

# ***THE INTERNATIONAL JOURNAL OF HUMANITIES & SOCIAL STUDIES***

## **Leadership Approaches and Its Influence on Performance of Selected Private Security Firms in Nairobi City County, Nairobi, Kenya**

**Omakori Reuben Makori**

Masters' Student, Department of Business Administration, School of Business,  
Kenyatta University, Kenya

**Dr. Reuben K. Njuguna**

Lecturer, Department of Business Administration, School of Business,  
Kenyatta University, Kenya

### **Abstract:**

*The private security industry suffers adversely from performance-related problems, due to lack of professionalism, managers failure in vetting the security guards, guards lacking basic skills to secure crime scenes, reporting the crime and demotivated staff who earn little salaries. The worsening security situation within the Nairobi Metropolitan area has led to the increase of private security firms. Some of the firms are not licensed and regulated leading to low performance standards. This study focus was how to improve performances in the private security firms through leadership approaches. The study employed descriptive research design and targeted 30 private security firms and its 312 employees. The sample size is 96 staffs which is 30% of the targeted population. Primary data was collected using self-administered questionnaires that had closed-ended questions hence having quantitative data. The data was analyzed using descriptive, correlation and regression analysis and results showed that leadership approaches had positive and significant effect to performance of the private security firms. The study concluded that leadership approaches had positive significant effect to performance.*

**Keywords:** Leadership approaches, performance, leadership style, leadership hierarchies

### **1. Introduction**

In the current world, privatization of security as a function has become widespread across the globe in such a manner that one cannot ignore it anymore. The idea of private military and police is huge and has grown to exponential numbers (Buuni, Yusuf, Kiiru & Karemu, 2015). As a service sector it employs a huge number of human capital, but there have been complaints of poor pay. The unions demand for higher wages for the private security staff, but the firms cannot make 50-80% wage increment yet their average net profits is 5% (Ahearne, Kraus & Lam, 2013). The security companies have then focused on training and development as a way of enforcing the code of conduct and in the understanding that loss of skilled and experienced staff reflects poorly on the firm and the sector (Kaguru & Kapla, 2014).

The security firms have companies that are registered with the relevant authorities and bodies, but there are a few firms that are unregistered and operate illegally and adopt unscrupulous business practices like not paying the workers the minimum wages. Lemarleni, Ochieng, Gakobo and Mwaura (2017) report that the working conditions for the security guards is not conducive, with some of these guards working with no overtime, no insurance cover, annual leave and any social benefits. Michira (2016) avers that security firms' staffs have features like young, incompetent, not well trained, not fully equipped and not motivated to deliver on their mandate. The Kenyan situation of high insecurity, increased crime rates and violence had deterred the growth of economic activities in the nation. The lack of public trust in the police forces has made the private security sector to grow with over 2000 registered private security companies. The sector faces challenges including use of unarmed guards who face fully armed criminals, lack of cooperation and coordination between the private security firms and the police forces and poor pay for the guards may lead to them being easily lured by the criminal elements.

The private security firms suffer challenges including poor payment of staff, high employee turnover, and employee involvement in crime (Githinji, 2014). While Busolo, Ogolla, and Were (2016) noted the long work hours, poor career prospects for employees, low salaries, and poor health among employees. The operating area of a single private security was small –mostly one town as shared by Abrahamsen and Williams (2015). Furthermore, most of the security firms employed low-skilled staff for manning and guarding services and Tabo (2013) found that poor coordination, poor and improper communication and poor definition of strategy implementation. These challenges in performance are linked to strategy implementation and its leadership approach.

Strategy implementation is about formulating plans and bringing the plans to life. It is an important element since over 70% chief executive officers (CEOs) failures were linked to poor strategy implementation (Carruci, 2017). Strategy

implementation is about converting the strategic plan into actions and activities that guarantee the realization of organizational goals and vision (Nkosi, 2015). Organizations craft sound strategies, but 90% fail in its execution (Lihalo, 2013) and to change the trend, there is need for strong leadership presence.

