Leadership Styles and Employee Productivity among Small and Medium Scale Enterprises in Owo, Ondo State

Benjamin Evbuomwan Oseghale (Ph.D)
Department of Business Administration
Faculty of Social and Management Sciences
Achievers University Owo,Ondo State, Nigeria.
oseghale.be@achievers.edu.ng +238027468040
&
Judith Oghogho Amadasun (Ph.D)
Department of Human Resource Management
Faculty of Management Sciences
University of Benin, Benin City, Edo State, Nigeria.
judith.amadasun@uniben.edu +238137344714

Abstract

This study examined the effect of leadership styles on employee productivity among Small and Medium Enterprises (SMEs) in Owo, Ondo State, Nigeria. Specifically, the study investigated how autocratic, democratic, and laissez-faire leadership styles influence employee productivity within SMEs operating in the area. A quantitative research design was adopted for the study, while data were collected through structured questionnaires administered to employees of selected SMEs in the study area. A total of 177 valid responses were obtained and analyzed using descriptive statistics and multiple linear regression analysis. The findings revealed that leadership styles significantly influence employee productivity among SMEs. The regression results showed that autocratic leadership style had the strongest positive and significant effect on employee productivity ($\beta = 0.5542$, $p < 0.05$), while democratic leadership style also had a positive and significant influence on productivity ($\beta = 0.1305$, $p \approx 0.05$). However, laissez-faire leadership style showed a positive but statistically insignificant effect on employee productivity ($\beta = 0.0146$, $p > 0.05$). The model further revealed that leadership styles jointly explained about 38.8% of the variation in employee productivity ($R^2 = 0.388$). The study concluded that leadership style plays an important role in determining employee productivity in SMEs. The study therefore recommends that SME managers should encourage participatory leadership approaches while maintaining moderate supervision and discipline where necessary. The study also recommends reducing excessive laissez-faire leadership because of its weak contribution to employee productivity.

Keywords: Leadership style, employee productivity, autocratic leadership, democratic leadership, laissez-faire leadership, SMEs.

Introduction

Leadership remains one of the most important factors that determine organisational success and employee productivity in both developed and developing economies. In every organisation, whether public institutions, private firms, or small businesses, the ability of leaders to coordinate activities, motivate employees, communicate effectively, and supervise operations contributes significantly to organisational growth and performance. Leadership style influences workplace relationships, employee morale, communication flow, and decision-making processes within organisations. In today's highly competitive and dynamic

business environment, organisations require effective leadership to remain productive, innovative, and sustainable (Northouse, 2022; Yukl, 2013).

In Nigeria, Small and Medium Enterprises (SMEs) play a vital role in economic development through employment generation, poverty reduction, innovation, and wealth creation. SMEs contribute significantly to national income and provide business opportunities for millions of Nigerians. In many communities across Ondo State and Nigeria generally, SMEs serve as the backbone of local economic activities and family livelihoods. Despite their importance, many SMEs continue to experience serious managerial and operational challenges such as low employee morale, weak communication systems, inadequate supervision, poor employee commitment, and declining productivity. In most cases, these challenges are associated with ineffective leadership approaches adopted by business owners and managers (Aga et al., 2016; Alkhajeh, 2018).

Within many Nigerian SMEs, leadership is often concentrated in the hands of owners or managers who make major organisational decisions and supervise employees directly. Due to the informal nature of many SMEs in Nigeria, employees usually work closely with business owners, making leadership style more visible and influential in daily operations. Some SME managers adopt highly controlling leadership approaches characterised by strict supervision, discipline, and centralised decision-making. Others adopt flexible leadership patterns that allow employees considerable freedom with minimal supervision. These leadership practices affect employee behaviour, motivation, commitment, efficiency, and overall productivity within the workplace (Bass & Riggio, 2006; Robbins & Judge, 2019).

