LEADERSHIP STYLES AND EMPLOYEE RETENTION IN TELECOMMUNICATION INDUSTRY IN KENYA: A CASE STUDY OF SAFARICOM LIMITED, NAIROBI

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ABSTRACT

This study sought to determine the effect of leadership styles on employee retention in telecommunication industry using Safaricom limited, Nairobi as the case study. The specific study objectives were: To evaluate the effect of directive leadership and participative leadership styles on employee retention in telecommunication industry in Kenya using a case study of Safaricom, Nairobi. The study was guided by two theories namely Path-goal leadership as the anchor theory and Resource based view theory. The study utilized descriptive research design. Qualitative and quantitative research methods were adopted. The target population was 4858 employees working at Safaricom headquarters in Nairobi. Stratified random sampling was used to select a sample of 370 employees with individual participants being randomly selected. Both primary and secondary data was collected through questionnaires, interview guides and literature review checklist as the research instruments. The data collected was analyzed using Statistical Package for Social Sciences (SPSS) using descriptive statistics and Pearson correlation analysis which was used to determine the relationship between leadership styles and employee retention. The findings of the study showed that there is a weak, positive and significant correlation between directive leadership style and employee retention (r = 0.327, p-value = 0.000). Besides, there exists a strong, positive association that is significant between participative style of leadership and retention (r = 0.720, p-value = 0.001). The researcher recommends that the leadership of organizations formulate policies, strategies and guidelines that promote the appropriate leadership styles which enhances employee retention. An institution should adopt different leadership styles but have guidelines on which circumstances call for the utilization of a specific leadership style. The leadership policies and strategies should ensure the development of implementation plans of the different leadership styles taking into consideration aspects such as compensation, salaries, conducive working environment, guiding manuals among other things.

Keywords: leadership styles, employee retention, directive leadership, participative leadership, leadership policies and strategies.

INTRODUCTION

The world has progressively become a global village and a knowledge economy making human capital the most important asset of any organization which yearns to remain competitive (Odhiambo, 2018). Bayraktar and Sencan (2017) assert this by indicating that most organizations in the current world have recognized people as the most fundamental assets of their organizations. This view is further supported by Kaur (2017) who argues that employees of an organization are an important determinant of its competitive advantage and sustainability of this advantage. Employees are important in achievement of organizational goals and sustaining competitive edge in the current dynamic business environment (Kumar
Capelli and Keller (2014), adds that human capital with the appropriate talent is the most fundamental asset of an organization in sustaining competitive advantage in the business market. Therefore, retention of employees is an essential aspect in every organization (Ojeleye, 2017).

It is of significance to indicate that the employee’s usually reciprocate to good treatment by the organization by working harder (increased productivity) and decreased turnover. Employee retention is also critical factor in determining organizational performance and competitiveness (Rao et al., 2018). According to (Kibui et al., 2014), employee retention is the ability of an institution to engage its employees for long term duration at their optimal performance. (Kibui et al., 2014) continues to elaborate that it is a deliberate move by an organization to create a working environment which initiates and sustains an attachment between the employee and organization. Employee retention is concerned with organizational strategies which ensure that it meets different needs of its personnel (Bayraktar & Sencan 2017).

Kaur (2017) agrees to this view by revealing that staff retention is the capacity of an organization to keep/preserve its employees productively. Organizations invest enormous resources in the recruitment, training and coaching of skilled and talented professionals and hence their retention is equally critical (Kaur, 2017). Further, it takes a lot of time and effort to replace talented employees when they leave and the new employees also take sometime to acquaint themselves with the assigned roles and responsibilities (Kaur, 2017). The organizations targets are also put on hold, or delayed during this transition period and when employee turnover is too high in an organization, the organizational goals may not be achieved. In essence, employees are fundamental in the achievement of organizational performance and maintenance of its competitiveness (Ojeleye, 2017). Ojeleye (2017) continues to elaborate that when employee turnover is too frequent and high, the performance of the remaining employees is also decreased as they are often forced to take up extra responsibilities previously undertaken by their colleagues who leave. Kibui et al. (2014) also argue that when the workload of the remaining employees become unendurable, they also tend to leave the organizations.

It is evident that employees are the most important assets in an organization and are an important factor in contributing to sustained competitive advantage of an organization (Maria, 2014). Kimathi (2015) asserts this fact by indicating that employees greatly determine organizational performance. Therefore, employee satisfaction and retention should be a priority of every organization. Leadership and management have a critical role to play in cultivating employee motivation and ensuring their retention (Farndale & Scullione, 2014). According to Hrebiniak (2013) leadership provides direction, motivation and effective communication system in an organization which are critical in employee motivation and retention. This finding is confirmed b Omoro (2016) who indicate that leadership is a force that makes things happen and leaders are transformative people who provide direction of the organization through a vision of the organization.
Further, with the emergence of global competitiveness, the concept of talent management which entails recruitment, development, motivation and retention of employees in an organization becomes paramount (Kimathi, 2015). Of equal importance, is the need for leaders and management to progressively build and sustain a strong pool of talented employees in their organizations to earn a competitive edge (Al Ariss, et al., 2014). According to Farndale and Scullion (2014) leadership and management play an important role in an organization to balance individual goals of their employees and the organizational goals so as to achieve a mutually beneficial relationship between the two parties. Meyers and VanWoerkom (2014) agrees to this view adding that it is essential for the leadership of an organization to safeguard the welfare of their employees just as they protect the organizational goals. The leadership and management of every organization are thus faced with the uphill task of development and implementation of human resource policies and practices that enhance employee retention Farndale & Scullion, (2014). Jabbar and Hussein (2017) asserts that leadership has an influential impact on strategic human resource management and hence implementation of human resource policies and strategies in an organization. Therefore, leadership is a major factor that distinguishes the type of strategies adopted and implemented in an organization and distinguishes successful organizations from less successful ones (Yukl, 2014).

