## MANAGERIAL STYLES AND LABOUR TURN OVER IN MUKWANO GROUP OF COMPANIES LIMITED UGANDA

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A RESEARCH REPORT SUBMITTED TO THE COLLEGE OF APPLIED ECONOMICS AND MANAGEMENT SCIENCE IN PARTAL FULFILLMENT OF THE REQUIREMENTS FOR THE A WARD OF A BACHERLOR'S DEGREE OF HUMAN RESOURCE MANAGEMENT OF KAMPALA INTERNATIONAL UNIVERSITY

MAY, 2013

### DECLARATION

I, Kabugho Juliet declare that the content of this research proposal is my original work and has never been presented to any institution of higher learning for the award of a degree in Human Resource Management.

Signature: Date. 18 06 2013 · KABUGHO JULIET

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## APPROVAL

This research proposal has been submitted for examination with my approval as the candidate's university supervisor.

sel Signature:..

MR. KANYANGABO EDWARD

## DEDICATION

This research report is dedicated to my dear parents. Relatives, friends, due to their quest to see me graduate with a bachelor's degree in human resource management at Kampala international university.

#### ACKNOWLEDGEMENT

The successful completion and production of this research report leaves me indebted to the almighty God whose generous assistance, guidance, blessings, favour, prosperity and protection saw me through. I thank my beloved parents for their parental care and having done their best for the success of this research work. My special thanks go to my esteemed supervisor Mr.Kanyangabo Edward, who endeavoured to see me successfully through. Am so grateful to him for his constructive criticisms and tireless discussions held during preparation and production process of this academic work. More so, he is highly accredited for his personal integrity.

Appreciation goes to the management of Mukwano group of companies Limited Uganda, for allowing me permission to use Mukwano group of companies Limited Uganda as a case study for this research. In a similar way, the following people deserve a vote of thanks: all my lectures; Mr.Kanyangabo Edward, Mr.Wandiba Augustine, Mrs. Businge Suzan among others for the long academic sessions during my course of study at KIU. Also the following personalities and close friends;Kojoki Freda,Stephen,John, deserve a praise for their charity showed to me at the time of need throughout my struggles at the University.

It is also my pleasure to identify my former , headmaster Mr. Barigye Leopod, whose effort has greatly shaped my academic character and personality.

## ABSTRACT.

The study aimed at establishing the effects of managerial styles on labour turn over in Mukwano group of companies Limited Uganda. The problem was the persistent labour turnover and therefore, to find out if managerial styles in Mukwano group of companies Limited Uganda could have a positive or negative effect on the turnover of workers.

The purpose of the study was to establish the relationship between managerial styles and labour turnover in Mukwano group of companies Limited uganda. The objectives of the study were: to establish the effect of autocratic managerial style on labour turnover in Mukwano group of companies Limited Uganda, to establish the effect of democratic managerial style on labour turnover in Mukwano group of companies Limited Uganda. The sample size was determined by use of table criterion as designed by research experts to aid in selecting appropriate sample sizes. Selection of respondents was done by means of stratified and simple random sampling, and samples were taken from each strata following a random order so that each and every respondent had equal chances of being selected. Questionnaire was used as an instrument of data collection and analysis of data was done by means of tables, frequencies, and percentages. True findings were then presented using pie-charts and bar charts.

According to the objectives of the study, the findings in Mukwano group of companies Limited Uganda, revealed that dictatorial and free reign forms of management stimulate negative feelings and dissatisfaction giving rise to high labour turnover whereas democratic/participative style of management stimulate good feelings and employee satisfaction giving rise to low labour turnover.

Based on the findings, recommendations were made that; Mukwano group of companies Limited Uganda should promote and maintain democratic/participative managerial style which values employee involvement and participation since majority of employees want freedom of expression. The company should adopt soft human resource strategies whose emphasis centers more on goal achievement

alongside treating people as resources not as machines. The company should embark on fair policies{rules and regulations} made in consultation with employees. The company should consider the positive contributions of democratic style while paying attention to its negative effects since it stimulates negative feelings and dissatisfaction among other workers. The company should not undermine the positive impact of coercive and free reign styles since considerable percentages of employees agree and believe that these styles are good to achieve goals and objectives. It was concluded that, indeed, managerial styles in Mukwano group of companies Limited Uganda, have effects on labour turnover. Dictatorial and free reign styles give rise to low employee satisfaction leading to high labour turnover whereas democratic style leads to high satisfaction and low labour turnover. Those findings agree with early studies conducted by other researchers across the business world. In all cases however, Mukwano group of companies Limited Uganda should not undermine the positive and negative contributions of each style because they give rise to both positive and negative feelings/dissatisfaction at different levels. Managers who would like to reduce labour turnover, should adjust their styles accordingly.

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## CHAPTER ONE INTRODUCTION

#### **1.0 INTRODUCTION**

This chapter describes the back ground of the study, statement of the problem, purpose of the study, objectives of the study, research questions, scope and significance of the study.

