

Studying Leadership Styles (unbridled, bureaucratic and diplomatic) of Managers and the Amount of Entrepreneurship by Employees

Vali Rashidi¹, Arash Nazari², Zeynab Nazari³, Amene Moosapour⁴

¹Faculty member of Payam Noor University, Branch of Shirvan, Iran

²Teacher at Education Organization of Razavi Khorasan, Branch of Torqhabeh, Iran

³Teacher at Education Organization of North Khorasan, Branch of Shirvan, Iran

⁴Teacher at Education Organization of North Khorasan, Branch of Torqhabeh, Iran

Received: Dec. 2014 & Published: Feb. 2015

Abstract

This study aims to investigate leadership styles of managers including unbridled, bureaucratic and diplomatic as well as the amount of entrepreneurship by employees. This study is an applied research. Its aim is to study the correlation between research variables and thus it is of the correlational type. Considering the main purpose and scope of the research, the target population includes all the government employees in Shirvan city. Since the size of sample is large and access to all persons in the sample, because of variety in their job, is not possible, in this study the convenience and judgment sampling is used. Formula for determination of statistical sample is based on population in an unlimited community. The results show that there is significant relationship between leadership styles of managers and the amount of job creation by employees, the main hypothesis. Other results are as follows: there is significant relationship between unbridled style of managers and the amount of job creation by employees, the first hypothesis. There is significant relationship between bureaucratic style of managers and the amount of job creation by employees, the second hypothesis. There is significant relationship between diplomatic style of managers and the amount of job creation by employees, the first hypothesis.

Keywords: leadership styles, managers, entrepreneurship by employees, bureaucratic, unbridled, diplomatic

1. Introduction

Turner and Müller in a research on the leadership styles of project managers as a key factor for the success of the projects, which was published in 2005, stated that the researchers were asked by the Project Management Institutes to study that whether factors of the managerial styles have any effect on the management success or not? In this study, researchers examine the literature on this topic. The literature on management styles does not consider considerably project management problem and its leadership styles or their competence as a success factor for project managers. This is just opposite to the existing subjects in the scope of excellent management that consider effective leadership as a critical factor in the success of the organization's management and show true leadership style can lead to better performance of the Organization (Muller and Turner, 2005).

Taatian et al. in a research on the leadership styles in different cultures, which was published in 2010, stated that leadership is the process of influencing on people. The characteristics of the leader with respect to the time, the type of activity and different conditions and finally with respect to the cultural differences differ. Directors of international organizations should acquire knowledge about these different cultures and their features. In this study, researchers examine the relationship between leadership styles and

cultural differences among different countries. At first, leadership traits in terms of task-oriented and autocratic management were examined. The results show that various cultural differences require different organizational styles (Taatian, Salmani & Taleghani, 2010).

Many researches have been done in the field of entrepreneurship that in the following some of them are referred to:

Dana in 1987 in a research compared entrepreneurship in Malaysia and Singapore. According to the result of this study, entrepreneurial activities in these neighboring Asian countries, i.e. Malaysia and Singapore, had the same fate and both of them were for a period under British domination, but today, in terms of entrepreneurial activities have major differences. The result of this research shows that Malaysian people due to their closed cultural context, when the Portuguese and the Dutch and then the British were governing on them, in order to take themselves away from the alien culture of the occupying countries to live in rural and remote areas. This has led the emergence of industry in this country to be postponed. Even after independence in 1957, the people of this country did not show any movement and social movements in this country still is in a very low level. In this country, women are not allowed to enter a series of social activities the Malaysia attempt to eradicate poverty, create areas of improvement, coordinate efforts of creative individuals, encourage entrepreneurs, improve social conditions, maintain stability and develop the social, political and economic environment of the country.

