



**AN EXAMINATION OF THE IMPACT OF VARIOUS LEADERSHIP STYLES  
ON WORKPLACE ENVIRONMENT IN SMALL AND MEDIUM-SIZED  
ENTERPRISES IN KURDISTAN**

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**ARTICLE INFO**

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**Article History:**

Received:

Accepted:

Published:

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**Keywords:** Autocratic Leadership, Democratic Leadership, And Laissez-Faire Leadership, Working Environment.

**ABSTRACT**

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Leadership is organizing and guiding a group of people toward a common goal, whether in a formal or informal setting. Individuals may demonstrate skills in a number of different scenarios. A good leader can inspire their team to work together toward a common goal and make decisions in the long-term benefit of the group as a whole. The current study focused on the impact of three leadership styles on working environment at selected SMEs in Erbil city. The study selected 10 small medium enterprise in Erbil, each SME has 40 employees therefore the target population is 400 employees. The current study focused on SME in Kurdistan, the researchers distributed 130 questionnaires to different SME in various locations in Kurdistan, However, 117 questionnaires were received by the researchers. The findings revealed that there is a strong connection between the working environment and the three different types of leadership styles (autocratic leadership, democratic leadership, and laissez-faire leadership). The study recommended it is essential to recognize that different leadership styles have the potential to have a variety of effects on the atmosphere of the workplace, and those effects may also vary depending on the specific context and circumstances of each small to medium-sized business.



## **1. Introduction**

Leadership is the ability to manage and direct a group of individuals, whether in an official or informal role. This talent maybe demonstrated in a variety of settings. A strong leader is able to invigorate and excite their followers toward the accomplishment of a shared objective, as well as being able to make choices that are in the organization's overall best interest. The term "working environment" refers to the settings, both physical and social, in which individuals do their jobs (Giddens, 2018). A pleasant working environment is one that is safe, comfortable, and supportive of the needs and well-being of the employees. Such an atmosphere is positive for employee morale and productivity. This might include things such as having sufficient resources and equipment, having good communication, and having the opportunity for professional growth. An unfavorable working environment, on the other hand, may be unpleasant, unfriendly, or unhealthy, and it may have an adverse effect on the morale of the workforce as well as the productivity of the workforce (Cummings et al., 2018).

Leadership and the atmosphere of the workplace are two crucial components that contribute significantly to the success and contentment of a firm. A great working environment may assist in promoting a sense of belonging and engagement among employees, while effective leadership can help establish a positive culture and foster a sense of cooperation and collaboration. On the other side, bad leadership and a hostile working environment may contribute to low morale, which in turn can lead to high turnover and poor performance (Saputra and Mahaputra, 2022).

The process of guiding and directing a group of individuals toward a shared objective is what we mean when we talk about leadership. It includes conveying the vision you have for the group, inspiring and motivating others to work towards attaining that vision, and sharing the vision you have for the group. A strong leader is able to persuade people to take action, make decisions, and find solutions to issues, as well as empower those followers (Fahlevi et al., 2019).

Leadership and organization are two of the most important factors that contribute to the success of any group or organization. The effective organization helps to



guarantee that the actions of the group are coordinated and focused on accomplishing its goals, while good leadership helps to establish a positive culture and inspire cooperation and teamwork. Both of these factors contribute to the success of an organization (Pishgooie et al., 2019).

Leadership is essential in a wide variety of contexts because it enables one to have a significant influence on the actions and behaviors of others and to direct those behaviors and actions in desirable directions. It is the ability of a good leader to encourage and inspire their team members, to set clear goals and objectives, and to create a happy and productive work atmosphere that distinguishes good leaders from great leaders. They also have excellent communication abilities, which enable them to transmit their thoughts and visions to others in a clear and concise manner (Xie et al., 2018).

Leadership is of utmost significance in the business sector since it can have such a big influence on the success or failure of an individual firm. In order to keep their businesses going in the right direction, effective leaders are able to make difficult decisions, find solutions to issues, and adjust to new and changing conditions. They are also able to establish a culture of innovation and continuous development, which may assist a firm in remaining competitive and successful in a corporate climate that is becoming increasingly fast-paced and dynamic (Hansen and Pihl-Thingvad, 2019).

In general, leadership is a crucial component of any group or organization, and the caliber of the leader may have a considerable impact on the path that the group or organization takes and the level of success it achieves (Akpoviroro et al., 2018). Leadership is necessary because it entails steering a group of individuals toward a common objective. An excellent leader may inspire and encourage their team to work together productively, increasing the odds of the group's success. Leadership also requires the capacity to make decisions, solve problems, and distribute work to the right people in the team. Also, leaders have a major effect on an organization's success by influencing its culture and ideals. Leadership is an essential component of every company since it plays a key role in deciding the path that an organization will take and the level of success it will achieve. Strong leaders are able to inspire and encourage their team, communicate effectively, make choices even when they are under pressure, and assign work in an appropriate manner. In addition to this, they should be able to articulate their aims and objectives in a crystal-clear manner and



cultivate a constructive and welcoming atmosphere in the workplace (Raza and Sikandar, 2018).