Leadership will help in establishing the written strategic plans (Ngugi, 2014) and formulation of the strategies improves service quality. Leaders directing the implementation of strategies in the private security firms will improve performance which is measured in terms of output measures for rating service units, direct goods production capacity; productivity and efficiency measures are the ratios of output based on cost per unit spend on production of one unit of output (Abass, Munga & Were, 2017). The performance measures is also about the rate of achievement of the firms' goals, the value gained by the incurred costs, productivity and satisfaction of client hence the quality of services if viewed from the customers and consumers in the market for the service (Afande, 2015).

The increasing scores and trends in criminal rates in Kenya, and especially in urban centers and towns has triggered the immediate establishment of security firms in every corner, in bid to preserve the economy from declining because of theft (Wairagu, Kamenju & Singo (2018). The private security industry in Kenya suffers adversely from performance-related problems like lack of professionalism, management do not vet staff, insufficient training, poor treatment of staff, poor investigation and customer dissatisfaction with outcomes. Wairagu, *et al.* (2018) shared that some clients do not get value for their money; hence the need to look at efficiency and effectiveness of service delivery. To change the performance trends, there is need to focus on leadership in the private security firms. The focus will be on leadership approaches and its influence on performance of the private security firms.

The paper is designed and structured to follow this format; first is the review of the theoretical foundation and concepts of leadership approaches and performance. It then elaborates on research hypothesis and states the relationship between study variables and presents the conceptual framework. The second review is on the research methodology; the third is discussing the main study results and findings and lastly is conclusions of the study.

## 2. Literature Underpinning

### 2.1 Theoretical Foundation

The paper is underpinned by the agency theory which is based on management/leadership team as the agent and acting in the interest of the principal. The agent is expected to support and advance the interests of the principal within the organization. There is need for proper balance and merging of the interests for easier attainment of organizational objectives, since the agent is tasked with the mandate of safeguarding and managing the firm's resources. The agency theory is critical since the action taken by the agent (leader) affects the principal and the entire organization. The theory prescribes the behavior that should govern the relationships between agents and principals. The theory sheds more light on leaders in the security firms and the actions they take and its effect on performance outcomes. The leaders have to set a plan and through its implementation can lead to higher productivity and outcomes. The leaders direct all activities, resulting in improved performance in the selected private security firms.

### 2.2. Empirical Literature Review

Odera (2014) did a study on the contributing factors to the challenges that managers face in G4S limited and its strategic department. Results indicated the organizational structure that is hierarchical in nature largely contributed to exclusion of some staff in the supervisory level of management in the process of making firms decisions. The input from the managers is key in strategic planning and formulation of strategies which will guide the implementation phase as these managers better understand the significance of each part of the operations. At the same time inclusion leads to ownership and reduces instances of resistance to changes in the organization. In strategy implementation, a leader is one with the responsibility of steering the implementation process and achieving the set goals. The leadership approach is an implement element in strategy implementation but ineffective leadership approaches can be hindrance in strategy implementation. Ejere and Ugochuku (2015) shared that correction can be done using the leadership approaches namely; the organizational structure design, the design of control systems at the firm and the streamlining selection and appointment of managers.

Strategic leadership has been linked to the driving force behind effective strategy implementation. The study by Ojokuku, Odetayo and Sajuyigbe (2014) on leadership style employed by some Nigerian banks to improve its performance where the findings showing a strong and close relationship between the two variables. Further results show that the styles had different effects with transformational being positively linked to performance while transactional style had a negative effect. Bhargavi and Yaseen (2016) in the study on performance of the manufacturing firms in Nigeria based on the leadership styles. The study found out that transformation and transactional leadership led to improved performance. Similarly, Ejere and Ugochuku (2015) investigated the effect that transformational and transactional leadership styles have on performance. The findings showed that both styles were positively linked performance with transformational being strong and transactional style being weak.