### **1.1 BACK GROUND OF THE STUDY**

The managerial style adopted by an organization is a key factor for its success or failure. Subordinate behavior and their choice to stay or leave the organization highly depend on the management style practiced in that particular organization.(Greenberg & Baron, 1997)

Scholars and researchers have placed emphasis on the fact that managers in organizations should be able to maintain and retain their workforce because turnover is unhealthy. Henry Fayol, 1988 a great management practitioner, in his 14 principles of management highlighted that the best management style should address the problem of labour turnover and promote stability of staff in which case, employee turnover should be minimized, tenure and long term commitment should be encouraged. (Chandon, 1987).

Robert Owen, a British Entrepreneurs in Scotland (1971 - 1978), proposed that managers should adopt a participative style where workers should be treated with no coercion so that they are motivated and committed to serve the organization (Bartol and Martin 1998)

Researchers admit that labor turnover is a liability to the success of an organization. No organization can achieve its goals if there is persistent labor turnover. Loss of employees from the organization would retard production, kill creativity, innovation, and its competitive advantage. (Mejia and Balkin, 2002)

Regardless of the geographical location of the firm, turnover can hurt an organization because it results in the loss of the experience and knowledge that

managers have gained about the company, industry and environment (Jones, George and Hill, 2000)

Early studies conducted in relation to managerial styles and labor turnover showed that democratic style stimulated higher subordinate satisfaction, autocratic registered lower satisfaction while free reign style resulted in both low satisfaction and low performance.

(Mejia & Balkin, 2002)

This study therefore, centered on the managerial styles and Labor turn over in Mukwano Group of companies, Kampala Uganda.

The Mukwano Group of companies, headquarters are located on Mukwano Road in Kampala, Uganda's capital city. The coordinates of the company headquarters are:00 18 50N, 325923E (Latitude:0.3137; Longitude:32.5923). In Uganda, Mukwano Group of companies have manufacturing facilities and assets in Masindi District, Lira District, and Kampala, Uganda's capital city. Mukwano Group also maintains manufacturing facilities and assets in Mombasa, Kenya and Dar-es-Sawaam, Tanzania, among other locations.

The Mukwano Group of companies was established in 1986, although it did not start operations until 1989. Today, the Mukwano Group of companies is involved in five (5) main areas of business:

- Manufacturing
- Real estate investments
- Bulk storage & shipment
- Cargo clearing & forwarding
- Agriculture

Mukwano Group of companies is one of the most active investment groups in Uganda. The group won the coveted Annual Presidential Award of Best Exporter of the Year in 2004.

With Mukwano Group of companies, its Headquarters in Kampala, Uganda, this multi-activity industrial/trade organization is a family business made up of several associate companies whose current operations include manufacture, sale and

distribution of a wide range of consumer products.

#### **1.2 STATEMENT OF THE PROBLEM**

In Mukwano group of companies, there is higher pay; better working conditions, effective communication and other forms of motivations, despite of all those motivation facilities, Mukwano has greatly faced persistent loss and departure of their key human resources, a condition known as labor turnover. Though this imbalance may be attributed to a number of reasons, the effect of managerial styles on labor turnover has since time immemorial not been thoroughly investigated and therefore, treated with less attention. This condition has led to poor performance, low productivity and loss of competitive advantage for some companies.

Mukwano Group of companies is one of such companies characterized by persistent labor turnover regardless of the company's effort to improve and maintain its pay structure, working conditions and a net work of effective communication. The problem to be explored here is, "The correlation between managerial styles and labor turnover" Could management styles in Mukwano Group of companies, have a positive or negative effect on labor turnover?

#### **1.3 PURPOSE OF THE STUDY.**

The purpose of the study is to establish the relationship between managerial styles and labor turn over in Mukwano Group of companies.

#### **1.4 SPECIFIC OBJECTIVES OF THE STUDY**

The following are the objectives under which the research study will be conducted:

- 1.4.1 To establish the effects of autocratic style of management on labor turn over in Mukwano Group of companies.
- 1.4.2 To establish the effects of democratic management style on labor turn over in Mukwano Group of companies.
- 1.4.3 To establish the effects of free reign management style on labor turn over in Mukwano Group of companies

## 1.5 RESEARCH QUESTIONS

- 1.5.1 What is the effect of autocratic management style on employee turnover in Mukwano Group of companies?
- 1.5.2 What is the effect of democratic management style and labour turn ever in Mukwano Group of companies?
- 1.5.3 What is the effect of free reign management style and labor turn over in Mukwano Group of companies?

## **1.6. SCOPE OF THE STUDY**

## 1.6.1 Geographical scope

The research will be carried out in Kampala district, Mukwano Group of companies main offices located at Mukwano road, in Kampala capital city.

## 1.6.2 Content scope

It will include only employees who work for Mukwano Group of companies. Mukwano Group of companies is convenient for the study due to its proximity and easy availability of the required information and makes research more cost effective. The study will cover nothing else other than managerial styles and labor turn over in Mukwano Group of companies.

## 1.6.3 Time scope

Focus will be given to the existing literature and information available as from 2010-2012. The study will cover only information within three years, from 2010 to 2012.

