

## **The Impact of Leadership Styles on Employees' Performance in Public and Private Organisations in Guyana**

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### **Abstract**

*This article seeks to evaluate leadership styles—transformational, transactional, and laissez-faire—across the manufacturing and service sectors and at different organizational levels—senior management, middle management (supervisor), and junior level—to understand how these styles affect employees' performance in public and private organizations in Guyana. Many studies have been conducted on leadership; however, there is a gap regarding the most appropriate leadership style for organisations to adopt to positively impact employees' performance and contribute to the sustainable growth and development of the organisation. Moreover, a comparison between private and public organisations revealed that private organisations consistently outperform public organisations, as shown in parliamentary reports on public agencies and the published financial reports of privately owned organisations. The leadership styles examined by this study are hoped to bring clarity and set the stage for future studies.*

**Keywords:** *Employee Performance, Laissez-Faire Leadership, Leadership, Leadership Style, Transactional Leadership, Transformational Leadership.*

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### **Introduction**

Modern organisations are no longer interested in having managers; they are keen on having leadership, since influential and effective leadership is believed to be key to an organisation's viability [1]. Leadership is the ability of an individual or a group to influence and guide followers or members of an organisation, society, or team [2]. Studies have shown that leaders play a critical role in determining an organisation's sustainable growth and development. To achieve growth and development, organizations must continually improve innovation and capabilities – it is believed that these attributes are associated with influential and trustworthy leaders [2].

Leadership style refers to the behavioural approach leaders use to influence, motivate, and direct their followers [2]. Leadership styles

have been studied in various fora to determine the most appropriate or effective leadership style that motivates and influences others to accomplish set goals. Having the right leadership style in an organisation opens up opportunities for employees, leading to greater enthusiasm in their work, and this has a definite impact on growth and development.

### **Leadership Style Explained**

Transformational leadership is a style in which leaders inspire and motivate their team by creating a clear vision, encouraging innovation, and fostering personal growth. They build trust and enthusiasm, helping people exceed their own expectations and achieve big, positive changes together. Transformational leadership inspires positive changes in those led and is invested in the success of every single member involved [2].

Transactional leadership, also known as managerial leadership, emphasises the importance of structure, organisation, supervision, performance, and outcomes. The group's goals and tasks are highly structured, and members are rewarded when they achieve these goals and reprimanded if they miss deadlines [2].

Laissez-faire leaders allow their followers to make their own decisions and manage their own desks. They provide their team with support, guidance, consultation, and training when needed, but trust them to handle the details and execute their tasks and projects. Laissez-faire leaders are comfortable delegating tasks, hence why it is referred to as a delegative leadership style [2].

In Guyana, private organisations are known for very healthy bottom lines, while it is very glaring that, in the public sector, which receives subvention from the government, the deficit position is high, the attrition rate is high, and employees are reluctant to go beyond the call of duty. This therefore means that choosing the right leadership style for the organisation is paramount in public sector organisations. Choosing the right leadership style significantly impacts employees; it guides them to realise goals, motivates them to make choices, fosters attitudes and behaviours consistent with the direction, and ensures change in accordance with the rules of the activities. Research shows that leadership style/s can be directly tied to employees' performance and engagement [3]. Studies conclude that leaders can employ various leadership styles to make informed decisions and effectively influence their employees [3].

This study seeks to evaluate the leadership styles (transformational, transactional, and laissez-faire styles) that would impact employees' performance and ensure sustainable growth and development of the organisation. Key objectives to achieve the purpose of this research are to (i) assess the impact of the chosen leader styles on both public and private

organisations in Guyana; (ii) compare leadership styles in public and private organisations in Guyana; and (iii) critically investigate factors that propel employees in public organisations versus staff in private organisations in Guyana that would lead to sustainable development in organisations.

Recent studies have provided important evidence that transformational, transactional, and laissez-faire leadership styles are widely accepted and becoming topics of interest. Studies have found a definite association between transformational, transactional, and laissez-faire leadership styles and employees' work performance, with transformational and transactional leadership styles exhibiting positive relationships. In contrast, laissez-faire leadership styles are associated with lower employee engagement. Interestingly, many recent studies have shown that leadership styles are critical to an organization's success [3].