The telecommunication industry is not exempted from the need for an exemplary leadership and management that is keen to ensure employee retention (Vodafone Limited, 2021). In fact, global telecommunication companies are some of the organizations employing a large number of employees. For instance, American Telephone and Telegraph company (AT &T) and Verizon communications based in USA have 243,350 and 134,400 employees working for them respectively (ValueToday, 2018). With the two companies being the most competitive telecommunications in the world with an estimated market value of 204,940 and 243.110 USD billion respectively, the necessity to retain a productive workforce is critical (ValueToday, 2018).

Other telecommunication companies which have a global presence include China Mobile (market value of 117.140 USD billion) and approximately 456, 239 employees and Nippon Telegraph and Telephone Corporation in Japan (estimated market value 93.952 billion USD) and 310,000 employees. Vodafone is another global leading telecommunication company with approximately 40,700 employees in Europe and having a presence in more than 25 countries (VodaLimited, 2021). According to the leadership of Vodafone Enterprise Limited organizations in the telecommunication industry need innovative leadership styles to remain competitive in the highly dynamic and competitive marketplace (VodaLimited, 2021). The necessity for organizations in the sector to sustain a highly talented and productive workforce is obvious for all organizations that yearn to remain competitive.

At the continent level, telecommunication industry players such as Vodafone and Orange continue to record considerable growth attributed to increased investment and expansion of network access resulting to increased customer base and enhanced service delivery. However, the industry actors are faced with the challenge of ensuring innovative leadership styles that
are keen on upholding employee retention (Kwenin et al., 2013). A study on Vodafone Ghana limited by (Kwenin and others (2013) revealed that leadership is instrumental in influencing employee rewards, human resource policies and job satisfaction all of which have a positive relationship with employee retention.

In Kenya, mobile telephone service sector started in the year 1992 with the Extended Total Access Communication System (ETACS) which was analogue in nature (CCK, 2013). The system was commercially launched in Kenya in 1993 followed by the enactment of the communication Act of Kenya in the year 1998 (Odhiambo, 2015). This resulted to introduction of competition in the sector due to the entry of different actors. Different telecommunication actors moved into the market segment with the four mobile network operators, including Safaricom Limited, Airtel Networks Kenya Limited (Airtel), Essar Telecoms Kenya Limited (yu), and Telkom Kenya Limited (Orange) being the major competitors (Odhiambo, 2015). The different players have continued to compete in attempt to gain a share of the market.

This calls the telecommunication leadership to not only be strategically positioned to provide quality services to their customers, but also be prudent in managing their employees who are the greatest assets of every organization.

**Statement of the problem**

The Kenyan telecommunication sector is highly dynamic and competitive due to emergence of various forms of digital technology including the social media (Watila, 2015). Therefore, service providers (including Safaricom limited which is the market leader) in the sector require to develop innovative strategies to adapt and survive amidst competition (Odhiambo, 2018). Further, the telecommunication and mobile technology sector is constantly changing and organizations need to retain talented and productive employees and reduce employee turnover to remain competitive (Kambara, 2013).

Besides, turnover is expensive because organizations invest enormous resources in induction, training and retaining their employees and hence managers should at all cost minimize employee turnover (Muhangi, 2016). Moreover, high employee turnover is closely associated with high costs of replacement/recruitment and capacity development (Akinyomi, 2016) ; Puni et.al., (2016). The cost of replacing an average staff in the United States is approximately 16,062 US dollars and the employee turnover costs in companies is as high as 600 billion dollars annually. It costs an employer about 33% of an employee’s annual salary to replace them (Sumitani, 2020). Besides, employee turnover is a critical hindrance to organizational performance (Kazimoto, 2016). Further, employee turnover can negatively affect staff morale hence resulting to low productivity (Puni et al., 2016).

Inadequate work environment and the leadership style are some of the factors associated with high employee turnover in an institution (Akinyomi, 2016). Gagne and Bhave (2011) assert that poor leadership, management and governance play a role in determining employee
retention and motivation. Leaders need to come up with strategies that attract and retain the most talented, skilled and innovative workforce in the market because employees are the most important asset that drive an organization Cerdin & Brewster (2014).

The leadership of all organizations including Safaricom need to be transformative and innovative enough to retain their competitiveness amidst stiff competition (Susan, 2016). With Safaricom being the giant and leading telecommunication company in Kenya, the organization need to adopt leadership styles that harness employee retention to sustain competitiveness (Beauchesne et al., 2014). The company, just like any other (35% of all organizations in the world) is faced by an uphill task of retaining an innovative and productive workforce to retain its performance (Collings, 2014). This study sought to explore effect of directive and participative leadership styles on employee retention in the telecommunication sector in Kenya using Safaricom Limited, Nairobi as the case study.