## 1.7. SIGNIFICANCE OF THE STUDY.

This research study is significant because it will:

- Help managers in Mukwano Group of companies and other companies to critically analyze their management styles and the effects these styles have on labor turnover.
- Improve the management approach that Mukwano Group of companies employs to manage its people in order to minimize labor turn over.
- Contribute to the researcher's fulfillment of the requirements for the award of a bachelor's degree in Human resource management.
- Avail pertinent information to students conducting research in the same field of management styles and labor turn over for reference.

## CHAPTER TWO

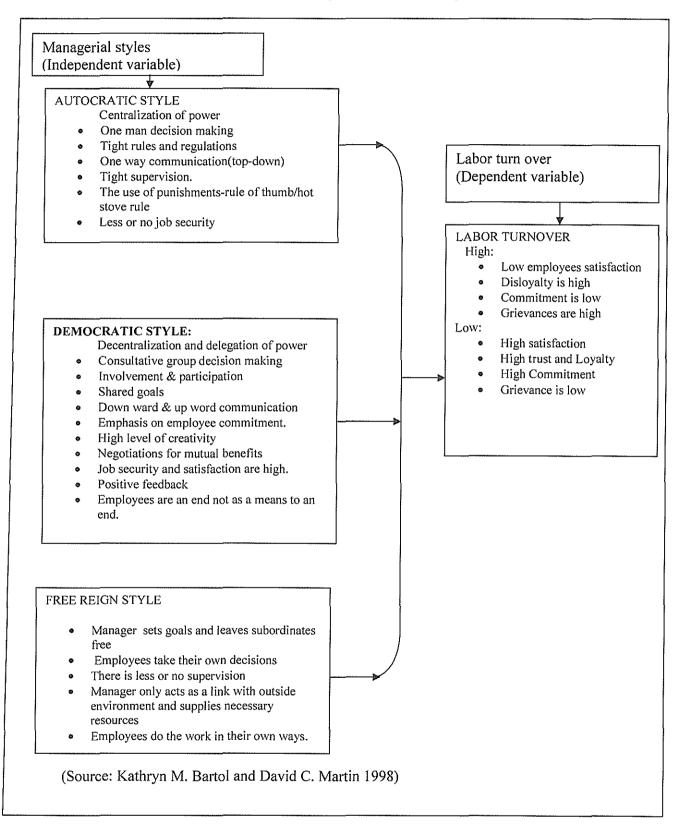
## LITERATURE REVIEW

## **2.0 INTRODUCTION**

This chapter reviews the work of other researchers and scholars about the topic under study. It will comprise the conceptual frame work of the study, managerial styles & the effect that each style has on employee turnover.

## 2.1 CONCEPTUAL FRAME WORK.

The conceptual frame work of the study explains the relationship between



## 2.2 RELATED LITERATURE.

Related literature of the study topic is reviewed objective by objective. The literature is got from text books that significantly relate to the topic of study.

#### 2.2.1 AUTOCRATIC MANAGEMENT STYLE AND LABOR TURN OVER

Autocratic management is a style in which the manager tends to centralize authority and relies on legitimate, reward, and coercive power.(Daft, 2000) The manager keeps the decision making authority and control in his own hands and assumes full responsibility for all actions. He/she structures the entire work situation in his/her own way and expects the subordinates to follow his orders and tolerate no deviation from his orders.

An autocratic manager believes that his managerial behavior is based up on the authority conferred up on him by some source, such as his position, knowledge, strength or the power to punish and reward and they do only what they are told to do. (Chandan, 1987).

This style of management may be negative because followers are uninformed, insecure and afraid of the managers authority.(**Prasad 2002**).

#### There are three forms of autocratic style, namely;

Strict Autocrat, under this managerial behavior, the manager follows autocratic styles in a very strict sense. The manager makes decisions unilaterally and closely supervises subordinates. His method of influencing subordinates' behavior is through negative motivation such as criticism and penalty.

(Prasad 2002; Greenberg and Baron, 1997)

Benevolent Autocrat, under this style, the manager makes decisions unilaterally and gives subordinates latitude in carrying out their work. The manager centralizes decision making power in him, but his motivation style is positive. He can be effective in getting efficiency in many situations. Some people like to work under strong authority structure and they derive satisfaction by this style. (Greenberg and Baron, 1997)

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Incompetent Autocrat a style in which the superior sometimes adopts autocratic behavior to hide his/her incompetence because in other styles he/she may be exposed before the subordinates. For example, a less skilled manager may coerce a subordinate to perform a complicated task that the superior/manager him/herself could be unable to perform.

(Prasad, 2002)

Studies confirm that people in organizations dislike autocratic management style. Employees lose motivation, and moral. They get frustrated and conflicts develop, jeopardizing the organization. Employees are highly dissatisfied because they are uniformed, insecure, and afraid of the leaders authority. (Prasad, 2002) Michael A. (2006), identified the fact that, poor relationship between employees and the manager as team leader, is one of the causes of labor turn over in an organization.

