



## SUPPORTIVE LEADERSHIP STYLE AND SUPPLY CHAIN PERFORMANCE OF RETAIL SMES IN RIVERS STATE OF NIGERIA

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### Cite this article:

Ikegwuru M., Olomi P.O. (2021), Supportive Leadership Style and Supply Chain Performance of Retail SMEs in Rivers State of Nigeria. International Journal of Entrepreneurship and Business Innovation 4(1), 37-46. DOI: 10.52589/IJEI/END0GTYU.

### Manuscript History

Received: 16 March 2021

Accepted: 10 April 2021

Published: 27 April 2021

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**ABSTRACT:** *This study examined the effect of supportive leadership style on supply chain performance of retail SMEs in Rivers State of Nigeria. The study adopted a survey research design and quantitative method to allow for descriptive and inferential analysis. The population for the study was 377 registered SMEs in Rivers State of Nigeria. The convenience simple technique was used to select one respondent each from the 377 retail SMEs studied. The convenience sampling of respondents was used to ensure that those employees found at their workplaces were the ones used for the study. Subsequently, 377 copies of questionnaire were distributed to 377 employees crosswise the identified retail SMEs. Of the 377 respondents contacted, 258 contributed to the study, resulting to a response rate of 68%. The 258 respondents produced a total of 249 working response deposit. Data were subjected to correlation and regression analysis using the statistical package for social sciences (SPSS Version 22.0). The study's findings showed that, the influence of supportive leadership style on order fulfillment was statistically positive and significant at 0.05 significant level. This implies that a well packaged supportive leadership style can increase the chance of boosting order fulfillment in retail supply chain. The study therefore, concludes that, there is a positive and significant influence of supportive leadership style on supply chain performance of retail SMEs in Rivers State of Nigeria, and recommends that, managers who are driven by the desire to achieve efficiency in operation should emphasis more on exhibiting added supportive leadership style in their organizations to boost order fulfillment to enhance supply chain performance.*

**KEYWORDS:** Order Fulfillment, Retail SMEs, Supply Chain Performance, Supportive Leadership Style.



## **INTRODUCTION**

Empirical findings emanating from scholars in the recent past depict that leadership style espoused by managers in their administrative centers are decisive in realizing set organizational goals (Choudhary *et al.*, 2013; Liden, *et al.*, 2014; Mulki, 2015; Dallyay & Jalagat, 2016), as well as building a towering performance operational background (Sing, 2015; Carter *et al.*, 2013; Asrar-ul-Haq & Kuchinke, 2016). The appraisal of previous scholarly endeavours also disclosed that supportive style of leadership is well rooted in organizational development.

Several studies have been raised to unravel the linkage between supportive leadership style and performance (Yuhung, Won-Kyung, Chang-Hyun & Jee-Young, 2016; Omar, Erzan & Mahmoud; Baxter 2013; Afsheen, 2012), however none studied this concept using supply chain performance as dependent variable, it is imperative to understand the nature of relationship existing between supportive leadership style and supply chain performance. This study therefore, aimed to identify and examine the effect of supportive leadership style on supply chain performance of retail SMEs in Rivers State of Nigeria

### **Statement of the Problem**

Retail business has been swiftly surfacing in the past decades with the explosion of internet, mobile technologies and most outstandingly e-commerce. Supply chain management, as a central part of retail business, has also experienced significant transformations with new business set-ups and more sophisticated technologies. In this paper, the study focused on order fulfillment, a component of supply chain management, and investigates how it can be predicted by supportive leadership style in Small and medium sized enterprises (SMEs) in Rivers State of Nigeria.

### **Research Question**

Does the adoption of supportive leadership style relate with order fulfillment in retail SMEs supply chain in Rivers State?

## **LITERATURE REVIEW AND HYPOTHESIS**

### **Theoretical Underpinning**

#### **The Leadership Contingency Model Theory**

The Fred Fiedler proposed that effective employees performance depended upon the appropriate match between a leaders' aptitude to lead is subject to situational factors that takes account of the leaders' potentials, preferred style, and behavior, proficiency of employees. This theory propounded that leaders should adopt that leadership style which best fit the situation and instantaneously kindle the employee performance (Iqbal, *et al.*, 2015).

Given that the situation affects the functions leaders embark upon, there is also the tendency that it will affect the manner in which the functions are completed. Carter, (2008) in Iqbal, *et al.* (2015) identified three broad types of leadership styles and put in plain words the diverse traits of each style that appreciably affect performance. Thus, supply chain leaders should be



conscientious enough to provide guidance and share information to their members to show them the way to improved order delivery program which will usher in superior performance and turn them into specialist for upholding quality.