Koech and Namsonge (2012) study was based on Kenyan state-owned corporations, its performance based on style of leading, with the findings showing transformational style having a strong link to performance, while transactional leadership style correlation was low and none for passive avoidant leadership or Laissez-faire style. Okwachi, Gakure and Ragui (2013) investigated the SMEs in Kenya and findings revealed that leadership practices in the SMEs had a direct relationship to its strategy implementation. The study conclusions noted that leadership and managerial practices affected the strategy implementation. According to Zumitzavani and Udchachone (2014) well-developed strategies, high skill set,

efficient of human capital led to success in strategy implementation while poor leadership posed the key hindrance to success in the implementation process. Samuel, Siagian and Octavia (2017) noted that poor leadership, conflicting priorities in the firm and poor coordination measures are an indication that the top managers avoid threats and embarrassing situations at the workplace.

The research study by Zumitzavani and Udchachone (2014) reveal that current leadership styles and practices must have brilliant ideas and synergies that help the organizations implement their strategies. The qualities of leaders are the ones who share common characteristics with the employees that bind them and unite them together; creating a sense of solidarity will lead to effective implementation of strategies at the organization. Igbaekemen and Odivwri (2015) argues that senior executive management role in strategy implementation cannot be ignored. The senior managers should provide excellent ideas and engage the employees such that strategy implementation processes can easily be accomplished. While poor leadership led to disorganization and create conflicts among the staffs of a firm (Ojokuku, *et al.*, 2014). Ultimately, the leaders have the responsibility of formulating strategies and executing them, since they are at the head in decision making and monitor the progress.

These studies on leadership in terms of practices and style as enfolded in agency theory positively or negatively affect organizational performance.

### 2.3. Research Hypothesis

Therefore, based on the theoretical foundations and empirical literature reviewed, presented in the previous sections, it is thus reasonable to take the assumption that leadership approaches has a significant effect on performance. This study then proposes the null hypothesis such that:

- $H_{01}$ : Leadership approach has no significant effect to performance of the selected private security firms in Nairobi City County, Kenya.

### 2.4. Conceptual Framework

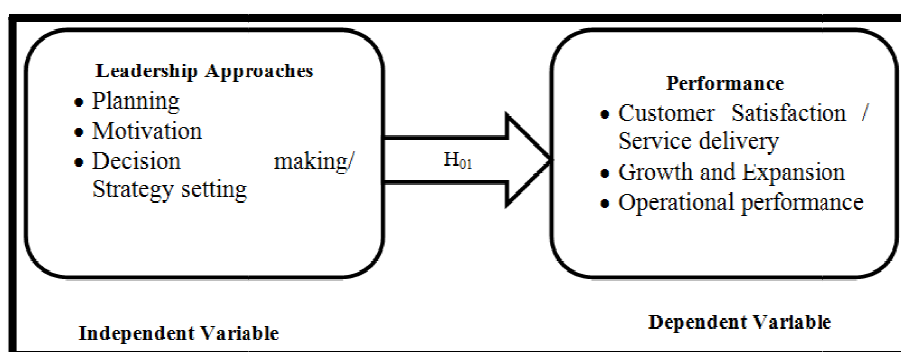


Figure 1: Conceptual Model of the Hypothesized Relationship

Source: Researcher (2021)

## 3. Research Methodology

### 3.1. Research Design, Sample and Sampling Design

This study employed descriptive research design and as noted by Creswell (2014) as the design is centered on discovering all aspects of a phenomenon and answers question like what and how. The target population was 30 private security firms that had operated for more than 5 years and were located within Nairobi City County. The unit of analysis was the 312 security personnel working in those private security companies as managers, administrators, supervisors as well as security guards. Stratified sampling technique was used to determine the sample size and 30% of the total sample frame of 312 was applied such that the sample size is 96 employees of the different private security firms. This sample of 30% is recognized as representative and hopefully will give fair results (Walliman, 2017).

### 3.2. Data Collection Instrument and Procedures

Primary data was collected using questionnaire that had close-ended questions hence collecting quantitative data. The research employed pick and drop letter approach and distributed the questionnaires during working hours to improve response rate. Validity was also assessed by conducting a pilot that enabled the researcher to identify mistakes and undesirable trends and edited the instrument. Cronbach's Alpha index was used to test for reliability and in accordance with O'Dwyer and Bernauer (2013) recommendations of alpha of 0.7 and above. The instrument was reliable based on leadership approaches having alpha of ( $\alpha=0.814$ ) and the performance ( $\alpha=0.891$ ) showing it met the 0.7 threshold.