In the Nigerian business environment, many employees perform better under leaders who provide clear direction, maintain discipline, and closely monitor work activities. At the same time, employees also appreciate leadership styles that encourage communication, teamwork, participation, and mutual respect. The inability of some SME managers to balance authority with employee involvement has contributed to poor organisational performance and declining employee commitment in many small businesses.

Several empirical studies have shown that leadership style significantly influences employee productivity across different sectors and industries. Khan et al. (2020) found that leadership style significantly affects employee performance and organisational effectiveness in developing economies. Similarly, Saleem (2015) reported that democratic leadership positively influences employee productivity and organisational commitment. In Nigeria, Ugoani (2020) established that leadership style significantly predicts employee efficiency and organisational performance among SMEs.

Other related studies further support the importance of leadership in organisational productivity. Asrar-ul-Haq and Anwar (2018) found that participative leadership enhances teamwork, motivation, and employee commitment. Iqbal et al. (2015) also reported that leadership behaviour influences employee satisfaction and workplace productivity. Similarly, Chukwusa (2019) observed that democratic leadership encourages innovation and commitment among employees in Nigerian organisations, while excessive authoritarian leadership may reduce creativity despite improving operational control.

Despite these contributions, there is still limited empirical research focusing specifically on leadership styles and employee productivity among SMEs in Owo, Ondo State. Most previous studies concentrated on large organisations, manufacturing firms, banks, multinational companies, and public institutions, with limited attention given to SMEs operating within Ondo State. This creates a geographical and contextual gap in the literature. It is against this background that this study examines the effect of autocratic, democratic, and laissez-faire leadership styles on employee productivity among SMEs in Owo, Ondo State, Nigeria.

Statement of the Research Problem

Employee productivity remains one of the major challenges confronting many SMEs in Nigeria despite the important role SMEs play in national economic development. Many SMEs continue to experience low employee commitment, weak supervision, poor communication, and declining productivity. One of the major factors responsible for these challenges is ineffective leadership style.

Leadership style affects employee motivation, behaviour, morale, commitment, and overall job performance. However, many SME managers adopt leadership approaches without fully understanding how such styles influence employee productivity. While some leaders apply excessive autocratic leadership through strict supervision and centralised decision-making, others adopt laissez-faire leadership where employees operate with little guidance or supervision. These approaches may negatively affect organisational performance if not properly managed.

Previous empirical studies have produced mixed findings regarding the most effective leadership style for improving employee productivity. Olayisade and Awolusi (2021) found autocratic leadership effective in improving productivity in the Nigerian oil and gas industry, whereas Osifo and Lawal (2019) emphasized the positive effect of democratic leadership on employee performance. Similarly, Iyaji and Bakare (2023) reported that laissez-faire leadership negatively affects employee productivity among SMEs in North-Central Nigeria.
Despite these studies, there is still limited empirical evidence focusing specifically on the combined effects of autocratic, democratic, and laissez-faire leadership styles on employee productivity among SMEs in Owo, Ondo State. This creates a geographical and contextual gap which this study seeks to address.

Research Questions

1. What is the effect of autocratic leadership style on employee productivity among SMEs in Owo, Ondo State?
2. To what extent does democratic leadership style influence employee productivity among SMEs in Owo, Ondo State?
3. What is the effect of laissez-faire leadership style on employee productivity among SMEs in Owo, Ondo State?

Research Objectives

The general objective of this study is to examine the effect of leadership styles on employee productivity among SMEs in Owo, Ondo State while the specific objectives were to:

1. Examine the effect of autocratic leadership style on employee productivity among SMEs in Owo, Ondo State.

2. Determine the influence of democratic leadership style on employee productivity among SMEs in Owo, Ondo State.
3. Evaluate the effect of laissez-faire leadership style on employee productivity among SMEs in Owo, Ondo State.

Research Hypotheses

H_{01}: Autocratic leadership style has no significant effect on employee productivity among SMEs in Owo, Ondo State.

H_{02}: Democratic leadership style has no significant influence on employee productivity among SMEs in Owo, Ondo State.