### **Supportive Leadership Style**

The supportive leadership style is primarily talked about under Path-goal theory (House, 1971). Supportive leadership model's center of attention is on the welfare of employees and has a deep concern for the needs, preferences and satisfaction of employees (House, 1971). The principal notion of this model is leadership anchored on a managerial orientation of support. This model is reliant on leadership endeavor and it gives an ambiance to help employees develop and finish the job in the interest of the business.

A supportive leadership approach is one in which the leader creates a easy task environment of emotional support, shared trust and esteemed, cooperation, and responsiveness (Hernandez, Eberly, Avolio, & Johnson, 2011). Supportive leaders generate favorable operational setting to promote reverence, reliance, collaboration, and poignant support (Daft, 2005; Gibson *et al.*, 2000). Supportive leadership is pigeonholed into two breadth: Instrumental (making one's life trouble-free) and emotional (effortlessness of discussion with) essentials (La Rocco & Jones, 1978). Supportive leaders are sociable with their subordinates; demonstrate empathy and treats them evenly (Muhammed *et al.*, 2014). It was established that those employees' that works under supportive leaders who demonstrates personage concern are inclined to have higher performance (Imtiaz & Ahmed, 2009).

Mahdi *et al.* (2014) noted that many researchers have revealed that supportive leadership approach positively influences employee commitment and performance. On the other hand, some investigations confirm that supportive leadership style do not have strong influence on performance as does directive, or participative leadership approaches (Hwang *et al.*, 2015). Correspondingly, supportive leadership style offers emotional support, encourages shared trust and reverences, assists workers in complicated task, understands them, and makes available positive response to nurture high performance among the workers (Hernandez *et al.*, 2011). Thus, supportive leaders are endowed with the qualities of understanding and applauding efforts of employees, assisting them, revealing rationale for disapproval, and position productive criticisms.

### **Supply Chain Performance**

Performance is a measure of an individual's facility to perform a precise task (Goodhue & Thompson, 1995). Performance is the accomplished product of actions with proficiencies of workers who carry it out (Prasetya & Kato, 2011). Performance is therefore, a capability (both corporeal & emotional) to carry out a meticulous assignment in a detailed routine that can be weighed up as outstanding, normal or squat in balance.

Supply chain performance has been measured with organizational performance and by means of profit, cost, return on investment and sale (Florian & Constangioara, 2014). financial measures. Cost, quality, flexibility, customer satisfaction, capacity, time, consistency have been reflected on as the model developed for measuring overall performance (Shahbaz, Rasi, Zulfakar, Bin, Abbas & Mubarak, 2018), but this study in line with Flynn, Huo and Zhao (2010) adopts order fulfillment and delivery precision as the measures of supply chain performance.



## Order Fulfillment

Order fulfillment is the supply chain process that engrosses more than just filling orders Lambert (2004). The order entry activity deals with receiving, entering and editing orders. Since short lead times are demanded, the order arriving in time is decisive for on-time delivery. Sentanu (2012) observes that demand improbability speeds up order fulfillment and situate firms at risk of operating out of materials, preceding the arrival of orders. Order fulfillment, as has been contended, depicts that, in the order fulfillment process, diverse information is required and diverse information attributes are treasured.

According to Misra and Sharan (2014), order fulfillment in values: number of order delivered in full delivery on customer commit date and exact documentation and faultless condition of the number of order delivered in full, is measured perfect if the products ordered are the products provided and the quantities ordered corresponds with the quantities provided (% in full). Thun (2010) noted that order fulfillment has recurrently been dissected as assessment variable which possibly will vary in a definite porch.

## Empirical Review

Yuhjung, Won-Kyung, Chang-Hyun and Jee-Young (2016) explored the multilevel dynamics linking team leaders' supportive leadership and individual work result. Longitudinal survey data were composed from 536 employees in 69 teams of a large engineering company located in South Korea. The outcomes of multilevel structural equation modeling illustrates that individuals' perceptions of supportive leadership were positively associated with their succeeding task performance, and that this association was mediated by team commitment. The relationship between individual-level perceptions of supportive leadership and organizational citizenship behavior (OCB) was mediated by job satisfaction and team commitment. However, team cooperation mediated the relationship between team-level perceptions of supportive leadership and OCB.