Objectives of the study

i. To evaluate the effect of directive leadership style on employee retention in telecommunication industry.

ii. To assess the effect of participative leadership style on employee retention in telecommunication industry.

Theoretical literature review

This study is anchored on two theories including Path-Goal leadership which is the anchor theory of the study supported by Resource-Based View theory.

Path – Goal Leadership Theory

Path Goal theory is the anchor theory of this study because it incorporates all the four study objectives. The theory was originally founded by (Evans, 1970) and later revised by House in 1971 with a motive to explore a leader’s style of leading as a motivation to make subordinates realize their goals and objectives (House & Mitchell 1974). This theory asserts that motivation is an aspect of the interface between managers and their junior employees (Farhan, 2018). According to Farhan (2018) the theory further assets that the performance of the subordinates greatly depends on this interaction. According to House (1971) as elaborated in (Polston-Murdoch, 2013) one of the strategic roles of a leader is to maintain a good psychological state of their subordinates to ensure they are motivated to accomplish their roles and satisfied to remain in the job. (House, 1971) proposes that there are various situational factors contributing to effective leadership including characteristics of the team members such as their needs, self-confidence, motivation and abilities.

The theory suggests that there are four path-goal leadership styles that motivate and reward juniors namely the directive and participative styles (Ijigu, 2015). To this extent, this theory is important in explaining the role of leadership style in employee retention in an
organization. The theory argues for the need of the leadership to recognize and reward all employees based on their talents, and role to motivate them and keep them satisfied for enhanced retention (Kabui et al., 2014). Path goal is about the leaders behavior and how it influences employees. This theory emphasizes on specific behaviours specific to a leader which are best suited to employees needs and working conditions. This guides the employees through their path in obtainment of their daily work activities (Northhouse, 2013).

The four leadership styles according to this theory are applied depending on the situation at a particular moment (Farhan, 2018). The directive style is applicable in situations where the subordinates are new on the job and do not have the pre-requisite experience to undertake their roles and in instances that require immediate response actions (Polston-Murdoch, 2013). Despite this style being perceived as aggressive and controlling, it is very practical in motivating subordinates (who are required to accomplish tasks that are unstructured and ambiguous) besides being useful in retaining newly recruited employees (Polston-Murdoch, 2013).

On the other hand, the participative leadership style is more consultative where the leader consults the subordinates for their suggestions and incorporates their inputs in decision making (Polston-Murdoch, 2013). Under this style, the leader and the subordinates share responsibilities where subordinates are involved in planning and decision making processes thereby cultivating team spirit (Ogal and Otieno, 2018). It is applicable in circumstances where the subordinates lack judgement and when procedures have been neglected (Farhan, 2018).

Further, according to the path-leadership theory, a participative leader is responsive to the subordinates needs through regular communication and recognizes the subordinates through rewards for good performance which is critical in sustaining and enhancing employee retention (Farhan, 2018). This style is applicable in situations where the subordinates reveal inadequate confidence, capacity and motivation to perform their roles (Abdulrasheed et al., 2019).

In addition, the achievement–oriented style sets challenging goals and tasks for the subordinates to accomplish and motivates them by showing high confidence in the capacity of the subordinates to achieve the set goals (Abdulrasheed et al., 2019). This is useful in situations where the tasks are not clear and the juniors need morale to boost their performance.

The theory also proposes that the behavior of the leader should be acceptable and be able to satisfy subordinates to the extent that they can see it as a source of their satisfaction and motivation to ensure they remain in the organization and work at optimal performance (Polston-Murdoch, 2013). In summary, it presents different styles of leadership that may be adopted in an organization and how they affect the employees. It is therefore, applicable in this study whose main objective is to establish how leadership style affects employee retention.
Resource Based View

The resource based view (RBV) model as known as resource based theory, perceives resources in an organization as central to a firm’s performance Bromiley and Rau (2016). It is a model that views organizational resources as key in achievement of competitive advantage (Jurevicius, 2013). Resource based model emerged in the 1980s and 1990s from the works of Wernerfelt, Prahalad and Hamel and Barney who argues that organizations ought to scan their internal environment and identify the existing sources of competitive advantage (Hitt et al., 2016). Resource based View argues that there are both tangible and intangible resources that can be used to exploit opportunities in the external environment (Bromiley & Rau, 2016). This model is applicable in the study as it proposes that human resource is the most fundamental resource in an organization (Ojeleye, 2017). The employees are more important than infrastructural, technical and financial resources in an organization because they are unique and cannot be emulated (Rothaermel, 2013). Thus, the RBV argues that the employees of an organization are the resources which facilitate them to accomplish competitive advantage and improved performance (Hitt et al., 2016).

The model assumes that resources are both heterogeneous and immobile; the unique knowledge, skills and capabilities of employees present an opportunity for organizations to remain competitive in the business market and therefore the need to keep employees motivated and retain them (Jurevicius, 2013). The RBV model is relevant in this study because the current world is very competitive and organizations require to retain talented employees who are motivated to perform optimally. Directive and participative leadership styles recognize that employees are important resources of an organization.