H_{03}: Laissez-faire leadership style has no significant effect on employee productivity among SMEs in Owo, Ondo State.

Literature Review

Leadership style refers to the pattern of behaviour adopted by leaders in directing, motivating, supervising, and influencing employees toward the achievement of organizational goals. In practical terms, leadership style reflects how managers relate with workers and coordinate organisational activities within the workplace. According to Lewin et al. (1939), leadership style reflects the manner in which leaders provide direction, implement policies, and motivate subordinates within an organisation. Similarly, Northouse (2022) described leadership style as a consistent pattern of behaviour used by leaders to influence individuals and groups toward achieving organisational objectives. In many Nigerian workplaces, leadership style determines whether employees feel encouraged, valued, motivated, or excessively controlled. Employee productivity refers to how efficiently and effectively employees carry out assigned duties to achieve organisational goals. Robbins and Judge (2019) explained productivity as the extent to which organisational inputs are transformed into valuable outputs through employee performance. Armstrong (2020) also described productivity as the quantity and quality of work completed within a given period. In Nigeria's SME environment where resources are often limited, employee productivity is critical for business survival and growth. Autocratic leadership is a leadership style where decision-making authority is concentrated in the hands of the leader. Weber (1947) explained that autocratic leadership is characterised by strict supervision, centralised authority, discipline, and obedience to rules. In many Nigerian SMEs, this leadership style is common because business owners often prefer direct control over operations to ensure efficiency and discipline. While autocratic leadership may improve speed and operational control, excessive use may reduce employee creativity and morale.

Democratic leadership encourages employee participation in organisational decision-making. Likert (1967) described democratic leadership as a participative leadership approach that promotes communication, consultation, teamwork, and collaboration between leaders and employees. In many workplaces, democratic leadership improves employee morale because workers feel recognised and involved in decisions affecting their work activities.

Laissez-faire leadership allows employees to operate with little or no supervision from management. Bass (1985) noted that laissez-faire leadership involves minimal managerial interference and significant employee freedom. Although this style may work effectively with

highly skilled and self-motivated workers, it may create coordination problems and weak accountability in many SMEs.

Empirical studies generally show that leadership style significantly influences employee productivity and organisational performance. Abasilim et al. (2019) found that leadership style significantly affects employee commitment and organisational effectiveness in Nigeria. Nwachukwu and Chladkova (2019) also reported that participative leadership improves SME performance in Anambra State.

Osifo and Lawal (2019) found that democratic leadership positively influences employee performance in the banking sector, while autocratic leadership showed weaker effects. However, Olayisade and Awolusi (2021) reported that autocratic leadership remains effective in highly structured industries such as oil and gas.

Similarly, Azeez and Adeoye (2021) found that democratic leadership improves innovation and productivity in manufacturing firms, while autocratic leadership remains useful in situations requiring operational control and discipline. Iyaji and Bakare (2023) also established that democratic leadership enhances SME productivity, whereas laissez-faire leadership reduces organisational performance.

In the healthcare sector, Shodiya et al. (2022) found that democratic leadership improves service delivery and employee efficiency. Taiwo (2015) and Ololube (2013) also emphasized that participative leadership enhances employee motivation and organisational effectiveness in educational institutions.

Bass and Avolio (2004) further argued that participative leadership improves employee commitment, trust, and workplace performance across organisations. Oke et al. (2020) equally found that leadership style significantly predicts SME performance in Lagos State.

In all, existing literature shows that leadership style remains a major determinant of employee productivity in Nigeria. Democratic leadership is commonly associated with teamwork, communication, and motivation, while autocratic leadership appears effective in fast-paced and highly controlled environments. On the other hand, laissez-faire leadership often leads to weak supervision and lower productivity where employees require managerial direction.

Despite these findings, inconsistencies still exist across studies, and most previous research focused mainly on large organisations rather than SMEs. More importantly, limited attention has been given to SMEs in Ondo State. This creates a clear research gap which this study seeks to address by examining the effect of autocratic, democratic, and laissez-faire leadership styles on employee productivity among SMEs in Owo, Ondo State, Nigeria.