More productivity, greater decision-making, higher employee morale, and ultimately increased revenues can all be the result of effective leadership in an organization. On the other side, ineffective leadership can bring about a toxic environment at work, which in turn can lead to decreased productivity and, eventually, lower earnings (Gemeda and Lee, 2020). There are many distinct methods and styles of leadership, and those who are able to modify their approach to best meet the requirements of their team and the circumstances they find themselves in are the most effective leaders. Autocratic leadership, servant leadership, autocratic leadership, and democratic leadership are all examples of prevalent leadership styles. It is essential for leaders to have a strong sense of self-awareness and to continue honing their leadership abilities in order to ensure that their businesses receive the most favorable results that are feasible (Huertas-Valdivia, et al., 2019). The current study contributes in the type of leadership employed can be a significant factor in determining the effect that leadership has on the atmosphere of the workplace.

### **1.1 The Aim of the Study**

The purpose of the study is to investigate how the presence of a variety of leadership styles influences the workplace environments of small and medium-sized enterprises. The study focused on autocratic, democratic, and laissez-faire leadership styles to examine their impact on the workplace environment at selected small and medium-sized enterprises.

### **1.2 Research Problem**

The current research problem can arise when doing research on the impact of different leadership styles on the atmosphere of the workplace in small and medium-sized businesses: There has been relatively little study done on the specific influence that different leadership styles have on the workplace environment of SMEs. The necessity of having an understanding of the ways in which various leadership styles affect the climate of the workplace. The difficulty of precisely assessing the impact that different leadership styles have on the atmosphere of the workplace. The possibility that individual and cultural prejudices will influence the findings of a

research study. The difficulty in applying findings to all small and medium-sized businesses as a whole due to the unique characteristics of each of these types of companies.

### 1.3 The Importance of the Study

It is essential to investigate the various styles of leadership and the effect that these types have on the environment of the workplace in small, and medium-sized businesses for the following reasons: It has an impact on employee morale as well as overall performance and job satisfaction. Creativity, invention, and collaboration are all fostered in a favorable work environment. Increased staff engagement and motivation are two benefits that can result from effective leadership. A positive culture in the company has the ability to both entice and keep the best employees. Increased business performance and profitability may be the result of having good leadership and a pleasant working environment. It is helpful in understanding the relationship between the type of leadership and the work environment. It has the potential to boost both enjoyment and productivity in the workplace. It has the potential to educate owners and managers of businesses on effective methods of leadership.

### 1.4 Conceptual Framework

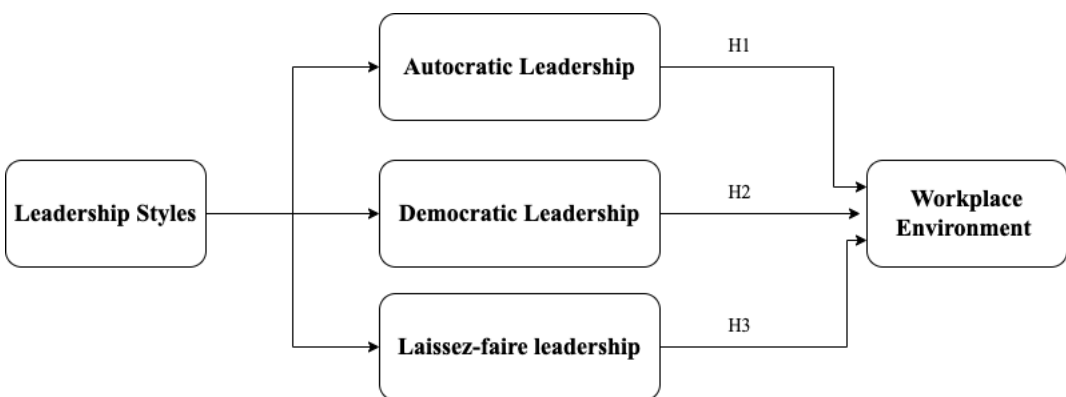


Figure 1: Conceptual Framework

### **1.4 Research Hypotheses:**

According to the conceptual framework (figure 1), the study developed the following research hypotheses:

H1: Autocratic leadership has a significant and positive influence on workplace environment at small-medium enterprise.

H2: Democratic leadership has a significant and positive influence on workplace environment at small-medium enterprise.

H3: Laissez-fair leadership has a significant and positive influence on workplace environment at small-medium enterprise.

## **2. Literature Review**

There are a large number of distinct leadership models that have been established and researched, and each of these models possesses a one-of-a-kind collection of qualities and tactics for effectively leading and managing a group of people or an organization (Akpororo et al., 2018). In small and medium-sized businesses, the kind of leadership that is performed can have a considerable effect on the atmosphere of the workplace (SMEs). There is a wide range of possible outcomes that can be brought about by various styles of leadership, including everything from strong employee satisfaction and involvement to low motivation and commitment (Hoang et al., 2022).