(Rothaermel, 2013) revised this model to reflect strategic management and indicated that the leadership style of every organization that in order for organizations to generate competitive advantage, the resource must be valuable, rare, inimitable and organized. This is the supposition of the current study that employees are valuable and inimitable which calls for directive and participative leadership styles to ensure employee retention (Kibui et al., 2014). The model is thus useful to this study because it addresses the role of human resource contributing to competitive advantage and indicates that organizations should motivate and retain competent employees as these are strategic assets (Bromiley & Rau, 2016).

RESEARCH METHODOLOGY

Research design

The study adopted descriptive research design specifically case study method. This research design enables the researcher to conduct a comprehensive analysis and exploration of a phenomenon within its real-life context and create profile of then variables under study Creswell and Creswell (2017). According to (Tracy, 2013) case study can be defined as an experimental investigation of a particular person, group or entity to analyze the underlying
causes of a particular phenomenon. The research focused on exploring the leadership styles used by leaders and managers at Safaricom and establish their effect on employee retention.

The study used mixed methods where both quantitative as well as qualitative methods were applied to collect data. Quantitative techniques are fundamental in collating evidence on specific issues and phenomena while qualitative methods are critical in eliciting deep perceptions, attitudes, perspectives, opinions about a phenomenon (Jameson, 2013). Thus, qualitative and quantitative methods of research complement each other to fully explore an issue. It is important to point out that qualitative approaches allows the researcher to investigate issues that need detailed probing to gain insights into people’s behavior, culture, perception and perspectives through systematic and sometimes unstructured ways to uncover issues that otherwise may be overlooked when other approaches are used (Jameson, 2013).

**Target population**

According to (Lewis, 2015) the target population comprises of the entire group of individuals, events and components with a common characteristic that can be observed. According to the human resource records (2020) of the company, there were a total of 6,477 staff employed by Safaricom Limited countrywide in the different branches including Nairobi, Mombasa, Kisumu, Nakuru and Eldoret. Out of these, 4500 are employed permanently while 1977 work on contract basis. Majority of the employees who are about 4858 (1892 on permanent basis and 2966 on contract basis) work at the head office, Nairobi County as at the year 2020 and formed the target population of this study.

**Sample and Sampling Technique**

A sample (n) is a representative portion of the target population; it is usually smaller in size Bryman and Bell (2015). Bryman and Bell (2015) elaborates that sampling is the process of choosing a smaller number of individuals or entities to represent the whole group in the study. The purpose of sampling is to attempt to understand some aspects or attributes of the study population on the basis of the sample attributes (Merter, 2018). The study adopted random sampling method where the sample was selected randomly from the target population. The researcher ensured representation of both permanent and contractual basis the target population in the sample size with keenness to include the staff at all levels of management including junior staff. This study adopted a formulae developed by (Yamane, 1967) to calculate the sample size Ajay and Micah (2014). The sample size was 370 respondents as calculated using the formulae shown below.

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

Where

- \( n \) = Size of the sample
- \( N \) = Size of target population
- \( e \) = level of precision (0.05 at 95% confidence level)

\[
 n = 4858/ 1 + (4858) 0.05^2 \\
n = 4858/ 1+ 12.145 \\
n = 4858/ 13.145
\]
Stratified sampling was also utilized to get the number of respondents who are employed on permanent and contract basis (strata). To obtain the desired sample size from each stratum, the following sampling formula was be used: $i = n \left( \frac{N}{P} \right)$ (Kothari, 2009).

Where $i$ = the number of respondents to be sampled in the stratum,
$n$ = sample size,
$N$ = population of the specific stratum,
$P$ = the population

<table>
<thead>
<tr>
<th>No.</th>
<th>Engagement mode</th>
<th>No. of employees (N)</th>
<th>Sample size (i)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Permanent</td>
<td>1892</td>
<td>144</td>
</tr>
<tr>
<td>2.</td>
<td>Contract</td>
<td>2966</td>
<td>226</td>
</tr>
<tr>
<td>3.</td>
<td>Total</td>
<td>4858</td>
<td>370</td>
</tr>
</tbody>
</table>

**Instruments**

The research adopted both primary and secondary data collection tools/instruments. The study developed and used structured questionnaires to collect primary data from the middle level management and junior staff. In this regard, the researcher developed a close-ended questionnaire to conduct a comprehensive context analysis of the leadership styles in Safaricom Company limited and how it affects employee retention. Data was also collected from key informants with a focus on the top/high level management using interview guides. Literature review was used to collect secondary data where the researcher developed a secondary data collection sheet with a list of relevant secondary data sources (such as relevant organizational documents including human resource policies and manuals, journals, company publications and website) from which relevant data was collected based on the research objectives.