Theoretical Framework

This study is anchored on Kurt Lewin's Leadership Style Theory, developed by Lewin, Lippitt, and White (1939). The theory is one of the earliest and most widely used explanations of leadership behaviour, and it helps to show how the way a leader behaves can affect group performance, employee attitude, and productivity in any organisation.

Lewin and his colleagues identified three main leadership styles, which are autocratic, democratic, and laissez-faire leadership styles (Lewin et al., 1939).

Autocratic leadership is a style where the leader takes full control of decision-making. In this case, employees are usually expected to follow instructions without much input or consultation. Democratic leadership, on the other hand, allows employees to take part in decision-making. It encourages discussion, teamwork, and open communication between leaders and workers. Laissez-faire leadership is more relaxed, where the leader gives employees freedom to carry out their tasks with very little supervision or interference (Northouse, 2022; Robbins & Judge, 2019).

The main idea behind Lewin's theory is simple: leadership style has a direct effect on how employees behave and perform at work. In Lewin's early experiments, groups led by different leadership styles behaved differently. For example, groups under democratic leadership tended to work better together, showed higher morale, and produced better quality results. Autocratic leadership led to faster task completion but sometimes created tension among group members because of strict control. Laissez-faire leadership, however, often resulted in confusion or low productivity when employees were not self-motivated enough to manage their own tasks (Lewin et al., 1939).

In today's organisational environment, this theory is still very relevant. Modern studies have shown that when leaders involve employees in decision-making, it improves teamwork, motivation, and job satisfaction. Employees tend to perform better when they feel that their voices matter in the organisation (Northouse, 2022; Robbins & Judge, 2019). In the same way, leadership styles such as transformational and participative leadership have been linked to higher productivity and stronger commitment in both developed and developing countries (Bass & Riggio, 2006; Yukl, 2013).

In the Nigerian context, especially among Small and Medium Enterprises (SMEs), this theory is very practical. Most SMEs are usually managed directly by owners or family members, and the way they lead has a strong effect on how employees behave and perform. In many cases, because of limited resources and informal structures, leadership style becomes a major factor that determines whether employees are productive or not. Research has also shown that leadership behaviour strongly influences employee motivation, job satisfaction, and performance in SME settings where management is more direct and less structured (Aga et al., 2016; Alkhajeh, 2018).

Therefore, this study adopts Lewin's Leadership Style Theory because it clearly explains how autocratic, democratic, and laissez-faire leadership styles can shape employee productivity. The theory supports the idea that leadership is not just about giving instructions, but about how leaders relate with their workers on a daily basis. Based on this, the study examines how these leadership styles influence employee productivity among SMEs in Owo, Ondo State, Nigeria.

Methodology

This study adopted a quantitative research design through the use of a structured questionnaire to obtain data from employees of selected Small and Medium Enterprises

(SMEs) in Owo, Ondo State, Nigeria. The quantitative approach was considered appropriate because it enabled the researcher to collect measurable data and objectively examine the relationship between leadership styles and employee productivity.

The population of the study comprised 1,005 employees of selected SMEs in Owo, Ondo State as reported by Oseghale et al. (2026). The study adopted a simple random sampling technique to ensure that respondents had equal opportunity of being selected for the study. Primary data were collected through a well-structured questionnaire designed in line with the objectives of the study. The questionnaire was divided into sections measuring autocratic leadership style, democratic leadership style, laissez-faire leadership style, and employee productivity.

To ensure the validity and reliability of the instrument, a pilot test was conducted among selected SME employees outside the study area. The reliability of the instrument was tested using Cronbach's Alpha reliability method. The result produced an overall reliability coefficient of 0.81, indicating that the instrument was reliable and internally consistent for the study.

