

Title

ASSESSING THE EFFECTS OF DEMOCRATIC LEADERSHIP ON EMPLOYEE PERFORMANCE: A CASE STUDY ON MANTISA CONSTRUCTION COMPANY, LILONGWE

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ABSTRACT

This study provided an in-depth examination of democratic leadership and its effects on employee performance at Mantisa Construction Company in Lilongwe. The study aimed to assess the effectiveness of this leadership style in promoting healthy workplace environments, employee engagement, motivation, and productivity.

A mixed-methods case study approach was employed. Data were collected from 37 employees using structured questionnaires (quantitative) and semi-structured interviews with managers and supervisors (qualitative). Documentary analysis of company reports and policies was also conducted. Purposive sampling was used for interviews, while simple random sampling supported the questionnaire distribution. Quantitative data were analysed using Microsoft Excel and presented in charts, bar graphs, and tables. Qualitative data were examined through narrative analysis.

The findings revealed that Mantisa Construction Company has implemented democratic leadership strategies, including inclusivity and empowerment. This style has had a positive impact, with 68% of respondents agreeing it influences day-to-day decision-making, 71% noting improved horizontal cooperation, and overall increases in employee engagement, motivation, and productivity. Challenges include occasional delays in decision-making (28% agreement) and some managers resisting full implementation (56% agreement).

The study contributes to the existing body of knowledge on leadership in the construction industry and provides practical insights for managers seeking to enhance sustainable work environments. Recommendations focus on manager training, safe communication forums, engagement

tracking, peer support networks, and increased leadership visibility.

KEYWORDS: Democratic Leadership, Employee Performance, Leadership, Mantisa Construction Company, Construction Industry, Malawi

INTRODUCTION

Leadership styles significantly impact employee performance, a critical factor in organizational success. This study assessed the effect of democratic leadership styles on employee performance at Mantisa Construction Company (MCC), drawing upon existing literature and research. The organization of this study begins with an overview of different leadership styles.

Leadership styles, defined as the methods used to provide direction, implement plans, and motivate individuals, are crucial determinants of organizational outcomes. Different styles, such as transformational, autocratic, and democratic leadership, each have unique effects on employees. Transformational leadership focuses on developing followers and their needs. Conversely, autocratic leadership centralizes decision-making, potentially stifling creativity and commitment. The choice of leadership style influences employee motivation, satisfaction, and ultimately performance.

Today, many organizations face complex social environments, including miscommunication, conflicts, and hostility. One of the core criticisms of these kinds of organizations is that they tend to be either under-led or over-managed. Organizations that suffer over-management are sometimes slow to make adequate changes, which leads

to less efficiency and few results. On the other hand, organizations that are under-led experience low employee productivity. In such work climates, leaders act in ways employees do not quite understand. This creates an unpleasant work environment that the organization must deal with, causing employees to lose faith in their leader's leadership ability. Although the primary concern of many organizations remains attraction and retention, employees want to work most of the time for good leaders in environments where they are treated with respect and can freely express their opinions.

Since leadership profoundly affects employees, it is important to understand how it functions. To do so, we must first recognize the types of leaders that lead organizations by their strengths and weaknesses and determine the types of leaders that organizations need by their competencies. Supervisors need to be good leaders to achieve organizational success.

Over the last decades, the relationship between leadership style and job performance has been the centre of attention in several organizations and the subject of many studies. The role of a leader has become crucial to gain the trust of subordinates and stimulate their commitment to fulfill their task successfully. This role is regarded as a critical tool for employee productivity because the leader plays a vital role in assisting employees and formulating collective norms.

Organizations seek ways to enhance their employees' performance to achieve organizational goals through their chosen leader. Therefore, a leader must provide a compelling direction that helps team members to achieve the team and organizational goals. It is believed that good leadership contributes to the success of an

organization; otherwise the organization stagnates and fails, but one does not become a good leader by possessing some traits but by bearing a relevant relationship to the activities, characteristics, and goals of subordinates.

BACKGROUND OF THE STUDY

The relationship between leadership style and employee performance has been extensively studied globally, with democratic leadership increasingly recognized for its positive influence on workplace outcomes. Democratic leadership, characterized by participative decision-making and employee involvement, is closely tied to Human Resource Theory and McGregor's Theory Y, which emphasize motivation, respect, and collaboration as key drivers of employee engagement. Studies suggest that when employees are empowered to contribute ideas and partake in decision-making, their motivation, productivity, and loyalty increase significantly. Despite its advantages, the adoption of democratic leadership remains uneven across industries and regions. In sectors such as construction, where employee coordination, innovation, and accountability are essential, leadership style plays a pivotal role in determining organizational success.