**Pilot Study**

The researcher conducted a pilot study with a smaller group of the junior and middle level management staff. The pilot group was drawn from the Thika safaricom branch. It is important to ensure that the sample involved in pilot is not part of the sample to be involved in the study to avoid bias/double capturing of data. This is why the pilot was done somewhere else other than the Headquarters. In order to pre-test the validity and reliability of the research questionnaire a pilot study was done. This is important in identification of flaws in the research instruments for improvement (Mertler, 2018).
Validity

According to Merter and Reinhart (2016) validity is a measure of the accuracy and relevance of inferences made from data collected on a research variable. It is the extent to which research results actually/truly represent the phenomenon under study Merter and Reinhart (2016). The investigator undertook a pilot study to assess the validity of the data collection tools. The pilot study engaged 5% of (144) permanent staff (equivalent to 7 persons) and 5% of (226) staff engaged on contract basis (corresponding to 11 staff) working at the company. Thus, the pilot study involved a total of 18 employees working at Safaricom on both permanent and contract basis. According to Flick (2014), 5-10% of the sample is adequately representative for use in a pilot study. The study sample being 370 persons across the two categories, 5% of the sample was a total of approximately 18 employees. The questionnaires were then revised based on the experience and responses of the pilot study to enhance validity.

Reliability test

Reliability test is the assessment of the extent to which a data collection tool gives same/similar results or data when different trials are done Merter and Reinhart (2016). In this study, the reliability coefficient of the data collection instrument was determined using Cronbach’s alpha (α). The coefficient is calculated as follows:

\[ \alpha = \frac{k}{k-1} \times \left[ 1 - \frac{\sum (S^2)}{\sum S^2_{\text{sum}}} \right] \]

Where: \( \alpha = \) Cronbach’s alpha; \( k = \) Number of responses; \( \sum (S^2) = \) Variance of individual items summed up; \( \sum S^2_{\text{sum}} = \) Variance of summed up scores (Whitehead, et al., 2015). According to Tavakol and Dennick (2011), a reliability coefficient that is above 0.7 is considered to be appropriate and reliable. It is also worth noting that the sample and results of the pilot were excluded in the final study.

Data Collection Procedure

The researcher obtained a letter of introduction from the relevant department in the university and a permit to conduct research from The National Commission for Science, Technology and Innovation which was presented to the respondents during the data collection process to enhance confidence. The researcher adequately explained the purpose of the research to the respondents and allowed them to clarify any matters arising concerning the research. The researcher also developed and administered a consent form to the respondents assuring them of confidentiality of the data collected. Drop and pick method was used to administer the questionnaires because it provided the respondents with adequate time to fill them. The respondents were given a time frame of one week to fill the questionnaire after which the researcher followed-up and collected the filled questionnaires.
Data Analysis and Presentation

The researcher edited, cleaned and coded the collected data. The questionnaires were then referenced and the data there in entered into the Statistical Package for Social Sciences (SPSS) for analysis. Descriptive analysis was performed to obtain frequency counts, percentages, central tendencies (mean, mode and standard deviation) of the data collected and the results were presented in form of frequency tables and bar charts.

The researcher used Pearson correlation test to determine the relation between the each of the independent variables (directive and participative leadership style) and the dependent variable (employee retention). Qualitative data collected from the interviews was analyzed using thematic and content analysis to compliment and validate the quantitative data collected from the questionnaires. Key thematic areas emerging from the qualitative data collected were identified based on context, content and relevance and were utilized to classify the data into key themes based on the research objectives.

RESEARCH FINDINGS AND DISCUSSION

Reliability Analysis

The data collection tools including the questionnaire were evaluated for validity and reliability before use. Validity was tested by conducting a pilot study that involved 18 respondents which was equivalent to 5 percent of the sample size. Reliability of the research instrument was computed using the Cronbach alpha for the scales used for all the leadership styles and employee retention. The Cronbach coefficients of the different variables after computation were as depicted in Table 2.

Table 2: Cronbach’s coefficient results

<table>
<thead>
<tr>
<th>Variable scale (leadership style)</th>
<th>Cronbach’s Coefficient(α)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directive</td>
<td>0.755</td>
</tr>
<tr>
<td>Participative</td>
<td>0.910</td>
</tr>
<tr>
<td>Employee retention</td>
<td>0.900</td>
</tr>
</tbody>
</table>

The study observed that the variable scales used in the study were reliable for both the dependent variable (employee retention) and the independent variable/s (leadership styles) because the Cronbach coefficient value of all variables was above of 0.7. According to Diedenhofen and Musch (2016), a Cronbach coefficient value of 0.7 is usually considered as the standard minimum value that is acceptable for assessment of reliability.

Directive Leadership Style and Employee Retention In The Telecommunication Industry

The research pursued to explore the effect of directive leadership style on employee retention in the telecommunication industry using Safaricom Ltd, Nairobi as the case study. In this regard, the investigator asked for the perception of the respondents on the effect of directive
leadership on employee by asking them to rate their perceptions on different statements using a likert scale.

The results of this study showed that directive leadership style is not commonly used in Safaricom Limited. According to this study, majority (70%) of the respondents were in disagreement that their leaders strictly use existing guiding principles and well laid out structures to manage and lead staff while 10% of them agreed and 10% strongly agreed. It is notable that 10% of the respondents were neutral or they were not decided. When asked about whether they felt that ‘there are written rules of operation that govern the organization’, 90% of the respondents agreed to this statement with majority (50%) of them indicating that they strongly agreed and 40% agreed.

However, 10% of the respondents were in disagreement with 5% disagreed and 5% strongly disagreed. 80% of the respondents disagreed that ‘The leader does not ask for ideas and inputs from the employees and retains the final decision making authority’ while 10% of them were neutral and 10% were in agreement. Further, with regard to the leadership using an authoritative communication style 75% of the respondents disagreed that this was the case while only 8% of them agreed that their leaders use authoritative communication style. This is further illustrated in Table 3.