### 3.3. Empirical Model

Multiple regression analysis was employed such that organizational performance was regressed against leadership approaches. The equation for the variables is expressed in this equation:

$$Y = B_0 + B_1X_1 + \epsilon_0 \quad \text{.....[Equation (1)]}$$

Where:

Y= Organizational Performance

X1=Leadership approaches

B0 = Constant

$\epsilon$ 0=Error term

#### 4. Results and Discussions

The study computed descriptive and inferential analysis that informed the findings. The response rate is 81.25% obtained from the 78 out of the 96 questionnaires that were filled and returned to the researcher.

##### 4.1. Descriptive Analysis

Leadership Approaches	Mean	Std. Dev.
There is harmonized strategy across all leadership levels in the firm.	4.172	1.463
All leadership hierarchies in the firm are fully responsible for setting and working upon the strategies.	4.389	.593
There is show of equal attention to firm functional –level concerns	4.677	.506
The leadership undertakes strategic decisions whenever there is need, or where adjustments are needed.	4.751	.438
Top managers affect strategy implementation and performance	4.053	.491
All employees are fully informed whenever the management sets a new strategy.	4.342	1.038
The management adopts easy means of communicating strategic plans across the organization.	4.649	.861
Leaders in a firm work hard and keep all employees motivated and committed to strategy implemented	4.479	.763
Overall Score	4.439	.7691

Table 1: Descriptive Analysis for Leadership Approaches

The Table 1 results show that in general leadership approaches affect the performance of the private security firms with the overall mean of 4.439 and standard deviation (SD) at 0.7691. The findings reveal that all statements recorded high mean scores ranging from low of 4.0 and highs of 4.7. The findings show that leader approaches play a big role in affected the performance of the private security firms.

Performance	Mean	Std. Dev.
The firm has experienced better profitability.	4.452	1.021
The firm has experienced growth and expansion for the past 1 year, after implementing strategies.	3.966	.900
The firm has consistently experienced employee satisfaction.	4.133	.674
The firm has experienced clientele satisfaction.	4.604	.977
The firm has innovated new ways of managing and improving performance.	3.867	.863
The firm has experienced process improvement for the past one year.	4.565	1.070
The operational performance of the firm has improved in the past one year.	4.431	.999
Overall Score	4.288	.9291

Table 2: Performance

Table 2 shows the results of organizational performance had overall score for its means at 4.288 and standard deviation of 0.9291 in general as influenced by leadership approaches. According to Momanyi, *et al.* (2018) organizational management that is result-oriented will focus and advocate for increased performance measures that are geared towards accountability and efficiency.

##### 4.2. Correlation Analysis

		Performance	Leadership Approaches
Performance	Pearson Correlation	1	
	Sig. (2-tailed)		
	N	78	
Leadership Approaches	Pearson Correlation	.872	1
	Sig. (2-tailed)	.000	
	N	78	78
**. Correlation is significant at the 0.01 level (2-tailed).			
*. Correlation is significant at the 0.05 level (2-tailed).			

Table 3: Correlation Analysis

Table 3 shows that leadership approaches had  $r$  values of 0.872 and  $p$ -values of 0.000 an indication that the relation between the variables is positive and significant.

#### 4.3. Regression Analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.777 <sup>a</sup>	.498	.672	3.48261
a. Predictors: (Constant), Leadership Approaches				

Table 4: Model Summary

Table 4 show that coefficient of correlation is at 0.777 showing that correlation is strong and positive, the adjusted coefficient of determination is 0.672(67.2%) meaning that performance in the private security firms can be traced back to leadership approaches. 32.8% of the residual effect can be explained by other approaches that are excluded from the scope of the present study.