The data collected from respondents were analysed using descriptive and inferential statistical tools. Descriptive statistics such as frequency tables, percentages, mean, and standard deviation were used to summarise respondents' characteristics and responses, while multiple linear regression analysis was employed to examine the effect of autocratic leadership style, democratic leadership style, and laissez-faire leadership style on employee productivity among SMEs in Owo, Ondo State, Nigeria.

Regression Output of Autocratic, Democratic and Laissez-Faire Leadership Styles on Employee Productivity

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of Estimate
1	0.623	0.388	0.377	0.221

ANOVA Table

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	24.181	3	8.060	36.495	0.000
Residual	38.209	173	0.221		
Total	62.390	176			

Co-efficients Table

Variable	Unstandardized Coefficient (B)	Std. Error	Standardized Beta	t-value	Sig.	Decision
Constant	1.0981	0.3554	–	3.09	0.002	Significant
ALS	0.5300	0.0634	0.5542	8.36	0.000	Significant
DLS	0.1664	0.0845	0.1305	1.97	0.050	Significant
LLS	0.0114	0.0467	0.0146	0.24	0.810	Not Significant

Interpretation of Regression Output

The regression analysis revealed that leadership styles significantly influence employee productivity among SMEs in Owo, Ondo State, Nigeria. The model summary result showed a correlation coefficient of R = 0.623, indicating a strong positive relationship between leadership styles and employee productivity. This means that the leadership approaches adopted by SME owners and managers greatly influence how productive employees become within the organisation.

The coefficient of determination (R^2 = 0.388) revealed that about 38.8% of the variation in employee productivity can be explained by autocratic, democratic, and laissez-faire leadership styles collectively. This suggests that leadership style is an important determinant of employee productivity among SMEs in Owo, Ondo State. However, the remaining 61.2% may be explained by other variables such as salary structure, employee welfare, organisational culture, motivation, working conditions, and job satisfaction which were not included in this study.

The ANOVA result showed that the regression model was statistically significant with an F-value of 36.495 and a significance level of 0.000, which is lower than the accepted 0.05 level of significance. This implies that autocratic, democratic, and laissez-faire leadership styles jointly have a significant effect on employee productivity among SMEs in Owo, Ondo State.

The result further showed that autocratic leadership style had the strongest positive and statistically significant effect on employee productivity ($\beta = 0.5300$, $p < 0.05$). This indicates that employees in many SMEs perform better under leaders who maintain close supervision, discipline, operational control, and quick decision-making. In the Nigerian SME environment where business owners are directly involved in daily operations, employees often respond positively to clear instructions and strong supervision.

The study also found that democratic leadership style had a positive and statistically significant effect on employee productivity ($\beta = 0.1664$, $p = 0.050$). This means that employee participation, communication, teamwork, and involvement in decision-making contribute positively to productivity. Employees are generally more committed and motivated when they feel respected and involved in workplace activities.

However, laissez-faire leadership style showed a positive but statistically insignificant effect on employee productivity ($\beta = 0.0114$, $p > 0.05$). This suggests that excessive employee freedom without proper supervision may not significantly improve productivity among SMEs. In many Nigerian SMEs, employees still require regular guidance, monitoring, and direction from management to remain productive and focused.

Overall, the findings revealed that leadership style remains a major determinant of employee productivity among SMEs in Owo, Ondo State. Autocratic leadership emerged as the strongest predictor of employee productivity, followed by democratic leadership, while laissez-faire leadership showed no significant contribution to productivity.

Hypotheses Testing

Hypotheses Testing Table

Hypotheses	Variables	Beta Value (β)	t-value	p-value (Sig.)	Decision
H_{01}	Autocratic Leadership Style on Employee Productivity	0.5542	8.36	0.000	Rejected
H_{02}	Democratic Leadership Style on Employee Productivity	0.1305	1.97	0.050	Rejected
H_{03}	Laissez-faire Leadership Style on Employee Productivity	0.0146	0.24	0.810	Accepted

Interpretation of Hypotheses Testing

Hypothesis One (H_{01}):

The result revealed that autocratic leadership style had a positive and statistically significant effect on employee productivity among SMEs in Owo, Ondo State. The regression result showed a beta coefficient of $\beta = 0.5542$, $t = 8.36$, and $p = 0.000$, which is less than the 0.05 level of significance. Since the p-value is less than 0.05, the null hypothesis was rejected. This implies that autocratic leadership style significantly influences employee productivity among SMEs in Owo, Ondo State. The finding suggests that close supervision, strict control, and centralised decision-making contribute positively to employee performance within many SMEs.