Leadership has the potential to significantly affect the working environment. An influential and capable leader may invigorate and encourage team members, foster an environment that is upbeat and productive, and steer a company toward the accomplishment of its objectives. On the other side, ineffective leadership can result in a hostile working environment, low morale, and subpar performance among employees (Alheet et al., 2021). The following is a list of particular ways that leadership might affect one's place of employment: The actions and manner of a leader have the potential to influence the conduct and demeanor of everyone else in the company. When a leader exudes positivity, self-assurance, and respect for others, it may contribute to the development of a constructive work environment and inspire colleagues to perform at their best (Asgari et al., 2020).



**Direction:** A leader's primary responsibility is to offer the team a distinct path to follow and goals to strive for, as well as the resources and support necessary to accomplish these things. Providing assistance to workers and empowering them to make decisions A good leader should provide support to employees and enable them to make decisions so that they may take on new challenges and enhance their talents. This has the potential to make workers experience more satisfaction and motivation in their work (Asgari, et al., 2020).

**Managing disputes:** A leader should have the ability to successfully handle disagreements within the team and establish a work atmosphere that is constructive and courteous (Binti et al., 2020).

**Making decisions:** A leader is accountable for making significant decisions that can have an effect on the course that the company will take and its level of success.

Leadership has the potential to have a huge effect on the workplace as a whole, and it is critical for businesses to have strong leaders in place who are able to foster a productive and upbeat atmosphere in the office. The effectiveness of an organization is directly correlated to the quality of its leadership. Leadership that is both effective and inspirational is able to inspire and encourage people, cultivate an atmosphere that is both positive and productive, and make strategic decisions that propel the firm ahead. On the other side, bad leadership may be detrimental to performance since it can demoralize people, create a toxic work culture, and make poor judgments that have a negative influence on the firm (Saleh et al., 2018).

There are a lot of different things that can play a role in good leadership, including the following: **Vision and direction** Having a distinct vision and direction for the organization can assist in channeling the efforts and resources of its members toward the accomplishment of shared objectives. **Communication** is essential for effective leadership. Effective leaders are great communicators who are able to convey their team's objectives, goals, and vision to them in a concise and understandable manner (Bligh et al., 2018). **Emotional intelligence:** Leaders who have high emotional intelligence are able to understand and control their own emotions as well as the emotions of others, which may lead to interactions within the business that are more positive and productive (Cummings et al., 2018).



Adaptability: The capacity to adjust one's behavior in response to shifting conditions and to arrive at snap judgments based on enough information might be essential to the success of an organization. Integrity: Leaders that behave ethically and follow ethical standards are the ones who are most likely to foster a positive culture as well as inspire trust and respect among their team members. Effective leadership has the potential to have a beneficial impact on the functioning of an organization as a whole by producing a good and productive work environment, inspiring and motivating people, and making strategic decisions that propel the firm ahead (Musinguzi et al., 2018).

Examples of leadership models that are examined extensively include the following:

Autocratic leadership refers to a paradigm in which the leader is the sole decision-maker and all other members of the group are excluded from the deliberation process. This style of leadership can be useful in circumstances in which rapid judgments need to be made; nevertheless, it is also susceptible to being seen as authoritarian, which can result in a lack of trust and morale among team members (Fahlevi et al., 2019).

Democratic leadership is a type of management in which the leader of the group is someone who promotes the engagement and input of other members of the team and bases decisions on the participation and feedback of the group as a whole. This kind of leadership may be useful in fostering a feeling of ownership and commitment among members of a team, but it also has the potential to be time-consuming and may not be suitable for circumstances in which prompt judgments are required (Gandolfi and Stone, 2018).

Laissez-faire leadership entails a leader who takes a hands-off attitude and offers team members a great degree of liberty to make their own decisions. This model is also known as the democratic leadership model. If the members of the team are not given specific goals or expectations, this kind of leadership can be helpful in stimulating creativity and invention, but it also has the potential to lead to a lack of direction and a lack of responsibility in the work that is produced (Bligh et al., 2018).

In the paradigm of leadership known as Autocratic leadership, a leader serves as a source of inspiration and motivation for other members of the team, encouraging





them to realize their full potential and effect good changes within the business. It is possible for this style of leadership to be effective in fostering creativity and driving change, but in order for it to do so, the leader has to be able to communicate clearly and connect with the members of the team (García-Sierra and Fernández-Castro, 2018). The most effective model of leadership in a dynamic work environment will depend not only on the specific requirements and objectives of the business but also on the capabilities and preferences of the individual in charge. When working in an environment that is fast-paced and full of change, it is possible that it will be essential to modify existing leadership models or combine a number of them in order to successfully lead and manage a group of people (García-Sierra and Fernández-Castro, 2018).

### **2.1 Autocratic leadership**

Autocratic leadership is a form of leadership in which the leader has all the authority and makes all the decisions without consulting or involving any of the other members of the organization. This style of leadership can be described as authoritarian (Gemedda and Lee, 2020). This form of leadership is typically linked with authoritarian or dictatorial governments, and it is distinguished by a lack of transparency, accountability, and involvement. It is also commonly connected with authoritarian regimes (Giddens, 2018). It is possible for a leader to utilize their position and authority to make decisions and guide the activities of the group in an autocratic leadership style. This means that the leader does not take the input or thoughts of others into consideration. This can result in low morale and motivation among team members, as well as a lack of creativity and innovation within the group (Setyorini et al., 2018).

