



THE IMPACT OF LEADERSHIP STYLES TOWARDS EMPLOYEES'  
JOB PERFORMANCE AT NEURAL GROUP OF COMPANIES,  
SETAPAK, KUALA LUMPUR

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January 2012

## **ABSTRACT**

The purpose of this study is to determine the impact of leadership styles towards employees' job performance at Neural Group of Companies, Setapak, Kuala Lumpur. Besides, this study also examines the effectiveness of leadership styles that being practice in the company with the employees' job performance level. In order to obtain information, the questionnaires were distributed to the employees as the main instrument for this research study.

The questionnaires were tested for content validity by two lecturers from Faculty of Business Management. One Chief of Legal Administrator from ZaidIbrahim & Co also is required to check for the face validity. 90 questionnaires were distributed to Neural Group of Companies employees and 61 (67.78%) were returned. From the amount, only 47 (77.05%) were valid. The employees were required to answer all the questions provided based on their opinion and every information provided will be strictly confidential and only for the study purposes.

From the findings, it can be concluded that majority of the respondents agreed that organizational policies, rules and regulation factor is the highest rate giving the high impact towards their job performance. Respondents have moderate judgment on how they satisfied with their leader's style in leading daily work processes. Majority of the respondents were agreed that by providing more social activity such would enhance their job performance. This is followed by having a better work environment, having a good relationship between employees and employers, the clearer tasks given by the employer and more frequent job evaluation by employer.

## ACKNOWLEDGEMENT

Assalamualaikum w.b.t

Firstly, thank to Allah for giving us the strengths and health to do this proposal until it done on the given time and complete it successfully. We also thank to those who have been involved either directly or indirectly in encouraging us to complete this task properly.

First of all, we dedicated this thank to our beloved lecturer of Research Method (OSM 601), Associate Professor Dr. Norlida binti Mohd. Noor for her continued support and her guidance throughout this proposal.

We are also deeply grateful to our beloved supervisor, Miss Mazuin binti Mat Halif for her kind guidance, patience, dedication, time, supportive, advice, and her continued support in order to improve our proposal until this stage. Besides that, special thank to our friends who also doing the same project in giving us some inspirations and assistance for the completion of this proposal. Without all these helps, we cannot complete this proposal in a given time as required. All your help are kindly appreciated.

Last but not least, we really hope that our proposal will benefit others in terms of the impact of leadership styles on employees' performance. We apologize for any mistakes and weaknesses in this proposal. Any comments and criticism are most welcome in order to identify and overcome our weaknesses.

Thank you.

Suraya Ika binti Tamrin  
Isma Syafina binti Ismail Alwi.

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## **CHAPTER I**

### **INTRODUCTION**

#### **Background of the Study**

According to Gibb (1954) leadership is the exercise of power and authority in collectivity; such as group, organizations, and communities of nations. In an organization, it is a must to have several or few people to supervise, and also involved in decision making to take part in deciding a major or minor decision. On the other hand, leader is the one who will direct their subordinates in order to achieve certain goal.

Leadership quality makes an important role in one company, which can leads to employees' performance and output. According to Jago (1982), good leaders develop through a never ending process of self-study, education, training, and experience. Besides that, in work, a leader is needed to direct their subordinates to achieve the company's goal. Northouse's (2007) defined leadership as a process whereby an individual influences a group of individuals to achieve a common goal. A good leader can lead his or her subordinates better and more successful. Many leadership theories today indicate that leadership styles are transforming at the rapid pace to keep up with globalization and flattening organizational hierarchies ( Jogulu U, 2010).

According to Bass (1985), Transformational Leadership Theory, he stated that there are three ways in which leaders transform followers; by increasing their awareness