Hypothesis Two (H_{02}):

The result showed that democratic leadership style had a positive and statistically significant influence on employee productivity among SMEs in Owo, Ondo State. The regression result indicated a beta coefficient of $\beta = 0.1305$, $t = 1.97$, and $p = 0.050$. Since the p-value is equal to the accepted 0.05 significance level, the null hypothesis was rejected. This means that democratic leadership style significantly influences employee productivity among SMEs in Owo, Ondo State. The finding indicates that employee participation, communication, teamwork, and involvement in decision-making improve employee motivation and productivity.

Hypothesis Three (H_{03}):

The result further revealed that laissez-faire leadership style had a positive but statistically insignificant effect on employee productivity among SMEs in Owo, Ondo State. The regression result showed a beta coefficient of $\beta = 0.0146$, $t = 0.24$, and $p = 0.810$, which is greater than the 0.05 level of significance. Therefore, the null hypothesis was accepted. This implies that laissez-faire leadership style does not significantly influence employee productivity among SMEs in Owo, Ondo State. The finding suggests that excessive employee freedom without adequate supervision may not contribute meaningfully to productivity within SMEs.

Discussion of Findings

The findings of this study showed that leadership style plays an important role in influencing employee productivity among SMEs in Owo, Ondo State. The result revealed that both autocratic and democratic leadership styles positively affected employee productivity, while laissez-faire leadership style did not significantly influence productivity. This suggests that

the manner in which managers relate with workers, supervise tasks, and make decisions can either improve or reduce employee performance within SMEs.

The study found that autocratic leadership style had the strongest influence on employee productivity. This indicates that many SME employees perform better when there is proper supervision, clear instructions, and close monitoring from management. In many Nigerian SMEs, business owners prefer maintaining direct control over operations because it helps ensure discipline, quick decision-making, and efficient task completion. Employees therefore tend to work more effectively when leaders clearly define responsibilities and expectations.

This finding supports the work of Olayisade and Awolusi (2021), who reported that autocratic leadership positively influenced employee productivity in the Nigerian oil and gas sector. However, the finding differs slightly from Osifo and Lawal (2019), who observed that autocratic leadership did not significantly improve employee performance in the banking sector. The variation in findings may be associated with differences in organisational structure, work environment, and operational demands across industries.

The study also showed that democratic leadership style positively influenced employee productivity. This means that when employees are allowed to contribute ideas, participate in decision-making, and communicate freely with management, they become more motivated and committed toward achieving organisational goals. Democratic leadership improves teamwork, trust, and workplace relationships between employers and employees.

This result agrees with the studies of Abasilim et al. (2019) and Iyaji and Bakare (2023), who found that democratic leadership improves employee commitment, morale, and productivity. The finding also supports the argument that participatory leadership strengthens cooperation and trust within organisations.

On the other hand, laissez-faire leadership style showed a positive but insignificant effect on employee productivity. This implies that allowing employees to operate with little supervision may not produce the desired level of performance in many SMEs. In small businesses where resources and operational structures are limited, employees often require guidance, supervision, and direction from management to remain productive and focused on organisational goals.

Overall, the findings support Kurt Lewin's Leadership Style Theory which explains that leadership effectiveness depends largely on how leaders interact with employees and manage workplace activities. The study therefore confirms that leadership style remains a major factor influencing employee productivity among SMEs in Owo, Ondo State.