In Malawi, where the labour force exceeded 8.6 million in 2024 and employers represent only 1.12% of total employment, effective leadership is critical to improving employee performance and organizational output. With inflation reaching 28.5% in early 2024 and economic pressures mounting, companies are under pressure to maximize productivity through better leadership practices. Research shows that democratic leadership enhances employee satisfaction, fosters innovation, and boosts organizational

efficiency in Malawi's private sector. However, limited training and awareness hinder its widespread implementation. This study investigates the effect of democratic leadership on employee performance at Mantisa Construction Company in Lilongwe, Malawi, with the aim of generating evidence-based insights to guide leadership development and improve staff motivation.

RESEARCH OBJECTIVES

Main Objective

- Assessing the effects of democratic leadership on employee performance at Mantisa Construction Company.

Research Objectives

- To evaluate the influence of democratic leadership on employee performance at Mantisa Construction Company.
- To examine the relationship between democratic leadership and employee performance within Mantisa Construction Company.
- To identify the challenges and barriers associated with the implementation of democratic leadership.

LITERATURE REVIEW

Theoretical Framework

Leadership Theories

Path Goal Theory of Leadership

This study is anchored on the Path-Goal Theory of leadership as the most appropriate

framework. Path-Goal Theory, developed by *Robert House (1971)*, combines Vroom's Expectancy Theory of motivation with a situational perspective. The theory shows the effect of leadership behaviour on expectancies which in turn affect subordinate outcomes. Two key factors of a leader are the goal element (increasing the number and kinds of rewards subordinates receive for goal accomplishment) and the path element (making paths to these rewards easier by removing obstacles that inhibit goal accomplishment).

According to *Lawal (1993)*, subordinate outcomes in the Path-Goal Theory depend on two variables: Leaders' Behaviour, which may be directive leadership (informs subordinates what is expected and provides guidance), supportive leadership (shows concern for well-being of subordinates), achievement-oriented leadership (sets challenging goals and has confidence in subordinates' ability), and participative leadership (holds consultation with subordinates and asks for suggestions before making decisions); and Situational Variables, which may be subordinate characteristics (ability and personality traits) or task characteristics (whether tasks are ambiguous or not, simple or difficult, stressful or not, dull or interesting, safe or dangerous).

The implication of the Path-Goal Theory is that effective leaders vary their style with the situation. It provides a precise set of contingency factors that offer practical advice on when to use what leadership style.

Human Resource Theory: Motivation

Motivation is a way to create a high amount of passion in order to achieve organizational goals, and this condition is addressed by fulfilling certain individual needs. Managers

within businesses or organizations are largely responsible for ensuring that activities or roles are conducted in the right way by workers. To accomplish that, HRM must guarantee a professional team of workers and hire the best staff capable of doing the job. To optimize the productivity of employees, they need to be motivated enough. At this level, one must understand human nature better to understand how motivation can impact on the performance of the employee. To achieve this goal, it is important to combine the correct motivational resources with successful management and leadership as motivation impacts on employee performance.

RESEARCH METHODOLOGY

This study adopted a mixed-methods design, combining both qualitative and quantitative approaches to gain a comprehensive understanding of how democratic leadership affects employee performance at Mantisa Construction Company. A mixed-methods design provides richer data by combining numerical data with detailed participant insights. This approach is especially suitable for organizational studies where employee behaviours, attitudes, and outcomes are best understood through both statistical analysis and personal experiences.

The quantitative approach gathered numerical data to measure the relationship between democratic leadership and employee performance using structured questionnaires. The qualitative approach complemented this by collecting in-depth perspectives through interviews and focus group discussions, offering context and deeper understanding behind the numbers.

The study was conducted at Mantisa Construction Company, located in Lilongwe, the capital city of Malawi.

Lilongwe is a rapidly growing urban centre that hosts various private sector organizations, including construction firms that play a key role in the city's infrastructure and economic development. Mantisa Construction Company is involved in residential, commercial, and public infrastructure projects, making it a relevant case for studying leadership and performance in a high-demand industry.

The target population at Mantisa Construction Company is 110, which represents all employees. This includes managers, site supervisors, construction workers, administrative and support staff. These groups are chosen because they directly engage in project execution and are exposed to the democratic leadership style.

