (2005), Abdulazeez et al (2014) and Obiwuru, Okwu, Akpa and Nwankwere(2011)opines that no leadership style is perfect for all organizations rather; truly effective and influential leaders are those who adapt themselves and their team according to the situation of the organization to comprehend and adopt suitable leadership styles in carrying out their activities. Therefore, efficiency in resource mobilization, allocation, utilization and improvement of organizational performance depends, on the leadership style used

On the other hand, performance according to Obiwuru et al (2011) refers to ability of an organization to achieve such objectives as high profit, quality product; large market share, good financial results and survival at pre-determined time using relevant strategy for action. Therefore, performance can also be used to view how an organization is doing in terms of market share, volume of products, customer demand, loyalty and investment. Consequently, Wang (2010) views performance as product accomplishments, results and achievements in an organization. Williams and Andersons (1991) also define performance as employees achievement level in her responsibility and duties assigned in the workplace. Meanwhile, Ojokuku, Odetayo and Sajuyigbe (2012) stress that, the role and responsibilities of the leaders can influence the organizational success.

Furthermore, leadership style controls interpersonal reward and punishment that shapes employee behavior, motivation and attitude which impacts on organizational performance (Kendra 2012). The debate whether leadership style can lead to organizational performance has basically been contested. Those who support the reality and efficacy of leadership style and organizational performance believe that the nature of leaders, their roles and responsibilities in decisions-making assist organizations to find solution to challenges and adapt to the complex competitive environment which can influence performance (Kozak & Uca 2008).

1.2 Statement of the Problem

Organizational system in Nigeria is yet to be fully conversant with the development and relationship that leadership style has with their subordinates in the workplace especially Small and Medium Scale Enterprises (Ahmad, Carlene & Nuttawuth 2013). At the same time, business units in their varying capacities operate under the same environment in Nigeria and are faced with similar opportunities, problems and prospects depending on their respective industry. It therefore, becomes very pertinent to examine what constitutes the failure of SMEs in Nigeria.

According to a report by Small and Medium Enterprise Development Agency of Nigeria SMEDAN (2008), only about five to ten percent of young companies survive and grow to maturity and most SMEs die within five years of existence. Various challenges which seem to confront SMEs around the globe include recession, poor management, and low trade barrier from currency barrier among others (SMEDAN 2012). Studies, examples are (Obiwuru et al, 2011; Ahmad et al, 2013; Uchewangbe 2013; & Akoma et al, 2014) Abdulazeez et al, 2014) also put forward many factors as the possible causes of early

failure of SMEs in Nigeria. These can be attributed to internal factors of an organization, such as; lack of access to finance, poor infrastructural facilities, lack of market research, lack of expertise and lack of management abilities among the key players in the organizations. All of these constitute factors that inhibit many SMEs from achieving their objectives (Obiwuru et al, 2011).

In Kaduna State, which is one of the largest' SME-concentrated regions in Nigeria SMEDAN (2012), SMEs in Kaduna State had a total loan of ₦23.6 billion distributed to them in 2014 at 8% interest rate for their expansion and establishment of new businesses (Guardian newspaper, August 2014). Other things being equal, this would have taken care of the financial challenges which researchers put forward as the causes of SMEs failure. In the same Kaduna State, some studies example, (Samuel and Sule 2014, Usman and Abdallah, 2014; Alabi, Awe & Musa, 2015) show that 60% of SMEs failed within the first three years of establishment due to lack of inability to access funding, poor good strategies etc. All these affect the performance of SMEs. Thus, the above studies were carried out within and shortly after the period of the loans. However, in 2014 the loan given to the various SMEs in Kaduna State could not be recovered because of misuse of the funds owing to incompetence on the side of the management, manager Kaduna State SMEDAN branch office 2015. Specifically, the non-payment of loan had discouraged many financial institutions especially the deposit money banks from giving out loan to SMEs. The aforementioned empirical studies in Kaduna State also reveal that the entire sub-sector of SMEs is facing quite a number of problems militating against its growth and development.

Primarily, the factors given by the aforementioned studies could greatly be tied to their decision making process in these businesses. In some businesses, mostly SMEs – where

almost all decisions are influenced by the owner(s), there is likely to exist an overconcentration of decision making on one (key) person. As such, various SMEs, like other organizations, need leadership styles (autocratic leadership style, democratic leadership style and laissez-faire leadership style) that will determine the levels of owners' participation, as well as the inputs of others (managers and/or employees) in the decision making process and the way businesses are run. It is in this light that the study examined how leadership style affects the performance of SMEs in Kaduna State.

1.3 Research Questions

In line with the above research problem stated, the following research questions were raised:

- i. Does autocratic leadership style affect the performance of SMEs in Kaduna State?
- ii. Does the democratic leadership style affect the performance of SMEs in Kaduna State?
- iii. Does laissez-faire leadership style affect the performance of SMEs in Kaduna State?
- iv. Is there any significant difference in the performance of SMEs based on leadership style?

1.4. Objectives of the Study

The main objective is to examine the effect of leadership styles on the performance of SMEs in Kaduna State. Specifically, the study will be guided by the following objectives to:

- i. Determine the effect of autocratic style of leadership on the performance of SMEs in Kaduna State.
- ii. Examine the effect of democratic leadership style on the performance of SMEs in Kaduna State.
- iii. Determine the effect of laissez-faire leadership style on the Performance of SMEs in Kaduna State.
- iv. Determine the difference in the performance of SMEs based on leadership style.

1.5 Statement of Hypotheses

Based on the objectives, the following hypotheses were formulated in null form:

- H₀₁ Autocratic leadership style has no significant effect on the performance of SMEs in Kaduna State.
- H₀₂ Democratic leadership style has no significant effect on the performance of SMEs in Kaduna State.
- H₀₃ Laissez-fair leadership style has no significant effect on the performance of SMEs in Kaduna State.
- H₀₄ There is no significant difference in performance of SMEs based leadership style.

1.6. Significance of the Study

This study is important because it reveals the relationship between leadership styles and SMEs performance in Kaduna State. Since effect of Autocratic, democratic and laissez-faire leadership styles were tested in the same model and how the styles of leadership should be applied to SMEs industry bearing in mind the organizational situations.

This study shall enable or provide a guide for SMEs operators and other government agencies formulating and implementing of policies.

The study shall enable future researchers, academics and students in understanding the effects and importance of these styles of leadership (authoritarian, democratic and laissez-fair) on the performance of the SMEs since it revealed new findings and adding to the existing knowledge.

The study shall also enable SMEs owner/manager in any sector have a stronger influence on their employees. Since owner/managers leadership styles play a vital role in enhancing performance of their various businesses and the result shall be of great help to stakeholders in such understanding how leadership styles affects performance of SMEs in Nigeria.

1.7. Scope of the Study

The study mainly focused on the effect of leadership style on the performance of SMEs in Kaduna State and covers all the registered SMEs with SMEDAN in Kaduna State as at November 2015. Kaduna State was chosen because of its large concentration of SMEs among other state various states in Nigeria, and its ranking as the 4th largest concentration of SMEs after Lagos, Kano and Oyo (Smedan, 2012). The study was limited to only the registered SMEs in Kaduna State. SMEs Owners/manager were chosen as the respondents'

unit of analysis, they were selected because they have the knowledge, are familiar with the running of their own businesses and are able to provide the researcher with required adequate information. In this study, leadership styles were the independent variable while the dependent variable was SMEs performance.

1.8. Limitations of the Study

The followings were the limitations of this study. Firstly, its arises from its scope that is limited to SMEs operating in Kaduna State; therefore, its findings may not be generalized among all SMEs as a whole in Nigeria. Specifically, only 201 registered SMEs with Kaduna State SMEDAN office were captured in the study due to the fact that there is no available data on the total number of SMEs in Kaduna State. Thus, the study needs to be replicated in other parts of the state or Nigeria as a whole. Another limitation is that, the findings of this study cannot be generalized in a large extend or context among all SMEs sub-sector because the study did not look at the SMEs sector individually. As such, various studies are needed to look at the effects of the variables on the performance of SMEs sub-sectors such as manufacturing, services, hotel and restaurants businesses, building and construction, real estate, etc.

CHAPTER TWO

LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.1 Introduction

This chapter presents literature review and theoretical framework related to the purpose of this study. It involves assessing, defining, examining and reviewing existing related literatures such as books, journals, website, scholarly articles and thesis relevant to the field of leadership styles (authoritarian, democratic and laissez -fair) and performance. In the course of this study, several materials were consulted published and unpublished.

2.2. Concept of Leadership Styles

In the past several years, management experts have undergone a revolution in how they define leadership and what their attitudes are towards it. They have gone from a very classical autocratic style, to a very creative participative approach, somewhere along the line, it was determined that not everything old was bad and not everything new was good. Rather, different styles were needed for different situations and each owner-manager needed to know when to display a particular style (Lewin et al 1939)

However, leadership is lifeblood of any business and its import cannot be underestimated. Many researchers have studied this phenomenon, but no uniform definition of leadership and no fundamental standard for studying it (Omolayole 2006, Bennis, 2007, Vroom & Jago, 2007). Ojokuku, Odetayo, and Sajuyigbe (2012) view leadership as a kind of direction which owner/manager can give to a group of people in such a way that it will influence their behaviour towards organizational goals. Ngodo as cited in Ojokuku et al (2012) also views leadership as a form of give-and-take process of mutual effect, in which owner/managers and subordinates influence each other in order to achieve organizational

performance. Basically, Cherry (2006) views leadership style as a leader's characteristic behaviour when directing, motivating, guiding and managing groups of people towards organizational goals. Therefore, great/effective leaders can inspire political appointments and social change in a society. They can also motivate others to perform, create and innovate. Therefore, owner/managers are required to grow and develop the future and to motivate the organizational members to achieve the dreams and to improve the performance (Iqbal, Anwar & Haider 2015). Consequently, leadership styles can be viewed as the combination of skills, qualities, characteristics, and behaviours that owner/managers used when relating with their subordinates in organizations (Jeremy, Melinde, & Ciller 2012).

Basically, Talat, et al (2015) considered Style of Leadership as the most effective driving force in any organization. Consequently, effective owner/managers provide guidance that encourages subordinates to think outside the box to solve organizational problems, and to make decisions that can improve the performance of the organization (Benntt, 2009). In fact, leadership is essential for all organizations to achieve goals. Since leadership style is a key basis of the success or failure of any organization (Bizhan2013). Therefore, failure of leadership can show in terms of employee turnover, absenteeism, low performance, and customer dissatisfaction, which in the long run can be extremely costly to the success of the organization (Derya, Musaffer, Joseph and Gyumin 2013). Perhaps, it can take an effective step to eradicate organizational barriers and in turn to improve organizational performance Hina (2015).

Therefore, without effective and efficient application of owner/managers and subordinates' ability and motivation, organizational goals shall not be possible. Certainly, leadership

styles are very effective in right driving of the employees for organizational performance (Yazar 2012, Bizhan, Saeid, & Vahid 2013).

In addition, the use of best style of leadership will lead to improvement of business. Lee and Chuang (2009) opine that, the excellent owner/manager not only motivates subordinates potential to enhance efficiency but also meets their requirements in the process of achieving organizational goals. Fry (2003) also examined that, leadership style as the leading strategy to offer inspiring aim and to improve the personnel's potential for growth and development. Meanwhile, style of leadership is seen as a strong source of management, development and sustained competitive advantage for organizational performance (Yazar 2012). Therefore, the efficacy of any organization lies on the style of leadership. In lieu, Leadership style plays an important role in shaping the behavior and attitude of the members of an organization.

Cherry (2006) recognized the factors that determine owner/manager choice of leadership styles that need to make decisions. They identified three styles of leadership in decision making process. These leadership styles, which centre on the assumptions of McGregor's Theory 'X and Y', are autocratic, democratic, and laissez-faire leadership styles. In a nut shell, these three Leadership styles and their potential effects on a group as well as their experienced usefulness in organizations has been adopted in this study, owing to the fact that they influence the leader-followers relationship, group success, group risk-taking, group problem-solving strategies, group determination, and group relations toward the organizational performance.

Therefore, Puni et al (2014) agrees with the above assertion that they have the capacity to enhance or decline the performance of the organization and their result shall define the level of performance of the organization.

2.2.1. Autocratic Leadership Style

Autocratic leadership style makes decisions independently with little or no input from the rest of the group. Autocratic leadership style provides clear expectations for what needs to be done, when it should be done, and how it should be done (Dimitrios & Athanasios 2014). Thus, autocratic leadership is best applied to situations where there is little time for group decision-making. Kawooya (2010) calls for the owner/managers understanding of the business and his subordinates rather than relying on what should be done. Therefore, it is unfortunate that the authorities focused on the use of authoritative style in dilemmas, since this will create a mind-set of individuals that will automatically reject the style. Autocratic leadership retain the decision- making right, commitment, creativity and innovation which are typically removed by autocratic leadership. In fact, most employees under autocratic leadership style can be described as biding their time waiting for the expected failure (Michael, 2010).

Therefore, Swarup (2013) argues that autocratic leadership is not all bad, he suggests that sometimes it is the most effective style to apply in situations when new and untrained employees who may not be conversant with the tasks to perform or are confronted with problem of which procedure to follow, effective supervision can be provided through detailed orders and instructions. However, autocratic leadership style should not be used when employees are tensed, fearful and angry; employees are expecting to have their opinions heard, and not always depending on their owner/managers to make all their

decisions. Goddy (2014) describes an autocratic leader as one who is very conscious of his position and has no little trust or faith in his/her subordinates, he feels that pay is a just reward for work and it is only the reward that can motivate. Goddy (2014) and Kendra (2012) also suggest that, autocratic leadership may be useful in Situation of emergency in an organizations. However, situation where by autocratic leaders lack creative solutions to problems, it can eventually hurt the performance of the organization and owner/managers can learn how to use elements of this style wisely. For example, an autocratic style of leadership can be used effectively in situations where the leader is the most knowledgeable member of the group or has access to information that other members of the group do not. Lewin et al (1939) found out that, it is more difficult to move from an autocratic style of leadership to a democratic leadership style vice versa. This leadership style is often classified as the classical approach (Swarup, 2013).

Subsequently, it is a style of leadership where owner/manager is the most powerful person, the primary decision maker and authority. Thus, the above statement is supported by Gordon (2013) that employees under autocratic leadership style are expected to follow the orders of their owner/manager even if they do not agree or do not receive any explanation. He further argues that in order to motivate employees, owner/managers using autocratic leadership style regularly employ a set of rewards and punishments that are highly structured.

Thus, Leaders with this style take no part in the work except when conducting meetings, telling others what to do or demonstrating how to do it and what needs to be done. An autocratic leader is “personal” in both praise and criticism of the work performed by each organizational member (Lester 1975). Koech and Namusongo as cited in Varrtika (2013)

viewed that an autocratic owner-manager commands and expects compliance, is rigid and confident in doing their work. In a nut shell, Owner-managers under autocratic leadership are led by the ability to withhold or give rewards and punishment. Thus, autocratic leadership is extremely important when quick decisions are needed.

2.2.2. Democratic Leadership Style

The democratic leadership is also known as participative leadership style. It is a leadership style that encourages employees to participate in decision-making process in the organization. A democratic leadership keeps his employees informed about everything that will affects their work, shares decision-making and problem solving responsibilities (Swarup, 2013). However, democratic leadership involves in leading better ideas and more creative solutions to problems and group members also feel more involved and committed to projects. The democratic leadership style is very open to operating a team (Wood 2010). Goddy (2014) opines that democratic leadership allows for decision making to be shared by the owner/manager and the group of the organization. Thus, criticism and praises are objectively given and a feeling of responsibility is developed within the group. Using this style, the owner/manager would usually lay the problem before his or her subordinates and invite discussion. In this respect, the owner/manager's role is to be a conference leader rather than that of decision taker (Veronica 2011, Kendra, 2012 & Goddy 2014).

Kendra (2012) argues that this form of leadership is claimed to be earliest amongst all other leadership style, and owner/managers discuss with their subordinates before issues general orders from which subordinates feel free to act on. Washington, Machera and Karodia (2014) also opine that, all members of a team of democratic leadership are involved in identifying essential goals. Members are given the task to develop procedures

or strategies to achieve the established goals. From this view, democratic leadership can be seen as a leadership style that relies heavily on the owner-manager functioning as a facilitator rather than simply issuing orders or making assignments. These views are consistent with the positions of Beatty and Quinn as cited in Washington et al (2014) who argue that leaders must ensure that people have clear and share priorities, they must work to develop an environment that generates common understanding.

Therefore, by giving workers a voice in decisions, participative owner/managers should build organizational flexibility, responsibility and high morale that will result to improved organizational performance. In a nut shell, democratic leadership style tends to increase employees' ambition and motivate as well as raise employees' identification and retention in the organization. Nwokocha and Iheriohanma (2015) are of the view that since employees are engaged in decision-making, delegation and planning in the organization, there is a tendency for them to be more realistic about organizational needs and help generate fresh ideas. Basically, leaders offer supports to the subordinates in accomplishing task. It is believed that subordinates share a sense of responsibility for the organization when they are allowed to participate actively in decision-making(Veronica 2011).

However, presentation of leadership in any project will contribute to the better understanding of the need for adopting of democratic leadership in an organization, which will enhance organizational effectiveness. Kendra (2012)pointed out some of the primary characteristics of democratic leadership style include: group members are encouraged to share ideas and opinions, even though the leader retains the final say over decisions, members of the group feel more engaged in the process, and creativity is encouraged and rewarded. In the same vein, McGregor as cited in Hackman and Johnson (2004) describes

this leadership style as caring, participative, and believing in people He linked democratic leader to the Theory Y manager which is associated with increased follower productivity, satisfaction, involvement, and commitment. The theoretical assumption underlying democratic leadership style is that, naturally, all employees are self-motivated, like responsibility and challenging work and so encourages organizational conditions to encourage teamwork, high performance and satisfaction (Sebahattin, & Liknur (2014). Therefore, the emphasis of this leadership style is on owner-managers and subordinates to impact on organization performance. Based on the theoretical explanation of democratic leadership style, the researcher found that planning within a democratic leadership system will accomplish with heavy employee involvement with objectives that are transparently and clearly established. However, decision-making in a democratic system is decentralized and flexible with clearly defined responsibilities and an open participative work environment (Veronica, 2011).

