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EFFECTS OF LEADERSHIP STYLES ON IMPLEMENTATION OF ORGANIZATION'S STRATEGIC PLANS IN SMALL AND MEDIUM ENTERPRISES IN NAIROBI COUNTY

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B211-003-0005/2013

A Research Thesis Submitted To the School of Business Management and

Economics in Partial Fulfilment of the award of Degree of Master of Business

Administration of Dedan Kimathi University of Technology

Effects of leadership styles on implement

2015/31325

APRIL 2015

DECLARATION

This research thesis is my original work and has not been submitted for a degree or any other award in any university to the best of my knowledge

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This thesis has been submitted for examination with our approval as the university supervisors
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ABSTRACT

The study sought to analyze the effect of leadership styles on implementation of strategic plans in Small and Medium Enterprises (SMEs). Specifically the study: analyzed the effect of autocratic leadership style, assessed the effect of democratic leadership style and evaluated the effect of laissez faire leadership style on implementation of strategic plans in SMEs. Descriptive research design was used. The study population consisted of 4531 SMEs registered by Ministry of Industrialization and Enterprise development. A sample of 354 SMEs was selected using stratified random sampling technique. A questionnaire composed of open and closed ended questions was used to collect primary data. Quantitative data was analysed using Statistical Package for Social Sciences (Version 21). In addition, a multivariate regression model was generated to assist in determination of the relative importance of each of the three variables to implementation of strategic plans. The regression showed that autocratic leadership had the highest effect of implementation of strategic plans with a coefficient of 0.488, followed by democratic leadership with a coefficient of 0.384 and laissez faire with a coefficient 0.269. The study recommends that organizations should use all the three leadership styles to maximize implementation of strategic plans.

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