Guyana, one of the fastest-developing economies due to the oil discovery, must be supported by leadership in the various agencies; however, most significantly, government agencies must be outfitted with the appropriate tools to greatly improve performance [9].

The effectiveness of leadership styles varies significantly between public and private sector institutions. This study investigates how transformational, transactional, and laissez-faire leadership styles impact job performance across these sectors, focusing on employee perceptions at junior, middle, and senior management levels.

### **Scope of Study**

The public sector in Guyana is characterized by government structures, limited resources, and policy-driven mandates that may constrain leadership's flexibility and innovation. Conversely, the private sector tends to be more dynamic and competitive, encouraging adaptive and performance-oriented leadership practices. Understanding how leadership styles are applied and perceived in these contrasting

environments is essential for improving organizational outcomes and informing.

The scope of this study is defined by several key boundaries. It is important to note that it is conducted in Guyana, a developing country with a unique socio-economic landscape. It compares public sector organisations (government-owned, service-oriented) and private sector organisations (profit-driven, competitive, and dynamic). A comprehensive analysis of the three leadership styles – transformational, transactional, and laissez-faire is conducted to evaluate the relationship with employee performance.

The target audience is employees at various levels—senior management, middle management (supervisors), and junior levels. They are integral to study. The research uses a quantitative approach, in which a structured questionnaire is developed and shared with 300 participants from 4 organisations (2 from the public sector and 2 from the private sector). The study will analytically evaluate how leadership styles impact employees' performance and support sustainable organisational growth and development.

### **Thesis Statement/Hypothesis**

The main objective of this study is to evaluate the impact of leadership styles on employee performance and to determine whether they support sustainable growth and development in public-sector organisations compared with those in the private sector in Guyana. The relationships between transformational, transactional, and laissez-faire leadership styles and organizational performance are examined. To achieve this, the following hypothesis will be tested:

H1: Leadership styles (Transformational, transactional, and laissez-faire) are significantly related to employee performance and sustainable organisational growth and development in public and private organisations in Guyana.

H2: Transformational leadership style positively impacts employees' performance and sustainable organisational growth and development in both public and private organisations in Guyana, with a stronger effect observed in the private sector.

H3: Transactional leadership style positively impacts employee performance and sustainable growth, particularly in public sector organisations in Guyana.

H4: Laissez-faire leadership style has a negative or negligible impact on employee performance and sustainable growth and development in both public and private organisations in Guyana.

H5: The impact of leadership styles on employee performance and sustainable organisational growth differs significantly between public and private sector organisations in Guyana.

### **Materials and Methods**

To conduct this research and ensure alignment with the central theme – examining the effects of leadership styles on employees' performance and sustainable growth in Guyana's public and private organisations – the study employs a quantitative approach [6]. Studies have advocated that this approach is well-suited to examining cause-and-effect relationships between variables [7-8]. More specifically, it is relevant for examining the cause-and-effect relationship between leadership style and employees' performance. This approach assumes that the world is relatively uniform and stable, allowing one to understand and measure it while making broad generalisations [8]. The approach is also a measurement method, requiring data on frequencies, means, standard deviations, and inferential statistics for both descriptive and inferential studies [9].

In examining the quantitative approach, researchers noted that it allows the measurement of perceptions, reactions, and attitudes in a large sample using a set of

questions, facilitating comparisons and statistical analysis of the data. Additionally, it helps increase objectivity in interpreting data, it provides a measure of validity and reliability, and it can be used to analyse large volumes of data, which can then be presented and interpreted in an easy-to-understand way to others [6]. This study adopted a quantitative approach to achieve high levels of data validity and reliability, thereby eliminating or mitigating bias. Quantitative analysis allows the use of a cross-sectional study, as in this research, in which data are collected over a specific period. The analysis uses numerical data to predict, explain, describe, or control variables and issues of interest [7].