Essien, Adekule, and Oke-Bello (2013) opine that democratic leaders respect the multitude of talents and skills among employees. They understand the synergistic benefits of working together toward a common goal. One disadvantage of a participative leadership style is that it tends to slow down decision making. Managers and employees often need to discuss their ideas in depth before decisions can be made.

2.2.3. Laissez-fair Leadership Style

Laissez-fair leadership style is described as a “hands off” leadership style because the leader delegates the work to their followers while providing no direction or assist to the followers except their attentions are needed (Hackman & Johnson 2004, Kendra 2012 Swarup, 2013, & Washington et al 2014). In this style of leadership, all authority or power

is given to the employees and they must determine goals, make decisions, and resolve problems on their own (Goddy 2014). Regan and Ghobadian as cited in Washington et al (2014) found that the laissez-fair leadership style was positively correlated with both long and short term organizational performance. Therefore, Lewin et al (1939) found that laissez-faire leadership leads to lower productivity and satisfaction among followers when compared with autocratic and democratic leadership styles, but it can be effective in situations where group members are highly skilled, motivated and capable of working on their own. Under this style of leadership, complete freedom is given to the group in such a way that they allow employees within the team to take decisions. Koech and Namusongo, (2012) are of the view that Laissez-Faire leadership uses his or her power very little, and allows people within the team to make decisions. Such leaders depend largely on subordinates to set their own goals and the means of achieving them. Meanwhile, subordinates desire the freedom that laissez-faire leadership provided (Bass & Avolio 2005). Moreover, staff is independent during activities realization, leadership is free and the staff has too much of freedom (Vladimíra et al 2015). Meanwhile, the leader using guided freedom provides the followers with all materials necessary to accomplish their goals, but they do not directly participate in decision making unless the followers request their assistance (Kendra as cited in Vladimíra et al 2015). Leaders in this kind of style offer little or no guidance to group members and leave decision-making up to group members (Dimitrios & Athanasios 2014).

Muhammad and Usman as cited in Nwokocha, & Iheriohanma (2015) assert that laissez-faire style of leadership gives more opportunities and least possible guidance to employees in decision making in the organization. Therefore, the motive behind this style of

leadership is that the leaders perceive that employees perform extraordinarily when they are given the chance to respond to responsibilities and duties in their own ways. Nwokocha and Iheriohanma (2015) argue that the basis for this leadership style is in two folds; first is, there is a strong belief that employees know their jobs best, so leave them alone to do their jobs. Second is that, the leader may be in a political, election-based position and may not want to apply power and control for fear of not being re-elected. Alan (2013) posits that a laissez-faire leadership style can be effective if the leader monitors performance and gives feedback to team members regularly.

2.3. Concept of Organization Performance

Performance has been a central concern or issue of researchers and organizations. Thus, a number of organization studied in the literature have focused on the reason why some firms perform better than the others? However, scholars in this field have proposed a number of definitions. This means that performance is not without meaning. Although, previous studies according to Amos, Sana, & Abeera (2004) pointed to the fact that organization performance cannot be left in anticipation that will develop naturally, despite the employee's natural desire to perform and be rewarded for it. This desire needs to be accommodated, adapted, and nurture. Meanwhile, researchers have different believes that most agreed that no single measure exists for organizational performance (Amos et al., 2004).

For instance, performance according to Bryman (1992) describes it as the result from a person's effort which achieved by the presence of labor, ability and assignment perception, effort as a result of motivation, satisfaction, and organizational commitment that shows the amount of energy used by an individual in initiating a task. Iskandar, Rafiki and Harahap

(2014) also view performance as one of the elements that is assessable through the level of their productivity. This includes the quality, quantity, knowledge or creativity of individual towards the accomplished works that are in accordance with the responsibility during a specified period. In other words, the assessment systems must have some standard structures that can be relied upon. In addition, organization performance can also be seen from output, product quality, productivity, cost management, safety and health, employees' relationship and development (Armstrong 2009).

However, Obiwuru, et al (2011) argue that Performance can be viewed from how an organization is faring in terms of level of loyalty, investment, profit, revenue, growth, expansion of the organization and satisfaction on the employees etc.

Luper and Kwanum, (2012) view that organizational performance can be measure in terms of level of output. Therefore, a good measurement of organizational performance must be able to consider the goal of the owner designed to promote the business such as SMEs in the areas of some specific results such as output and profitability (Marr& Schiuma, 2003). In the same vein, Organizational performance can also be used to view how an enterprise is doing in terms of level of profit, market share and product quality. Accordingly, it is a reflection of output of members of an enterprise measured in terms of revenue, profit, growth, development and expansion of the organization Kehinde, Jegede, and Akinlabi as cited in (Abasilim 2014). Anastasia (2008) views that organizational performance construct can be measured by effectiveness, efficiency, satisfaction and innovation of the product. Apolot (2012) demands organizational assessments of performance in sales growth; customer satisfaction and profitability were measured.

Good commitment and trust within the organization will influence organizational performance. Meanwhile, organization performance can be achieved by giving a consideration and intellectual excitement for individual and also charisma which will be able to make changes to better direction, for example by giving training, counseling, sustaining the frequency of interaction in order to achieve certain goals (Thamrin 2012). Apolot (2012) and Anastasia (2008) were used to measure organizational performance in this study based on the owner/manages' perceptions of the performance of the organization in terms of the extent to which its objectives have been achieved.

2.4. Concept of SMEs

Besides, there is no universally agreed definition of what constitutes small and medium enterprises (SMEs), it varies from country to country and from agency to agency in today's world. In countries like the U.S.A, Canada and Britain, annual turnover and number of paid staffs are used as the basis for grouping, while India uses total asset, Indonesia Netherlands, and Ghana use number of personnel as their criteria (Charles & Babatunde, 2012). For instance, the government of Netherland define SMEs as businesses employing less than 199 persons, while in Indonesia, SMEs are defined as all enterprises, households or cottages employing less than 200 full time workers (Obwori, 2012). Shastri, Tripathi and Ali (2011) define Indian SMEs in terms of either manufacturing or services. In manufacturing, micro enterprises are those enterprises having a total investment of less than 25lakh (2,500,000), small are Rs 25lakh- Rs 5crore (2,500,000-50,000,000) and medium are Rs 5crore-10crore (50,000,000-100,000,000). In the service sector; micro annual income are less than 10lakh (1,000,000), small are Rs 10lakh-2crore(1,000,000-20,000,000), and medium are Rs 2crore- Rs 5crore(20,000,000-50,000,000). According to

the Regional Project for Enterprise Development (RPED) Ghana, Micro enterprises employ less than 5 personnel, Small are 6-29 personnel and medium are 30-99 personnel (Okoh & Ping, 2000). Just like other countries of the world, definition of SMEs in Nigeria also differs from time to time and between agencies and institutions (Sanni, 2009).

However, SMEs play important roles in the economic growth and sustainable development of any economy. SMEs are the engine room for the growth of any developing economy because they form the bulk of business activities in developed and developing economies like Nigeria (Akwara et al 2014). Consequently, the past administration of Dr. Goodluck Jonathan was of the vision that, by the year 2020, Nigeria would be one among the first 20 largest economies of the world otherwise called vision 20-20-20. This is achievable if suitable leadership styles and committed economic policies implementation are applied or used in the country (Azende 2012). Moreover, many economies like Canada, USA, and Croatia etc. have acknowledged that SMEs are needed for industrial restructuring and have formulated national SMEs financing policies, targeted at developing the sub-sector as cited in (Azende 2012). Akwara et al (2014) opine that SMEs are privately owned and operated business with a small capital base and relatively small number of employees. In Nigeria for instance, the Central Bank of Nigeria agrees with the Small and Medium Scale Industries and Equity Investment Scheme (SMIEIS), Merchant Banks in Nigeria and the National Economic Reconstruction Fund (NERFUND) in their definition of a SMEs as any enterprise with a maximum asset base less than N200 million without land and working capital, and with the number of staff employed not less than 10 and not more than 300.

Besides, in July 2001, the National Council of Industries at 13th meeting in Markurdi, Benue State (NCI – 13) made the following amendments that Micro Industry with total capital employed of not more than N1.5 million with working capital but without cost of land and or not more than 10 workers, Small – Scale Industry with total Capital employed of over N1.5 million but not more than N50 million, plus working capital but without cost of land, and or labor size of 11 – 100 workers, Medium – Scale Industry with a total capital employed of over N50 million but not more than N200 million, with working capital but without cost of land, and or a labor size of 101 – 300 workers and Large – Scale Industry with a total capital employed of over N200 million, including working capital but excluding cost of land or a labor size of over 300 workers (Akoma, Adeoye, Binuyo & Akinwole, 2014). Smedan (2012) define micro enterprises as those employing less than 10 and having total assets of less than N5,000,000, small business employing between 10- 49 and total assets of 5- 50 million and Medium business employing between 50-199 and total assets of N50- 500 million.

Since there are no consistency definitions of SMEs, the study shall adopt the Semdan (2012) definition because the employment standard is eagerly available and relatively easy to get. Thus, any business employing less than 10 employees is considered to be micro, 10- 49 staff is small and 50 -199 staff is medium enterprises.

2.5. Leadership and Performance

Understanding the effects of leadership on performance is very important because leadership is seen by some researchers as one of the key element for improving /standardized organizational performance. Fu-Jin, Shieh, and Tang (2011) are of the view that the relationship between leadership style and performance has been discussed often;

most studies show that different leadership styles may have a positive or negative correlation with the organizational performance depending on the variables used by studies.

Fiedler and House as cited in Dimitrios & Athanasios (2014) conclude that effective organizations require effective leadership and that organizational performance will suffer in direct proportion to the neglect of this assertion. Thus, a good owner-managers understand the importance of employees in achieving the goals of the organization, which motivating the employees of importance in achieving these goals. To have an effective organization the people within the organization need to be motivated and inspired to devote themselves in the organization's mission. Fu-jin, et al (2011) also opine that when owner-managers use a suitable leadership styles to demonstrate, concern, care and respect for employees, it would increase interest of employees and enable them to put up better performance, thereby affecting their job satisfaction positively.

2.6. Review of Previous Studies on Leadership Styles and Performance

Akoma, Adeoye,A, Binuyo and Akinwole (2014) examined some leadership styles as determinants of small and medium scale industries and implication to counseling and management in Ogun state, Nigeria. The study adopted ex-post factor research design and 300 staff were randomly selected from the groups after the four companies had been stratified from the pool of registered companies in the states. Data were collected using a self-developed questionnaire by the Researchers. Data were analyzed using analysis of variance and Pearson Product moment correlation while results were tested at the level of 0.05 levels of significance. The results indicate that, the autocratic leadership style was not significant with the organization performance, while the democratic shows a significant

relationship with the organization performance. On the basis of this finding, it was suggested that: Industries should adopt a democratic leadership in other to have maximum profit. Therefore, the study cannot be generalized because it has not tested other styles of leadership to know how significant they are to SMEs performance

Ahmad (2014)the study investigated the impact of leadership behaviors on the performance of SMEs in Malaysia services industry. The success and performance of services SMEs are obviously depended upon several contributing factors – managers’ leadership skills and qualities are reported to be two of them. 193 owners and top managers of services SMEs in Malaysia participated in the study. The results reveal that, there were significant relationships between different leadership behaviors and organizational performance of services SMEs; and transformational leadership contributes more significantly to the performance of SMEs than transactional leadership behavior. The findings linked that leadership behavior of leaders of SMEs is one of the important factors that influences SMEs performance in the service sector. Thus, the study fails to show the tools used for the study.

Awolusi, Magaji and Odunlami (2015) investigate the impact of leadership style on organizational climate in the Nigerian insurance industry. The empirical study was conducted via a multi-respondent survey of 15 insurance companies quoted on the floor of Nigerian stock exchange as at 31st December, 2013. 502 totaldistributed questionnaires, 350 questionnaires were returned, 20 were discarded due to incorrect fillings. Consequently, 330 questionnaires were analyzed using correlation and regression analysis to test the hypothesized relationships between leadership styles and organizational climate in the Nigerian insurance industry. Leadership style was measured using six dimensions

(charismatic, transactional, transformational, autocratic, bureaucratic and democratic), organizational climate was measured through a set of questionnaire that we developed based on the eight organizational climate dimension. The result of the findings based on the survey, reveals that leadership style positively affected organizational climate in the Nigerian insurance industry. Specifically, the results suggest that apart from autocratic and bureaucratic leadership styles; transactional leadership style, democratic leadership style, charismatic leadership style, and transformational leadership style are the key leadership styles that influenced organizational climate in the Nigerian insurance industry

Oladele (2013) examined the effects of strategic leadership styles on organizational development in Small and Medium Enterprises; with a view to highlighting the link between strategic leadership and the development of small and medium enterprises in Nigeria. The study was conducted in Lagos state. Structured questionnaire was generated as source of data and administered to the owners of SMEs. Purposive sampling technique was used for the study. A total number of 3,900 SMEs registered with National Association of Small and Medium Scale Enterprises (NASME); Small and Medium Enterprises and Distributive Group of Lagos Chamber of Commerce and Industry (LCCI); and Nigerian American Chamber of Commerce (NACC) in Lagos State were selected. Thus, a total of three hundred and ninety (390) SMEs were randomly sampled with a sample fraction of 10%. Data collected were analyzed using the mean, standard deviation and analysis of variance. The study reveals that supportive, inspirational and commanding leadership styles are statistically significant leadership styles influencing organizational development in SMEs, hence, the study concludes that supportive, inspirational and commanding leadership styles of the strategic leadership styles were determinants of the

success of SMEs in Nigeria. However, the study used different determinants as independent variables and fails to show the type of inferential statistics used for the study.

Obiwuru, *et al* (2011) investigated the effects of leadership style on organizational performance in SMEs. Three small-scale enterprises were initially selected through stratified random sampling technique from a total of 18 subjectively identified small scale enterprises in area. The enterprises were stratified according to their respective industries or activities water packaging, restaurant/food canteen services, and wood finish production. Five respondents were randomly selected from each of these three enterprises for a sample size of fifteen (15) respondents. A pilot study conducted on the sample shows that leadership style in two was transactional, while leadership style in the third enterprise was transformational style. Since none was laissez-faire leadership style, the study concentrated on the two leadership styles, and sample size was reduced to ten. The result of the findings shows that transactional leadership style has significant positive effect on performance; while the effect of transformational leadership style on performance is insignificant. However, the study makes use of different independent variables and fails to show the types of tools used for the study.

Veronica (2013) examined the effect of leadership behaviors on employee performance. Specifically, the study identified the leadership behaviors exhibited by managers in Guinness Ghana Breweries Limited (GGBL) in enhancing employee performance and specific behaviors that affected the performance of the employees. The study considered the three major effects of leadership behaviors, namely, job-Centre style, people-centered style and democratic style on the performance of employees. The data for the study was obtained by administering questionnaire to personnel in GGBL. The data received from the

respondents was analyzed with the help of SPSS 17 to test for the hypothesis; Pearson Coefficient correlation analysis was also used. The result observes that strong correlation existed between a job-Centre leadership behavior exhibited by leaders in Guinness Ghana Breweries Limited and employee performance. The job-Centre leadership behavior had significant positive effect on performance. People-center and democratic behavior were very insignificant and negative correlations suggested a decrease in performance by employees due to management acting with strict internal rules to achieve results.

Uchewamgbe (2013) examines the effects of leadership styles on organizational performance in small and medium scale enterprises in Lagos, Nigeria. The findings of the study reveal that good leadership style enhances organizational performance and there is what is known as participatory leadership style of management where both employers' and employees take decisions that have positive impact on the growth of the organization and good welfare facilities for the employees. Thus, the study is not empirically tested that the conclusion cannot be generalized

Abdulazeez et al (2014) empirically examines the relationship between leadership style and organizational effectiveness in the Nigerian small and medium enterprises. A survey of two hundred and sixty eight (268) small and medium enterprises was used. The self-administered questionnaire was used as sources of data for the study. A total number of 209 copies of the questionnaires were returned and properly filled and subsequently used for the analysis. Descriptive statistics-T-test and Pearson Product Moment Correlation test were used. Data processing and analyses were carried out with the aid of computer using Statistical Packages for Social Sciences (SPSS). All the analyses were conducted using 5% level of significance. The results found that the Nigerian SMEs are more autocratic and

less participative as the power distance between business owner and employees is very wide. The study further reveals an insignificant relationship between leadership style and organizational effectiveness. Therefore, the study finding can only be generalized in Lagos because it does not capture the whole Nigeria.

Ojokuku, et al (2012) examines the impact of leadership style on organizational performance in selected Banks, in Ibadan Nigeria. The population of the study covered twenty (20) randomly selected banks in Ibadan metropolis, Oyo state, Nigeria. The result of the Findings shows positive and negative relationship between leadership style dimensions and organizational performance. The study concludes that transformational and democratic leadership style should be employed by the Banks' management in order to shine stronger in a global competitive environment.