Model	Sum of Squares	df	Mean Square	F	Sig.
1					
Regression	168.671	4	317.818	18.518	.000 <sup>b</sup>
Residual	794.150	74	58.647		
Total	962.821	78			
a. Dependent Variable: Performance					
b. Predictors: (Constant), Leadership Approaches					

Table 5: ANOVA

The ANOVA statistics results indicate that the model is a good fit since  $F_{\text{Calculated}}$  is greater than  $F_{\text{Critical}}$  ( $18.518 > 2.495$ ). The  $p$ -values is at 0.000 which is less than the standard level of 0.05 meaning that leadership approaches has a significant effect to performance in the private security firms.

Model	Unstandardized Coefficients	Standardized Coefficients	T	Sig.
	B	Std. Error	Beta	
(Constant)	15.888	4.766	.563	.000
Leadership Approaches	3.289	.510	.327	.009

Table 6: Regression Coefficient  
Dependent Variable: Performance

The Resultant Equation takes the form of:

$$Y = 15.888 + 3.289X_1 \text{Leadership approaches} \dots\dots\dots (i)$$

The hypothesis  $H_{01}$  was on leadership approaches having no effect on performance of the selected private security firms in Nairobi City, County. The results of table 6 show that coefficient of leadership approaches and performance is positive and significant ( $\beta=0.3.289$ ,  $p=0.009$ ); hence rejection of  $H_{01}$ .

#### 4.4. Discussions

The study established that leadership approaches had a positive and significant effect on performance of the private security firms with basing of its  $p$ -values and  $r$  values obtained. Leadership approaches covered elements such as leadership hierarchies, decision making by leaders, leadership style employed in an organization, the communication strategy and motivation of junior staffers. This finding is similar what Odera (2014) revealed that leaders in an organization are important in formulating strategic plans and implementing them. While Ojokuku, *et al.* (2014) that formulation and strategy implementation is the sole responsibility of the leaders of the firm. They decide which plans to execute, source for resources to accomplish that and guide the implementation process and success of the firms. Okwachi, *et al.* (2013) found out that leadership and managerial practices significantly affected firm performance.

### 5. Conclusions and Recommendations

#### 5.1. Conclusion

The study aimed at establishing leadership approaches and its influence on performance of selected private security firms in Nairobi City County. The study thus concluded that leadership approaches significantly affected the performance of these private security firms in Nairobi City County.

#### 5.2. Recommendations

The results of this study showed that leadership approaches led to improved performance of the private security firms in Nairobi City County. Therefore, the study recommends that private security firms must employ leadership

approaches through leadership styles and visionary leaders who will formulate strategies and direct its implementation and actualization of plans that enhance performance.

The study covered private security firms only in Nairobi City County such that the findings may not apply to security firms in other regions, thus the study suggests conducting future studies on private security firms in other regions. A similar study can also be done on companies in other sectors like hospitality, education, manufacturing and financial sector.