**Table 3: Perceptions on use of directive leadership style in the organization**

<table>
<thead>
<tr>
<th>S/ No</th>
<th>Statement</th>
<th>Score</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Directive leadership style</td>
<td>5(Strongly agree)</td>
<td>4(Agree)</td>
</tr>
<tr>
<td>1.</td>
<td>The leader strictly uses existing guiding principles and well laid out structures to lead staff</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>2.</td>
<td>There are written rules of operation governing the organization.</td>
<td>50%</td>
<td>40%</td>
</tr>
<tr>
<td>3.</td>
<td>The leader does not ask for ideas and inputs from the employees and retains final decision making authority.</td>
<td>5%</td>
<td>5%</td>
</tr>
</tbody>
</table>
The findings of the study showed that the respondents who are employees have a negative perception on directive style of leadership. When asked if they liked the style and if they would like the leader to continue with directive style, majority who constituted 69% disagreed that they liked the style. It is notable that 22% of the respondents were neutral (they neither agreed nor disagreed, while a total of 9% agreed (6% strongly agreed while 3% agreed) that they liked the style and would want their leaders to continue using the style.

Further, the results of the study revealed that a total of 65% employees would not continue working for the company for the next five years if directive leadership style was used while a total of 30% (20% strongly agreed and 10% agreed). 5% of the respondents were neutral/not decided if they would continue working for the company if their leaders used directive leadership style. The findings are further elaborated in Table 4.

**Table 4: Perceptions on how directive leadership style affects employee retention**

<table>
<thead>
<tr>
<th>No</th>
<th>Statement</th>
<th>Score</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Directive leadership style</td>
<td>5(Strongly agree) 4(Agree) 3(Neutral) 2(Disagree) 1(Strongly disagree)</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>As an employee I like directive style of leadership and would like the leader to continue with it</td>
<td>6% 3% 22% 34% 35%</td>
<td>100%</td>
</tr>
<tr>
<td>2</td>
<td>I would continue working for the organization for the next five years if my leader uses directive leadership style.</td>
<td>20% 10% 5% 20% 45%</td>
<td>100%</td>
</tr>
</tbody>
</table>

The study also sought to establish the effect of directive leadership style on employee retention in the telecommunication industry. The study explored this ‘effect’ by analyzing the correlation between the style of leadership and employee retention using Pearson correlation. The findings of this study that there is a weak, positive correlation between directive leadership style and employee retention as indicated by the coefficient value \( r = 0.327 \). The correlation results showed that the relationship between the two variables is statistically significant \( (p \text{ value} = 0.000) \). The Pearson correlation findings are further presented by the correlation Table 5.
Table 5: Correlation Table for directive leadership style and employee retention

<table>
<thead>
<tr>
<th>Correlation</th>
<th>Directive leadership style: The leader strictly uses existing guiding principles and laid structures to lead staff</th>
<th>I would continue working for the organization for the next 5 years if my leader uses directive leadership style</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>1</td>
<td>.327**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>310</td>
<td>310</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

The weak relationship could be attributed to the fact that a few employees indicated that they liked directive leadership style and would continue working for the company if their leaders continued using the style. This can be explained by the fact that new employees often require directives on how to undertake their tasks Zervas and David (2013); (Swarup, 2013) claims that directive leadership is the best style to be used in circumstances where new and untrained employees who lack experience to execute their roles at work hence a positive relationship between the leadership style and employee retention. This finding agrees to the results of this study. In addition, in circumstances where employees are required to undertake complex tasks and roles, directive leadership offers guidance, direction and assistance on how to conduct such tasks Zervas and David (2013).

However, it is also important to note that the weak correlation may be explained by the fact that if directive leadership is used excessively, some employees may interpret it as dictatorship which has a destructive effect on employee retention in an organization (Gordon, 2013). A study by (Ushie et al., 2010) also reveals that when competent employees are confronted by a directive leader, they tend to become passive and aggressive and ultimately leave the organization. Thus according to (Ushie et al., 2010) directive leadership has a negative effect on employee retention, a finding that may explain the weak relationship between directive leadership and retention in this study.

Nonetheless, the results of this study contradicts those of (Rana et al., 2019), who revealed the existence of a negative significant relationship between directive leadership style and employee retention. (Gordon, 2013) also revealed that there is a high incidence of employee turnover in institutions where directive and autocratic style of leadership is used. According to (Gordon, 2013) the employee’s perceive directive leaders as not trusting them and not
valuing their ideas/contributions which demotivates them and makes them leave the organization.

It has also been shown that directive leadership style is often associated with a negative effect on employees’ morale which have a negative impact on retention (Rana et al., 2019). Therefore, directive leadership style should be cautiously used to offer guidance to employees in a manner which gives them freedom to use their decision making capability and develop appropriate work attitudes and behaviours because, studies have shown that attitude towards work and employee behavior play a critical role in retention (Alan, 2013). It is argued that negative work attitude and behavior of some employees has the potential to propel employees who have positive work attitude and behaviour to leave an organization as they may be influenced in a negative way.