Kawooya (2010) examines the effect of leadership styles practiced in Kampala city council, Ghana and their effect on performance. The study was concerned with analyzing the effect of corporate leadership styles, authoritative leadership styles and laissez-faire leadership styles on their ability to influence work and productivity in a manner that creates efficiency and effectiveness. The study used survey research design both quantitative and qualitative approaches, the study population was two hundred and eighty (280) respondents and the sampling techniques were; simple random sampling which for issues of triangulation, were the same for all the local councils. The data collected was analyzed using descriptive statistics and Pearson's co-relation co-efficient techniques. The findings of the study show that corporate leadership style was not highly practiced, authoritative leadership was practiced especially in higher offices and also the laissez-faire leadership was highly existent especially in lower offices.

Duncan (2007) examines the impact of leadership styles on performance of University of central Florida, USA. The result of the study shows that, the optimal leadership may be a blend of different leadership styles such as autocratic, democratic and laissez-fair. It further assumed that, leadership style and performance have some degree of positive relationship and they were linked in some fashion. However, the study is qualitative in nature but not empirical tested

Sebahattin *et al* (2014) examines the effect of leadership styles and innovativeness on business performance with the population of 576 people working in service sector and industrial sector from Istanbul. Data gathered has been analyzed by SPSS program. Research hypotheses are tested by regression analysis. Finding of the study shows that innovativeness; transformational leadership and transactional leadership have higher effects on business performance, respectively. Thus, the study used different dimensions leadership styles.

Koech and Namusonge (2012) examine the relationships between leadership styles and business performance in public corporations in Kenya. The result reveals that, the relationships between “transformational factors” and “business performance” were general and positively significant, relationships between “transactional leadership factors” and “business performance” was narrow and positively meaningful. However, the study is qualitative and used different independent variables which are not scientifically tested.

Nebojša, Milka and Svetlana (2012) examine the integration of different leadership styles among school directors Kragujevac region in Serbia16 high school which directors were observed, so they could get a full insight in specific way of director management

/leadership at these institutions. Descriptive and correlation were used as a method of analysis. The finding of the study shows that autocratic, democratic and delegating styles of leadership in school are integrated and inseparable from each other. However, the study fails to show how significant the variables are, which indicate that the conclusion of the study cannot be generalized.

Zoogah (2009) examines Cultural value orientation, Personality, and motivational determinants of strategic leadership in Africa Morgan State University. The result shows that African leaders and managers are more of authoritarian, inflexibility, and insensitive in nature. The study concludes that leaders /managers need to study various leadership styles in order to be more familiar with other styles of leadership because Leadership development preparing individuals for executive positions, tend to be personal, ethnically related, and not skill or merit based alone, resulting in a “state of incompetence and weakness” accounting for the lack of strategic leadership in Africa. However, the study is not an empirical study and its conclusion cannot be generalized.

Puni et al (2014) examine the effect of leadership styles on firm performance in selected Banks in Ghana with Non-probability sampling strategies were used to select the banks and participants with sample of 143 from the two Banks selected. Correlational research design was employed to determine the predictive relationship between the independent variables (autocratic, democratic and laissez-faire leadership styles) and the dependent variable (financial performance). Multiple Regression test was used to test the hypothesis in the study. The result of the findings argues that though there is no statistical significant predictive relationship between the independent variables represented by (autocratic, democratic, and laissez faire) styles of leadership and financial performance represented by

net profit it was evident that democratic leadership style contributed significantly to financial performance than the autocratic and laissez faire leadership styles. Theoretically, democratic leadership style focuses on people, by empowering and involving them in decision-making, because followers feel part of the decision making process they become committed toward executing task associated with the decisions they were part of thereby resulting in high employee productivity.

Durga and Prabhu (2011) examine the relationship between leadership styles and employee performance. The study was comparing between selected public and private sector enterprises and the sample size of 196 which comprises of 43 middle-level managers and 156 subordinates. The relationship between transformational, transactional, Laissez-faire leadership styles and employee performance was discovered through correlation and regression analysis. The results of correlation and regression analysis suggests that the transformational leadership style has significant relationships with performance; the study also concludes that some additional knowledge should add for a better understanding of the preferred leadership approach and appropriate style for use with subordinates in various professional levels.

Mishra, Donald, and Neelufer (2014) Identifies the leadership styles with senior and middle level managers and their relationship with the financial performance of the selected fast moving consumer goods firms in Muscat, Sultanate of Oman. The study employs a quantitative and survey research method. Leadership styles Data was collected from five senior and middle level managers which were randomly selected from 10 Fast Moving Consumer Goods firms. Fifty respondents completed the questionnaire giving a response rate of 83.33%. Correlational descriptive research design, mean, t- test, Pearson correlation

and ANOVA were used for data analysis. Results of t-test proved that there is no significant difference in the leadership styles of senior and middle level managers. Results also prove that leadership style has a significant correlation with firm performance. Based on the findings, the authors conclude that leadership styles have a positive and negative relationship with firm performance.

Talat et al (2015) examine the impact of leadership styles on organizational culture in the Fast moving consumer goods (FMCG) industry of Pakistan with the sample for this study included various companies operating in the FMCG industry of Pakistan. The companies include in this sample were: Unilever, Nestle, Coca Cola, Pepsi and Colgate Palmolive Company. The study specifies the true essence of leadership styles and the role of organizational culture in the fast-moving consumer goods (FMCG) industry of Pakistan. Self-administrated questionnaires were distributed among 155 employees of 5 FMCG companies. The data collected was analyzed using Pearson's co-relation and linear simple regression co-efficient techniques. The findings of the study reveal that leadership becomes an important resource to keep employees motivated and committed to their organizations and help build a culture which contributes positively towards achieving these objectives. It also reveals that fast moving consumer goods (FMCG) sector leadership styles, most importantly; transformational leadership is the most influencing tool when it comes to increasing organizational commitment and positively affects organizational culture. However, the study fails to show the tools used for the analysis and the study also used different dependent variable (organizational culture)

Bizhan(2013) examines the relationship between leadership style and performance in the Real Estate Registration in Tehran province. This study used descriptive correlation

method, and the population of the study comprised all staff in Tehran RealEstate Registration with 1000 number. Cochran method was used to determine the sample size and the sample number was calculated 277. Simple random sampling is used in this study. Two questionnaires of leadership style and performance were used as a data collection instruments. Correlation method using SPSS software was used to test the hypotheses. And the result of the study shows that development-oriented and pragmatic- oriented leadership style has a positive impact on employee performance and leadership style and non-interference has a negative impact. Therefore, the study used different dimensions as independent variables on performance.

Yahaya, Osman, Mohammed, Gibrilla and Issah's (2014) study examine the impact of leadership styles on staff performance and perception. The study adopts a descriptive survey of non-experimental research design to investigate the effects of leadership styles on the performance of staff of the Polytechnic. The study relied on simple random and purposive sampling techniques in selecting a total of 120 respondents for the study. Regression analysis was used, it revealed from the study that leadership of the Polytechnic mainly autocratic and democratic (participative) leadership characteristics. The study also reveals that leaders who exhibited democratic (participative), people-oriented or transformational leadership characteristics for that matter, improved staff productivity. It was concluded that leadership of the Polytechnic were either autocratic or democratic in their leadership approach. The study recommends that autocratic leadership characteristics exhibited by management must give way for a more participatory or democratic style of leadership to encourage a more liberal approach in dealing with some of the challenges

associated with the autocratic approach in managing people especially in an institution of teaching and learning.

Belás(2013) examines the relationship between applied leadership style of branch managers and productiveness of bank sales clerks and room for their productiveness improvement applicable in the banking sector in Slovakia. Opinions of branch managers about the applicable leadership style and room for sales clerks' productiveness improvement were examined through two questionnaire surveys (conducted in 2008 and 2012) and structured interviews with 13 bank managers and informal interviews with 35 bank's sales clerks has been conducted using regression analysis method. The results confirm that the directive style of leadership is compulsory in the banking sector in Slovakia while the passion of its implementation during the analysis period was increased. The study has also shown that there is a direct connection between the democratic style of leadership and room for improvement of sales clerks' productiveness, because the growth of the attention of directive style in this case led to lower productiveness of the average bank sales clerks. The study assumes that the applied leadership style of bank employees depends on time working in administrative positions in comparing to long-term managers, branch managers who were working for rather short periods in any managerial positions did not show any differences in their management priorities. However, the study fails to show the styles of leadership used against performance.

Iqbal et al (2015) examined the effect of leadership styles practiced in an organization and their effect on performance. The purpose of the study was to understand the effect of different leadership styles autocratic, democratic, and participative style- on organization performance. The study used qualitative approaches, and secondary data. The study

concludes that the autocratic leadership is useful in the short term while democratic leadership style is useful in all time prospects and participation leadership style is most useful in long term and positively affects organization performance. However, the study is qualitative in nature and is not empirically tested.

Nwokocha and Iheriohanma (2015) examine the relationship between leadership styles and employees' retention in organizations with a view to determining how leadership styles influence employees' retention and performance, and subsequently improve productivity in organizations in Nigeria. The study was a literary work; hence it derived its data from secondary sources of data. The study identifies the following leadership styles that are predominant in organizations; autocratic, democratic, bureaucratic amongst others. The study argues that effective leadership style is crucial for achieving organizational goals. The study reveals that when management styles are considered unacceptable by the Subordinates, they undermine employees' performance and instigate their tendency to quit the organization, and vice versa. The study further argues that employees' retention and performance can be achieved through the adoption of appropriate leadership styles that will align business strategies with employees' motivation and confidence. Hence, the study therefore, recommends that managers who adopt leadership styles will agree with the behavioral patterns within the expectation levels of employees which will boost employees to perform at maximum levels and not only motivate them but also energize their retention in organizations. However, the study is a storybook that is not empirically tested and its conclusion cannot be generalized.

Washington et al (2014) examines the leadership styles on organizational performance at the TMHypermarket branch in Bulawayo. The study used both quantitative and qualitative

approaches. The study population comprised 110 employees, using convenience sampling; a sample of 90 respondents was included in the study. The collected data was analyzed using descriptive statistic techniques. The findings of the study indicate that corporate leadership style was not highly practiced. Authoritative leadership dominated the organization, especially in departmental offices, whereas participative leadership was less dominant. The study concludes that the lack of corporate leadership, dominating authoritative leadership style and low participative leadership style contribute to the poor performance of the organization. Recommendations from the study were that visionary leaders and empowerment is necessary to motivate employees at TM Hypermarket in Bulawayo.

Yakubu (2016) examines the perceptions of teachers, principals, ministry officials, and PTA officials (stakeholders) on participative and coercive principals' leadership styles in Secondary Schools in Kafanchan Education Zone, Kaduna State, Nigeria. The study has two research objectives which are to find out the dominance of participative leadership styles and coercive leadership style in Secondary Schools in Kafanchan Education Zone, Kaduna State, Nigeria. The population of the study comprised 68 principals, 233 teachers, 15 ministry officials and 35 Parent Teachers' Association (PTA) officials. Survey design was adopted for the study and data were collected using a researchers' designed questionnaire. The data gathered were analyzed using Analysis of Variance (ANOVA) and hypotheses tested at 0.05 significant levels. The findings of the result reveal that principals in Kafanchan Education Zone has significant participative leadership style with their subordinates in taking decisions, and that principals do not impose their ideas on their subordinates. In clear terms, there is dominance of participative leadership style and non-

prevalence of coercive style of leadership in the education zone. The researchers however recommend that the situation the leader finds him or her selves should determine his choice of leadership styles. However, the study used two independent variables on education sector why three independent variables were used in this study.

Khalil and Abdul (2016) examine the Impact of leadership styles of principals and teachers of secondary schools in Kaduna State Nigeria. The involvement of teachers in the administration of schools is well justified and arise from the need to boost school environment for the sake of attaining school achievement. This paper reports on the outcomes of a transformational leadership efforts in Nigerian unity schools that aimed at enhancing the use of teachers in the administrative set-up. The study was carried out in seven selected secondary schools through stratified random sampling technique from the existing 101 in the state situated in the Northern part of Nigeria, in the randomly selected unity schools, 800 participants were selected through a simple random technique, in the whole 760 were used and returned using the multifactor leadership questionnaire form 5x, the researcher analyzed the data collected from the perceived responses of the school teachers using the person product moment correlation procedure. The findings of this study reveal that the leadership styles of principals in Unity Schools have a major influence on the school environment which in turn influences the schools' achievement and the students' academic performance. The study also demonstrates that the transformational leadership style for a secondary school achievement reported here is effective in building capacity for both teachers and students.

Nongo (2015) look at the effect of leadership Style on organizational performance in Small and Medium Scale enterprises in Makurdi metropolis of Benue State, Nigeria with

reference to Water First Rehoboth Limited, Steam Fast Restaurant and Panet Technologies Limited. Data was collected from a population and sample of 70 staff of the organizations and analyzed with Friedman's Chi-Square statistics using the Statistical Package for Social Sciences. The results show that transformational leadership style exerts a positive but insignificant effect on employee performance while transactional leadership style has a positive significant effect on employee performance. It is concluded that transactional leadership style is more appropriate in inducing performance in small scale enterprises in Makurdi metropolis than transformational leadership style. It is recommended that small scale enterprises should adopt transactional leadership style at the initial stage of entry into business but should strategies to transit to transformational leadership style as the business grow and mature

Alex, Wachira and Mwenda (2015) analyzed the effect of leadership styles on implementation of strategic plans of SMEs. Specifically, the study: analyzed the effect of autocratic, democratic and laissez faire leadership styles on implementation of strategic plans in SMEs. Descriptive research design was used. The study population consists of 4531 SMEs registered by Ministry of Industrialization and Enterprise development. A sample of 354 SMEs was selected using stratified random sampling. A questionnaire composed of open and closed ended questions was used to collect primary data. Quantitative data was analyzed using Statistical Package for Social Sciences (Version 21). In addition, a multivariate regression model was generated to assist in determination of the relative importance of each of the three variables to implementation of strategic plans. The regression shows that autocratic, democratic and laissez-faire leadership styles were positive and have significant effect on implementation of strategic plans. The study

recommends that organizations should use all the three leadership styles to maximize implementation of strategic plans in organizations but depends on the organizational situations

Therefore, to the best of the researcher's knowledge on review of literature there are no empirical Kaduna based findings of leadership styles on the performance of SMEs.

Puni et al (2014) opine that since leadership style is not a product of one leader, investigating the dominant style of leadership in an organization by scoring their response rate and how it has affected performance. Thus, it will expand the edge of the study of leadership and SMEs performance especially in Kaduna State.

2.7. Theoretical Framework

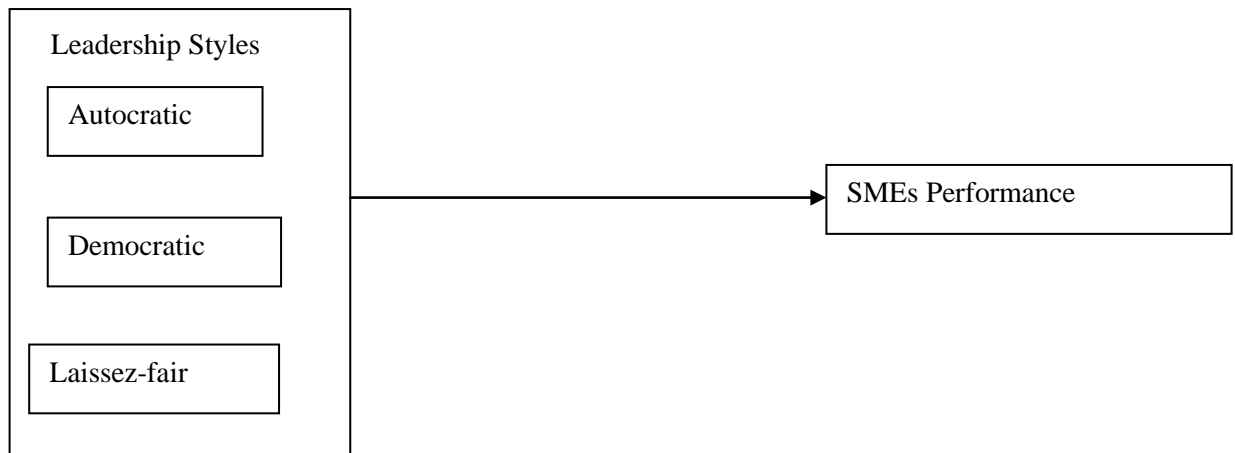
Contingency theory is considered as the underpinning theory for this study.

Contingency theory is a behavioral theory developed by Fiedler (1964). Fiedler postulates that leadership style refers to a kind of relationship whereby someone uses his ways and methods to make employees work together for a common goal. Therefore, the leader's ability to improve employee's performance is depending upon various situational factors, including the leaders' preferred style, the capabilities and behaviors of workers that depend heavily on the situational factors Fisher (1995). This theory also propounded that leaders should adopt the style which fit to the situation and directly inspire the employee performance because Fiedler assumes that there is no single best way for managers to lead or direct. Situations will create different leadership style requirements for a manager. Therefore, solution to a managerial situation is depending on the styles that influence on the situation. An effective leader has a responsibility to provide guidance and share the

knowledge to the employee to lead them for better performance and make them expert for maintaining the quality.

Fiedler also claims that if performance is to be improved, employees must cope not only with the leader's style but also with the situational factors which influence him/her. Performance can be improved either by the leader's fit to the situation or the situation's fit to the leader. For example, the theory relates to the independent variables in the logic autocratic leadership style, democratic leadership style and laissez-fair leadership style which the management of any SMEs can adopt for the business while the dependent variable relate to performance which is the result of the styles adopted. Autocratic, democratic and laissez-fair leadership styles which are the independent variables considered for the study can be best appropriate depending on the styles of leadership and the situation the organization finds itself. Though, there is need for the owner/manager to identify and comprehend the situation before choosing the suitable styles of leadership. The adoption of authoritarian, democratic and laissez-fair leadership styles has the capacity to enhance or decrease the performance of the SMEs and their result shall define the level of performance of the business. However, if the right styles of leadership are adopted, SMEs performance will improve, if otherwise performance of the organization will decrease. Leadership styles stand as the independent variables of the study while SMEs performance as the dependent variable. The model in Figure 1 below explains the relationship between the variables in this study.