Studies conducted by Kurt Lewin and his associates at Iowa state university showed that employees under autocratic style were displeased with close, autocratic managers and feelings of hostility frequently arose. Employee behavior was only good so long as the manager was present to supervise them. (Daft, 2000)

According to the Ohio state University and Michigan research findings on management styles, high initiating structure is a managerial behavior characterized by authoritarianism, which registered high grievances, absenteeism, turnover, and lower levels of job satisfaction for workers performing routine tasks. (Robbins, 1996)

Researchers and scholars have commented that dissatisfied employees are always on the lookout for new opportunities and that subordinates of managers with a positive mood at work may perform at higher levels and less likely to resign and leave the organization. Autocratic style diminishes employee motivation, moral and commitment. Employees under this style are most likely to quit the organization. (Jones, George, and Hill, 2000).

## 2.2.2 DEMOCRATIC STYLE AND LABOR TURN OVER

Democratic style is also called participative style. In this style, the manager delegates authority to others, encourages participation and relies on expert and referent power to influence subordinates.(Daft, 2000)

In this style, the manager highly consults his subordinates and their feed back is taken into the decision making process. The manager's job is primarily of a moderator, though he makes the final decision and he alone is responsible for the results. The group members are encouraged to demonstrate initiative and creativity and take interest in setting plans and policies and have maximum participation in decision making. This ensures better management- labor relations, higher morale and greater job satisfaction. (Chandan, 1987)

### Democratic style exists in two forms, namely;

Directive Democrat, this is where the manager makes decisions participative and closely supervises subordinates. The subordinates are told exactly their job and how to do them.

Permissive Democrat, this is where the manager makes decisions anticipatively and gives subordinates latitude in carrying out their work (Greenberg and Baron, 1997)

Research by early scholars found that a democratic style of management results into higher subordinates' satisfaction. (Mejia and Balkin, 2002)

Managers who are high in job satisfaction generally like their jobs, feel that they are being fairly treated and feel that their jobs have many desirable features such as interesting work, good pay, job security, autonomy and nice coworkers. (Jones, George and Hill, 2000).

Management writers have identified the fact that a participative style ensures better management labor-relations, higher morale and greater job satisfaction. (Chandan, 1987).

McGregor believed that managing on the basis of "theory-y" which is more of a democratic management style, allows the organization to utilize the human

potentials of all employees and become more productive. Sharing power and responsibility with employees will make them more committed to organizational goals. (Mejia and Balkin2002; Lewis, 2001)

In the same research conducted by Kurt Lewin on management styles, it was found out that employees under a democratic style were characterized by positive feelings rather than hostility. Group members performed well even when the manager was absent and left the group on its own. (Daft, 2000).

While poor relationships with the manager in autocratic style can cause employee turn over, good employee relations in democratic style can increase retention power of an organization. Subordinates under the participative style are less likely to leave the organization because they are broadly informed about the conditions affecting them and their jobs.( Prasad 2002).

#### 2.2.3 FREE REIGN STYLE AND LABOR TURN OVER.

Free reign management is also called laissez - faire style.

In this style, the manager simply acts as a figure head and does not give any direction. He serves principally as a liaison between the group and the outside elements and supplies the necessary materials and provides information to group members.

The manager once determines policy, programmes, and limitations for action and the entire process is left to subordinates.

The manager lets subordinates plan and organize and develop their own techniques for accomplishing goals within the generalized organizational policies and objectives.

He does not attempt to intervene, regulate or control and there is complete group or individual freedom in decision making.

(Prasad 2002; Chandan, 1987).

Early studies conducted by researchers suggest that a laissez fare style in which the manager avoids making decisions, results in both low satisfaction and low performance. (Mejia and Balkin, 2002)

This style is said to be rarely used in business settings. It can degenerate into chaos because it tends to permit different units of an organization to operate at cross-purposes. Group members perform everything and the manager usually maintains contacts without side persons to supply information and materials which the group needs. (Prasad, 2002).

Employees under a free reign style are dissatisfied due to the lack of guidance and direction though materials and information they need may be available. Research clearly indicates that dissatisfied workers under whatever reasons are more likely to quit the organization because this style results in low employee satisfaction. (Mejia and Balkin, 2002)

### 2.3 CONCLUSION.

According to the literature review, early studies show that employees often have negative attitudes with both autocratic and free reign styles whereas a democratic style stimulated high employee satisfaction.

## CHAPTER THREE

#### METHODOLOGY

#### **3.0 INTRODUCTION.**

This chapter represents and describes methods and techniques that will be used for data collection and analysis. It entailed research design, study population, data collection instruments, data processing and data analysis.

#### **3.1 RESEARCH DESIGN**

This research study was a quantitative, cross-sectional case study survey, which required the collection of quantifiable information from a sample selected from employees of Mukwano Group of companies in order to determine the existing status of labor turnover in relation to management styles. The research tended to ask individuals about their attitudes, opinion, and perceptions regarding the key variables: management styles and labor turnover. Information gathered here could then be applied to make inferences.

#### **3.2 STUDY POPULATION**

The study was conducted among 300 employees of Mukwano Group of companies. Respondents were selected from respective departments of Human Resource, Production, Marketing, Accounts and Finance.

