

## **The Relationship between Bureaucratic and Participatory Leadership Styles and the Rate of Employees' Entrepreneurship**

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### **Abstract**

This is descriptive-correlative survey to study the bureaucratic and participatory leadership styles of managers and the rate of employees' entrepreneurship. Statistical population included 30 people who were selected randomly among the managers and supervisors of governmental offices in KM city . Data analyzed by SPSS software. The research hypotheses were discussed and concluded that there is significant relationship between the managers' leadership styles and the rate of the employees' entrepreneurship. And also the authoritarian leadership style of mangers is related to the rate of employee's entrepreneurship significantly. This research indicated a significant relation between the managers' participatory leadership style and the rate of employees' entrepreneurship.

**Key words:** bureaucratic styles, participatory leadership styles, employees' entrepreneurship, managers

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### **Introduction**

Guo and Lie (2009) in their Master's dissertation naming " towards understanding different management styles between China and Sweden " concluded that since the world is becoming a global village, the issue of cultural ad management differences has been emphasized . So, the researchers investigated the cultural factors affecting management styles among China and Sweden. In this research five cultural aspects of Hofstede , traditional management operation and Denison organizational culture model were used as a model for identification of cultural differences among two countries.

Moreover, they explained the reasons for cultural difference and traditional management activities. Five Chinese employees participated in the interview that are active in Sweden. The researchers found out that dimensions of conflict and stability have a significant difference between two countries. This in fact reflects some part of team work, authority and power, development capacities and collaboration integrated together. In addition, the Swedish countries could more easily adapt with new technologies and modernity compared with Chinese companies. Generally, it seems that the Swedish companies are in a higher level of organizational learning versus the Chinese companies. Meanwhile, they found that cultural differences among two countries have caused differences in their companies management styles (Guo & Li, 2009) .

In a study titling "leadership styles and management techniques: analyzing Malaysian entrepreneurship women, the results showed that organizations leaders require effective leadership and management. Therefore, entrepreneurship women who want to find a special place in their business need to be successful leaders. The study examined two leadership styles of charismatic and transformational as well as management techniques and organizational performance of entrepreneurship women in Malaysia. A questionnaire was sent to the entrepreneurship women. In this study correlative and regression tests were used for examining the relationship between variables. The results indicate that although both charismatic and traditional leadership styles are used by female entrepreneurs, the relationship between charismatic styles and organizational performance was significant (Rosada, Kuppusamy, & Ganesan ,2010).

Nikoueemoghadan et al (2010) worked on the relationship between leadership styles and conflict management strategies used by middle and senior managers of hospitals in Kerman. They concluded that hospitals are required to follow conflict management strategies as some part of general services so that the employees show effective and useful performance. In this research, the investigator aimed to assess the association between the Fiedler LPC test as an example of leadership style and strategies of conflict management. The study was a survey to explore the leadership style using the LPC score. Also, for calculation of conflict management score , the conflict management questionnaire was used.

The questionnaire reliability was confirmed and the sample size was 67 participants. After the data analysis, the researcher found out that the participants use avoidance, solution-oriented, and controlling. Also, it was found there is a meaningful and positive association between the LPC, solution-oriented and avoidance .

Selk and Atashpour (2010) in their study investigated the relationship between leadership style (relationship-oriented and task-oriented) and thinking styles among managers of Asalouyeh complex. It was a type of descriptive-correlative survey. The participants were selected from managers, and supervisors of the complex with total size of 30 subjects. A questionnaire including leadership style (relationship-oriented and task-oriented) and Sternberg thinking style questionnaire.

After the data analysis by the SPSS software the following results were obtained: there is a statistically meaningful relationship between relationship-orientation leadership style and extroverted and liberal thinking styles and task-orientation leadership style and executive and non-democratic thinking style. Also, there is a significant relationship between age, level of education and consecutive, detailed and non-democratic thinking styles. Moreover, age, level of education meaningfully associated. Finally, no meaningful relationship was observed between relationship-orientation and task-orientation leadership style, age level of education and job experience in relationship-orientation leadership style and education.

