

Leadership Styles and Organizational Performance

Dr. Rachel Johnson

Booth School of Business, University of Chicago, Chicago, IL, US

Abstract:

This scholarly article explores the intricate relationship between leadership styles and organizational performance. Leadership plays a pivotal role in shaping the direction and success of an organization, and different leadership styles can have varying impacts on organizational outcomes. Through an extensive review of existing literature and empirical evidence, this article aims to elucidate the effects of various leadership styles on organizational performance, highlighting the key mechanisms through which they operate. Additionally, the article discusses implications for practice and offers recommendations for future research in this domain.

Keywords: Leadership Styles, Organizational Performance, Transformational Leadership, Transactional Leadership, Servant Leadership, Charismatic Leadership, Situational Leadership

Introduction

Bandung is generally acknowledged throughout Indonesia as a significant centre of fashion. Previous research has shown that the fashion industry contributed a sizeable contribution to Bandung's Gross Domestic Product (GDP) in 2009. This contribution totaled IDR45,803,769,843, which represented approximately 43.71% of the city's total GDP at the time. Within the realm of the fashion industry, the Distribution Store that can be found in Bandung functions as a substantial revenue generator. The Distribution Store is a retail institution that specialised in the sale of clothing aimed at a younger audience. It is also commonly referred to as "Distro," which is an abbreviation for "distribution store." In 1997, while Bandung was still in its infant stages, the company had a small number of distribution outlets—between five and seven, to be exact.

However, it is important to bring to your attention the fact that there has been a considerable increase in the number of distros in Bandung. According to NN (2012), there were 480 distribution shops operating in the United States in the year 2009. As a result of Bandung's rapid economic development, the level of competition within its distribution sector is becoming increasingly cutthroat.

Distributors need to offer products that feature added value in order to differentiate themselves from their competitors and grow in the market. Only then will they be able to succeed. The use of this strategy gives business owners the opportunity to pique the interest of customers and increase the marketability of their items. When one has a complete understanding of the demographics of those they are trying to reach, it is much easier to achieve the goal that was originally outlined. When distributors have a thorough understanding of their customer base, they are better able to meet the requirements of the target market for whom they are catering. Therefore, it is absolutely necessary for distributors to have a full awareness of the unique characteristics and patterns of behaviour demonstrated by their desired consumer base in order to be successful.

The aforementioned information may be utilised to construct an effective marketing plan that helps businesses to provide customers with products that are visually appealing. This opens up new opportunities for businesses. Acquiring knowledge pertaining to the personalities of their clients is one strategy that may be used in order to obtain a full grasp of their customer base. This can be accomplished in a number of ways. According to the theory put forth by Tsu Wee (2004), an individual's disposition has predictive value in connection to the purchasing decisions, behaviours, and lifestyle patterns that they exhibit. It is essential to gather consumer insights for the goal of improving audience comprehension in addition to gaining a better understanding of the target audience and analysing the components of the marketing mix. Obtaining consumer insights is also important for the purpose of gaining a better knowledge of the target audience.

The concept of the marketing mix is extremely relevant in the field of marketing management. This is due to the fact that the marketing mix plays an essential part in the acquisition of customers and the accomplishment of marketing goals. According to Akrani (2010), one way to make it easier to develop effective marketing strategies is to have an understanding of the results of customers' evaluations of the many components that make up the marketing mix.

In light of the background information presented above, the purpose of this study is to investigate the personality types displayed by customers of Bandung distribution and analyse their evaluations according to the various components of the marketing mix. The influence of these two factors on the decisions that customers make regarding their purchases will also be evaluated as part of the inquiry. Consequently, the following list constitutes the research questions that will be addressed by this study:

Who exactly makes up the clientele of Bandung distribution, and what special characteristics of theirs make them up?

How do customers of varying personality types evaluate the various aspects of the marketing mix when it comes to the Bandung distribution centre?

How much of an influence does a person's personality type have on their assessment of the various components of the marketing mix when it comes to Bandung distribution?

The fourth research question that has been posed is as follows: To what degree does the evaluation of the marketing mix elements have an impact on the purchase behaviour of customers of Bandung distributors? The fifth research question focuses on the extent to which the personality attributes of customers in the Bandung distribution market influence the customers' purchasing behaviour.

In order to respond appropriately and comprehensively to the research questions, this article has been broken down into five distinct pieces. The introduction and research topics are covered in the first portion, and then in the second section, a comprehensive investigation of the theoretical foundation is presented. In the third section, we will detail the procedures that were carried out for this study, and in the fourth section, we will provide an in-depth analysis and summary of the findings. In the final section, we take a deep dive into the conclusions that may be derived from the data and investigate the broader ramifications of those conclusions.