It is also important for the leadership to read the mood of the employees so that they know when to use directive leadership style. According to (Alan, 2013) directive leadership style ought not be used in instances when the employees are tensed, fearful and when they yearn to have their opinions listened to. This is because use of directive style in such circumstances is likely to result to low employee morale, low productivity, absenteeism and low employee retention (Rana et al., 2019).

In conclusion, this study’s indepth assessment of the features of directive leadership indicates that organizations that use directive style of leadership have a high likelihood of experiencing poor employee retention. However, it is also notable that directive leadership style is a good style to use in specific circumstances for instance in situations where outputs are needed within a very short time and where there is lack of experience (Nwokocha and Iheriohanma, 2015).

**Participative Leadership Style On Employee Retention In Telecommunication Industry**

The findings of the study indicated that majority of the respondents were in agreement that their leaders used participative leadership style. They indicated that their leader is involved in the employee’s role and leaders involve them in the decision making processes. 30% of the employee’s strongly agreed that the leadership participated in their assigned roles’ while 58% agreed with the statement and 2% disagreed. Likewise, the study results showed that a total of 70% of the employees were in agreement that the leadership engage them in decision making process while 20% of the respondents were neutral and 10% disagreed. With regard to promoting creativity and innovation, 60% of the respondents indicated that their leader’s style promotes creativity, innovation and teamwork. The responses of the respondents to the different statements are presented in Table 6.
Table 6: Opinions and feelings of respondents on use of participative leadership style in the company

<table>
<thead>
<tr>
<th>Statement</th>
<th>Score</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Participative leadership style</strong></td>
<td>5 (Strongly Agree)</td>
<td></td>
</tr>
<tr>
<td>The leader participates in the employee’s assigned roles.</td>
<td>30%</td>
<td>58%</td>
</tr>
<tr>
<td>The leader involves the employees in decision making processes of the organization and rules through consensus.</td>
<td>40%</td>
<td>30%</td>
</tr>
<tr>
<td>The leader promotes creativity and innovation among the employees.</td>
<td>30%</td>
<td>30%</td>
</tr>
</tbody>
</table>

The finding that majority (70%) of the respondents were in agreement that participative leadership style involves employees in decision making processes is a finding that asserts the research by (Sauer, 2011) that leaders who use participative style engage their subordinates in both decision making and problem solving.

The results of this study are also in concurrence with those of (Swarup, 2013) who revealed that leaders who use participative leadership style keeps their employees informed about work issues and shares decision-making and problem solving responsibilities. (Johari, 2008) further argues that participative leadership style supports the involvement of employees in resolving problems and making decisions on everyday operational matters of an organization an argument that is supported by the findings of this study. The respondents of this study also indicate that participative leaders rule through consensus a view supported by (Ushie et al., 2010) who argued that for leaders who use participative leadership style, the manager delegate authority to their juniors but retain the final responsibility.

When the respondents were asked whether they like participative style of leadership and if they would like their leader to continue leading using the style, majority (65%) of the employees strongly agreed while 30% agreed. However, 5% of the respondents neither agreed or disagreed which is indicative that they may not like to be led using the style. In addition, when the respondents were asked if they would continue working for the organization for the next five years if the leader continued using participative leadership style, all of them were in agreement (70% of strongly agreed and 30% agreed). The responses are as presented in Table 7.
Table 7: Responses on likability of participative style of leadership and how it affects employee retention

<table>
<thead>
<tr>
<th>Participative Leadership Style Statement</th>
<th>5(Strongly Agree)</th>
<th>4(Agree)</th>
<th>3(Neutral)</th>
<th>2(Disagree)</th>
<th>1(Strongly Disagree)</th>
</tr>
</thead>
<tbody>
<tr>
<td>As an employee I like this style of leadership and would like the leader to continue with this leadership style.</td>
<td>65%</td>
<td>30%</td>
<td>5%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>As an employee I like this style of leadership and I would continue working for the organization for the next five years if my leader uses participative leadership style.</td>
<td>70%</td>
<td>30%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

The finding of this study that employees like participative leadership style and that the style is likely to promote employee retention is in agreement with that of (Swarup, 2013) who argues that participative style allows for engagement of employees in decision-making and planning which motivates them to continue working for an organization. (Swarup, 2013) continues arguing that participative style of leadership makes employees feel comfortable working in an organization which spurs trust and confidence both of which enhances employee retention.

One of the objectives of the study was to assess the effect of participative leadership style on employee retention in telecommunication industry using a case study of Safaricom (head quarter) Limited, Nairobi. To assess this objective, the study used Pearson correlation test to determine the association of participative leadership style and employee retention in Safaricom Limited. The findings of the study showed the existence of a strong positive association between participative style of leadership and retention of employees in the organization. The study showed that the correlation coefficient of the two variables was 0.720 and that the association was significant with the p-value = (0.001). This study revealed that participative leadership style has a significant positive effect on retention of employees. This is further illustrated in the correlation Table 8:
Table 8: Correlation between participative leadership style and employee retention