Figure 1 Research Model for Leadership Styles and Organization Performance



CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines and explains the methodological issues relating to the study. It contains research design; population of the study, sample size and sampling technique, method used in collection of data, instrument of data collection, variables measurement, validity and reliability of instrument and technique of data were used in analyzing data with their justifications.

3.2 Research Design

This study adopts cross-sectional survey research design. It was adopted because it is an applicable design to find out how styles of leadership affect the performance of SMEs at a period of time. Also, questionnaire was designed as an instrument of data collection for this study.

3.3 Population of the Study

The population of the study consists of 201 SMEs that are operating their businesses within Kaduna State and are registered with SMEDAN as at November, 2015. Owner and/or manager were selected because of their knowledge and familiarity with the running of their own establishment. The list of SMEs was obtained from the SMEDAN, Kaduna Branch office as at November, 2015. The choice of this group of SMEs was as a result of their registration with the relevant authorities. As such, they are well organized with registered office addresses and full time employees.

3.4 Sample Size and Sampling Technique

The sample size was determined using formula suggested by Yamane as cited in Israel (2013). The assumption is that the sample is representative of the population.

Sample size formula:

$$n = \frac{N}{1 + N(e)^2}$$

Where: n= sample size

N= population size

e= sample error level of significance

1 = constant

Therefore;

$$\begin{aligned} &= \frac{201}{1 + 201(0.05)^2} \\ &= \frac{201}{1 + 201 \times 0.0025} \\ &= \frac{201}{1.5025} \\ &= 134 \end{aligned}$$

One hundred and thirty four (134) sample size against a population of 201 registered SMEs at 95% confidence level at 5% error of precision level confirmed by the Krejcie and Morgan's (1970) table of determined sample size which reveals that for a population of 201 respondents, a sample size of 134 is appropriate.

However, in order to take care of response bias and improper filling of some respondents to return the questionnaire, 30% of the above minimum sample size was added as suggested by Israel (2013). Forty respondents which is the 30% of the sample size were

added to the calculated sample size of 134 brings it to 174 questionnaire administered across State. In order to locate the sample out of the population, the researcher adopted Stratified sampling technique to choose SMEs from the Kaduna State 3 senatorial zones namely; South, Central and North. The questionnaire was dispersed based on proportionate sampling procedure to arrive at a sample size for each senatorial zone.

3.5. Source and Method of Data Collection Methods

Primary source of data was used in the study to examine the effect of leadership styles on the performance of small and medium scale enterprises in Kaduna State. Primary data was obtained through the use of questionnaire. Secondary data on the other hand was the data collected from SMEDAN Kaduna, Branch office that consists of registered SMEs located within Kaduna State as at November 2015 with their respective offices. The researcher personally administered the Hardcopies of the questionnaire face to face to the respondents of the organization and a preamble note was attached to the questionnaire guiding the respondents on how to answer questions, and subsequent follow up to increase the response rate as much as possible. It is suggested that in environment like Nigeria where research culture is not sufficiently developed, face to face delivery will be suitable (Ringim 2012). One of the advantages of the face to face delivery is that, it helps to collect all completed questionnaire within short period of time.

Table 3. 1 Distribution of Questionnaires among 3 Senatorial Zones

SENATORIAL ZONES	NUMBER OF REGISTERED SMEs	DISTRIBUTED QUESTIONNAIRES
NORTH	25	22
CENTRAL	164	142
SOUTH	12	10
TOTAL	201	174

The table 3.1 shows how the total copies of Questionnaire dispersed according to population size of each of the 3 Senatorial Zones of Kaduna State. This was achieved by taking the numbers SMEs registered in each zone multiply by the sample size of the study and divide by the total registered SMEs of the state.

3.6. Instruments of Data Collection

Leadership Styles: The Leadership Styles questionnaire developed by Clark (2011) was adapted to measure the three leadership styles in the study. Example of studies used; are Clark (2011) questionnaire were Gabatshwane (2011), Nebojša et al (2012) and Yazar (2012) with 18-items scale measuring three leadership styles, autocratic (6-items), democratic (6-items), and laissez-faire (6-items). The items were measured using five point likert scales ranging from strongly agree (5) to strongly disagree (1).

Organization Performance- The organization performance questionnaire was adapted from Anastasia (2008) and Apolot (2012) with 11 items. Thus, all the items were presented on a five point Likert Scale ranging from strongly agree (5) to strongly disagree (1). The questionnaire was divided into three sections, Section one of the questions asked on bio data, section two asked questions on leadership styles (Authoritarian, democratic and laissez-fair) and section three asked questions on SMEs performance. All questions were close ended form and all responses were measured using 5-Point Likert Scale ranging from strongly disagree (5) to strongly agree (1).

3.6.1. Measurement of the Instruments of Data Collection

Autocratic leadership style was measured by Supervision, decision making, Laziness, directing, reward and punishment, achievement and effective leadership. On the other hand, Democratic leadership style was measured by decision making, guidance,

communication, competency and helping others. Additionally, laissez-fair leadership style was measured by interference, work freedom, problem-solving capacity, and work appraisal. While organization performance was measured by the extent to which the Owner-manager respondents perceived the performance of their respective businesses. Performance was measured by sales growth, profitability, innovation, effectiveness, efficiency, and customer satisfaction.

3.7. Validity and Reliability of Instrument

Validity test of instrument can generally be described as “the extent to which the research findings accurately reveal the phenomena under study” or “the extent to which what is set to be measured is accomplished” (Collis & Hussey, & Gregory as cited in Charity, 2011). Validity is also important in determining whether the statements in the questionnaire instrument are relevant to the study. However, the validity test of instrument was achieved, by the help of the supervisor’s input, and two experienced academics in the area of Business Administration in Ahmadu Bello University (ABU) Zaria, Nigeria.

To this effect, Reliability of the instrument was obtained through employing the Cronbach’s Alpha coefficient measure the internal consistency of the instrument on the questionnaire administered to forty (40) respondents for the pilot testing. After running the data using SPSS version 20, it was found that all the measures possessed high reliability standard ranging from 0.720 to 0.856. This is in line with the benchmark that an instrument with coefficient of 0.60 is regarded to have an average reliability while the coefficient of 0.70 and above shows that the instrument has a high reliability standard (Litwin 1995; Hail et al., 2010; Sekaran & Bougie 2010; Tabachnick & Fidell, 2014).

Table 3. 2 Reliability Test Scores of Variables

Variables	Number of items	Cronbach's Alpha
Leadership Styles		
Authoritarian Leadership Style	6	.789
Democratic Leadership Style	6	.856
Laissez-fair Leadership Style	6	.720
Performance	10	.773

Table 3.2 shows the reliability test results for the instrument that was used for the study.

All the reliabilities test results of the Cronbach's Alpha coefficient s for all construct were above 0.70, therefore, meeting the acceptance standard for research (Sekaran & Bougie, 2010).

3.8. Method for Data Analysis

In analyzing the data for this study, descriptive statistics and inferential statistics were used. The Descriptive statistics (Mean, media, standard deviation etc.) was used to determine the level of leadership styles and level of performance of SMEs in Kaduna State. The inferential statistics include simple linear regression analysis, ANOVA, Pearson correlation coefficient analysis and factor analysis using Statistical Package for Social Science (SPSS) version 20.

3.9. Method of Justification

Regression analysis was choosing for the estimation of the coefficients, involving independent variables that best predict the valve of dependent variable. Simple linear regression was used as a tool of analysis to test the effect of single independent variables (autocratic, democratic and laissez-faire) on dependent variable (performance of SMEs) being that the independent variables are mutually exclusive. It was also be used to test the research hypotheses at 5% level of significance (95% confidence level). Pearson

correlation coefficient analysis was used in this study to test the independent variables to know how strongly pairs of autocratic democratic and laissez-fair leadership styles related to dependent variable (organization performance).

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 Introduction

The chapter involves data presentation, analysis and interpretation of the results of the study. The findings of the study were based on the data collected from SMEs in Kaduna State. In order to achieve the main objective of this research which is to examine the effect of leadership styles on the performance of SMEs adopts authoritarian leadership style democratic style of leadership and lassie-fair leadership style as independent variables against the SMEs performance. The three hypotheses were tested and the findings explained.

4.2 Data Presentation and Analysis

A total of 174 copies of questionnaire were distributed and 165 (95%) copies of the questionnaire were returned, out of which 158 (91%) were valid and fully completed. Therefore, the analysis was based on 158 filled and returned questionnaires which represent the 91% of the total questionnaire dispersed to owner/manager across SMEs in Kaduna State. However, the response rate considered necessarily large for statistical reliability and generalization (Tabachnick & Fidell 2013).Therefore, high response rate was accredited to the self-administration method undertaken in distributing the questionnaire.

Table 4. 1: Summary of Responses Rate

N/S	Items	Number of Questionnaire	Percentage
1	Distributed Questionnaire	174	100%
2	Returned Questionnaire	165	95%
3	Valid filled Questionnaire	158	91%

4.2.1 Descriptive Statistics of the Variables

This section presents the descriptive statistics of the bio data of the respondents, the dependent and independent variables of this study. The bio data include; gender, nature of business, number of years in business, number of employees and educational qualification of the respondents. The main variables in the study include: Authoritarian leadership style, democratic leadership style, laissez-fair leadership style, and SMEs performance. The rule for this analysis is that, any mean responses of 1-2.49, 2.50-3.49 and 3.50-5.00 are rated below average, within average and above average performance respectively. This is further proved by the score level from the standard deviation result.

Table 4. 2 Gender of the Respondents

		Frequency	Percent
Valid	Male	111	70.3
	Female	47	29.7
	Total	158	100.0

The Table 4.2 shows that the 111 of the respondents representing 70.3% are male while 47 representing 29.7% are female. This result shows that male is the dominant gender among SMEs operating in Kaduna State.

Table 4. 3 Nature of Business

		Frequency	Percent
Valid	Service	104	65.8
	Manufacturing	48	30.4
	Others	6	3.8
	Total	158	100.0

Table 4.3 shows that 104 of SMEs respondents are into service related businesses, 48 of the SMEs are into manufacturing business while 6 are into other types of business. This shows that majority of the respondents constituting 104 (65.8%) are into service related businesses in Kaduna State.

Table 4. 4 Numbers of Years in Business Source

		Frequency	Percent
Valid	1- 5 Years	55	34.8
	6-10	37	23.4
	11-15	30	19
	16-20	19	12
	21&Above	17	10.8
	Total	158	100

Table 4.4 shows that, 55 (34.8%) respondents have been in business for the last 5 years, 37(23.4%) SMEs owners have been in business between 6-10years, 30(19%) respondents have been in business between 11-15years, 19(12%) respondents have been in business between 16-20years, 17(10.8%) SMEs owners have been in business for 21 years and above.

Table 4. 5 Numbers of Employees

		Frequency	Percent
Valid	1-10	62	39.2
	11-15	38	24.1
	16-20	29	18.4
	21-49	23	14.6
	50 & above	6	3.8
	Total	158	100.0

The table 4.5 shows that, 62 (39.2%) SMEs have 1-10 employees, 38 (24.15%) SMEs have 11 to 15 employees, 29 (18.4%) SMEs have 16-20 employees, 23(14.6%) SMEs have 21-49 employees and 6(3.8%) SMEs have up to 50 and above employees.

Table 4. 6 Educational Qualifications

		Frequency	Percent
Valid	SSCE/WAEC	5	3.2
	Diploma	26	16.5
	NCE	37	23.4
	HND/Degree	68	43.0
	Masters/PhD	22	13.9
	Total	158	100.0

The table 4.6 shows the educational qualification of the owner-managers. 5 (3.2%) were secondary school certificate holders, 26 (16.5%) were diploma holders, 37 (23.4%) were NCE holders, 68 (43%) are HND/degree holders and 22(13.9%) were masters/PhD holders. This shows that majority of the respondents constituting 96.8% have attained higher level of education and thus can provide answers to the questionnaire

Table 4. 7 Descriptive Statistics of Autocratic Leadership Style

	N	Min	Max	Mean	Std. Deviation
1. Employees need to be supervised closely for them to do their work effectively.	158	1	4	2.20	.718
4. I always retain the final decision making authority in my organization.	158	1	4	2.28	.797
7. As a rule, employees must be motivated using carrot and stick approach to achieve organizational objectives.	158	1	4	1.80	.856
10. Most employees feel insecure about their work	158	1	4	2.16	.871
13 The leader is the chief judge of the achievements of the members of the group.	158	1	4	1.56	.794
16 Effective leaders give clear orders	158	1	4	1.99	.841
Valid N (listwise)	158				

Table 4.7 shows the descriptive statistics for autocratic leadership style. Mean response to question 1 on autocratic leadership style is below average (1.00-2.49); this result indicates that subordinates to do their work effectively is not by strictly supervision by owner/manager. The mean response to question 2 on autocratic leadership style is below the average (1.00-2.49); this result shows that retaining the final decision making authority in organizations by owner/managers is not influenced SMEs performance. The mean response to question 3 on autocratic leadership style is below average (1.00-2.49); this result indicates that owner/managers of autocratic leadership style believed that using carrot and stick approach does not motivate employees to achieve organizational performance. The mean response to question 4 on autocratic leadership style is below average (1.00-2.49); this result indicates that, owner/managers believe that most employees' jobs are not secured under autocratic leadership style. The mean response to question 5 on autocratic leadership style is below average (1.00-2.49); this result indicates that autocratic leadership style was not influenced by the owner/managers as the chief

judge of the achievement of the members of the group. The mean response to question 6 on autocratic leadership style is below average (1.00-2.49); this result indicates that given clear order by effective owner/manager in autocratic leadership style is poor. However, owner/managers should take corrective measure to check mate the autocratic leadership style because all the rate of respondents were below average which it shows that it can lead to low performance

Table 4. 8 Descriptive Statistics on Democratic Leadership Style

	N	Min	Max	Mean	Std. Deviation
2. Employees want to be part of the decision-making process	158	2	5	3.87	.931
5. Providing guidance without pressure is the key to being a good leader	158	2	5	3.49	1.092
8. Most workers require effective communication from their owner-managers	158	2	5	4.41	.678
11. Leaders should hold subordinates to accept responsibility in workplace	158	2	5	4.00	.867
14. It is the leader's job to help subordinates find their "desire."	158	2	5	3.35	1.010
17. Employees are competent if allowed to use their initiative on the job	158	3	5	4.13	.519
Valid N (listwise)	158				

Table 4.8 shows the descriptive statistics for democratic leadership style. The Mean response to question 1 on democratic leadership style is above average (3.50-5.00); this result indicates that owner/manager possessed the employees to be part of the decision making process. The mean response to question 2 on democratic leadership style is within the average (2.50-3.49); this result indicates that effective owner/managers averagely provide guidance to employees without pressure. The mean response to question 3 on democratic leadership style is above average (3.50-5.00); this result indicates that owner-managers believed that they achieved their targets with effective communication with their

employees. The mean response to question 4 on democratic leadership style is above average (3.50-5.00); this result indicates that owner/managers possessed the democratic leadership style of being held subordinates to accept responsibility in their work place. The mean response to question 5 on democratic leadership style is within the average (2.50-3.49); this result indicates that owner/managers averagely help subordinates to achieve their aims. The mean response to question 6 on democratic leadership style is above average (3.50-5.00); this output indicates the achievement of competent employees using their initiative on the job. Generally, the rate of respondents shows that all the democratic leadership style were above average which can lead to high performance

Table 4. 9 Descriptive Statistics on Laissez-fair Leadership Style

	No	Min	Max	Mean	Std. Deviation
3. Leaders should allow subordinates to provide effective solution.	158	2	4	2.92	.806
6. Leadership requires supervision of subordinates as they do their work.	158	2	4	3.47	.604
9. Leaders should allow subordinates to appraise themselves.	158	2	4	2.83	.883
12. Leaders should allow subordinates a complete freedom to solve their challenges.	158	2	4	3.15	.813
15. In most situations, workers prefer little input from their leader.	158	2	4	3.35	.821
18. In general, it is best to leave subordinates alone without interference.	158	2	4	2.80	.934
Valid N (listwise)	158				

Table 4.9 shows the descriptive statistics for Laissez-faire leadership style. The Mean response to question 1 on Laissez-fair leadership style is within the average (2.50-3.49); this result indicates that subordinates were not fully allowed to provide effective solution by the owner/managers. The mean response to question 2 on Laissez-fair leadership style is within

the average (2.50-3.49); this result indicates that subordinates were averagely supervised as they do their work by owner/managers. The mean response to question 3 on Laissez-fair leadership style is within the average (2.50-3.49); this result indicates that owner-managers averagely allow subordinates to be appraised. The mean response to question 4 on Laissez-fair leadership style is within the average (2.50-3.49); this result indicates that owner/managers averagely endorsed subordinates to solve their problems. The mean response to question 5 on laissez-fair leadership style is within the average (2.50-3.49); this result indicates that subordinates received little input from SMEs owner/managers operating in Kaduna State. The mean response to question 6 on laissez-fair leadership style is within the average (2.50-3.49); this indicates that subordinates was not totally left alone when they carried out their work by owner/manager of SMEs operating in Kaduna State.