### **2.2 Democratic leadership**

Democratic leadership is a form of leadership in which individuals on the team are encouraged to share their ideas and opinions as well as participate in the decision-making process. Because all members of the team have the impression that their contributions are valued and their views are heard, an environment at work that is more collaborative and welcoming may be created using this style of leadership. Members of a team in a workplace that adheres to democratic principles are allowed the latitude to voice their opinions and perspectives, and they are actively

encouraged to contribute to the processes of problem-solving and decision-making. This may result in improved levels of motivation and work satisfaction, as well as enhanced levels of creativity and invention. On the other hand, it is essential to keep in mind that democratic leadership is not always the most effective strategy in all circumstances. If a group is working under strict time constraints or dealing with an emergency, this method of decision-making may not be the most effective option because it can be time-consuming. It's possible that a more authoritarian approach to leadership might work better in certain situations (Arif and Akram, 2018). If democratic leadership is applied correctly and in the appropriate setting, it has the potential to be a highly effective method for producing a good and productive working atmosphere. However, this only holds true if democratic leadership is employed. Democratic leadership, also known as participative leadership, is a style of leadership in which members of the team are encouraged to participate in the process of decision-making and to take an active role in leading the team. Democratic leadership is also sometimes referred to as servant leadership. The assumption that team members are more likely to feel motivated and empowered when they are given a voice in the decision-making process and when they feel ownership over the consequences of their work is the premise upon which this model of leadership is built. There is evidence to show that democratic leadership can contribute to enhanced organizational performance. Studies have shown that democratic leadership may result in higher levels of job satisfaction and commitment among team members, which can in turn result in enhanced productivity and improved work quality. This method of leadership may also serve to cultivate a culture of open communication and cooperation inside the business, both of which can contribute to the development of trust and an increase in the effectiveness of teamwork (Gandolfi and Stone, 2018).

### **2.3 Laissez-faire leadership**

Laissez-faire leadership, also known as delegative leadership, is a style of leadership in which leaders allow their team members the autonomy and flexibility to make their own decisions and to handle problems on their own without interference from the leader. This style of leadership is often characterized by a hands-off approach, in which leaders allow their team members to take the lead and make decisions without micromanaging them. This type of leadership can be distinguished from other styles of leadership by its use of the phrase "hands-off approach." (Saputra and Mahaputra,



2022). Employees at a workplace that adheres to the laissez-faire philosophy are trusted with a great deal of autonomy and are expected to take full responsibility for their actions (Musinguzi et al., 2018). They are expected to be self-motivated and capable of properly managing their own time as well as the things for which they are responsible responsibility for their actions. They are expected to be self-motivated and capable of properly managing their own time as well as the things for which they are responsible. Individuals that are highly talented and self-motivated might benefit from working in an atmosphere like this since it gives them the opportunity to take ownership of their work and make a significant contribution to the overall success of the team. On the other hand, it may prove difficult for those who have a lower level of self-assurance over their capabilities or who may benefit from more direction and assistance (Fahlevi et al., 2019). When there is a high level of trust and respect between team members and leaders, as well as when team members are competent and able to handle a high degree of autonomy, laissez-faire leadership and working environments can be effective overall. This is true for both the workplace and the workplace environment. However, it is essential for leaders to keep track of the progress made by their teams and offer assistance whenever it is required to make certain that objectives are being attained and that members of the team are able to do their jobs efficiently (Musinguzi et al., 2018).

### **3.1 Research Methodology**

#### **3.2 Research Design**

In order to measure the impact of various leadership styles on workplace environment, the study applied quantitative research is a type of research methodology that entails the collection and evaluation of measurable facts and figures. Its purpose is to validate hypotheses and investigate the connections between different variables. When doing quantitative research, it is common practice to gather data through the use of defined and organized methods and tools, such as questionnaires or experiments (Asgari, et al., 2020). After the data has been obtained, statistical methods by using SPSS are applied to evaluate it in order to look for patterns and trends. In quantitative research is frequently applied in order to test hypotheses and investigate correlations between the variables being studied. It is particularly beneficial for investigating large samples and testing hypotheses that can be evaluated and validated using numerical data.

### 3.3 Sample Size

Random sampling is an essential technique in statistical analysis since it helps to lower the influence of bias and raise the level of the sample's ability to represent the population. When drawing assumptions about the population from these findings, it is possible for them to be more accurate and dependable. The study selected 10 small medium enterprise in Erbil, each SME has 40 employees therefore the target population is 400 employees. The current study focused on SME in Kurdistan, the researchers distributed 130 questionnaires to different SME in various locations in Kurdistan, However, 117 questionnaires were received by the researchers.

### 4. Analysis and Findings

The primary purpose of this study is to investigate the connection that exists between different types of leadership and the culture of the workplace. As was stated earlier, a total of 117 individuals filled out the questionnaire. On scales that were sorted from most important to least essential, the respondents were asked to rate how essential they thought each item was. SPSS version 28 was utilized for the analysis of each and every piece of data.