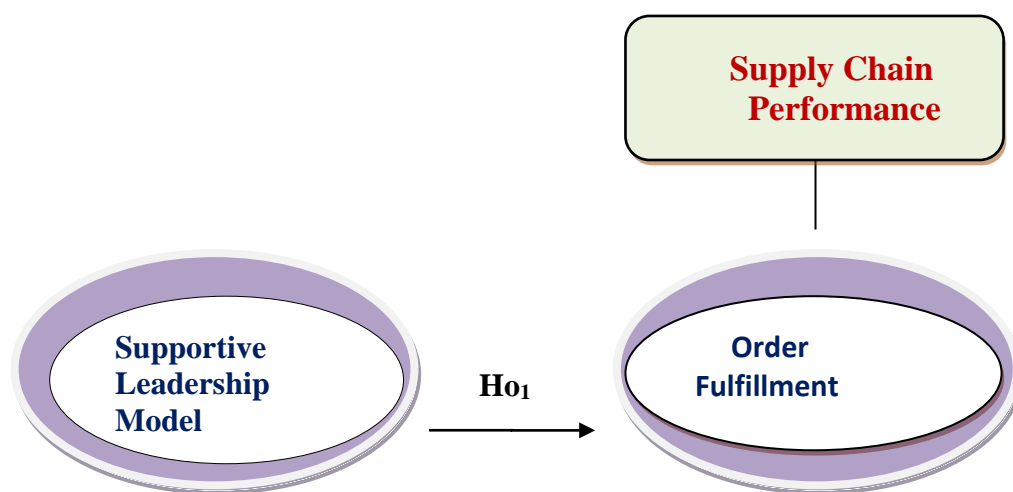
Omar *et al.* (2014) examined the impact of employees' perceptions of their immediate supervisors' supportive and directive leadership behavior and different types of organizational commitment in plantation companies in Malaysia. The study used self-administered questionnaire to assemble the primary data. The sample of the study consists of 300 supervisors and employees from diverse plantation companies in Malaysia by means of the non-random sampling technique. The results established that there is significant strong relationship between leadership behavior and organizational commitment. In addition, supportive and directive leadership behaviors do play significant roles in deciding the levels of employee's commitment.

Baxter (2013) studied the relationships between supportive leadership, employee engagement, and safety outcomes by using 3,312 employees from several departments situated at 11 diverse settings of a large southeastern utility company. Data were gathered on supportive leadership, employee engagement, and safety climate by means of archival data from self-report questionnaires. Recordable injuries and first-aid cases were composed through the organization's archival safety records. Three uninterrupted years of data were incorporated in the study. The result showed that, supportive leadership and employee engagement both demonstrated a negative relationship with safety outcomes, while,

employee engagement mediated the relationship between supportive leadership and safety outcomes.

Afsheen *et al.* (2012) examined the moderating effect of supportive leadership on the relationship between job stress and job performance by using 200 employees from 4 educational institutions. Data was pulled together by means of an intense questionnaire. The results disclosed that supportive leadership has a negative effect on job stress and directly influences job performance. The study also divulged that supportive leadership moderates the relationship between these constructs.

Based on the review of literature, the following operational framework was constructed:



**Figure 1: Operational Framework of Supportive Leadership Style and Supply Chain Performance**

Sources: Adopted from Schoenherr and Swink (2012).

Flynn, Huo and Zhao (2010).

Based on the review above, the following hypothesis was raised:

**H<sub>01</sub>:** Supportive leadership style does not significantly influence order fulfillment of retail SMEs in Rivers State of Nigeria.

## RESEARCH METHODOLOGY

The study adopted a survey research design. This survey research design would be important in retail SMEs since it would help the researcher attain systematic data on different respondents at the same time. The study also, adopted quantitative method to allow for descriptive and inferential analysis. The study espoused a cross-sectional investigation on all the SMEs registered with the Rivers State Chamber of Commerce and Industry, Port



Harcourt. There are approximately 2000 registered SMEs as at January, 2021. The sample size for this study was acquired from the guideline developed by Krejcie and Morgan (1970) on the determination of sample size from a given population. The study has a minimum sample size of 377. Convenience sampling of respondents was used to ensure that those employees found at their workplaces were the ones used for the study. Subsequently, 377 copies of questionnaire were distributed to 377 employees crosswise the identified retail SMEs. Of the 377 respondents contacted, 258 contributed to the study, resulting to a response rate of 68 percent and it has been deep-rooted in literature that a response rate greater than 30 percent is an excellent and allowable point when the study espouses survey questionnaire (Moser & Kalton, 1971). The 258 respondents produced a total of 249 working response deposit. Data were subjected to correlation and regression analysis using the statistical package for social sciences (SPSS Version 22.0).

## RESULTS

### Research Question One:

The relationship between supportive leadership style and order fulfillment of retail SMEs is tested with the correlation analysis in Table 1 which presents the results of bivariate correlation based on Pearson correlation statistics.