## 3.3 SAMPLE SIZE.

The sample size was determined using table criterion. Tables had been developed by research experts for researchers to use in selecting the appropriate sample sizes. These research experts worked out sample sizes required for given and known population sizes. Thus, from tables, research experts recommend that a sample size of 171 respondents, be selected from a population size of 300 people. (Amin, 2005).

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

Where n = Sample Size N = Total Population e = Deviation of Sampling [Degree of Errors at 0.05 Level of Significance]

N=300, n=? e=0.05  
n= 
$$\frac{300}{1+300(0.05)^2}$$
  
=  $\frac{300}{1+300(0.0025)}$   
=  $\frac{300}{1+0.75}$   
=  $\frac{300}{1.75}$ 

= 171.428571428

n = 171 people

## **3.4 SAMPLING PROCEDURE**

Selection of respondents was done by use of both stratified and simple random sampling. The population size of 300 people was apportioned into stratas according to their respective departments. To select samples from these stratas (departments), the researcher determined the sampling fraction. Since a sample size of 171 people was taken from the population size of 300, the sampling fraction was given by,

Sampling fraction n= sample size/population size. I.e. 171/300

Samples were therefore, selected independently from each strata (department) following a random order so that each and every respondent in their respective departments had equal chances of being selected. For example, to take the required sample from the production department, the researcher was to make a list of all respondents from that department. They were numbered and represented by use of cards which mixed mixed up and put together in a box. The researcher, therefore, took random choices to get the required number. Respondents were selected on the basis of their willingness and availability to participate in the research study.

## **3.5 DATA COLLECTION METHODS**

The research was conducted using quantitative data collection method. Questionnaire was the quantitative method to be used. The questionnaire comprised different sections in a chronological order, to be completed by respondents according to the objectives of the study.

## **3.6 DATA COLLECTION INSTRUMENTS**

The data collection instruments were mainly questionnaires. These questionnaires were self administered and researcher administered, comprising open ended and closed ended questions. Closed-ended questions restricted the respondents to only a single answer from multiple options while open-ended questions gave respondents full opportunity to express their attitudes on key variables.

## 3.7 RESEARCH PROCEDURE.

The researcher obtained a letter of introduction from Kampala International University, college of applied economics and management science, to Mukwano Group of companies. Permission was sought from the manager, Mukwano Group of companies, to give consent to the researcher to conduct the study. Respondents were given information on how to go about the questionnaire filling process and they were encouraged to give their true feelings.

## **3.8 DATA ANALYSIS**

After collection of data, analysis was done by means of both Statistical Package for Scientific Software (SPSS) and Excel. Only correct filled questions were coded edited and analyzed. Analysis was carried out by use of tables, frequencies, percentages and true findings were presented using pie-charts and bar charts.

### CHAPTER FOUR

## DATA ANALYSIS, INTERPRETATION AND PRESENTATION

#### 4.0 Introduction.

This chapter presents data analysis, interpretation and presentation. It basically summarizes major issues from theoretical and empirical literature. Data analysis was done in accordance with the research objectives and key variables; Managerial styles and labor turnover. Tools used to analyze the data were tables, frequencies and percentages and presentation was done by means of quantitative data collection tools.

## 4.1 How would you feel if your boss had to decide everything about you and your job?

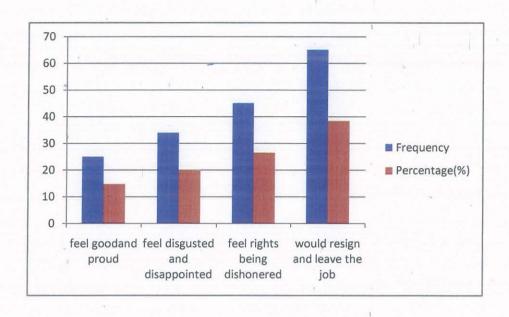
The response	is	as	shown	in	table1	below;
Table1.						

Response	Frequency	Percentages (%)
Feel good and proud	27	14.8
	34	20.1
Feel disgusted and		
disappointed		
	45	26.6
Feel rights being		
dishonored/violated		
	65	38.5
Would resign and leave the		
job		
Total	171	100

Source: Primary data.

From the table 1, many respondents represented by 38.5% would rather resign and leave their jobs if their boss had to decide everything about their jobs. Of the171 respondents, 26.6% would feel their rights being violated, 20.1% would feel disgusted and disappointed whereas only 14.8% would feel good and proud of their boss having to decide everything. This is illustrated on figure 1 as below;

Figure 1. How would you feel if your boss had to decide everything about you and your job?



## 4.2. As a subordinate, how would you feel if you had to work under tight rules and regulations?

The response is shown in table 2 below; **Table2**.