<table>
<thead>
<tr>
<th>Correlation</th>
<th>Participative leadership style: The leader participates in the employees assigned roles and involves them in decision making processes</th>
<th>Employee Retention: I would continue working for the organization for the next five years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partipative leadership style: The leader participates in the employees assigned roles and involves them in decision making processes</td>
<td>Pearson Correlation: 1</td>
<td>Pearson Correlation: 0.720**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td>N</td>
<td>310</td>
<td>310</td>
</tr>
<tr>
<td>Employee Retention: I would continue working for the organization for the next five years</td>
<td>Pearson Correlation: 0.720**</td>
<td>Pearson Correlation: 1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>0.01</td>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td>N</td>
<td>310</td>
<td>N 310</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

The findings of this study that participative leadership style enhances the relationship of employees with their leaders and with are in agreement with those of a study conducted by (Miao et al., 2013) who indicated that participative leadership enhances positive employee job attitudes which improves employee retention. Participative leadership style stresses more on the need for involvement of employees in decision making process which stimulates employee to retain their roles in an organization (Rana et al., 2019). The results of this study also agree to those of (Lumbasi et al., 2015) who in his research showed that participative leadership style and employee retention are significantly and positively related. According to (Lumbasi et al., 2015) leaders who use participative leadership style gather the views, ideas and feedback from the employees and consider them in the decision making process-link to retention. Besides, according to Zervas and David (2013) participative leadership promotes responsibility and high morale among the employees which makes them yearn to continue working for the organization thus enhancing retention. Further, it is argued that participative leadership style tends to improve employees’ ambition and motivation both of which nurture employees’ retention in an organization Zervas and David (2013).

Miao et al., (2013) asserts that participative leadership style promotes trust between the leaders and their subordinates which stimulates a positive attitude among the subordinates towards their work and organization. The result is that employees feel important and valued at their workplace and they desire to continue working for the organizations where leaders use participative leadership style (Miao et al., 2013).
The findings of this study are also in agreement with the results of a study by Lam and Peng (2012) which showed that participative leadership style cultivates strong emotional ties between the leaders and the employees because it allows a social exchange process to occur between the two. The emotional ties are important in enhancing employee retention because they make the employees believe that their leaders are acting with their interests at heart and mind (Lam and Peng (2012). Participative leadership style also stimulates an assessment process in the employees where they evaluate the individual characteristics of their leaders including integrity, reliability among others (Miao, 2013). It is notable that participative leadership style influences the employees to view the positive individual characteristics of their leaders a factor that may ultimately result in retention (Miao, 2013). The results are also in congruence with the findings of (Polston-Murdoch, 2013) who revealed that participative leadership results to better retention and performance of employees.

However, the results of this study disagree with those of Cho and Park (2011), whose study reveals that there is an unclear relationship between participative leadership style and employee retention. The findings of this study also contradicts those of a research conducted by (Donna, 2011) who argued that participative leadership is characterized by difficulties in reaching consensus and sometimes the involvement of the leader in the employee’s roles instigate discomfort among the employees which may result to employee turnover.

**Conclusion**

The conclusion of this research is based on the scope, research questions and respondents’ opinions, perceptions and organization knowledge. The researcher concluded that there is a weak, positive correlation between directive leadership style and employee retention. This study’s indepth assessment of the features of directive leadership indicates that organizations that use directive style of leadership have a high likelihood of experiencing poor employee retention. If used wrongly likely to result to low employee morale, low productivity, absenteeism and low employee retention. Directive leadership style should thus be used with a lot of caution.

This study revealed the existence of a strong positive association between participative style of leadership and retention of employees in the organization. Based on the study findings, participative leadership style enhances the relationship of employees with their leaders. It enhances a positive employee job attitude which improves employee retention.

**Recommendations**

The researcher recommends that the leadership of organizations formulate policies, strategies and guidelines that promote the appropriate leadership styles which enhances employee retention. An institution should adopt different different leadership styles but have guidelines on which circumstances call for the utilization of a specific leadership style. The leadership policies and strategies should ensure the development of implementation plans of the different leadership styles taking into consideration aspects such as compensation, salaries,
conducive working environment, guiding manuals among other things. It is also critical for leadership to formulate and implement policies that offer guidance on leadership in an organization as such policies would be critical in enhancing employee retention.

The findings of this study indicate that different leadership styles are useful in different circumstances. Leaders are expected to be prudent in identifying the appropriate circumstances in which they should use directive and participative leadership style. Each of the leadership style affects employee retention in a specific way and it is recommended that leaders cautiously use the styles so as to reap its positive effect. The style of leadership used has the potential of cultivating trust, confidence and motivating the employees or vice versa which ultimately determines their commitment to an organization. It is thus recommended that the leadership of any organization including Safaricom Limited should utilize, implement, and adopt leadership styles that nurture trust, confidence and motivation among employees to enhance employee retention.

**Limitations of the research**

There were a few limitations experienced during the research process. The accuracy of the study findings was dependent on the honesty of the study participants in which case, some respondents may not be honest. The investigator gave an assurance to the study participants that anonymity would be maintained, and the results would only be utilized for academic purposes. In this regard, it is hoped that the respondents provided honest and accurate responses. Besides, the research collected data from one telecommunication company, Safaricom which was the case study and a representative of all other telecommunication players in Kenya due to financial and time constraints. With adherence to strict research quality measures such as validity and reliability tests of the data collected it is hoped that the data collected was reliable and valid to represent other telecommunication players/institutions in Kenya.

**REFERENCES**