#### 4.1 Reliability Analysis

Table (1): Reliability Analysis

Factor	Cronbach's Alpha	N of Questions
Autocratic leadership	.729	9
Democratic leadership	.771	9
Laissez-faire leadership	.736	8
Working environment	.793	11

Source: SPSS 28, by the researchers, 2023

For autocratic styles of leadership, the alpha was .729 > .6, indicating that all 9 questions were valid measures of autocratic leadership; for democratic styles of leadership, the alpha was .771, indicating that all 9 items were valid measures of democratic leadership. Since the alpha for laissez-faire leadership styles was 0.736, we know that the eight items we used to measure this style were reliable; the alpha

for the work environment was 793, so we know that the eleven things we used to measure the work environment were also reliable.

#### 4.2 Correlation Analysis

Table (2): Correlations Analysis

Variables	Pearson Correlation	Working environment
Autocratic leadership	Pearson Correlation	.701**
	Sig. (2-Tailed)	.000
	N	117
Democratic leadership	Pearson Correlation	.692**
	Sig. (2-Tailed)	.000
	N	117
Laissez-faire leadership	Pearson Correlation	.611**
	Sig. (2-Tailed)	.000
	N	117
**. Correlation is significant at the 0.01 level (2-tailed).		

Source: SPSS 28, by the researchers, 2023

The associations between the three independent variables and the dependent variable are shown in Table 2. Autocratic leadership and workplace conditions have a statistically significant relationship ( $r = .701^{**}$ ,  $p < 0.01$ ). The linear correlation between autocratic management styles and workplace conditions is quite strong. Furthermore, a Democratic leader's influence at work is related to the atmosphere there ( $r = .692^{**}$ ,  $p < 0.01$ ). Although the linear relationship between Democratic leadership and workplace conditions is weak, the laissez-faire leadership style is significantly correlated ( $r = .611^{**}$ ,  $p < 0.01$ ). The correlation between a laissez-faire boss and a pleasant workplace is weak to moderate.

### 4.3 Regression Analysis

Table (2): Coefficients

Independent variable	Coefficients	t-value	P-value
Laissez-faire leadership	.641	4.331	.000
Democratic leadership	.591	.5934	.000
Autocratic leadership	.399	7.661	.000
R <sup>2</sup>	.669		
F value	299.182		

Dependent Variable: Working environment

Source: SPSS 28, by the researchers, 2023

It was discovered that laissez-faire leadership significantly predicted working environment (Beta = 3.99, p. 001), implying that laissez-faire leadership has a direct positive association with working environment. Additionally, it was found that Democratic leadership has significantly predicted the working environment (Beta is 0.591, p. 001), which indicates that Democratic leadership will have a direct positive but less strong association with the working environment. The results of the multiple regression analysis are presented in Table 3. Furthermore, it was discovered that the value of R square was equal to .669 This suggests that the three styles of leadership (laissez-faire leadership, autocratic leadership, and democratic leadership) are responsible for explaining 67% of the total variation in the working environment. Additionally, the F value for the three styles of leadership (laissez-faire leadership, autocratic leadership, and democratic leadership) as independent variables is = 299,182, indicating that these styles of leadership are significantly different from one another. This suggests that there is a strong connection between the working environment and the three different types of leadership styles (namely, autocratic leadership, democratic leadership, and laissez-faire leadership).

## **5. Discussions**

The research will look into how various leadership styles affect the culture of businesses with fewer than 500 employees. The purpose of this research was to compare the effects of autocratic, democratic, and laissez-faire management on chosen small and medium-sized businesses. Researchers used multiple regression analysis to examine the interplay between three explanatory variables and the dependent variable. This correlation between autocratic leadership and working conditions is statistically significant. Generally, authoritarian management styles are directly correlated with positive working conditions. In addition, the mood at work is correlated with how influential a Democratic leader is. Democratic leadership and workplace circumstances have a modest linear association, but there is a substantial correlation between the laissez-faire leadership style and workplace conditions. The link between having a laid-back manager and having a positive work environment is weak to moderate.

First research hypothesis was supported which stated that “ autocratic leadership has a significant and positive impact on workplace environment at selected small and medium enterprise in Erbil city. The style of leadership known as autocratic leadership is one in which the person in charge of the team maintains full authority over all aspects of decision-making and does not invite the members of the team to provide feedback or take part in the process. In this type of leadership, the person in charge of the team also does not invite the members of the team to provide feedback or take part in the process. It is common to associate this style of leadership with hierarchical, top-down organizational systems in which the leader is the single decision-maker and expects subordinates to accept their commands without questioning them or questioning their validity. When working in an authoritarian environment, employees may get the sense that they have little engagement with or impact on the process of decision-making. As a result of this image, employees may feel discouraged from sharing their own thoughts or proposals. It is possible that this will give the members of the team the sense that their efforts will not be respected or recognized, which may result in a decrease in motivation and engagement on their behalf (Moslehpour et al., 2018). In addition, autocratic leadership has the potential to generate an atmosphere of fear and intimidation among employees. This is because workers may have the impression that they will be reprimanded or punished if they do not comply with commands or fulfill expectations, and this can cause