**Table 1: Relationship between Supportive Leadership Style and Order Fulfilment (N=249).**

	Supportive Leadership Style	Order Fulfilment
Supportive Leadership Style	1	.645
Sig. (2-tailed)		.0000
N	249	249
Order Fulfilment	Pearson's correlation	.645
	Sig. (2-tailed)	.0000
	N	249

*\*\* Correlation is significant at 0.01 level (2-tailed).*

Table 1 shows that supportive leadership style exhibited positive and significant relationship with order fulfillment  $r=0.685$  implying that there is a strong positive correlation.

### Simple Regression Analysis

The simple regression analysis was carried out to estimate the effect of supportive leadership style (independent variables) on order fulfillment (dependent Variable). The results are presented in Tables 2.

**Table 2 Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistic		
					F Change	Sig. F Chang	
Durbin Watson							
1	.645	.548	.545	.62057	752.430	0.000	1.687

a. a. Predictors: (Constant), Supportive Leadership Style

b. Dependent Variable: Order Fulfillment

Source: SPSS Window Output (based on 2021 field survey data).

Table 2 presents a summary of the model in which the item of interest is the adjusted R<sup>2</sup> statistics, which is .545. This suggests supportive leadership model accounts for 54.5% of the variation in order fulfillment. The adjusted R-square is used to test the overestimation of R square. The estimates show an error of 0.62057, which cannot be considered as very large. The Durbin – Watson statistic  $d = 1.687$  lies between the two critical values of  $1.5 < d < 2.5$ , and therefore it can be assumed that there is no first order linear autocorrelation data of simple linear regression model. Hence, it can be concluded that the overall model is statistically significant, or that the variable have a significant effect on the dependent variable. The supportive leadership variable exact significant influence on order fulfillment since the significant value (or p-value) is .000 which is below the 0.05 level of significance. Table 3 shows the model fit results.

**Table 3 Model Fit Results**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	5.496	1	5.496	1.539	.217 <sup>b</sup>
	Residual	382.064	248	3.571		
	Total	387.560	249			

a. Dependent Variable: Order Fulfillment

b. Predictors: (Constant), Supportive Leadership Style

Table 3 presents the analysis of variance (ANOVA) results. It is also known as model fit results. Of interest in this table are the F-statistics and its associated sig. value. The results show that the F-statistics is 1.539% ( $p < 0.01$ ). The results point out that the model's hypothesis that the "model has no power to predict order fulfillment from supportive leadership style scores" could not be accepted. Therefore, the model has power to predict order fulfillment significantly from the supportive leadership style scores.



#### Table 4. Regression Coefficients

**Table 4: Coefficients of Supportive Leadership Style and Order Fulfillment.**

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. error	Beta	T	Sig.
Constant	17.038	.639		26.674	.000
SLS	.545	.437	.645	1.241	.000

a. *Dependent Variable: Order Fulfillment*

Source: SPSS Window Output (based on 2021 field survey data).

Table 4 presents the results on the coefficients of the regression model. The coefficients results show that supportive leadership style positively predict order fulfillment, standardized  $B = .545$ , ( $p < 0.01$ ). This result suggests that order fulfillment of retail SMEs whose direct superior show signs of supportive leadership distinctiveness increased significantly by 5.45 percent.

## DISCUSSION OF THE RESULTS

In a synopsis, the regression analysis specifies that, supportive leadership style positively predicted order fulfillment. If managers show signs of added supportive leadership, retail SMEs will have higher order fulfillment performance. Thus, managers should be copiously sensitive and realize that their support to workers are imperative to boost order fulfillment in their companies. As predicted, this result does not support hypothesis 1, that supportive leadership style does not significantly influence order fulfillment of retail SMEs in Rivers State of Nigeria. The alternative hypothesis that supportive leadership style significantly influences information sharing of retail SMEs in Rivers State of Nigeria was therefore accepted. The results of supportive leadership model were consistent with those of Yurhung (2016) who found that perceptions of supportive leadership were positively associated with their succeeding task performance, Baxter (2013) who divulged that supportive leadership and employee engagement both demonstrated a negative relationship with safety outcomes, and Afsheen *et al.* (2012) who disclosed that supportive leadership has a negative effect on job stress but directly influences job performance.

## CONCLUSION AND RECOMMENDATIONS

The study investigated the influence of supportive leadership style on supply chain performance of retail SMEs in Rivers State of Nigeria. Findings suggested that retail SMEs experiencing supportive leadership style have better performance in their order fulfillment activities. The study therefore concludes that, supportive leadership style significantly influences supply chain performance in retail supply chain in Rivers State of Nigeria. The study recommends that, managers who are driven by the desire to achieve efficiency in operation should emphasize more on exhibiting added supportive leadership style in their organizations to boost order fulfillment to enhance supply chain performance.





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