Table 4. 10: Descriptive Statistics on SMEs Performance

	N	Min	Max	Mean	Std. Deviation
1. The organization met its performance objectives in the past few years	158	2	5	4.28	.732
2. The organization's uses the fewest possible resources to meet its performance objectives.	158	1	5	4.19	.650
3. The customer complaints are addressed on time	158	2	5	4.04	.617
4. The organization profit has increased over the last few years	158	2	5	3.91	.685
5. The volume of sales increase SMEs performance	158	1	5	3.76	.860
6. The increase in sales shows the growth of business	158	2	5	4.05	.931
7.The organization innovation is an indication of a strong empirical evidence for fast growing SMEs	158	2	5	3.67	1.073
8.The organization continuous innovation helps SMEs to grow quickly	158	2	5	4.13	.702
9. The business is becoming more profitable	158	2	5	4.24	.643
10. The organization often received compliments about the quality of your products	158	3	5	4.39	.595
11. The organization use profit as a measure of growth in the business	158	2	5	4.35	.587
Valid N (listwise)	158				

Table 4.10 shows the descriptive statistics on SMEs performance. The mean response score to question 1 on SMEs performance is above the average (2.50-3.49); which indicates that the owner /managers operating SMEs within Kaduna State have met its objectives in the past few years. The mean response to question 2 on SMEs performance is above average (2.50-3.49); this shows that the owner/managers operating SMEs Kaduna State have shown how they use the least resources to meets its objectives. The mean

response to question 3 on SMEs performance is above average (2.50-3.49); this indicates that owner/manager possessed the developing capacity to meet future opportunities.

The mean response to question 4 on SMEs performance is above average (2.50-3.49); this shows that the owner/managers operating SMEs Kaduna State were fully active in handling future challenges. The mean response to question 5 on SMEs performance is above average (2.50-3.49); this indicates that the volume of sales increase SMEs performance. The mean response to question 6 on SMEs performance is above average (2.50-3.49); this shows that the owner/managers operating SMEs Kaduna State have shown that the increase in sales shows the growth of business. The mean response to question 7 on SMEs performance is above average (2.50-3.49); this shows that the business innovation by owner/managers is a strong evidence for fast growing SMEs in Kaduna State. The mean response to question 8 on SMEs performance is above average (2.50-3.49); this result shows that owner-managers influenced continuous innovation of organization help SMEs to grow quickly in Kaduna State. The mean response to question 9 on SMEs performance is above average (2.50-3.49); this result shows that the organizations profitability is more innovative in SMEs operating Kaduna State. The mean response to question 10 on SMEs performance is above average (2.50-3.49); this result shows that the owner/managers operating SMEs Kaduna State have fully shown that the firms increase in profit indicate business growth. The mean response to question 11 on SMEs performance is above average (2.50-3.49); this result indicates that, owner-managers possessed the use of profit in organization as measure of business growth.

4.3. Factor Analysis

Principal Component Analysis (PCA) was employed with the aim of rotation to streamline the factor structure of the correlation matrix; among the group of items, loadings on one factor and smaller item loadings on the remaining factor solutions (Williams, Brown, & Onsmann, 2010). The PCA was carried out for both the dependent variable and independent variables to show which set of items hangs together as a group, or are answered most similar by the participants.

4.3.1. Dependent Variable- SMEs Performance (SP)

Table 4.11 shows the result of the factor analysis for the dependent variable (SMEs performance). Prior to the extraction of the factors, several tests have been used to assess the suitability of the respondent data for factor analysis. These tests include Kaiser-Meyer-Olkin (KMO) measure of Sampling Adequacy and Bartlett's Test of Sphericity. The KMO index ranges from 0 to 1, with 0.50 considered suitable for factor analysis. The Bartlett's Test of Sphericity should be significant ($p < .05$) for factor analysis to be suitable (Williams et al 2010)

Initially, dependent Variable was measured by 11 items, which was subjected to Principal Component Analysis (PCA) using SPSS version 20 to check for their validity. The factor loading of the items ranged from 0.556 to 0.708 with 5 items being removed due to low communality value. Loading less than 0.5 communality value indicates the information on how much of the variance in each item is explained. Low communality (e.g. less than 0.50) could be deleted as it indicates that the item does not fit well with other items in the component (Williams et al 2010). Removing these items increased the total variance explained.

Table 4. 11: Result of the Factor Analysis on SMEs Performance

Component Matrix ^a		
S/n Items		Component
		1
1	The organization met its performance objectives in the past few years	.708
2	The organization uses the fewest possible resources to meet its performance objectives.	.705
5	The volume of sales increase SMEs performance	.627
6	The increase in sales shows the growth of business	.556
7	The organization innovation is an indication of a strong empirical evidence for fast growing SMEs	.593
11	The organization use profit as a measure of growth in the business	.655
Eigenvalue		2.482
Percentage of Variance		41.369
Total Variance		41.369
KMO.		.728
Bartlett's Test of Sphericity	Approx. Chi-Square	155.445
	Df	15
	Sig.	.000

Kaiser as cited in Field (2005) recommended that KMO measure of sampling adequacy value greater than 0.5 is acceptable. Furthermore, values between 0.5 & 0.7 are average, 0.7 & 0.8 are good, 0.8 & 0.9 are great and values above 0.9 are superb. Therefore, for this study the KMO measure of sampling adequacy of 0.728 which fall into the range of being good? So, according to Kaiser Standard, it shows that the sampling size is adequate for factor analysis to be conducted. However, the Barlett’s test of sphericity is highly significant, supporting the factorability of correlation matrix, as the p-value is 0.000. Therefore, the factor analysis is appropriate for this data. PCA reveal the presence of 1 component with eigenvalue exceeding one (2.482). The percentage of the variance was 41.369%. Which explained the total the value of 41.369% of the variance. (See Appendix).

Table 4. 12: Result of the Factor Analysis for Independent Variables: Autocratic, Democratic and Laissez- Faire Leadership Styles.

Rotated Component Matrix^a			
	Component		
	1	2	3
1 Employees need to be supervised closely for them to do their work effectively.	.553		
4 I always retain the final decision making authority in my organization	.659		
7 As a rule, employees must be motivated using carrot and stick approach to achieve organizational objectives	.898		
10 Most employees feel insecure about their work	.519		
13 The leader is the chief judge of the achievements of the members of the group.	.908		
16 Effective leaders give clear orders	.774		
2. Employees want to be part of the decision-making process		.809	
5 Providing guidance without pressure is the key to being a good leader		.518	
8 Most workers require effective communication from their owner-managers		.592	
11 Leaders should hold subordinates to accept responsibility in workplace		.836	
14 It is the leader's job to help subordinates find their "desire."		.819	
17 Employees are competent if allowed to use their initiative on the job.		.587	
3 Leaders should allow subordinates to provide effective solution			.861
9 Leaders should allow subordinates to appraise themselves.			.878
12 Leaders should allow subordinates a complete freedom to solve their challenges			.789
15 In most situations, workers prefer little input from their leader.			.558
18 In general, it is best to leave subordinates alone without interference.			.889
Eigenvalue	7.947	2.237	1.106
Percentage of Variance	46.750	13.162	6.509
Total			66.420
KMO.			.906
Bartlett's Test of Sphericity.			1922.250
	Df		136
	Sig.		.000

Table 4.12 shows the result of the factor analysis for the independent variable (autocratic, democratic and laissez- fair leadership styles). Prior to the extraction of the factors, several tests have been used to evaluate the suitability of the respondent data for the factor analysis. These tests include KMO and Bartlett's Test of Sphericity. At the beginning, 18 items dimension were measured, that is, 6 items for each of the three variables were subjected to PCA using SPSS version 20. The factor loading of all the components ranged from 0.519 to 0.908 with 1 item being deleted for various reasons such as having low commonalities value, loading less than 0.50 and cross-loading. Removing these items increased the total variance explained.

KMO measure of sampling adequacy of 0.906 exceeded the benchmark value of 0.5, showing that the sampling size is adequate for factor analysis to be conducted. Barlett's test of sphericity was statistically significant at 0.000 which implies that factor analysis is suitable. PCA reveal that, the eigenvalue of all the components also exceeding one (7.947, 2.237, 1.106) respectively. The total percentage variance explained was 66.420% which was 46.750, 13.162%, and 6.509% respectively as in table 4.4 above. Autocratic leadership style was defined by six(6) items, democratic leadership style was also defined by six(6) items and laissez-fair leadership style was by five(5) items (see Appendix).

4.4. Measurement the Reliability of the Research Instrument

The reliability test for the measurement of the research instrument occurred after factor analysis was conducted. The outcome of the test is shown in Table 4.13 it was found that all the measures possessed high reliability standard ranging from 0.695 to 0.878. This is in line with the benchmark that an instrument with coefficient of 0.60 is regarded to have an average reliability while the coefficient of 0.70 and above shows that the instrument has a

high reliability standard (Litwin 1995; Hail et al., 2010; Sekaran & Bougie 2010; Tabachnick & Fidell, 2014). Therefore, the scales are suitable for following analysis.

Table 4. 13: Reliability Statistics of the Research Components

Variables No of Items No of items deleted Cronbach Alpha

Independent Variables:

Authoritarian leadership style	6	-	.765
Democratic leadership style	6	-	.875
Laissez-fair leadership style	6	1	.878

Dependent Variable

SME Performance	11	5	.695
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The Table 4.13 shows cronbach's alpha of the variables ranges from .695 to .878 after factor analysis which were all above the acceptable value of 0.60. This indicates that the overall reliability measurement of the instrument is acceptable in terms of reliability, thus depicting its internal consistency.

4.5. Correlation Analysis

Correlation analysis was conducted to establish the direction and strength of the relationship between the dependent and independent variables. The Pearson correlation coefficient (r) was employed to examine the relationship between authoritarian leadership style, democratic leadership style and laissez-fair leadership style and SMEs Performance. Irrespective of the direction of relationship r , (i.e. whether positive or negative) when r is 0 indicates no relationship, when r is -1.0 shows a negative perfect relationship and when r of 1.0 signifies a positive perfect relationship between the variables. To interpret the values that shows the r are; when r value is greater than 0 but less than or equal to 0.3 is weak correlation, r value is greater than 0.3 and less than or equal to 0.6 is moderate correlation,

and r value greater than 0.6 but less than or equal to 1 is strong correlation (Pallant & John, 2005).

Table 4. 14: Correlations

Correlations					
		Autocratic Leadership	Democratic Leadership	Laissez Leadership	Performance
Autocratic Leadership	Pearson Correlation	1			
	Sig. (2-tailed)				
	N	158			
Democratic Leadership	Pearson Correlation	.288**	1		
	Sig. (2-tailed)	.000			
	N	158	158		
Laissez Leadership	Pearson Correlation	.232**	.534**	1	
	Sig. (2-tailed)	.000	.000		
	N	158	158	158	
Performance	Pearson Correlation	.123**	.711**	.436**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	158	158	158	158
**. Correlation is significant at the 0.01 level (2-tailed).					

The table 4.14 depicts the Pearson correlation coefficient (r). The outcome indicates a significant positive relationship between autocratic leadership style and SMEs performance (r = 0.123, p<0.05). Another significant positive relationship occurs between democratic leadership style and SMEs performance (r =0.711, p<0.05). Also, a significant positive relationship exists between laissez-fair leadership style(r =0.436· p<0.05). As a result, both

independent and dependent variables are correlated indicating absence of auto serial correlation and suitability of the model.

4.6 Violation of Assumptions for Regressions

For this study, variables were checked for normality, linearity, and homoscedasticity with the aim of attaining the underlying assumptions of regression analysis.

4.6.1 Normality

The study employed histogram and residual plots for normality test. The normality test result shows that the data distribution indicates normal in the histogram and residual plots, since all the bars of the histogram were close to a normal curve (i.e. moving towards the centre of the histogram). See Appendix G

4.6.2. Linearity

Linearity is another vital assumption for regressions analysis. The rules say that if the assumption are met, the residuals should scatter around the zero or most of the score should be centred at the zero (0) point (Fury & Riedwyl, 1998). Linearity shows the scatter plot between leadership styles and SMEs performance and this suggested that linearity assumption was satisfied. Thus, linearity assumption was not violated. See Appendix G

4.6.3. Homoscedasticity

According to Narusis (1995), asserts that homoscedasticity assumption is satisfied when there is no pattern in the data distribution and residuals are scattered randomly around the horizontal (parallel) line through zero. So, the assumption of homoscedasticity requires that the variance of the dependent is the same at all values of independent variable or constant variance of the error term. (Hair, Black, Babin & Anderson, 2010). See Appendix G

4.7. Test of Hypotheses

Regressions analysis was conducted for dependent and independent variables in order to carry out test for hypotheses formulated for this study. Simple linear Regressions were used to examine the effect of autocratic leadership style, democratic leadership style and laissez-fair leadership style on the performance of SMEs in Kaduna State. The hypotheses of the independent and dependent variables are shown as follows.

4.7.1. Hypotheses test on the effect of Autocratic Leadership Style, Democratic Leadership Style and Laissez-fair Leadership Style on the Performance of SMEs

H₀₁: Autocratic leadership style has no significant effect on the performance of SMEs in Kaduna State.

Table 4. 15: Simple Linear Regression Result (Anova) between Autocratic Leadership Style on the Performance of SMEs

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.013	1	.013	.112	.738 ^b
	Residual	17.543	156	.112		
	Total	17.556	157			

a. Dependent Variable: Performance

b. Predictors: (Constant), Autocratic Leadership

Table 4.15: shows that the F statistics of the regression between autocratic leadership style and performance gives a coefficient of 0.112 with an insignificant p-value of 0.738. However, being a simple linear regression the same goes for the p-values of the variable's coefficients.

Table 4. 16: Simple Linear Regression Result (Model summary) between Autocratic Leadership Style and Performance of SMEs

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.127 ^a	.081	.074	.33535

a. Predictors: (Constant), Autocratic Leadership

The coefficient of correlation (r) is 0.127 which is very weak indicating almost no correlation between the variables. The coefficient of determination r^2 , stood at 0.081 indicating that autocratic leadership can explain 8.1% of the variations in SMEs performance.

However, the significance of this is revealed in the t-values and its relative p-values as shown below.

Table 4. 17: Simple Linear Regression Result (Coefficients) between Autocratic Leadership Style and Performance of SMEs.

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.143	.225		18.412	.000
	Autocratic Leadership	.019	.058	.127	.335	.738

a. Dependent Variable: Performance

The coefficient of autocratic leadership as shown is 0.019 which is positive. However, its t-value is 0.335 having an insignificant p-value of 0.738.

This shows that we do not have enough statistical evidence to reject the null hypothesis. So we fail to reject the null hypothesis H_{01} which states that autocratic leadership style has no significant effect on the performance of SMEs operating in Kaduna State.

Hypothesis II

H_{02} Democratic leadership style has no significant effect on the performance of SMEs in Kaduna State.

Table 4. 18: Simple Linear Regression Result (Anova) between Democratic Leadership Style on the Performance of SMEs

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	4.174	1	4.174	48.658	.000 ^b
	Residual	13.382	156	.086		
	Total	17.556	157			
a. Dependent Variable: Performance						
b. Predictors: (Constant), Democratic Leadership						

Table 4.18 shows that the result contains the F statistic of the regression between Democratic Leadership style and performance gives a coefficient of 48.658 with significant p-value of 0.00 which depicts the fitness between the model and the data.

Table 4.19: Simple Linear Regression Result (Model summary) of Democratic Leadership Style on the Performance of SMEs

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.488 ^a	.238	.233	.29289
a. Predictors: (Constant), Democratic Leadership				

The coefficient of correlation (r) is 0.488 which indicating moderate correlation between the variables. The coefficient of determination r^2 , stood at 0.238 indicating that democratic leadership can explain 23.8% of the variations in SMEs performance. However, the significance of this is revealed in the t-values and its relative p-values as shown below

Table 4. 20: Simple Linear Regression Result (Coefficients) of Democratic Leadership Style on the Performance of SMEs

Model		Coefficients ^a			T	Sig.
		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
1	(Constant)	2.521	.223		11.308	.000
	Democratic Leadership	.385	.055	.488	6.976	.000

a. Dependent Variable: Performance

Table 4.20 shows that democratic leadership style (DLS) positively and significantly predicts SMEs performance. Beta value of 0.385, and P value of 0.00 which is less than 5% level of significance. Therefore, we reject the null hypothesis (H_{02}) which stated that democratic leadership style has no significant effect on the performance of SMEs in Kaduna State.

Hypothesis III

H₀₃ Laissez-fair leadership style has no significant effect on the performance of SMEs in Kaduna State.

Table 4.21: Simple Linear Regression Result (ANOVA) between Laissez-Faire Leadership Style and Performance of SMEs

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	7.052	1	7.052	104.735	.000 ^b
	Residual	10.504	156	.067		
	Total	17.556	157			

a. Dependent Variable: Performance

b. Predictors: (Constant), Laissez Faire Leadership

Table 4.21. Shows that the result contains the F statistic of the regression between laissez-fair Leadership style and performance gives a coefficient of 104.735 with significant p-value of 0.00 which depicts the fitness between the model and the data.

Table 4.22: Simple Linear Regression Result (Model summary) between Laissez-Faire Leadership Style and Performance of SMEs

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.634 ^a	.402	.398	.25949

The coefficient of correlation (r) is 0.634 which shows correlation between the variables. The coefficient of determination of r^2 , stood at 0.402 indicating that laissez-fair leadership can explain 40.2% of the variations in SMEs performance. However, the significance of this is revealed in the t-values and its relative p-values as shown below

Table 4.23: Simple Linear Regression Result (Coefficients) of Laissez-Faire leadership Style on the Performance of SMEs.

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.906	.115		25.176	.000
	Laissez Faire Leadership	.347	.034	.634	10.234	.000

a. Dependent Variable: Performance

Table 4.23 shows that Laissez-fair leadership style (LLS) positively and significantly predicts SMEs performance. Beta value of 0.347 and a p-value of 0.00 which is less than significance level of 5%; hence, we accept hypothesis three (H_{03}) which stated that Laissez-fair leadership style has no significant effect on the performance of SMEs in Kaduna State.

Hypothesis IV

H_{04} There is no significant difference in SMEs' performance based on leadership style.