employees to feel as though they are in danger of losing their jobs. This can lead to a lack of trust and communication within the team, in addition to a high turnover rate, as individuals leave the organization in search of a working environment that is more positive and collaborative (Hansen and Pihl-Thingvad, 2019). In general, autocratic leadership is a style that has its place in specific contexts, such as times of emergency or when rapid choices are required. These are examples of situations that call for autocratic leadership. However, in the long run, autocratic leadership is not often sustainable or productive because it can result in a lack of invention and originality among team members, in addition to high levels of stress and discontentment (Binti Mosbiran et al., 2020). However, autocratic leadership may be successful in certain circumstances, such as during times of crisis or when swift decisions need to be made. On the other hand, this type of leadership is typically not one that can be maintained or is successful over the long term because it can result in unfavorable results such as poor group performance and high turnover rates. In general, it is not one that can be maintained or is successful over the long term. It is generally more effective for leaders to adopt a style of leadership that emphasizes collaboration and participation in order to achieve their goals. This method of leading comprises actively soliciting the opinions and suggestions of other members of the team and fostering an atmosphere of trust and mutual respect for one another (Giddens, 2018). Autocratic leadership refers to a form of management in which the individual in charge of leading a group exercises complete authority over that group's decision-making process and wields a large level of power over the members of the group they are responsible for directing. Autocratic work environments are characterized by the fact that the leader is the one who is in charge of making all of the decisions, and subordinates are expected to follow those judgments without question. In certain situations, such as when there is an immediate need to make choices as rapidly as possible, as is the case during times of crisis, this type of leadership can be helpful. On the other hand, it may also be problematic in the sense that it does not allow for the participation or contribution of members of the team. It is possible that low morale and a lack of attention to the organization's goals would emerge as a consequence of this lack of input or engagement from team members. According to research done by Huertas-Valdivia and colleagues in 2019, authoritarian leadership in the workplace carries with it the potential to bring about unfavorable results. One of the major drawbacks is the chance that it would lead to low levels of morale and motivation among the employees. This might be a significant problem. Employees who are not given the opportunity to participate in the decision-making process may feel disempowered,





which may lead to a decrease in their motivation to perform to the best of their abilities. Because employees may be afraid to speak out and share new ideas under the direction of an autocratic boss, the organization may suffer from a lack of creativity and innovation, which is an additional negative effect of autocratic leadership. On the other hand, authoritarian leadership also has the ability to bring about certain favorable outcomes, which is something that should be considered. For instance, it could be useful in situations where quick decisions need to be made but there is not enough time for members of the team to discuss the issue or provide their point of view. It is also feasible for it to be effective in situations in which the leader has a distinct vision for the company and is confident in their ability to judge what is in the best interest of the group (Saputra, 2021). It is of the utmost importance that leaders, in general, strike a balance that is both healthy and effective between authoritarian and democratic styles of leadership. In spite of the fact that authoritarian leadership does have its place, particularly in some contexts, it is essential to provide room for the ideas and involvement of members of the team in order to cultivate an environment at work that is both positive and productive (Matos et al., 2018). Autocratic leadership refers to a style of management in which the person in control of an organization exercises unrestricted authority over all areas of decision-making and does not consult with or seek the views of subordinates. This style of management is also known as a dictatorship. In an autocratic company, the leader is the one who makes all of the decisions, and the subordinates are expected to carry out the leader's commands without questioning or challenging them (Matos et al., 2018).

The effect that authoritarian leadership has on the performance of a corporation has been studied extensively, and the findings have produced some conflicting conclusions. There is evidence from certain studies to show that autocratic leadership may be beneficial in specific contexts, such as when there is a pressing need for speedy decision-making or when there is an emergency that calls for rapid action. One such context is when there is a pressing need for speedy decision-making or when there is an emergency that calls for rapid action. Under these kinds of conditions, an authoritarian leader has a better chance of being able to make the kind of rapid and decisive judgments that are required to deal with the issue. These kinds of judgments are essential for addressing the problem. On the other hand, there are some situations in which an authoritarian kind of leadership might not be the ideal option. Studies have shown that employees who are not involved in the decision-



making process at their place of employment may have a lower level of commitment to their work and a lower level of motivation to perform their jobs to the best of their abilities. This may be because they do not feel as though their opinions matter (Moslehpour et al., 2018). Additionally, autocratic leadership can result in high levels of employee turnover because workers may feel dissatisfied with the lack of opportunity for input and autonomy in their jobs. This may cause employees to leave their jobs in search of opportunities where they have more control over their work environment. They could become dissatisfied to the point where it drives them to look for work elsewhere. In general, the effect that autocratic leadership has on the functioning of an organization is likely to depend on the specific conditions of the company as well as the requirements of the individuals working there. This is because autocratic leadership prioritizes the needs of the organization over the needs of the individuals working there. It is conceivable that it will be successful under certain conditions; nonetheless, this tactic is not necessarily the most efficient one for improving a company's overall performance in its operations (Purwanto et al., 2021).