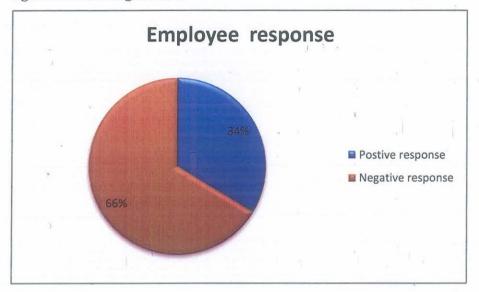
Response	Frequency	Percentages (%)
Positive feeling	59	33.7
Negative feeling	112	66.3
Total	171	100

Source: Primary data.

The findings from the table 2 above indicate that more respondents presented by 66.3% developed negative feelings towards working under tight rules and regulations. Of the 171 respondents, only 59 people presented by 33.7% showed positive feelings towards working under tight conditions by giving a positive response. This is illustrated in figure 2 below:

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Figure 2 showing subordinate, how you would feel if you had to work under tight rules and regulations?



4.3 Is it good being friendly and holding regular meetings with your boss? The response is shown in table 3 below;

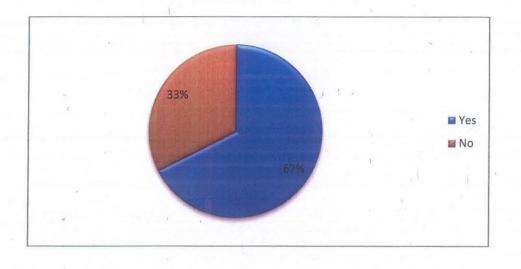
Table 3:

Response	Frequency	Percentages (%)
4	114	67.5
Yes	· · · · · · · · · · · · · · · · · · ·	
9	57	32.5
No		
Total	171	100

Source: Primary data.

The findings from the table indicate that many respondents represented by 67.5% liked being friendly and holding regular meetings with their boss. Of the 171 respondents, only 32.5% showed negative response by giving a "No" answer against the practice of friendship and discussions with the boss by way of regular meetings. The information is illustrated in figure 3 below.

Figure 3 showing whether it is good being friendly and holding regular meetings with your boss.



**4.4. How would you feel being part of an organization where you and your worker mates can freely express yourselves?** The response is shown in able 4 below;

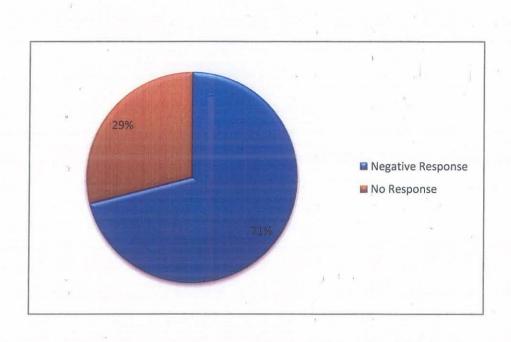
Table 4.

ResponseFrequencyPercentages (%)12071Positive51Solution29Negative-Total171100

Source: Primary data.

The findings from the table indicate that, of the 171 respondents, 71% showed positive response/feelings towards the freedom of expression. Only few respondents represented by 29% showed negative response towards freedom of expression at work in the organization. The information is illustrated in figure 4 as below;

Figure 4; showing How you would feel being part of an organization where you and your worker mates can freely express yourselves.



4.5. I would like my boss to set me free to do my work without supervision. The response is shown in table 5 below;

 Table 5. I would like my boss to set me free to do my work without supervision.

Response	Frequency	Percentages (%)
Yes	73	42
No	98	58
Total	171	100

Source: Primary data.

The findings from the table indicate that of the 171 respondents, few people represented by 42% disliked supervision and intervention in their work by their boss or superior well as the greater number of respondents represented by 58% like working under control and supervision by their boss by giving a "No" response. This information is illustrated in figure 5 below;

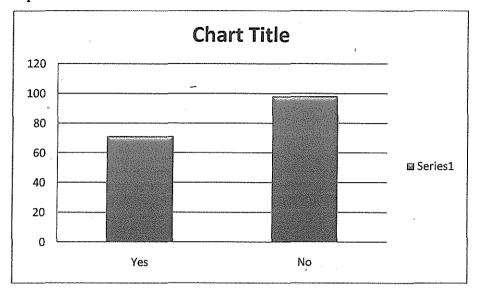


Figure 5. Showing, I would like my boss to set me free to do my work without supervision.

**4.6.** As an employee of Mukwano group of companies limited Uganda, how would you feel working under no control and guidance at your place of work? The response is shown in table 6 below.

Table 6

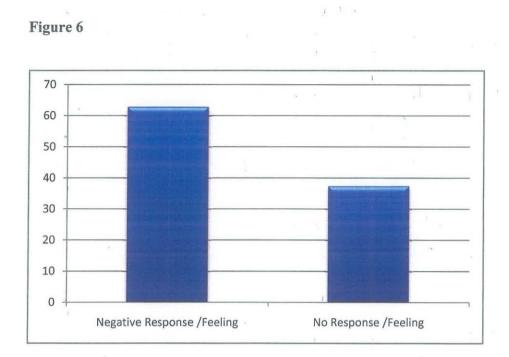
06	62.7
****	
5	57.5
71	100
	71

Source: Primary data.