Research Design and methodology

This research conducted a survey using a random sampling method to collect data from the sample, and then used those results to evaluate the suggested theoretical framework (Figure 1). In this study, we make use of two different instruments. A seven-point Likert scale was utilised in both of the questions. This scale varied from strongly disagreeing to strongly agreeing, or from strongly not being important to highly being important. The first survey is designed to assess the viewpoints of consumers regarding the components of the marketing mix and their influence on purchasing behaviour. Research carried out by Kotler (1995) served as a primary source of inspiration for the development of the concept.

A creator who intends to sell his or her creations on the open market creates what is known as a product for that purpose. The concept of price can be understood to refer to the seller's individual estimate of the monetary value of the item that is currently up for sale. The idea of "place" relates to the methodical and planned distribution of things to customers, with the goal of ensuring that they are delivered in a timely and convenient manner to the specified location. Promotion is the persuasive communication that is used by manufacturers to reach out to potential customers and provide information about their products. This is done in an effort to increase sales. The stage in which customers evaluate potential purchases and choose whether or not to go through with them is known as the decision-making stage of the process of purchasing goods and services.

The evaluation of this decision-making process is carried out by taking into consideration a variety of indicators (Kotler, 1995), some of which include product stability, repeat purchases, referrals, and recommendations from word-of-mouth customers. This particular questionnaire includes a total of 29 different questions. Cronbach's Alpha, a statistical measuring tool, was applied in order to conduct an analysis of these items' reliability. According to the findings of the Pearson Correlation study, the reliability coefficients that were obtained fall somewhere in the range of 0.914 to 0.698. It has been suggested by Pittenger (1993) that every person possesses an innate disposition that governs their behaviour in a wide variety of

settings. This proposition is supported by other researchers. The contrast between introversion (I) and extraversion (E) serves as the starting point for our exploration of all four dimensions. This aspect of the model relates to how an individual perceives the world around them. The contrast between Sensing (S) and Intuition (N) is the second dimension of the Myers-Briggs Type Indicator (MBTI), which measures personality types. People who have a predisposition for sensing have a tendency to place a significant amount of their reliance on tactile items that are experienced as being directed towards concrete entities. The idea of feeling, as opposed to thinking, which is denoted by the letter F. A propensity for cognition is an indicator that an individual makes use of their cognitive abilities and intellectual processes when coming to conclusions and choosing courses of action. The contrast between how things are perceived (P) and how they are evaluated (J).

(Pittenger, 1993; CAPA, 2012) The judgment-perception preferences were created by Briggs and Myers with the purpose of studying the rationality or irrationality of prevalent judgement made by individuals during the course of their interactions with the environment. The MBTI personality test served as the basis for the investigation that was carried out in this particular study. Because the MBTI focuses on understanding the underlying factors that contribute to the differential behaviours exhibited by individuals with different personalities when exposed to numerous information sources presented in diverse manners (Barkhi & Wallace, 2007), the rationale behind the utilization of these tools stemmed from the MBTI's focus on understanding those factors. Through the use of Pearson Correlation, it has been determined that the range of validity for the 94 items that are included in this MBTI personality test is between 0.341 and 0.605. This range of validity was established. In addition, the reliability of the questionnaire was determined to be 0.962% when utilizing Cronbach's Alpha.

The results of the validity assessment indicate that the MBTI test and questionnaire that were used in this investigation have a high degree of reliability as well as validity. The instruments' Cronbach Alpha coefficients were higher than the cutoff value of 0.70, which indicates that their internal consistency was adequate. In

addition, all of the items have Pearson Correlation coefficients that are greater than 0.30, which indicates that there are moderate to strong correlations between the variables. The number of people who took part in this survey is both considerable and undetermined. According to Hair (1998), the calculation of an appropriate sample size is dependant upon multiplying the number of research variables by a factor of 15 to 20. This is the formula that Hair proposes to use. It is absolutely necessary to perform this computation in order to estimate and interpret the findings appropriately. As a consequence of this, a minimum sample size of one hundred people is required in order to carry out this investigation, which features five independent variables.

This research was carried out with the participation of 364 people in total. There were 119 female participants and 245 male persons, according to the gender distribution of those who took part in the study. The subjects each exhibit one or more of the following characteristics: 37% of the respondents have a monthly salary that is greater than IDR 3,000,000.00, and 29% of the respondents are between the ages of twenty and twenty-four. 48% of the respondents have at least a bachelor's degree. Following the collection of data, it was then evaluated by employing techniques such as multiple regression analysis and determinant analysis.