Conclusion

This study examined the effect of leadership styles on employee productivity among Small and Medium Enterprises (SMEs) in Owo, Ondo State, Nigeria. The study focused on autocratic, democratic, and laissez-faire leadership styles. From the findings, it was established that leadership style significantly affects employee productivity and organisational performance within SMEs.

The study revealed that autocratic leadership style had the strongest positive effect on employee productivity. This suggests that many SMEs in Owo still depend on close supervision, discipline, and centralised decision-making to maintain efficiency and achieve business goals. The study also found that democratic leadership style positively influenced employee productivity by promoting communication, teamwork, employee participation, and organisational commitment.

However, laissez-faire leadership style did not significantly improve employee productivity. This indicates that excessive employee freedom without proper supervision may reduce coordination and accountability within SMEs.

The study therefore concludes that effective leadership is necessary for improving employee productivity and sustaining organisational growth. While autocratic leadership may help in situations requiring quick decisions and strict supervision, democratic leadership appears more suitable for building long-term employee commitment, motivation, and teamwork. SME managers should therefore maintain a balanced leadership approach that combines proper supervision with employee involvement in organisational activities.

Recommendations

Based on the findings of this study, the following recommendations are made for improving employee productivity among SMEs in Ondo State:

1. Adoption of Democratic Leadership Style: SME managers should encourage employee participation in decision-making processes to improve motivation, teamwork, commitment, and productivity within the organisation.
2. Moderate Use of Autocratic Leadership: Managers should apply autocratic leadership only when necessary, especially in situations requiring quick decisions, discipline, and close supervision, while avoiding excessive control that may reduce employee morale.
3. Minimisation of Laissez-faire Leadership: SME leaders should reduce excessive laissez-faire leadership practices because inadequate supervision and weak coordination may negatively affect employee productivity and organisational efficiency.
4. Leadership Training and Development: SME owners and managers should participate in regular leadership and management training programmes to improve communication, supervision, employee relations, and effective leadership skills.
5. Culturally Sensitive Leadership Practices: Managers should adopt leadership approaches that consider Nigeria's cultural diversity by balancing authority with employee participation, respect, and interpersonal relationships.

This study contributes to the growing body of knowledge on leadership and employee productivity in Nigeria and provides useful insights for SME owners, managers, researchers, and policymakers interested in improving organisational performance and employee productivity within SMEs.

References

Aga, D. A., Noorderhaven, N., & Vallejo, B. (2016). Transformational leadership and project success: The mediating role of team-building. *International Journal of Project Management*, *34*(5), 806–818. https://doi.org/10.1016/j.ijproman.2016.02.012

Akpoviroro, K. S., Kadiri, B., & Owotutu, S. O. (2018). Effect of participative leadership style on employee productivity. *International Journal of Economic Behavior, 8*(1), 47-60. https://doi.org/10.14276/2285-0430.1927

Alkhajeh, E. H. A. (2018). Impact of leadership styles on organizational performance. *Journal of Human Resources Management Research*, 2018, 1-10.

Armstrong, M. (2020). *Armstrong's handbook of human resource management practice* (15th ed.). Kogan Page.

Asrar-ul-Haq, M., & Anwar, S. (2018). The many faces of leadership: Proposing research agenda through a review of literature. *Future Business Journal, 4*(2), 179-188.

Bass, B. M. (1985). *Leadership and performance beyond expectations*. Free Press.

Bass, B. M., & Avolio, B. J. (2004). *Improving organizational effectiveness through transformational leadership*. Sage Publications.

Bass, B. M., & Riggio, R. E. (2006). *Transformational leadership* (2nd ed.). Lawrence Erlbaum Associates.

Chukwusa, J. (2019). Autocratic leadership style: Obstacle to success in academic libraries. *Library Philosophy and Practice*, 1-13.

Goleman, D. (2000). Leadership that gets results. *Harvard Business Review, 78*(2), 78-90.

Graen, G. B., & Uhl-Bien, M. (1995). Relationship-based approach to leadership: Development of leader-member exchange theory over 25 years. *Leadership Quarterly, 6*(2), 219-247.