ANOVA						
		Sum of Squares	Df	Mean Square	F	Sig.
Autocratic	Between Groups	12.716	19	.669	4.597	.000
	Within Groups	18.780	129	.146		
	Total	31.496	148			
Democratic	Between Groups	9.776	19	.515	3.875	.000
	Within Groups	17.262	130	.133		
	Total	27.038	149			
Laissez_Faire	Between Groups	28.288	19	1.489	6.520	.000
	Within Groups	30.143	132	.228		
	Total	58.431	151			

The table shows whether the overall Fs for these three ANOVAs are significant. Note that the performance of SMEs differ significantly as relating to all of the three independent variables, being that their p-values (Sig) are less than 0.05. As such a post hoc test is required and is shown in the tables below.

Post Hoc Tests

Multiple Comparisons						
Tukey HSD						
(I) Leadership Styles	(J) Leadership Styles	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Autocratic Leadership	Laissez Faire Leadership	-.32255*	.02689	.000	-.3862*	-.2589
	Democratic Leadership	-.67975*	.02663	.000	-.7428*	-.6167
Laissez Faire Leadership	Autocratic Leadership	.32255*	.02689	.000	.2589*	.3862
	Democratic Leadership	-.35720*	.02663	.000	-.4203*	-.2942
Democratic Leadership	Autocratic Leadership	.67975*	.02663	.000	.6167*	.7428
	Laissez Faire Leadership	.35720*	.02663	.000	.2942*	.4203

A Tukey post hoc test reveals that autocratic leadership statistically significantly lower than Laissez Faire and Democratic Leadership styles being that their mean differences are negative and their p-values are less than 0.05.

The Laissez Faire leadership is statistically and significantly higher than autocratic leadership, but also statistically and significantly lower than democratic leadership. This can be evidenced by the mean difference between it and autocratic leadership being

positive, having a p-value less than 0.05 and the mean difference between it and democratic leadership is negative, having a p-value also less than 0.05.

The Tukey post hoc test revealed that democratic leadership style is statistically significantly higher than both autocratic and laissez faire leadership styles. This can be evidenced in the positive mean differences of both pairs as well as both p-values being less than 0.05.

Based on the above, we reject the null hypothesis H_{04} which states that there is no significant difference in the performance of SMEs based on leadership style; and accept its alternate which states that there is a significant difference in performance based on leadership style.

4.8. Findings

The objectives of the research was to examine the effect of ALS on the performance of SMEs in Kaduna State, DLS on the performance of SMEs in Kaduna State and LLS on the performance of SMEs in Kaduna State. As such, the findings from the result of hypotheses testing are as follows

H_{01} : Autocratic leadership style has no significant effect on the performance of SMEs in Kaduna State.

The finding shows that autocratic style of leadership has positive and insignificant effect on the performance of SMEs. Therefore, this finding is supported by Ojokuku et al (2012), Akoma et al (2014), Puni et al (2014) and Awolusi et al (2015).

H_{02} Democratic leadership style has no significant effect on the performance of SMEs in Kaduna State.

The study also discovered that DLS has strong positive correlation and significant effect on the SMEs performance. The findings show that democratic leadership style in areas of decision making, guiding without pressure, effective communication, helping and supporting others are vital for increasing the performance of SMEs. This means the more owner-managers possess democratic leadership style, the higher the SMEs performance in Kaduna State. This result is consistent with Kawooya (2010), Ojokuku et al (2012), Akoma et al (2014), Mishra et al (2014), Alex, et al (2015) and Awolusi et al (2015).

H₀₃ Laissez-fair leadership style has no significant effect on the performance of SMEs in Kaduna State

The study discovered that laissez-fair style of leadership has positive and significant effect on SMEs performance in the area of leave subordinates alone without interference, give subordinates a complete freedom, allow subordinates to provide effective solution and allow subordinates to appraise themselves in Kaduna State. This view is consistent with Kawooya (2010) Akoma et al (2014) Mishra et al (2014).

H₀₄ There is no significant difference in SMEs' performance based on leadership style.

The study discovered that there is a significant difference on the performance of SMEs based on leadership style in Kaduna State; and that democratic leadership style has a higher effect on the leadership performance of SMEs. This is consistent with the findings of Ojokuku et al (2012), and Alex, et al (2015).

4.9. Implications of the Findings

The study investigated the effect of leadership styles on SMEs performance in Kaduna State through the use of autocratic democratic and laissez-fare leadership styles. Below are some policy and theoretical implications of the study.

4.9.1 Policy Implications

From the findings of the study, the study provides much information on policy issues to regulators agencies such as SMEDAN being responsible for formulating and executing policies regarding SMEs. Owner-managers of SMEs would be able to identify the level of awareness of SMEs with regard to leadership dimensions. Thus, it provides a guide for SMEs operators in order to be encouraged, equipped, and achieves the required skills that will assist in making them more capable, skillful and improve their business performance in the issues of formulation and implementation of policies.

Also, this study indicates that owner-managers of SMEs can grow their businesses by focusing more on democratic leadership style than laissez-faire and autocratic leadership styles because it is the only variable that has strong positive and significant effect on SMEs performance. But organizational situation can also be determining the type of style of leadership to be used by owner/managers.

4.9.2 Theoretical Implications

This study found empirical evidence for the theoretical relationship through the use of autocratic, democratic and laissez-fair leadership styles on the SMEs performance posited in the research framework. However, theory adapted for the study indicates that democratic leadership style has strong positive effect than laissez-faire and autocratic styles of leadership. This shows that democratic and laissez-faire leadership style has significant and positive effect on the SMEs performance while autocratic styles of leadership have insignificant but positive effect on performance of SMEs in Kaduna State. This implies that among the variables, the extent of effects on SMEs performance differs, since there is no single best way for owner-manager to lead or direct in organizations (Fiedler 1964).

Thus, situations will create different leadership styles requirements for owner/ manager, and the solution to a managerial situation is depending on the styles that influence on the situation.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary

The application of Leadership styles has been considered crucial in SMEs' performance because they affect how organizational resources are organized and used in achieving the organizational goals efficiently and effectively. Several programs were designed to carry out SMEs sector with the aim of enhancing its performance but it is still identified with poor performance. SMEs Performance in Nigeria is seriously declining as a result of poor management and inadequate application of suitable styles of leadership. Therefore, the study was designed to examine the effects of three leadership styles (autocratic, democratic and laissez-fair) on the performance SMEs' operating in Kaduna State. To achieve these objectives, specific objectives and null hypotheses were raised in this study. Specifically, the following null hypotheses were put forward to guide the study. Thus, autocratic leadership style has no significant effect on the performance of SMEs in Kaduna State: Democratic leadership style has significant effect on the performance of SMEs in Kaduna State; Laissez-fair leadership style has significant effect on the performance of SMEs in Kaduna State.

Literatures were reviewed based on the research variables, autocratic leadership style, democratic leadership style and laissez-fair leadership style as independent variables and the dependent variable SMEs performance. Cross-sectional research design was employed

in this study in order to achieve the objectives of the study. Data were collected using a survey questionnaire from which the population of 201 registered SMEs operating in Kaduna State and the sample size of 174 questionnaires was distributed to the target respondents. 165 questionnaires were returned. After screening of the returned questionnaires, 158 questionnaires were found to be valid and usable for the final analysis, giving 91% rate of return. Factor analysis was also conducted for all the variables. Descriptive statistics and inferential statistics were conducted. The descriptive result revealed that SME owner-managers operating in Kaduna State possessed autocratic leadership style but they are below average level, democratic leadership style possessed a very high which is above average and laissez-fair leadership style also as well performing high but within the average level.

Hypotheses were tested in null form while two out of the three hypotheses were rejected, only one hypothesis was accepted. The result of the hypotheses tested indicates that autocratic style of leadership has no significant effect on SMEs performance operated in Kaduna State. While democratic and laissez-faire leadership style have significant effect on the performance of SMEs in Kaduna State. However, based on the research findings, the conclusion recommendation and suggestion for future study were drawn

5.2 Conclusions

This study examined the effects of autocratic leadership style, democratic leadership style and laissez-fare leadership style on the performance of SMEs operating in Kaduna State. As a result, knowing the best styles of leadership to adopt is an important factor that organizations have to put into consideration in order to improve the level of their

performance. On the basis of the findings of this study that used only three styles of leadership (autocratic, democratic and laissez-fair). The conclusion of the study was drawn based on the research objectives and hypotheses. It can be concluded that leadership styles has positive effect on SMEs performance in Kaduna State

Generally, as observed by the SMEDAN officer in Kaduna State branch office, lack of application of suitable leadership and decision making and poor management were the hidden factor responsible for failure and poor performance of SMEs operating in Kaduna State. Therefore, the study concluded that SMEs owner/managers in Kaduna State using the three leadership styles have the tendency to positively affect the performance of SMEs and success in the organizations depend on the organizational situations which will determine the type of styles of leadership created for employees to function well.

5.3 Recommendations

Based on the findings and conclusions of the study, the following recommendations are put forward for the consideration of SMEs owner/managers for consideration.

- i. It is recommended that SMEs owner/manager should ensure that employees are given some latitude (freedom) to contribute to decision making with respect to their areas of their operations.
- ii. Also based on the finding, which reported that democratic leadership style in the areas of decision making, effective communication, guiding without pressure, helping and supporting other has significant positive effect on the performance of SMEs in Kaduna State. Thus, also recommend that SMEs owner-managers should

adopt democratic leadership style because it has a positive significant effect with performance.

- iii. Although this finding indicates that laissez-fair leadership style has significant effect on SMEs' performance and positive. Thus, this study thereby recommends that the SMEs owner-managers (management) should adopt and take proper measures to checkmate and improve its communication process in the area of laissez-fair leadership style.
- iv. The study also recommends that SMEs should patronise democratic leadership over others, being that there is a significant difference in their performance based on leadership styles and democratic leadership has the highest effects, judging from the standardised beta.

Generally, the study recommends that the three leadership styles can be used depending on the organizational situation which will determine the type of styles of leadership. However, democratic leadership should be patronized except when practically impossible; then, autocratic or laissez faire could be used depending on the nature of the situation.

5.4 Suggestions for Further Studies

Based on the limitation of the study, this research has suggested the need for further study. Only 201 registered SMEs operating in Kaduna State was used for the study. It is suggested that the study need to be replicated in other industries or other places with large sample size which would provide further validation, endorsement, certification, reinforcement and support for the generalization of the findings. The current study is quantitative in nature; future research should employ a qualitative method which could be more meaningful because each method could complement one another if both the

qualitative and quantitative research is employed for a research. The study also suggests that further studies should re-examine the effects of leadership styles (autocratic, democratic & laissez-faire) on performance of SMEs with additional variables in the hypothesis.

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APPENDICES

Appendix A: Questionnaire

Introductory Letter

Dear Respondents,

This questionnaire is purely for academic purpose. It is specifically designed for an MSc Degree Research Programme in the Department of Business Administration, Ahmadu Bello University, Zaria. The topic of the research work is “Effects of Leadership Styles on the Performance of SMEs in Kaduna State.” Kindly, help to complete the survey questionnaire as accurately as possible. Please note that, your response shall be treated with utmost sense of responsibility, respect and confidentiality.

I thank you most sincerely, in anticipation of valued response.

Yours Sincerely,

Idoko, Onoja Augustine
MSc Student
08065513766

austinonojaidoko@yahoo.com

General Guidelines for the Survey

The questionnaire is divided into 3 sections. You are kindly requested to answer the questions in all the sections. Kindly tick () your response to all the statement in each of the sections.

SECTION A: BIO DATA

- i. Sex
Male [] (b) Female []
- ii. What is the name of your Business
Service [] (b) Manufacturing [] (c) Others []
- iii. How many years in business
Less than 5year () b) 5-10 years () c) 11-15 years () d)16-20 years () e) Over 21years()
- iv. How many employees do you have?
1-10 [] (b)11- 15 [] (c) 16- 20 [] (d) 21- 25 [] (e) 26 and above []
- v. Educational Qualification
SSCE/WAEC [] (b) Diploma [] (c) NCE [] (d) HND/Degree [] (e) Masters/PHD []

SECTION B: “Leadership Styles Questionnaires”

Give your immediate impressions. There is no right or wrong answers for each of the statements below. Please circle/tick the number that indicates the degree to which you perceived to the statement using the rating scaled (1) strongly disagree, to (5). Strongly agree. (1 2 3 4 and 5)

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
	1	2	3	4	5
(1) Employees need to be supervised closely for them to do their work effectively.					
(2). Employees want to be part of the decision-making process					
(3) Leaders should allow subordinates to provide effective solution.					
(4) I always retain the final decision making authority in my organization.					
(5) Providing guidance without pressure is the key to being a good leader.					
(6) Leadership requires supervision of subordinates as they do their work.					
(7) As a rule, employees must be motivated using carrot and stick approach to achieve organizational objectives.					

(8) Most workers require effective communication from their owner-managers					
(9) Leaders should allow subordinates to appraise themselves.					
(10) Most employees feel insecure about their work.					
(11) Leaders should hold subordinates accept responsibility in workplace.					
(12) Leaders should allow subordinates a complete freedom to solve their challenges.					

(13) The leader is the chief judge of the achievements of the members of the group.					
(14) It is the leader's job to help subordinates find their "desire."					
(15) In most situations, workers prefer little input from their leader.					
(16) Effective leaders give clear orders					
(17) Employees are competent if allowed to use their initiative on the job.					
(18) In general, it is best to leave subordinates alone without interference.					

Items'

Items: 1, 4, 7, 10, 13, and 16. These items measure authoritarian leadership.

Items: 2, 5, 8, 11, 14, and 17. These items measure democratic leadership.

Items: 3, 6, 9, 12, 15, and 18. These items measure laissez-faire leadership.

SMEs PERFORMANCE

Strongly disagree, Disagree Neutral Agree Strongly agree 1 2 3 4 5	1	2	3	4	5
STATEMENTS	CODE				
(1). The organization met its performance objectives in the past few years					
(2). The organization uses the fewest possible resources to meet its performance objectives.					
(3).The customer complaints are addressed on time					
(4). The organization profit has increased over the past few years					
(5). The volume of sales increase SMEs performance					
(6). The increase in sales shows the growth of business					
(7). The organization innovation is an indication of a strong empirical evidence for fast growing SMEs					
(8). The organization continuous innovation helps SMEs to grow quickly					
(9). The business is becoming more profitable					
(10). The organization often received compliments about the quality of your products					
(11). The organization use profit as a measure of growth in the business					

Appendix B: Result of Factor Analysis of the Dependent Variable

Correlation Matrix ^a							
		DV Question 1	DV Question 2	DV Question 5	DV Question 6	DV Question 7	DV Question 11
Correlation	DV Question 1	1.000	.392	.332	.172	.338	.411
	DV Question 2	.392	1.000	.357	.226	.204	.454
	DV Question 5	.332	.357	1.000	.298	.286	.165
	DV Question 6	.172	.226	.298	1.000	.331	.243
	DV Question 7	.338	.204	.286	.331	1.000	.203
	DV Question 11	.411	.454	.165	.243	.203	1.000
Sig. (1-tailed)	DV Question 1		.000	.000	.017	.000	.000
	DV Question 2	.000		.000	.003	.006	.000
	DV Question 5	.000	.000		.000	.000	.021
	DV Question 6	.017	.003	.000		.000	.001
	DV Question 7	.000	.006	.000	.000		.006
	DV Question 11	.000	.000	.021	.001	.006	

a. Determinant = .353

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.728
Bartlett's Test of Sphericity	Approx. Chi-Square	155.445
	Df	15
	Sig.	.000

Communalities		
	Initial	Extraction
DV Question 1	1.000	.502
DV Question 2	1.000	.498
DV Question 5	1.000	.394
DV Question 6	1.000	.309
DV Question 7	1.000	.352
DV Question 11	1.000	.428

Extraction Method: Principal Component Analysis.

Total Variance Explained						
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.482	41.369	41.369	2.482	41.369	41.369
2	.997	16.619	57.988			
3	.778	12.963	70.951			
4	.754	12.559	83.510			
5	.534	8.908	92.418			
6	.455	7.582	100.000			

Extraction Method: Principal Component Analysis.

Component Matrix^a	
	Component
	1
DV Question 1	.708
DV Question 2	.705
DV Question 5	.627
DV Question 6	.556
DV Question 7	.593
DV Question 11	.655
Extraction Method: Principal Component Analysis.	
a. 1 components extracted.	

Rotated Component Matrix^a
a. Only one component was extracted. The solution cannot be rotated.

Appendix C: Result of Factor Analysis of the Independent Variables

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.910
Bartlett's Test of Sphericity	Approx. Chi-Square	2004.784
	Df	153
	Sig.	.000

Communalities		
	Initial	Extraction
Question 1	1.000	.381
Question 4	1.000	.654
Question 7	1.000	.866
Question 10	1.000	.365
Question 13	1.000	.821
Question 16	1.000	.579
Question 2	1.000	.755
Question 5	1.000	.532
Question 8	1.000	.369
Question 11	1.000	.760
Question 14	1.000	.849
Question 17	1.000	.663
Question 3	1.000	.763
Question 6	1.000	.522
Question 9	1.000	.805
Question 12	1.000	.722
Question 15	1.000	.447
Question 18	1.000	.863
Extraction Method: Principal Component Analysis.		

Total Variance Explained									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	8.290	46.057	46.057	8.290	46.057	46.057	5.778	32.102	32.102
2	2.272	12.622	58.678	2.272	12.622	58.678	3.674	20.409	52.511
3	1.155	6.415	65.093	1.155	6.415	65.093	2.265	12.582	65.093
4	.900	5.002	70.095						
5	.847	4.703	74.798						
6	.795	4.418	79.217						
7	.730	4.057	83.273						
8	.581	3.229	86.502						
9	.480	2.666	89.168						
10	.404	2.246	91.414						
11	.280	1.558	92.972						
12	.272	1.509	94.481						
13	.243	1.352	95.833						
14	.199	1.104	96.938						
15	.167	.927	97.865						
16	.153	.852	98.717						
17	.134	.745	99.462						
18	.097	.538	100.000						

Extraction Method: Principal Component Analysis.