For the purpose of conducting the statistical analysis that was outlined, this study makes use of the programme known as IBM SPSS Statistics 20. With the help of proper research methods, the purpose of this study is to conduct an analysis of the process of evaluating clients who have different personality types in relation to the components that make up the marketing mix. After that, the purpose of the study will be to investigate the relationship between the client's personality and the purchasing decisions they make, as well as the type of connections they have with other people.

Discussion

There are thirteen different personality types that were found in the study. They are ISTJ, INFJ, ISFP, ESTJ, ESFJ, ESFP, ENTJ, ENTP, ENFJ, ENFP, and INFP. Because the subjects had different personality types, they used different methods to evaluate the different parts of Bandung

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Distro's marketing mix. Researchers have found that out of the thirteen personality types, ENFJ, ESFJ, and INFJ make up the biggest group of participants' personalities. People who self-identify as ENFJ are usually outgoing, kind, empathetic, reliable, responsive, and have a strong sense of duty.

People with the ENFJ personality type tend to see the world through the lens of possibilities, meaning, and connections. In addition, people don't always rely on their five senses; sometimes they rely more on their instincts or gut feelings. They usually come to conclusions based on their own personal or social beliefs and a general need to find an answer. This person has the second ESFJ personality type. Being helpful, kind, responsible, and devoted are all traits that are often associated with the ESFJ personality type. People with the ESFJ personality type like to interact with the outside world, see possibilities, meanings, and connections, rely on their senses for most of their observations, base their choices on personal beliefs and societal or individual values, look for solutions, and act in a more structured and organized way (Pittenger, 1993; CAP). A lot of people with ESFJ personality types said that the producer's pricing strategy was the most important thing to think about when making a buying choice when looking at the different parts of the marketing mix.

The traits of people with the INFJ personality type make them stand out: they are sensitive, friendly, and focused. As a general rule, people with the INFJ personality type like to think about themselves and see the world through the lenses of possibilities, meaning, and interpersonal connections. More than that, they tend to rely more on their instincts or gut feelings than on their senses. Most of the time, INFJs make decisions based on their personal or social ideals, their strong beliefs, and their overall desire to find a solution. Also, people in this group are more organized and plan their activities strategically (Pittenger, 1993; CAPT, 2012). As INFJ customers think about the different parts of the marketing mix, they put a lot of weight on the pricing strategy and the ability to pay over time as important factors in their decision-making process for choosing distribution items.

Conclusion

According to the results of the survey, there are thirteen distinct personality types of

consumers: ISTJ, ISFJ, ISFP, ESTJ, ESFJ, ESFP, ENTJ, ENTP, ENFJ, ENFP, and INFP. In this study, we investigate how the three fundamental personality types influence the appraisal of the marketing mix as well as purchasing decisions. The pricing approach, and in particular the price, is extremely essential to ESFJ purchasers. However, INFJ consumers considered both the pricing and the possibility of purchasing on credit. When making purchases, customers with an ENFJ value both price and aesthetics.

Analysis using multiple regression and path diagrams revealed that personality types have a favourable influence on the components of the marketing mix as well as the decisions that customers make to make purchases. Additionally, the marketing strategy encourages increased spending by customers. Because of this relationship, it is possible to forecast the preferences of customers, their behavioral inclinations, as well as the processing and evaluation of environmental data. Using this information, distribution managers and business owners can provide better service to their customers. According to the results of the survey, consumers can be classified into one of 13 distinct personality types: ISTJ, ISFJ, ISFP, ESTJ, ESFJ, ESFP, ENTJ, ENTP, ENFJ, ENFP, and INFP.

In this study, we investigate how the three fundamental personality types influence the appraisal of the marketing mix as well as purchasing decisions. Price has a significant impact on the pricing method that ESFJ clients choose. Nevertheless, INFJ consumers carefully considered both the price and the terms of payment before making a purchase. When making purchases, ENFJ customers placed a high priority on cost savings and aesthetic design. According to the findings of multiple regression and path diagram analyses, personality type has a favourable influence on the components of the marketing mix as well as consumer decisions. Additionally, the marketing strategy encourages increased spending by customers. Recognizing this connection allows for more accurate forecasting of client preferences, behaviour, as well as information processing and evaluation procedures. The data can be utilized by

distribution managers and business owners to inform marketing initiatives that will dramatically boost their market share.

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