The findings from the table indicate that of the 171 respondents more people represented by 62.7% developed negative response/feelings towards working without the guidance and control of the superior. On the other hand, few respondents represented by 37.3% showed positive response/feelings and therefore

they would feel comfortable when they are free from control and guidance at work (free reign).

The information is illustrated in figure 6 below;



#### **CHAPTER 5**

#### DISCUSSION OF FINDINGS, CONCLUSION AND RECOMMADATIONS.

#### **5.0 Introduction**

This chapter covers the discussion of findings of the research carried out, conclusion, and recommendations. The discussion of findings was done objective by objective.

#### 5.1 Discussion of findings;

## 5.1.1 Autocratic management style and labor turn over in Mukwano group of companies Limited Uganda.

According to the study findings, the biggest number of employees in Mukwano group of companies Limited Uganda does not like authoritarian style of management where the superior dictates everything about the employee and his or her job. Employees also do not like working under tight rules and regulations without freedom. According to figure 1, the biggest percentage of respondents said they would rather resign and leave their jobs if the superior would dictate everything. Figure 2 also indicate that more of the respondents developed negative feelings towards working under tight rules and regulations.

These responses align with early studies conducted by other researchers and writers such as (Prasad, 2000, Armstrong 2006) who contended that people in organizations dislike autocratic management style, because it amounts to loss of motivation and morale, which degenerates into conflicts that spoil the manageremployee relationships, leading to high dissatisfaction as one of the major causes of labor turn over. In (Daft, 2000), studies conducted by Kurt Lewin and his associates at Iowa state University, indicated that close autocratic managers imposing tight rules and regulations often developed feelings of dissatisfaction and hostility among workers. Also research findings obtained by Ohio state and Michigan Universities on managerial behavior revealed that dictatorial behavior registered high grievances, absenteeism and high turnover (Robbins, 1996). Due to the fact that dissatisfied employees are always on the lookout for new opportunities (Jones, George and Hill, 2000), dictatorial characteristics will often give rise to high labor turn over. Therefore autocratic style of management has a negative effect on labor turn over.

# 5.1.2 Democratic style and labor turn over in Mukwano group of companies Limited Uganda.

From the research findings, employees in Mukwano group of companies Limited Uganda like friendship and open discussion of issues with the manager or superior through the act of regular meetings. This is shown in figure 3 by over two thirds (2/3) of the respondents in favor of friendship with the manager or superior along with regular meetings in the organization by giving a-yes response, and only one third (1/3), a smaller fraction of the respondents showing dissatisfaction against consultative group decision making.

The findings further revealed that employees would like to belong to an organization where they can have freedom of expression. This fact is confirmed by figure 4 which indicates that many respondents represented by 71 percent would develop positive response/feeling towards working under freedom of expression at work in the organization. On the other hand, only 29 percent did not like the freedom of expression by giving a negative response. This corresponds to early scholars and researchers' findings that a participative style of management ensures better management- labor relations, higher morale and greater job satisfaction (Chandan, 1987). In (Mejia and Balkin 2002, Lewis, 2001), Mcgregor on the basis of a "theory- y", stated that sharing power and responsibility with employees makes them more committed to organizational goals. Also in (Daft, 2000), same research conducted by Kurt Lewin on management styles at Iowa state University, confirmed that employees working under a democratic style were characterized by positive feelings rather than hostility. While poor management- labor relations in autocratic style can lead to high labor turn over, good employee relations in a democratic style can increase retention power of an organization. Subordinates are less likely to quit the organization because they are broadly informed about conditions affecting them and their jobs (Prasad 2002). Therefore, under a democratic style that values friendship and consultative decision making with freedom of expression, there are low cases of labor turn over. It is highly accepted that, the use of this style increases employee satisfaction and commitment which

reduces labor turn over in the organization. This style of management manifests itself with positive effects on labor turn over in Mukwano group of companies Limited Uganda.

# 5.1.3 Free reign style and labor turn over in Mukwano group of companies Limited Uganda.

The findings indicate that employees in Mukwano group of companies Limited Uganda dislike being set free to do their work without supervision. Of the 169 respondents in figure 5, 58 percent opposed the act of freedom from supervision. Only 42 percent of the respondents said they would feel comfortable working under freedom without supervision. The research findings further revealed that, employees in Mukwano group of companies Limited Uganda do not like free reign style of management since over and above 50 percent of the respondents in figure 6 expressed frustration and disgust by show of negative feelings towards working without guidance and control. On the other hand, below and less than 50 percent expressed positive feeling/response. These findings adhere to early studies conducted by researchers which state that "a laissez fare" style in which the manager or superior avoids making decisions , resulted in both low satisfaction and low performance (Mejia and Balkiin 2002). According to early studies also, the dissatisfaction in this style arises out of the fact that, without guidance and control, it tends to permit different individuals and units of an organization to pursue their own goals, a practice which degenerates into chaos (Prasad, 2002). Further still, findings from early studies reveal that, as long as dissatisfaction begins to grow among employees within an organization, there is likely hood of high labor turn over (Mejia and Balkin, 2002). More precisely, a free reign style manifests with a negative impact on labor turn over in Mukwano group of companies Limited Uganda.