Component Matrix ^a			
	Component		
	1	2	3
Question 1			
Question 4	-.766		
Question 7	-.850		
Question 10			
Question 13	-.785		
Question 16			.675
Question 2	.822		
Question 5	.696		
Question 8	.575		
Question 11	.791		
Question 14	.893		
Question 17	.785		
Question 3	.605	.629	
Question 6	.611		
Question 9	.563	.696	
Question 12	.677	.503	
Question 15	.624		
Question 18	.598	.707	

Extraction Method: Principal Component Analysis.
a. 3 components extracted.

Rotated Component Matrix^a			
	Component		
	1	2	3
Question 1			.543
Question 4			-.647
Question 7			-.894
Question 10			.525
Question 13			-.895
Question 16			.755
Question 2	.816		
Question 5			
Question 8	.552		
Question 11	.846		
Question 14	.808		
Question 17	.600		
Question 3		.842	
Question 6		.532	
Question 9		.881	
Question 12		.778	
Question 15		.554	
Question 18		.888	
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.			
a. Rotation converged in 5 iterations.			

Component Transformation Matrix			
Component	1	2	3
1	.779	.487	-.394
2	-.509	.859	.056
3	.366	.156	.917
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.			

Appendix D: Reliability Statistics Test: Autocratic, Democratic and Laissez-Fair

Reliability
Scale: ALL VARIABLES

Case Processing Summary			
		N	%
Cases	Valid	158	100.0
	Excluded ^a	0	.0
	Total	158	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics	
Cronbach's Alpha	N of Items
.765	6

Reliability
Scale: ALL VARIABLES

Case Processing Summary			
		N	%
Cases	Valid	156	98.7
	Excluded ^a	2	1.3
	Total	158	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics	
Cronbach's Alpha	N of Items
.875	6

Reliability
Scale: ALL VARIABLES

Case Processing Summary			
		N	%
Cases	Valid	158	100.0
	Excluded ^a	0	.0
	Total	158	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics	
Cronbach's Alpha	N of Items
.878	6

Appendix E: Reliability Statistics Test: SMEs Performance

Reliability Scale: ALL VARIABLES

Case Processing Summary			
		N	%
Cases	Valid	153	96.8
	Excluded ^a	5	3.2
	Total	158	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics	
Cronbach's Alpha	N of Items
.695	6

Appendix F: Simple Regression Result

Regression

Variables Entered/Removed ^a			
Model	Variables Entered	Variables Removed	Method
1	Laissez Faire Leadership ^b		Enter

a. Dependent Variable: Performance

b. All requested variables entered.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.634 ^a	.402	.398	.25949

a. Predictors: (Constant), Laissez Faire Leadership

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.052	1	7.052	104.735	.000 ^b
	Residual	10.504	156	.067		
	Total	17.556	157			

a. Dependent Variable: Performance

b. Predictors: (Constant), Laissez Faire Leadership

Coefficients ^a					
Model		Unstandardized Coefficients		Standardized Coefficients	t
		B	Std. Error	Beta	
1	(Constant)	2.906	.115		25.176
	Laissez Faire Leadership	.347	.034	.634	10.234

Coefficients ^a		
Model		Sig.
1	(Constant)	.000
	Laissez Faire Leadership	.000

a. Dependent Variable: Performance

Regression

Variables Entered/Removed ^a			
Model	Variables Entered	Variables Removed	Method
1	Democratic Leadership ^b		Enter

a. Dependent Variable: Performance

b. All requested variables entered.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.488 ^a	.238	.233	.29289

a. Predictors: (Constant), Democratic Leadership

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4.174	1	4.174	48.658	.000 ^b
	Residual	13.382	156	.086		
	Total	17.556	157			

a. Dependent Variable: Performance

b. Predictors: (Constant), Democratic Leadership

Coefficients ^a					
Model		Unstandardized Coefficients		Standardized Coefficients	t
		B	Std. Error	Beta	
1	(Constant)	2.521	.223		11.308
	Democratic Leadership	.385	.055	.488	6.976

Coefficients ^a		
Model		Sig.
1	(Constant)	.000
	Democratic Leadership	.000

a. Dependent Variable: Performance

Regression

Variables Entered/Removed ^a			
Model	Variables Entered	Variables Removed	Method
1	Autocratic Leadership ^b		Enter

a. Dependent Variable: Performance

b. All requested variables entered.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.127 ^a	.081	.074	.33535

a. Predictors: (Constant), Autocratic Leadership

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.013	1	.013	.112	.738 ^b
	Residual	17.543	156	.112		
	Total	17.556	157			

a. Dependent Variable: Performance

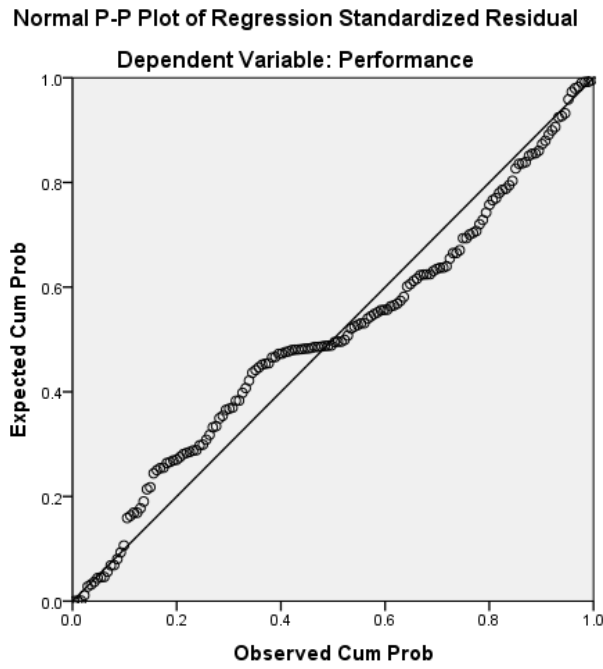
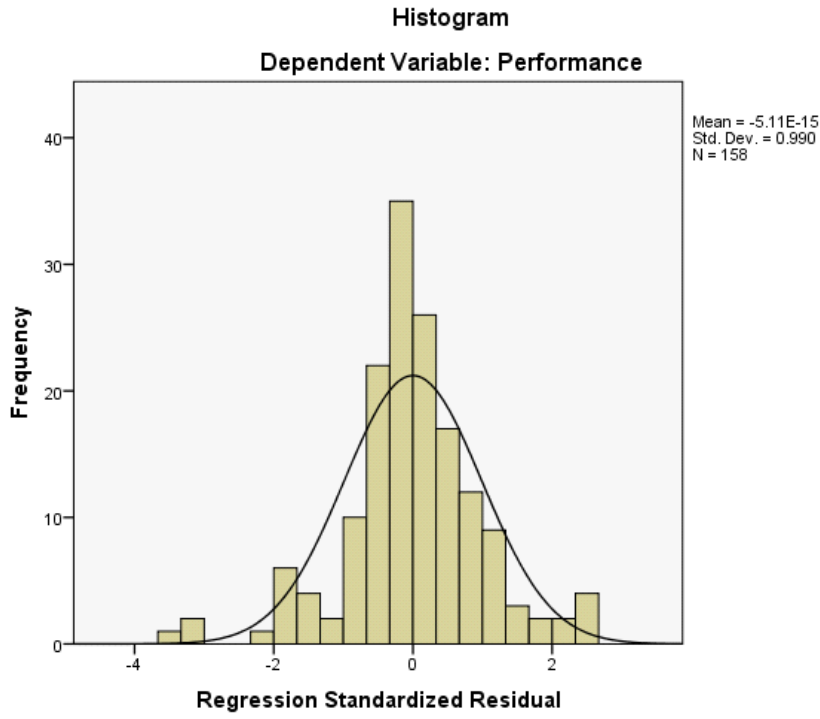
b. Predictors: (Constant), Autocratic Leadership

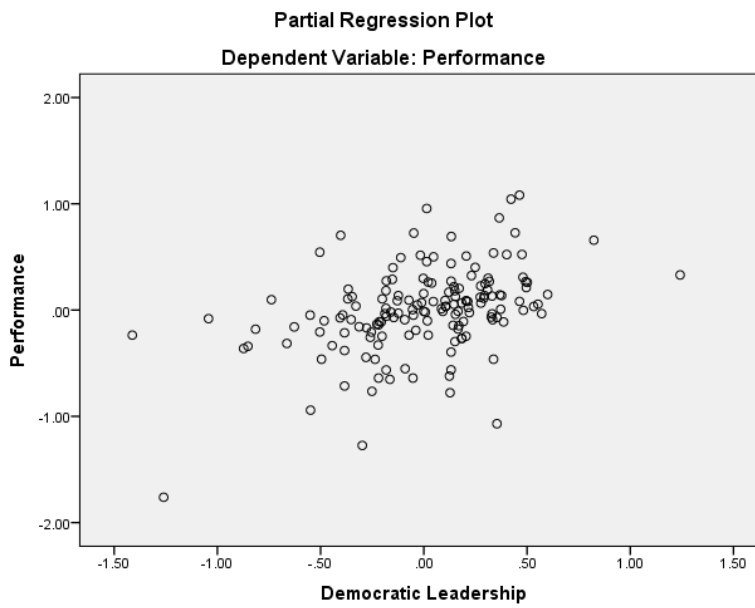
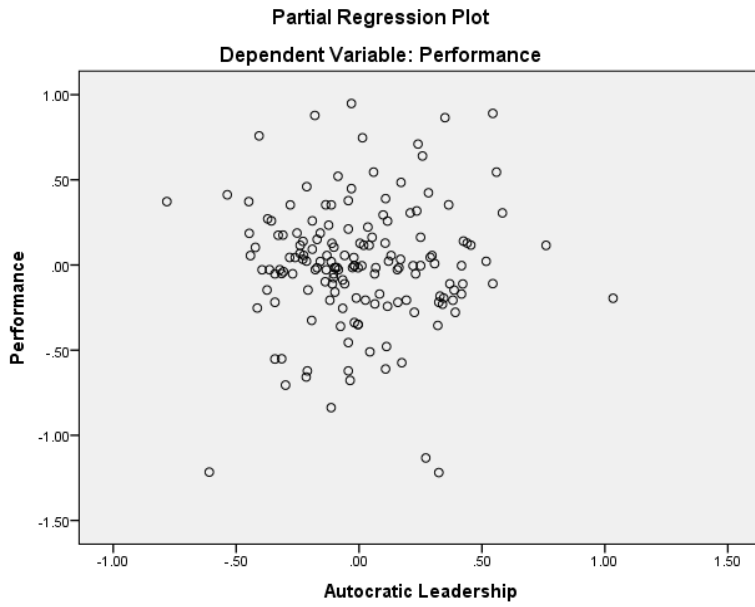
Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.143	.225		18.412	.000
	Autocratic Leadership	.019	.058	.127	.335	.738

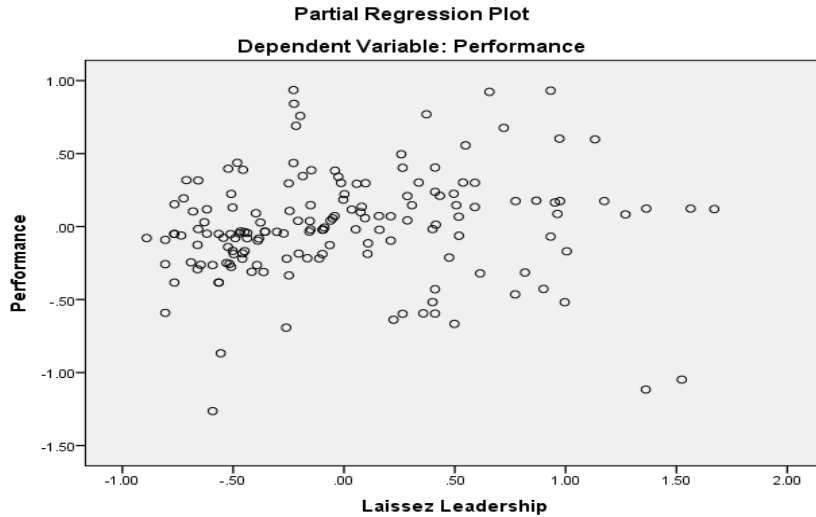
a. Dependent Variable: Performance

Appendix G

Charts







Appendix H: MSMEs in Kaduna State

MSMEs in Kaduna Central Senatorial Zones

S/N	NAME OF ESTABLISHMENT	LOCATION/ ADDRESS
1	COSMICK	16 CONSTITUTIN ROAD KD
2	NEW NIG.DEVELOEMENT CO.(NNDC)LTD	AHMED TALIB HOUSE,18/19 AHMADU BELLO WAY,KADUNA
3	ST.GERALD'S CALTHOLIC HOSPITAL, KAKURI KADURS	KAKURI-KADRS, SOUTH
4	ULTIMATE AUTOMOBILEWORKSHOP	NC8 NNAMDI AZIKWE KUMIN MASHI KADUNA
5	HAMDALA HOTEL	26 MIOHAMMAD BUHARI WAY KADUNA
6	CRITTAL HOPE KADUNA LIMITED	PLOT C KACHIA ROAD INDUSTRIAL AREA KAKURI
7	MANILAS ENT. LTD	16 AHMAD BELLO WAY KADUNA
8	AREWA METAL CONTAINERS LIMITED	1 MOH'D LADAN ROAD KAKURI KADUNA SOUTH
9	ABDULLAHI IBRAHIM & COMPANY	27,ALI AKKU ROAD INVESTMENT KADUNA
10	FED. SUPERPHOSPHATE FERTILIZER COMPANY LIMITED	4 NASSARAWA ROAD INDUSTRIAL AREA KAKURI
11	INTEGRATED DEV. CONSULTANT NIG LTD	TURAKI ALI HOUSE,3 KANTA ROAD,KADUA
12	TOWER GALVANISED PRODUCT(NIGERIA) LTD	PLOT 9C INDUSTRIAL AREA,KADUNA SOUTH P.M.B2213 KAD
13	ALLIANCE FRANCAISE KAUNA	10C CLMANU GWANDU ROAD.MALALI GRA
14	ALBA MEDICAL CENTRE	CONSTITUTIO ROAD
15	UNITED WIRE PRODUCTS LIMITED	7 MAKIBI CLOSE INDUSTRIAL AREA KADUNA SOUTH
16	RH PLASTICS LIMITED	PLOT 2 TANKO JAFARA CLOSE KAKURI
17	BEST WAY TRANSPORT LIMITED	MANDO ROAD KADUNA
18	NORTHERN CABLE PROCESSING & MANUFACTURING CO. LTD	12 MAICHIBI ROAD INDUSTRIAL ESTATE KAKUN
19	SALISU ADAMU & SONS LIMITED	MANDO GARRGE KADUNA
20	KADUNA MOTORS LIMITED	PLOT H3 ANDO BYE PASS KADUNA
21	PAU-LOAD LIMITED	4-5 NMANDI AZIKIWE BY PASS KADUNA
22	ZECO NIGERIA LIMITED	A8 JUNCTION ROAD KADUNA

23	SHANANA HOTELS	3 AJIA STREET ANGWAN YELWA
24	C.N. OKOLI TRANSPORT LIMITED	MANDO LAGOS GARAGE KADUNA
25	ILYASU ADAMS MECHANIC WORKSHOP	43ABO BIRINI ST KAWO,KADUNA
26	J.O.OLATUN BOSUN & CO	KD 5 YORUB ROAD KADUNA
27	NATIONHOUSE PRESS LIMITED	A3 NNAMDI AZIKIWE WAY KUDENI LIGHT INDUSTRY AREA
28	DABO OTORS LIMITED	22 CONSTITUTION ROAD KADUNA
29	SABA BAKERY	SB 6/8, SABA CLOSES K/WEST KADUNA.
30	COMRADE CYCLE CO. NIGERIA LIMITED	20 IBRAHIM MAKAMA ROAD CHIKOYI INDUSTRIAL AREA
31	BLACK STAR SECURITY CO.LTD	9A JUNCTION ROAD KADUNA
32	DELTA CLINIC	6A MAKERE KAKURI KADUNA
33	ALHERI MOTORS	CM7 EXPRESS BY-PASS NNAMDI AZIKIWE RD,KURUMASHI,KA
34	LEMIOS NIGERIA	LL. 16 A/BELO WAY KADUNA
35	P.C TECHNICAL ENTERPRISE LTD	AF2 JOS ROAD KADUNA
36	FERTILIZERS & CHEMICALS LIMITED	1 AHMADU DORA ROAD P.O.BOX 8898, ABAKPA
37	MAHARAJA HOTELS LIMITED	1 INDEPENDENCE WAY KADUNA
38	POWERSEAL NIGERIA LIMITED	4A SULTAN ROAD KADUNA SOUTH
39	F.M.A OVIASOJIE & CO, LEGAL PRACTITIONERS	OGBE CHAMBERS,X.IIBADAN STREET KATSINA ROAD KADUNA
40	JAMIL NIGERIA LIMITED	MG 30 NNAMDI AZIKIWE WAY BYE PASS BAKIN RUWYA
41	A.M.DIKKO &CO	1/3 AWZIRIIBRAHIM CRESENT OPPOSITE KATSINA STATE
42	T & T SCHOOLS	4A SARKI AVENUE KURMI MASHI
43	ZUKASONIC ELECT	V1 LAGOS STREET BY BENUE ROA KADUNA
44	KADUNA GUEST HOUSE	A14 ZARIA ROAD KAWO KADUNA
45	YAYOK TABLE WATER	ANGUWAN RIMI, CHIKUN LG
46	ROYAL TROPICANA HOTEL	5 UNGWA TELEVISION KADUNA
47	EXCEISION INN HOTEL	2-7 DENDE ROAD GRA KADUNA
48	ESTATE BUSINESS/MANAGEMENT	NO 10B SULTAN BELLO ROAD UNG SARKIN MUSULMI KADUNA
49	FOMWAN HOSPITAL	NO28 NISAMA ROAD BADARAWA KADUNA
50	ZEETER BLOCKS	12 NNAMDI AZIKIWE BYE PASS KADUNA
51	F.BAYO AHMAD & CO.	SUITES 8&9, 1ST FLOOR,XX-12,DAURA ROAD IBADAN
52	AMINA ESTATE	NO 6 SULTN BELLO ROAD U/SARKI
53	GURA NIGERIA LIMITED	CN5 NNAMDI AZIKIWE WAY KURMIN MASHI BYE PASS KADUN
54	SPARE PART (INDUATRIAL HAZOG NIG LTD)	12 BLOCK 9 MAKERA RAOD KUKURI KADUNA
55	DIAMOND SECURITY HOLDINGS LTD	NO 9 JUNCTION ROAD KADUNA
56	RANGWAME MATERTNITY AND NURSING HOME	NO2 RAILWAY CROSSING HAYIN DOGO
57	SUNGLASS LIMITED KADUNA	PLOT 84 KUDENDA INDUSTRIAL AREA KADUNA
58	TONY BREAD CONFECTIONARY	63 MAJEMIYA STREET UGWAN YELWA SABO
59	AAA MOTORS	A23,HOSPITAL CLOSE KUNMASHI,KADUNA
60	ZEEPET OIL	CONSTITUTION ROAD KADUNA
61	HALAL FOUNTAIN HOTEL	29A RABAH ROAD KADUNA
62	TY CHEMICALS LIMITED	REFINERY ROAD OFF KACHIA ROAD KADUNA
63	AL WASAS TECHNICAL ENGEERING COMPANY	NO 17 NNAMDI AZIKWE WAY EXPRESS BYE CLOSE TO K/MAS