Unfortunately, due to a closed culture in this country and the lack of welcome of the country's people of these programs, they have not been still successful to change the country's entrepreneurial culture. However, unlike in Malaysia, Dana researches in Singapore shows the culture of entrepreneurship in this country has emerged so that in 1985 small companies and institutions were established by government to support entrepreneurial people in various fields, e.g. giving information and guidance to entrepreneur individuals to establish new businesses and to give the required services and financial support of them. At present, this country is one of the successful countries in Asia and social movements in this country is very high so that they respect activities of the entrepreneur individuals and give value and importance to them (Hisrich and Brush, 1984, p. 577).

Several studies in the field of entrepreneurship within the country have been done that in the following some of them are referred to:

Ahmadpoor did a study about design and development of the pattern of training entrepreneurial managers in the industry in 1377. In this paper, two entrepreneurial models of organizational success and fostering entrepreneurial managers are presented. Based on two theoretical models and the main assumptions, different variables of entrepreneurial characteristics including personality, organizational, demographic and success factors, which include three aspects of innovation, growth and change in the educational process is identified by certain factors. In this study, 120 successful entrepreneur managers using comments from relevant ministries and industry experts identified and studied.

Methodology

The research is of the type of applied research with respect to its method of obtaining the necessary data it can be regarded as a descriptive research. Since the purpose of the study is to examine the relationship between variables, it is of the type of correlational. Considering the main purpose and the locational scope of the research, all employees of governmental offices of Shirvan city are included in the population of the study. Since the number of people in the community is high and access to all persons due to the variety in their job is not possible, in this study the used convenience and judicial sampling is used. The formula for

determination of the statistical sample is based on sampling is an unlimited population. In order to implement statistical techniques, SPSS is used.

Research hypotheses

The main hypothesis: There is significant relationship between leadership styles of managers and the amount of job creation by employees

Sub-hypotheses:

- There is significant relationship between unbridled style of managers and the amount of job creation by employees.
- There is significant relationship between bureaucratic style of managers and the amount of job creation by employees.
- There is significant relationship between diplomatic style of managers and the amount of job creation by employees.

The main hypothesis

There is significant relationship between leadership styles of managers and the amount of job creation by employees.

H₀: There is no significant relationship between leadership styles and entrepreneurship?

H₁: There is significant relationship between leadership styles and entrepreneurship?

Table 1: Correlation between the leadership style of managers and entrepreneurship

Variable 1	Variable 2	The correlation coefficient	Significant level
Leadership Styles	The amount of Entrepreneurship	0.123	0.041

According to the table above, the correlation between two variables is equal to 0.123 and since the significance level of the test is less than 0.05, thus, the null hypothesis is rejected and there is significant relationship between two the studied variables. By using the regression, we evaluate the status of the relationship.

Regression of leadership style and the amount of entrepreneurship

Table 2

T	Beta	The coefficient of determination	Significant level
2.050	0.045	0.15	0.041

The significance level of these two indexes is less than 0.05; then there is significant relationship between these two indexes and the coefficient of determination is 0.15. As a result, leadership styles predict about 15% of changes in the dependent variable, i.e. entrepreneurship.

Sub-hypotheses

First Sub-hypotheses: there is significant relationship between unbridled style of managers and the amount of job creation by employees.

H₀: there is no significant relationship between unbridled style of managers and the amount of job creation by employees.

H₁: there is significant relationship between unbridled style of managers and the amount of job creation by employees.

Table 3

Variable 1	Variable 2	The correlation coefficient	Significant level
Unbridled style	The amount of Entrepreneurship	0.106	0.377

According to the table above, the correlation between two variables is equal to 0.106 and since the significance level of the test is more than 0.05, thus, the null hypothesis is confirmed and there is no significant relationship between the variables studied.

Second sub-hypothesis: there is significant relationship between bureaucratic style of managers and the amount of job creation by employees.

H₀: there is no significant relationship between bureaucratic style of managers and the amount of job creation by employees.

H₁: there is significant relationship between bureaucratic style of managers and the amount of job creation by employees.