## 5.2 Conclusion

Summatively, the study findings on the effects of managerial styles on labor turn over in Mukwano group of companies Limited Uganda, indicate that different managerial styles present different effects on labor turn over. Dictatorial and free reign styles give rise to low employee satisfaction and high labor turn over. Whereas a democratic style leads to high satisfaction and low labor turn over.

These findings agree with early studies conducted by other researchers across the business world. Managers, who would like to reduce turn over, should adjust their styles accordingly.

## 5.3 Recommendations.

The recommendations of this research study were made in reference to the study findings and the conclusion. They include the following:

Mukwano group of companies Limited Uganda should be able to promote and maintain a democratic managerial style which values employee involvement and participation since most of the employees like open discussions by way of regular meetings and freedom of expression.

Mukwano group of companies Limited Uganda should adopt soft Human resource strategies whose emphasis centers more on goal achievements alongside treating people as resources not as machines.

The company should embark on free and fair policies (rules and regulations) made in consultation with the employees.

The company should consider the positive contributions of participative style while paying attention to its negative effects since the style develops negative feelings /dissatisfaction among other workers.

The company should not undermine the positive impact of coercive (autocratic) and free reign styles since considerable percentages of employees also agree and believe that these styles are good to achieve goals and objectives. Policy makers in Mukwano group of companies Limited Uganda should be able to adjust their styles accordingly.

### 5.4 Limitations of the study

Due to time and financial constraints, the study was only limited to the case study and the sample selected from the entire company branch. The research also resorted to a simple random sampling despite its disadvantages.

Some employees/respondents were hesitant and reluctant to release information since the study seemed to attract no direct benefit. Thus, they wanted financial advances.

Fear, most respondents were unwilling to record information for fear that the researcher would expose it to the top managers.

Most of the respondents were too busy with other commitments and therefore committed less time to completing the questionnaire.

Some of the respondents were of low education whose interpretation and completion of the questionnaire were inappropriate.

High costs on transport during questionnaire administration (distribution and collection).

### 5.5 Areas for further research.

The researcher identified the following areas for further research in relation to the topic of study;

- The effect of managerial styles on employee performance
- Other managerial styles such as "hands on and situational management styles "in relation to labor turn over, employee performance and more specifically on employee job satisfaction. These areas were not explored by the researcher in reference to some of the above limitations.

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## **APPENDIX 1:**

## WORK PLAN

Proposal	March	2013	
Data collection	April- May	2013	
Dissertation writing	June – July	2013	
Submission	August	2013	

## APPENDIX II: BUDGET FOR THE STUDY.

No	Item	Quantity	Rate	Amount in
				UGX
2	Transport during data collection	8 days	20,000/=	160,000/=
3	Lunch	8 days	10,000/=	80,000/=
4	Typing and printing	338	100/=	33,800/=
5	Photocopying	338pages	100/=	33,800/=
6	Binding	3copies	10,000/=	30,000/=
7	Stationary/paper	1 ream	15,000/=	10,000/=
8	Miscellaneous			50,000/=
Total				397,600/=

### QUESTIONNAIRE

Dear respondent,

I am Kabugho Juliet a student of Kampala International University, pursuing a bachelor's degree in Human Resource Management. Am conducting a research on the topic entitled "Managerial styles and labor turn over, in Mukwano Group of companies, Kampala Uganda.

The purpose of this research is purely academic. It will serve to fulfill my requirements for the award of a degree in the mentioned field.

The findings and conclusions of this study will as well, help Mukwano Group of companies limited to modify and improve on managerial styles in managing its Human resources and operations.

I kindly request you to answer me the following questions.

**Note:** Your responses, honesty and true attitudes shown in this study, will be treated with a high degree of honor and confidentiality.

NB: A written attachment of the respondent's answers may be provided.

Complete and answer the questions by ticking your best choice.

SECTION A

## **1.0 General Information**

- 1. Position
- 2. Sex

Male	Female	
3. Age		
a) Under 25		
b) 25-35		
c) 35-45		
d) 45-Above		
4. Level of education		
a) Primary Level		
b) O' Level		
c) A' Level		
d) Diploma		
e) Degree		
f) Other training		

5. Duration of employment with Mukwano Group of companies limited.

<ul><li>a) Below 5 years</li><li>b) 5 to 10</li><li>c) 10-15</li></ul>	
<ul><li>d) 15-Above</li><li>6. Marital status</li></ul>	
a) Single b) Married	
<ul><li>c) Separated</li><li>d) Divorced</li></ul>	
e) Widowed	l

1. How would you feel if your boss had to decide everything about you and your job?

a) Feel good and proud	
b) feel disgusted and disappointed	
c) feel my rights being dishonored	
d) would like to resign and leave my job	

2. As a subordinate, how would you feel if you had to work under tight rules and regulations? Explain your feelings and attitudes.

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## SECTION B

3. Is it good being friendly and holding regular meetings with your boss at your place of work?

a) Yes

b) No

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