64	TONY BLOCKS INDUSTRY	W3 ABUJA LINK ROAD TELEVISION KADUNA
65	FAHIMTA MICROFINACE BANK LTD	24 MUHAMMUD BUHARI WAY KADUNA
66	TUNJAK LTD	NO1 WAZIRI IBRAHIM CRESENT GRA ABAPWA KADUNA
67	OSBUD PHARMACY LTD	KK 12 YORUBA ROAD KADUNA
68	YARGAJI QUARRY INDUSTRY LTD	NO.1 SOKOTO ROAD KWANGILA SAMARU BY FLY OVER ZARIA
69	GIWA HOSPITAL LIMITED	NO1 ALI AKILU ROAD KADUNA
70	ARDO PLASTICS LIMTIED	NO,8 KACHIA ROD OPPOSITE AREWA TEXTILES LTD P.O BO
71	ACI ELECTRONICS LTD	N2 AMADU BELLO WAY,KADUNA
72	AZUJARAL NIG.LTD	NO.9 NNAMDI AZIKIWE ROAD BYE PASS KADUNA
73	CHELCO INDUSTRIES LIMITED	PLOT 182 UNGWAN MU'AZU INDUSTRIAL ESTATE KABALA WE
74	CORNERSTONE INS. PLC	NM 20, CONTITUTION ROAD, KADUNA
75	AMEER RAUDA MOTORS	T9,OPPOSITE POLICE STTION KURIMASHI BY EXPRSS
76	PACIFIC MOTORS	NO 36 ALI AKILU ROAD
77	SOLAR FOAM & CHEMICAL INDUSTRIAL LIMITED	5-6 LIFIDA ROAD TRIKANIA EXPRESS BYE PASS KADUNA
78	EMSEN ENTERPRISES	7-114 2ND GALADIMAWA KAKURI KADUNA SOUTH
79	CLIMAX HOTEL LIMITED MANAGEMENT BY BZIN-KOK HOSPIT	18-25 KUNAI STREET SABON TASHA
80	GANIMA LIMITED	NO 12, ANGUWAN FULANI,CHIKUN LG
81	ZAURO GREEN USA LTD	NO 1B NAMDI AZIKWE WESTERN BYE PASS ANGUWAN MA'AZU
82	UNION HOES SVNGS AND LOANS PLC	AB 10 LAGOS STREET P.M B 2437
83	GSM ZONE TELEKOMMUNICATION	SHOP 3 OGBADU COMPLEX MALALI KADUNA
84	CHEMIST ADAMU IBRAHIM YUSUF (LN16779) SHARPCORNES	SHOP NO2 SHAGARI JUNCTION BY KAMSALIM ROAD BADARAW
85	MUHADO NIG ENTERPRISE	NO 6 AG LEVENTIS BUILDING OPP HMH PLAZA AHMADU BEL
86	KITRIC LTD	NO.5 STATION RD. ABAKPA KADUNA
87	MASHI HOPITIAL & SPECIALIST CLINIC	NO 17 SABO LINE KURUMI-MASJI KADUNA
88	ADRIEL HOTEL LTD	NO4, BANK ROAD, KADUNA
89	CHITEX ENTERPRISES	HH3 ABEOKUTA STREET KADUNA
90	NOVO-SELO FEEDS LTD	NO.7 OLD STATION RD ABAKPA KADUNA
91	FIRST TRUST INSURANCE BROKERS	TURAKI AIL.HOUSE KADUNA
92	LEKAN IPAYE ALO	XX 12 AURA ROAD KADUNA
93	JOSHUA ISHOLA OMO JESU NIG LTD	L9 KASTINA ROAD ROUND ABOUT KADUNA
94	PLEASURE TRAVELS AND TOURS LIMITED	PLOT G5 Y.A AHMED HOUSE, AHMADU BELLO WAY KADUNA
95	ADMIRAL ENVIRONMENTAL CARE LTD	NO.2 WAZIRI IBRAHIM CRESENT ABAKPA G.R.A KADUNA
96	HOSEYAH BLOCKS INDUSTRY	NISSI VILLAGE MARARABA RIDO ROAD KADUNA
97	DUDU MOTORS NIGERIA LIMITED	118 MXISDISHI LAYOUT KADUNA
98	JOSHUA ISHOLA OMO JESU MA LTD	J2 AHMADU BELLO WAY KADUNA
99	DE-EMINENT HOTEL LIMITED	PLOT 30-32 SABO ROAD HIGH COST
100	MURARAK QUALITY MOTORS NIG LTD	GLO MAMMAN JALLO ROAD U/KANAWA
101	DENEVILLA HOTELS LIMITED	3-4 KIGO ROAD NEW EXT. OFF CONSTITUTION ROAD
102	ASO MOTEL	14 MUHAMMADU BUHARI WAY

		KADUNA
103	ALLAH RAYA MOTORS	NC8 NNAMDI AZIKIWE KUMIN MASHI KADUNA
104	TREASURE INTERIOR DECORATION COMP.	Q16 KONTOGORA ROAD BY AHMADU BELLO WAY KADUNA
105	CRYSAI CLINIC& MATERNITY	6A MAKERA ROAD KAKURI KADUNA
106	A.M.A INVESTMENT LTD	NNAMDI AZIKWE EXPRESS ROAD BADIKO BYE-PASS KD
107	YOUNG SHALL GROW MOTORS LIMITED	PLOT A CLOSE A SATLITE TOWN P.O. BOX 3009 APAPA
108	ZECOOL HOTELS LIMITED	3 ZECOOL CRESCENT BARNAWA KADUNA
109	JV BONOBLE HOTEL	449 KACHIA ROAD UNGWAN BORO SABON TASHA
110	BARNAWA MICROFINANCEBANK LTD	PLOT 3 MOZAMBIQUE ROAD,BARNAWA SHOPPING COMPLEX
111	B.K.Y MOTORS	NO 12 MNAMDI AZIKIWE BY PASS KADUNA
112	DAYA PHARMACY&STORES	NO2 OGBADU ROAD MALALI KADUNA
113	NA-MAGIRA MOTORS	AA8, NNAMDI AZIKWE WAY, EXPRES BYE PASS KURMIN MAS
114	KAMJEED OIL& GAS LIMITED	RIGACHUKWUN KADUNA/ZARIA EXPRESS WAY KADUNA
115	HASSAN MOTOR WORKSHOP	K/MASHI NEW EXTENSION KADUNA
116	JIMMY HOTEL LIMITED	374 KACHIA ROAD SABON-TASHA
117	HARISIM HOTELS LIMITED	PLOT 2 KUYAN BANA STREET NARAYI HIGH COST BY DULLA
118	MOBILE FILLING STATION	MOBILE MANDO
119	NAY-DAY PHARMACY	1 WAZIRI IBRAHIM CRESCENT BEHINDE ABARPA TOTAL KAD
120	NNIL COMMERCIAL COMPANY LIMITED	4 MUHAMMADU BUHARI WAY KADUNA
121	PLATEAU CINEMA LIMITED	KAJARU ROAD KADUNA
122	SAMILA CONSULTANTS LIMITED	1C COLLEGE ROAD KURMI MASHI NEW EXTENSION
123	JAFARU FARMS	ANGUWA GUSORO ALONG ZARIA ROAD
124	YAROSON PARTNERSHIP LIMITED	IB ALIYU TURAKI ROAD KADUNA
125	TURNERS BUILDING PRODUCTS LIMITED	KAKURI INDUSTRY ESTATE
126	BRAN AND LUBBLE COMPANY NIGERIA LIMITED	OPPOSITE DAMBO INTERNATIONAL SCHOOL KADUNA
127	A.B.D FARMS	R10-18 YUSUF USMAN ROAD MANDO
128	DANFULANI CONSTRUCTION COMPANY	TL8 NNAMDI AZIKIWE EXPRESS BYE PASS
129	NALADO NIGERIA LIMITED	PLOT 16-20 BIDA ROAD P.O. BOX 100 KADUNA
130	CLEAN CLEANERS LIMITED	AA13 ZAMBIA ROD BARNAWA NEW EXT. KADUNA
131	ALH. ISSA FARMERS	BARIKAAILU ANGUWA GISORO
132	NIYYA FARMS LIMITED	3 NNAMDI AZIKIWE WAY BYE PASS BADIKO KADUNA
133	HEPHZIBAH COMPUTER ENGRS LIMITED	YY4 ABUJA ROAD BY LAGOS STREET ROUNDABOUT KADUNA
134	ADVANCED MICRO COMPUTER SYSTEMS LIMITED	11 ALI AKILU ROAD KADUNA
135	SINTAX LIMITED	7A ISA KAITA ROAD MALALI KADUNA
136	ALHAJI ZUBARU GULDER FARMS	BARIKAALLHU OPP. NTI KADUNA
137	NEW NIGERIA CONSTRUCTION CO.	TURAKI ALI HOUSE KADUNA
138	GOLDBOND MED. LAB	U/RIMI KADUNA
139	ANGUWA SULE FARM	BARIKALLAU GOSORO STREET KADUNA
140	STARCOMMS PLC	4 ALI AKILU ROAD KADUNA

141	WHITE HOUSE BUSINESS ENTERPRISE	B29-31 AIRFORCE ROAD KAKURI KADUNA SOUTH
142	EMIR METAL CONSTRUCTION	M 21 CHARANCHI ROAD
143	AL AMIN BREAD	ANGUWAN DOSA KADUNA
144	KABIRU ADAMU BARBING SALON	1 SHAGAI ROAD JUNCTION BARAWA KADUNA
145	SYSTEMS COMMUNICATION NETWORK	1 KAMSALEM ROAD MALAKI KADUNA
146	ALI ISA DALO JUBRIN	60 LANU ROAD BOX 2736 KADUNA
147	RABSWOOD FARMS	BURUKU EXPRESS ROAD KADUNA
148	LEGACY COMPUTER INSTITUTE	1 DENDO ROAD OFF A/BELLO WAY
149	MUBARAK GLOBAL RESOURCES LIMITED	AHGI N/AZIKIWE WAY EXPRESS BYE PASS
150	WAD MOTOR MECHANIC WORKSHOP	NNAMDI AZIKIWE EXPRESS BYE PASS
151	MUSACO INVESTMENT & PROPERTY LIMITED	16A ALI AKILU ROAD KADUNA
152	RUMBU HOSPITAL	NO21 GENERAL HOSPITAL ROAD,OPPOSITE KAKURI POSTOFF
153	JAYUDA INTERNATIONAL LIMITED	AO 1 JUNCTION ROAD KADUNA
154	CRESIVE CONSULT	B2 192 SARDUANA CRESCENT KADUNA
155	INDEX INFOTECH & COMPUTER LIMITED	A1 ELSHADDAI SHOPPING PLAZA, SABOTASHA KADUNA
156	MADUNKA MOTORS LIMITED	G22 ZUNTU ROAD U/KANAWA, KADUNA
157	DELIGHT BREAD	NO 21 ANGUWAN SARKI KADUNA
158	ZEETER BLOCK	NO 16, HAUSAWA ROAD KADUNA
159	BLESSED TABLE WATER	NO 7, IBADAN STREET KADUNA
160	OGB VENTURES	NO 1 KACHIA, OPP AP FILLING STATION,
161	MACBASE NIGERIA LIMITED	32B MAKERA ROAD KAKURI
162	HUSMA RESOURCES	KAKURI, KADUNA
163	TONSJOS SERVICE STATION	KACHIA ROAD OFF RAILWAY STATION
164	RAINBOW COMPUTERS	KK3 ZARIA ROAD KADUNA
Source: Smedan Office		

MSMEs in Kaduna North Senatorial Zone

S/N	NAME OF ESTABLISHMENT	LOCATION/ ADDRESS
1	NASARA WATER	HANWA BEHIND ROCK S/ZARIA
2	LIMI HOSPITAL AND MATERNITY LTD	HANWA NEW EXTENSION GRA ZARIA
3	ANNA-KITCH MEDICAL CENTER	15 WUSASA ROAD ZARIA
4	BEST WAY BREAD	NO 4 AMINU RD SAMARU
5	BENHA PHARMACY	NO 23 OPP ABISTH T/WADA ZARIA
6	MAYFAIR CLINICS NIG LTD	8 CRESCENT ROAD ZARIA
7	JIM HARRISON HOTEL LTD	ALONG KANO-KADUNA EXPRESS WAY,ZARIA
8	PRINTING	GASKIGNG ACORPORTION PMB 1033 ZARIA GASKIYA BUILDI
9	ELECTRICITY METER COMPANY NIGERIA PLC	PLOT 30-32 LIGHT INDUSTRIAL AREA CHIKAJI ZARIA
10	DOMINION IRON & STEEL CONSTRUCTION LAREINE INVESTMENT LIMITED (NEW ZARIA MOTEL)	NO.7 KANO ROAD BYE PASS WUSASA NEAR MUSLIM HOSPITA
11	SEEDS/GRAND(DA-ALLGREEN SEEDS)	GASKIA ZARIA
12	TEEJAY RESOURCES LIMITED	NO.1 MTD RD. ZARIA P.O.B 304 G.R.A ZARIA
13	DAULA RESTAURANT	6 WESTERN WAY GRA ZARIA
14	OXFORD HOSPITAL LTD	65 SOKOTO ROAD ZARIA
15	AL-MADINA PHARM CG/CLINIC CO .LTD	NO 38 AIRFORCE SAMARU ROAD POBOX 4181,MAKERA, KADU
16		H28 QUEEN ELIZABETH ROAD,G.R.A ZARIA,KADUNA

		STATE
17	BAN ZAZZAW CONSTRUCTION COMPANY	1 BAN ZAZZAW NEW JOS ROAD ZARIA
18	NAKOWA MICRO-FINANCE BANK	9 OLD JOS ROAD, KONGO ZARIA
19	SAJ FOODS LIMITED	54-52 SAPELE STREET SABON GARI
20	SA'A SPECIAL ENG WORKS	NO.2 DANMAGAJI ROUND ABOUT OFF FLY OVER WUSASA ZAR
21	RUKAYYAH PHARMACEUTICALS	6 SOKOTO ROAD ZARIA
22	BABA KADUNA GARAGE	12 GASKIYA ROAD T/WADA ZARIA
23	FIRST VALUE WATER	NO 2, KWANGILA ZARIA
24	NUBA TABLE WATER	NUHU BAMALLI POLYTECHNIC ZARIA
25	HANWA BLOCK	HANWA, S/GARI ZARIA
Source: Smedan Office		

MSMEs in Kaduna South Senatorial Zone

NAME OF ESTABLISHMENT	LOCATION ADDRESS
1 AMINA HOSPITAL	47 GWARI AVE, KCHIA LGA. KADUNA
2 MMAB CABLE MANUFACTURING	KACHIA, KADUNA
3 GURARA ALUMINIUM TION	B55 KACHIA, EXPRESS WAY OPP APG OIL STATION TE
4 TANKO BREAD	TAKAU, JAMA'A LG
5 DAMUNA WATER	2, KANINCON KAFANCHEN
6 VANGWARD WATER	KAFANCHAN, JAMA'A LG
7 JOHNSON BARBING SALOON	JEMA A LGA KADUNA
8 MERCY WATER	FINTSANG, JAMA"A
9 JOHN TABLE WATER	5 ANGUWAN LOKO, KAFANCHAN
10 EKSIQGULLARI CONSTRUCTION LIMITED	KACHIA LGA KADUNA
11 MR SMART MOSES INVESTMENT	O Q29 KAKURI ROAD
12 FAHIMTA BREAD	KAFANCHAN, JAMA'A LG
Source: Smedan Office	