## 6. References

- i. Abass, M. K., Munga, J. & Were, E. (2017). The relationship between strategy implementation and performance in county governments of Kenya: A case study of Wajir County government. *International Academic Journal of Human Resource and Business Administration*, 2(3), 381-401
- ii. Abrahamsen, R. & Williams, M. C. (2015). The Globalization of Private Security, Country Report: Kenya, Retrieved on 5th July 2014 from <http://users.aber.ac.uk/rbh/privatesecurity/country%20report-kenya.pdf>
- iii. Afande, F (2015). Drivers for implementation of e-business in the insurance sector in Kenya. *Journal of Information Engineering and Applications*, 5(2) 142-149.
- iv. Ahearne, M., Kraus, F., & Lam, S. K. (2013). Performance impact of middle managers' adaptive strategy implementation: The role of social capital. *Strategic Management*, 3-4.
- v. Bhargavi, S. & Yaseen, A. (2016). Leadership Styles and Organizational Performance. *Strategic Management Quarterly*, 4(1), 87-117.
- vi. Busolo, C., Ogolla, D., & Were, E. (2016). Relationship between human resource management practices and performance of private security firms in Kenya: A case of private security firms in Kitui County. *International Journal of Business and Commerce*, 6(7), 1- 13
- vii. Buuni, H., Yusuf, A., Kiiru, G., & Karemu, G. (2015). Strategic plan implementation and organizational performance: a case of Hargeisa Water Agency in Somaliland. *IOSR Journal of Business and Management (IOSR-JBM)*, 17(II), 60-6
- viii. Carucci, R. (2017). Executives fail to execute strategy because They're too internally focused. *Harvard Business Review*.
- ix. Ejere, E., & Ugochuku, A. (2015). Impact of transactional and transformational leadership styles on organizational performance: empirical evidence from Nigeria. *The Journal of Commerce*, 5(1) 30-41.
- x. Githinji, S. (2014). *The effect of staff turnover on financial performance of private security firms in Kenya* (Unpublished thesis). United States International University, Kenya.
- xi. Igbaekemen, G. O. & Odivwri, J. E. (2015). Impact of leadership style on organization performance: A critical literature review. *Arabian Journal of Business and Management Review*, 5(5), 1-7
- xii. Kaguru, K. G & Kapla, O. (2014). Factors affecting performance of Private Security Firms in Nairobi County, *International Journal of Science and Research*, 3(2).
- xiii. Koech, P. & Namsonge, G. (2014). The Effect of Leadership Styles on Organizational Performance at State Corporations in Kenya. *International Journal of Business and Commerce*, 2(1) 01-12.
- xiv. Lemarleni, J. E., Ochieng, I., Gakobo, T. & Mwaura, P. (2017). Effects of resource allocation on strategy implementation at Kenya Police Service in Nairobi County. *International Academic Journal of Human Resource and Business Administration*, 2(4), 1-26.
- xv. Lihalo, M. A. (2013). Barriers to Strategy Implementation by Mid-Sized Companies in Kenya. *Global Journal of Management and Business Research: Administration and Management*, 4.
- xvi. Michira, M. (2016). *Private security services to double by 2020*. Standard Digital. Retrieved <https://www.standardmedia.co.ke/business/article/2000214166/private-security-services-to-double-by-2020>
- xvii. Momanyi, H., Senaji, T. A. & Were, E. A. (2018). An assessment of factors affecting strategic implementation in devolved government units in Kenya: Case of Nairobi City County. *International Academic Journal of Human Resource and Business Administration*, 3(2), 339-359.
- xviii. Ngugi, R., (2014), '*Security Risk and Private Sector Growth in Kenya: A Survey Report*', Nairobi; Kenya Institute for Public Policy Research and Analysis.
- xix. Nkosi, S. (2015). Factors affecting strategy implementation: A case study of a local municipality in Mpumalanga Province, South Africa. *European Journal of Business and Management*, 7(36), 29- 35
- xx. Odera, J. B. (2014). Challenges Faced By Middle Level Managers In The Decision Making Process: A Case Of G4s Security Services (K) Limited-Nairobi Region. *Eur. J. Cont. Econ. & Mgmt.*, 1, 173
- xxi. O'Dwyer, L. M., & Bernauer, J. A. (2013). *Quantitative research for the qualitative researcher*. SAGE publications.
- xxii. Ojokuku, R., Odetayo, T., & Sajuyigbe, A. (2014). Impact of Leadership Style on Organizational Performance: A Case Study of Nigerian Banks. *American Journal of Business and Management*, 1(4) 202-207.
- xxiii. Okwachi, S., Gakure, R., & Ragui, M. (2013). Business Models-What is their effect on the implementation of strategic plans by SME's, *Prime Journal of Business Administration and Management*, 3(5) 1025-1032.
- xxiv. Samuel, H., Siagian, H., & Octavia, S. (2017). The effect of leadership and innovation on differentiation strategy and company performance. *Procedia-Social and Behavioral Sciences*, 237, 1152-1159.
- xxv. Wairagu, F. Kamenju, J. & Singo M. (2018). '*Private Security in Kenya*', Nairobi: Security Research and Information Centre.

- xxvi. Walliman N. (2017). *Research Methods: The Basics*. 5<sup>th</sup> edition. London: Routledge
- xxvii. Zumitzavani, V. & Udchachone, S. (2014). The Influence of Leadership Styles on Organisational Performance Mediated by Organisational Innovation: A Case Study of the Hospitality Industry in Thailand. *International Conference on Economics, Management and Development*, 45-52