Second research hypothesis was supported which stated that “ democratic leadership has a significant and positive impact on workplace environment at selected small and medium enterprise in Erbil city. Understanding that democratic leadership isn't always the best tactic in any particular situation is crucial. It can be time-consuming, so it's not always the best option when speedy decision-making is required. Furthermore, a huge organization with a complex hierarchy may find it challenging to effectively implement democratic leadership. In conclusion, democratic leadership can boost organizational performance by encouraging team members to feel more invested in their work and more satisfied with their working conditions. But this tactic might not be optimal in all situations, and it might be hard to adopt in huge corporations. One form of leadership is called "democratic leadership," which emphasizes and encourages team members' participation and collaboration throughout the decision-making process. Servant leadership is another name for democratic leadership. Having everyone on a team weigh in with their two cents increases the likelihood of reaching a consensus and producing the best possible outcome; therefore, this strategy is based on that idea (Novitasari et al., 2020).

The use of democratic leadership in business has the potential to yield a variety of positive outcomes, including higher-quality decision-making and problem-solving, higher levels of innovation and creativity, and higher levels of employee happiness



and motivation. It may also lead to better communication and teamwork as a result of higher levels of trust and cooperation among team members. However, there are also possible drawbacks to democratic leadership, such as a slower decision-making process and the potential for groupthink if it is not managed well. However, there are potential benefits to democratic leadership that could be lost if the risks aren't mitigated. Leaders who adopt this approach must find a happy medium between the two competing demands of encouraging involvement and teamwork and getting things done as quickly and effectively as possible (Cummings et al., 2018).

Third research hypothesis was supported which stated that “ laissez-faire leadership has a significant and positive impact on workplace environment at selected small and medium enterprise in Erbil city. Laissez-faire leadership is a style of management in which the boss doesn't micromanage their employees and instead encourages them to figure out how to do their jobs on their own. This method of management is often referred to as "delegative leadership." This style of management is used when the leader has faith in their team's ability to be self-driven and responsible for their own work without constant supervision. The effectiveness of the "let them figure it out for themselves" leadership style is dependent on a variety of factors, such as the skill level and experience of the team members as a whole and the nature of the task at hand. In certain situations, the "let them eat cake" approach might prove highly useful because of its propensity to foster individuals' initiative, autonomy, and originality. However, it can be risky if team members aren't self-motivated or don't have the necessary skills to accomplish their roles effectively, as it requires a high level of trust and may lead to a lack of direction or accountability (Zaghini et al., 2019). An "let them do it themselves" (also known as "laissez-faire") leadership style may be more beneficial to the organization's overall performance in situations where the workforce is highly talented and self-motivated or when the task is routine and well-defined. However, situations with a lot of complexity or ambiguity may benefit more from a more directive or participatory style of leadership (Novitasari et al., 2022). Finally, the characteristics of the leader and the team members themselves will be more important than the specific needs and goals of the company and the team in determining the leadership style that will prove to be the most effective. When a leader adopts a laissez-faire approach, he or she gives followers few, if any, directives while also giving them considerable leeway in making decisions. The thinking behind this tactic is that employees will be more motivated, creative, and innovative if they are given greater freedom to make decisions on the job. The success or failure of a

company venture depends on several factors, including the leadership style of the person in charge. On the plus side, team members may respond positively to a leader who encourages autonomy, as this style can foster an atmosphere of mutual trust and respect. If the team members are given leeway to try out different approaches to problems, the resulting atmosphere may inspire more original thinking and fresh approaches (Pishgooe et al., 2019). However, there could be unexpected effects to using a leadership style that is more hands-off. If the members of the team are not provided with clear goals or expectations, they may find it difficult to maintain their attention and may not accomplish the outcomes that are expected. In addition, uncertainty and anarchy within the team are possible outcomes of the leader's failure to provide any form of direction or leadership. In general, the efficacy of a leadership style characterized by laissez-faire will be contingent both on the particular team and the circumstances. This strategy has the potential to be highly beneficial in certain circumstances; nevertheless, in other scenarios, it might not be the most appropriate option. It is essential for leaders to give careful consideration to both their own leadership style and the requirements of their team in order to choose the strategy that will be most successful (Xie et al., 2018).

## **6. Conclusion**

The current research examined how three distinct leadership styles influence the environment of certain small and medium-sized businesses (SMEs) in Kurdistan. Democratic leadership is a style of leadership in which members of the group being led are incentivized to speak up and express their thoughts and perspectives, as well as take part in the deliberation and selection of a course of action. By giving every member of the team the sense that their contributions are valued and that their opinions are heard, this style of leadership may be used to create an atmosphere at work that is more conducive to collaboration and is more friendly to newcomers.