Table 4

Variable 1	Variable 2	The correlation coefficient	Significant level
Bureaucratic style	The amount of Entrepreneurship	0.078	0.249

According to the above table, the amount of correlation between two variables is equal to 0.249 and since the significance level of the test is more than 0.05, thus, the null hypothesis is confirmed and there is no significant relationship between the variables studied.

Third sub-hypothesis: there is significant relationship between diplomatic style of managers and the amount of job creation by employees.

H₀: there is significant relationship between diplomatic style of managers and the amount of job creation by employees.

H₁: there is no significant relationship between diplomatic style of managers and the amount of job creation by employees.

Table 5

Variable 1	Variable 2	The correlation coefficient	Significant level
Diplomatic style	The amount of Entrepreneurship	0.000	0.638

According to the above table, the amount of correlation between two variables is equal to 0.638 and since the significance level of the test is less than 0.05, thus, the null hypothesis is rejected and there is significant relationship between the variables studied. Thus, using the regression we consider the status of the relationship.

Regression of diplomatic style and the amount of entrepreneurship:**Table 6:**

T	Beta	The coefficient of determination	Significant level
8.282	0.183	0.407	0.000

The significance level of these two indexes is less than 0.05, thus, there is significant relationship between these two indexes and the coefficient of determination is 0.407. As a result, the index of diplomatic style predicts about 40% of changes in the dependent variable, i.e. entrepreneurship.

Conclusions

The main hypothesis states that there is significant relationship between leadership styles of managers and the amount of entrepreneurship by employees. According to the results, the amount of correlation between the two variables is equal to 0.123 and since the significance level of the test is less than 0.05, thus, the null hypothesis rejects and there is a significant relationship between the variables studied. In addition, the coefficient of determination is 0.15. As a result, leadership styles indexes predict about 15% of changes of the dependent variable, i.e. entrepreneurship. Hypothesis 1 states that there is significant relationship between unbridled style of managers and the amount of job creation by employees. According to the results, the correlation between the two variables is equal to 0.106 and since the significance level of the test is more than 0.05, thus, the null hypothesis is confirmed and there is no significant relationship between the two studied variables. Hypothesis 2 states that there is significant relationship between bureaucratic style of managers and the amount of job creation by employees. According to the results of the research, the amount of correlation between two variables is equal to 0.249 and since the significance level of the test is more than 0.05, thus, the null hypothesis is confirmed and there is no significant relationship between the variables studied. Hypothesis 2 states that there is significant relationship between diplomatic style of managers and the amount of job creation by employees. According to the results of the research, the amount of correlation between two variables is equal to 0.638 and since the significance level of the test is less than 0.05, thus, the null hypothesis is rejected and there is significant relationship between the variables studied. In addition, the coefficient of determination is 0.407. Thus, the index of diplomatic styles predicts about 40% of the variations in the dependent variable, i.e. entrepreneurship.

References

- Ahmadpoor Dariani, Mahmoud. (1381). *Entrepreneurship*, Pardis Publications, Fourth Edition.
- Ahmadpoor Dariani, Mahmoud and SM Moghimi, (1388). *Fundamentals of Entrepreneurship*. Tehran: Farandish. Eighth Edition.
- Ahmadpoor Dariani, Mahmoud. (1377). *Design and development of a model for fostering entrepreneurial managers in industry*, Central Management Thesis, School of Humanity Sciences, Tarbiat Modarres University.
- Hisrich, R. D. Brush, C. G. 1985. *The Women Entrepreneur: Starting, Financing and Managing a Successful New Business*: Lexington: Lexington Books, MA.
- Hisrich, R.D., Brush. C.G. (1984). *The woman Entrepreneur: Characteristics and Prescriptions for Success*, Leyington Books, Leyington, MA.
- MULLER, R & .TURNER, R (2005). *The project manager's leadership style as a success factor on projects: a literature review*. *Project Management Journal*.

Taatian, A., Salmani, D & ,Taleghani, G (2010). Survey of leadership styles in different cultures. Survey of leadership styles in different cultures , Vol 3. No.3 January 2010 pp: 91-111.