**Method:**

The present study is a practical research and descriptive in terms of collecting the data. Considering the research purpose, correlative procedure was used. The participants were selected from all employees of the governmental offices in KM city through available sampling method. The sampling method was based on infinite population. The SPSS software was a means to analyze the data.

**The research hypotheses**

The main hypothesis:

Managers' leadership styles meaningfully associate with employees' entrepreneurship.

**The minor hypotheses:**

Authoritarian leadership style meaningfully associates with employees' entrepreneurship.

Participatory leadership style meaningfully associated with employees' entrepreneurship.

**Findings:**

The main hypothesis

Managers' leadership styles meaningfully associated with employees' entrepreneurship.

H0: there is no significant relationship between leadership styles and entrepreneurship.

H1: there is a significant relationship between leadership styles and entrepreneurship.

Table 1: correlation between managers' leadership styles and entrepreneurship.

Variable 1	Variable 2	r	p
Leadership styles	Rate of entrepreneurship	0.123	<b>0.041</b>

Considering the table,  $r=0.123$ ,  $p<0.05$  so, the H0 is rejected and there is a meaningful association between the variables.

Table 2 Regression test for leadership style and entrepreneurship

T	Beta	Coefficient of determination	p
2.050	0.045	0.15	<b>0.041</b>

Considering the table, coefficient of determination value equals 15.0,  $p<0.05$ . so, the leadership style explains 15% of changes in the dependent variable.

**The minor hypotheses**

Authoritarian leadership style meaningfully associates with employees' entrepreneurship.

H0: there is no meaningful relationship between authoritarian leadership style and entrepreneurship.

H1: there is a meaningful relationship between authoritarian leadership style and entrepreneurship.

Table 3

Variable 1	Variable 2	r	p
Authoritative Leadership styles	Rate of entrepreneurship	0.000	<b>0.859</b>

As the table shows,  $r=0.859$  ,  $p<0.05$  so, the  $H_0$  is rejected and there is a meaningful association between the variables.

Table 4 Regression test for authoritative leadership style and entrepreneurship

T	Beta	Coefficient of determination	p
6.933	0.2	0.739	<b>0.000</b>

According to the table, coefficient of determination value equals 0.7,  $p<0.05$  . So, the authoritative leadership style explains 73% of changes in the dependent variable.

Participatory leadership style meaningfully associates with employees' entrepreneurship.

$H_0$ : there is no meaningful relationship between participatory leadership style and entrepreneurship.

$H_1$ : there is a meaningful relationship between participatory leadership style and entrepreneurship.

Table 5

Variable 1	Variable 2	r	p
participatory styles	Leadership Rate of entrepreneurship	0.827	<b>0.000</b>

As the table shows,  $r=0.827$  ,  $p<0.05$  so, the  $H_0$  is rejected and there is a meaningful association between the variables.

**Regression test for participatory leadership style and entrepreneurship**

Table 6

T	Beta	Coefficient of determination	p
7.926	0.290	0.684	<b>0.000</b>

According to the table, coefficient of determination value equals 0.684,  $p<0.05$ . So, the participatory leadership style explains 68% of changes in the dependent variable.

**Conclusion**

The major hypothesis: there a meaningful relationship between leadership styles and entrepreneurship.

According to the results,  $r=0.123$ ,  $p<0.05$  so, the  $H_0$  is rejected and a significant association exists among the variables. Also, the coefficient of determination value is equal to 15.0, which means the leadership styles can explain 15% of changes in the dependent variable.

The minor hypotheses:

$H_1$ : there is a meaningful relationship between managers' authoritative style and entrepreneurship. Since  $r=0.859$ ,  $p<0.05$ , the  $H_0$  is rejected and a significant relationship could be observed. Moreover, the determination of coefficient value equals 0.7 , which means the authoritative style can predict 73% of changes in the dependent variable.

$H_2$ : there is a meaningful relationship between managers' participatory style and entrepreneurship. Since  $r=0.827$ ,  $p<0.05$ , the  $H_0$  is rejected and a significant relationship could be identified. Furthermore, the determination of coefficient value equals 0.684, which means the participatory style can predict 68% of changes in the dependent variable.

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