Members of a group working in an environment where democratic values are upheld have the freedom to express their thoughts and viewpoints, and they are actively encouraged to contribute to the processes of finding solutions to problems and making decisions. Because of this, there is a possibility that levels of motivation and job satisfaction may increase, in addition to levels of creativity and invention. On the other hand, it is vital to keep in mind that democratic leadership is not always the most successful method in all circumstances. This is something that needs to be kept



in mind at all times. Because this technique of decision-making can be time-consuming, it may not be the most effective choice for a group that is working under strong time limitations or that is dealing with an emergency. It's possible that a more authoritarian style of leadership would be more effective in some settings. This is something to keep in mind. It has the potential to be a highly effective way of establishing a positive and productive working atmosphere if democratic leadership is implemented appropriately and in the appropriate context. This is the case because democratic leadership has the potential to be a highly effective method. Having said that, this is only valid if democratic methods of leadership are utilized.

Democratic leadership, also known as participative leadership, is a style of leadership in which members of the team are encouraged to participate in the process of decision-making and to take an active role in leading the team. In this type of democratic leadership, members of the team are also encouraged to take active roles in leading the team. In some circles, the democratic kind of leadership is also known as "servant leadership." This model of leadership is built on the premise that team members are more likely to feel motivated and empowered when they are given a voice in the decision-making process and when they feel ownership over the consequences of their work. The assumption that this is the case is the foundation upon which this model is constructed.

Autocratic leadership is a style of leadership in which the leader exercises all of the authority and makes all of the decisions for the organization without discussing or involving any of the other members in any way. This style of leadership is known as "command and control." One may use the term "authoritarian" to characterize this type of leadership. In most cases, authoritarian or dictatorial administrations are associated with this style of leadership, which may be identified by a lack of transparency, responsibility, and engagement on the part of its followers. In addition to this, it is frequently associated with authoritarian governments. It is possible for a leader to exercise autocratic leadership by exercising their position and power to make decisions and direct the actions of the group. This style of leadership is known as "command and control." This indicates that the leader does not take the views or thoughts of others into consideration at any point in the decision-making process. This can lead to low morale and motivation among the members of the team, in addition to a lack of originality and invention among those who are a part of the group. The style of leadership known as autocratic leadership is one in which the



person in charge of the team maintains full authority over all aspects of decision-making and does not invite the members of the team to provide feedback or take part in the process. In this type of leadership, the person in charge of the team also does not invite the members of the team to provide feedback or take part in the process. It is common to associate this style of leadership with hierarchical, top-down organizational systems in which the leader is the single decision-maker and expects subordinates to accept their commands without questioning them or questioning their validity.

Laissez-faire leadership, also known as delegative leadership, is a style of leadership in which leaders give their team members the freedom and flexibility to make their own decisions and to handle problems on their own without interference from the leader. Laissez-faire leadership is also sometimes referred to as servant leadership. This method of leadership is frequently defined by a hands-off attitude, in which leaders allow their team members to take the lead and make choices without micromanaging them in any way. This style of leadership is sometimes referred to as "servant leadership." The term "hands-off approach" is used to describe this sort of leadership, which may be differentiated from other styles of leadership by the usage of this term. Employees in a company that follows the laissez-faire ideology are given a lot of latitude in their work lives and are expected to accept full responsibility for their decisions and the consequences of those choices. They are expected to be self-motivated and capable of appropriately managing both their own time and the items for which they are accountable. Furthermore, they are expected to take responsibility for their actions. They are required to be capable of self-motivation and the effective management of their own time, in addition to the items for which they are accountable. Working in an environment like this provides people with the opportunity to take ownership of their work and make significant contributions to the overall success of the team. People who are highly talented and self-motivated may benefit from working in an environment like this because it gives them the opportunity to do so. On the other hand, it may be tough for individuals who have a lower level of self-confidence regarding their talents or who may benefit from extra direction and aid. Those people may find it difficult to accomplish this task. This lends credence to the idea that there is a robust link between the working environment and the three distinct leadership styles (namely, autocratic leadership, democratic leadership, and laissez-faire leadership).

## 6. Recommendations

It is recommended that, in order to investigate the ways in which democratic, autocratic, and laissez-faire leadership styles influence the atmosphere of the workplace in small to medium businesses, one should:

- In order to obtain more in-depth information about the topic, you should conduct interviews with employees, managers, and leaders of small to medium businesses.
- Carry out case studies of small to medium businesses that have implemented democratic, autocratic, or laissez-faire leadership styles in order to acquire insights on the real-world influence that different leadership styles have had on the environment of the workplace.
- Conduct an analysis of the data gathered through surveys, interviews, and case studies in order to identify patterns and draw conclusions regarding the impact that democratic, autocratic, and laissez-faire leadership styles have on the working environment in small to medium businesses.

It is essential to recognize that different leadership styles have the potential to have a variety of effects on the atmosphere of the workplace, and those effects may also vary depending on the specific context and circumstances of each small to medium-sized business.

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## ناونیشانی توئیژینه وه

پوخته:

یکون بخت نوع Noto Naskh Arabic و بحجم 12 .

## عنوان البحث

الملخص:

یکون بخت نوع Arial حجم 12.



# **QALAAI ZANISTSCIENTIFIC JOURNAL**

*A Scientific Quarterly Refereed Journal Issued by Lebanese French University – Erbil, Kurdistan, Iraq*

**Vol. (X), No (X), ## 2020**

**ISSN 2518-6566 (Online) - ISSN 2518-6558 (Print)**

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