Iqbal, N., Anwar, S., & Haider, N. (2015). Effect of leadership style on employee performance. *Arabian Journal of Business and Management Review, 5*(5), 1-6.

Iyaji, E., & Bakare, A. (2023). Leadership style and employee productivity among SMEs in North-Central Nigeria. *Nigerian Journal of Management Sciences, 24*(3), 55-70.

Judge, T. A., Piccolo, R. F., & Ilies, R. (2004). The forgotten ones? The validity of consideration and initiating structure in leadership research. *Journal of Applied Psychology, 89*(1), 36-51.

Khan, H., Rehmat, M., Butt, T. H., Farooqi, S., & Asim, J. (2020). Impact of transformational leadership on work performance, burnout and social loafing. *Future Business Journal, 6*(1), 1-13.

Lewin, K., Lippitt, R., & White, R. K. (1939). Patterns of aggressive behavior in experimentally created social climates. *Journal of Social Psychology, 10*(2), 271-299.

Likert, R. (1967). *The human organization: Its management and value*. McGraw-Hill.

Northouse, P. G. (2022). *Leadership: Theory and practice* (9th ed.). Sage Publications.

Nwachukwu, C., & Chladkova, H. (2019). Employee commitment and organizational performance in SMEs in Nigeria. *Marketing and Management of Innovations, 3*, 184-196.

Obiwuru, T. C., Okwu, A. T., Akpa, V. O., & Nwankwere, I. A. (2011). Effects of leadership style on organizational performance: A survey of selected small scale enterprises in Ikosi-Ketu Council Development Area of Lagos State, Nigeria. *Australian Journal of Business and Management Research, 1*(7), 100-111.

Oke, A. O., Ojebola, O. O., & Aina, C. O. (2020). Leadership style and SME performance in Lagos State. *International Journal of Business and Management Review, 8*(4), 45-59.

Olayisade, A., & Awolusi, O. D. (2021). The effect of leadership styles on employee productivity in the Nigerian oil and gas industry. *Information Management and Business Review, 13*(1), 47-64.

Ololube, N. P. (2013). Educational management, planning and supervision: Model for effective implementation. Springfield Publishers.

Oseghale, E. B., Sobogun, E. I., & Ololade, O. P. (2026). Leadership styles and organisational performance of small and medium scale enterprises in Owo, Ondo State, Nigeria. *South-South Journal of humanities & international studies, 9*(1), 45-63.

Osifo, S. J., & Lawal, F. A. (2019). Leadership styles and employee performance in selected banks in Edo State, Nigeria. *Nigerian Journal of Business Administration, 17*(2), 88-101.

Robbins, S. P., & Judge, T. A. (2019). *Organizational behavior* (18th ed.). Pearson Education.

Saleem, H. (2015). The impact of leadership styles on job satisfaction and mediating role of perceived organizational politics. *Procedia - Social and Behavioral Sciences, 172*, 563-569.

Shodiya, O. A., Raji, O. A., Jolaosho, S. O., & Akintaro, A. O. (2022). Leadership styles and employees' performance: Evidence from Federal Medical Centre, Abeokuta, Ogun State, Nigeria. *International Journal of Economic Behavior, 12*(1), 1-16.

Ugoani, J. N. N. (2020). Leadership styles and organizational effectiveness in Nigeria. *International Journal of Economics and Business Administration, 6*(1), 40-47.

Voon, M. L., Lo, M. C., Ngui, K. S., & Ayob, N. B. (2011). The influence of leadership styles on employees' job satisfaction in public sector organizations in Malaysia. *International Journal of Business, Management and Social Sciences, 2*(1), 24-32.

Wang, X. H. F., & Howell, J. M. (2010). Exploring the dual-level effects of transformational leadership on followers. *Journal of Applied Psychology, 95*(6), 1134-1144.

Weber, M. (1947). *The theory of social and economic organization*. Oxford University Press.

Yukl, G. (2013). *Leadership in organizations* (8th ed.). Pearson Education.