The study used purposive sampling for the qualitative approach (selecting participants with direct experience such as supervisors, team leaders, and project staff) and simple random sampling for the quantitative approach (to ensure each individual has an equal chance of being selected, reducing bias and increasing generalizability).

The sample size was determined using Neyman's Formula of Finite Population, yielding $n = 37$ respondents.

The primary research instruments were structured questionnaires (for quantitative data, using closed-ended Likert-scale questions) and an interview guide (for semi-structured qualitative interviews). A pilot study was conducted with 2 respondents from Mantisa Construction Company (one from each of two levels of management or department) to test clarity, effectiveness, and reliability of the tools; minor adjustments were made.

Quantitative data were analysed using Microsoft Excel and presented in charts, bar graphs, and tables. Qualitative data were

examined through narrative analysis to explore how employees understand and explain their experiences working under democratic leadership. Ethical standards were observed throughout the process.

RESULTS AND DISCUSSION

A total of 37 questionnaires were distributed and all were completed, giving a 100% response rate for the quantitative component. Demographic data showed a balanced gender distribution (approximately 50% male, 50% female based on the pie chart). The majority of respondents were young (80% aged 35 and below), well-educated (60% with Bachelor's or Master's degrees), and on permanent contracts (72%). Most had moderate experience (60% with less than 5 years of service, 32% with 5–10 years).

The findings revealed strong implementation of democratic leadership at Mantisa Construction Company. 68% of respondents agreed that democratic leadership influences day-to-day decision-making, ensuring stakeholders are involved in the company's goals through participation. This fosters trust and lays a foundation for sustainable relationships. 71% agreed that the leadership style helps to clearly experience horizontal cooperation, creating a creative, team-oriented environment by encouraging open idea sharing and collective ownership — particularly valuable in construction projects that require coordinated effort across trades and departments.

Despite these positive effects, challenges exist. 28% agreed that involving employees in decision-making occasionally slows down the business, especially in construction where project timelines are rigid and penalties for delays are common. 56% agreed that some managers resist

implementing democratic leadership in their divisions because they have not fully embraced or modelled democratic behaviours, creating inconsistency across departments.

Overall, democratic leadership has led to increased employee engagement, motivation, and productivity at Mantisa Construction Company, though full adoption requires addressing implementation barriers.

SUMMARY OF RESEARCH FINDINGS

The study established that democratic leadership is actively practised at Mantisa Construction Company and positively influences employee performance. Key positive outcomes include greater involvement in decision-making (68% agreement), improved horizontal cooperation (71% agreement), higher engagement, motivation, and productivity. Demographic data confirm a young, educated, and stable workforce well-positioned to benefit from participative leadership. Challenges remain around occasional decision-making delays (28%) and managerial resistance (56%), highlighting areas for targeted improvement.

CONCLUSION FROM THE STUDY

The study set out to examine how democratic leadership affects employee performance, using Mantisa Construction Company as a case study. The findings reveal a positive link between the company's leadership and its employees' performance rate or scale. Employees who perceived the company's leadership style were more likely to remain loyal and work with no pressure. Employee engagement also rose when staff participated in group

projects, further reinforcing the company's reputation and operational efficiency.

This case study at Mantisa Construction Company demonstrates how democratic leadership can be applied to boost employees' performance. The result indicates that if employees are involved in decision-making and their opinions are considered, then job satisfaction and production of the entire workforce will increase notably.

While challenges still exist, especially in creating a culture that allows and encourages all employees to participate, the positive trend at Mantisa Construction Company suggests that the adoption of democratic leadership can align closely with organizational goals and lead to improved performance outcomes.

RECOMMENDATIONS OF THE STUDY

- **Improve Manager Trainings:** Implement training programs that sensitize managers on the principles and benefits of democratic leadership and stress inclusivity and engagement.
- **Provide Opportunities for Safe Communication:** Regularly organize forums or meetings to let employees share their views, suggestions, and concerns freely, without fear of retribution, so that communication becomes more open.
- **Track Engagement Metrics:** Employee engagement and satisfaction levels must be constantly monitored through regular surveys to pinpoint areas for improvement and respond proactively.
- **Foster Peer Support Networks:** Establish peer support programs that

allow less formalized collaboration and discussion among colleagues, providing further direction through which to participate and generate ideas.

- **Increase Leadership Visibility:** Make the leaders more visible and approachable so that employees can feel more comfortable approaching them either for guidance or to provide feedback.

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