**Primary Data Collection:** The core of this research relies on primary data collection through structured survey questionnaires. 300 structured questionnaires were distributed across four organisations: two government-owned (public organisations) and two private businesses. The questionnaire is divided into two sections: Basic Demographics and Descriptive statements. The basic demographics collect information such as age,

gender, marital status, education, organizational type, years of service, income level, and management level. There are 40 descriptive statements about workplace attitudes, leadership, and job performance. The statements are rated on a 5-point Likert scale (from strongly disagree to strongly agree). This sampling strategy ensures a broad, representative base, enabling meaningful comparisons across sectors with distinct organizational cultures and objectives. The surveys are designed to elicit firsthand responses from participants regarding their experiences and perceptions of leadership styles and their impact on employees' performance and organisational sustainability. The survey targets senior managers, middle-level managers (supervisors), and junior-level employees, employing a stratified sampling approach to capture diverse perspectives across hierarchical levels. This method ensures comprehensive coverage of viewpoints, reflecting the research's emphasis on the interplay between leadership and organisational environment [7].

**Table 1.** Demographic Information on Participants [7]

<b>Variables</b>	<b>Number</b>	<b>Percentage %</b>
<b>Age in years (n = 286)</b>		
18 and over but less than 30	63	22%
31 – 35	67	23%
36 – 40	60	21%
41 – 45	55	19%
46 and above	41	14%
<b>Gender (n = 286)</b>		
Male	152	53%
Female	134	47%
Other	0	0%
<b>Marital Status (n = 286)</b>		
Single	137	48%
Married	123	43%
Common law	10	3%
Divorced	16	6%
<b>Education Level (n = 286)</b>		

Secondary level	94	33%
Undergraduate level	116	41%
Postgraduate	70	24%
Doctorate	6	2%
<b>Kind of Organisation (n = 286)</b>		
Public	146	51%
Private	140	49%
<b>Years of service (n = 286)</b>		
Less than one year	28	10%
1 to 5 years	66	23%
6 to 10 years	65	23%
11 to 15 years	55	19%
above 16 years	72	25%
<b>Level of income in GYD (n = 286)</b>		
GYD100,000 - GYD300,000	94	33%
GYD300,001 - GYD500,000	111	39%
GYD500,001 - GYD700,000	41	14%
GYD700,001 - GYD900,000	30	10%
GYD900,001 and above	10	3%
<b>Status in the Organisation (n = 286)</b>		
Senior Management	75	26%
Middle management (Supervisor)	116	41%
Junior level	95	33%

*Source from the Researcher's field work 2025*

The demographic characteristics of participants table 1 summarizes details such as sector (public or private), industry type, management level (junior, middle, senior), and years of experience. This information helps contextualize the study's findings by showing the sample's diversity and representation.

**Secondary Data Collection:** In addition to primary data, the research incorporates secondary data to enrich the analysis and provide a broader context. Sources of secondary data include academic literature, government reports, organisational records, and previous studies on leadership, employees' performance, and sustainable organisational growth in Guyana and comparable contexts. Reviewing these materials helps to inform the questionnaire design, particularly in identifying sectoral differences and cultural factors influencing leadership. It supports the

interpretation of survey findings by putting them within existing knowledge trends [7-8].

### **Sampling and Administration**

This research used stratified random sampling to ensure a representative distribution of questionnaires across both public and private-sector organizations in Guyana. The 300 questionnaires were systematically distributed to employees to capture different perspectives on leadership practices [8].

### **Sample Distribution**

The sample was divided equally between public and private organizations, allowing for direct comparisons of leadership styles and employee experiences across these sectors. The distribution of questionnaires was as follows:

### 1. Public Organizations:

- Guyana Geology and Mines Commission: 75 questionnaires
- Guyana Water Inc: 75 questionnaires

### 2. Private Organizations:

- Citizens Bank (Linden and Bartica offices): 75 questionnaires
- Banks DIH Ltd: 75 questionnaires

This approach ensured that each selected organization was adequately represented, enabling a comprehensive analysis of leadership practices across contexts.

## Stratified Random Sampling

Stratified random sampling was employed to enhance the validity of the findings. This method involves dividing the population into distinct subgroups (strata) based on specific characteristics—in this case, the type of organization (public or private). By ensuring that each stratum was represented in the sample, the research aimed to minimize bias and improve the generalizability of the results.

The selection process involved identifying strata; in this study, the two main strata are private and public organisations. The strata are further broken down within each sector based on the organisational context and size. Random selection is another stage within each stratum. Participants at each level (Senior management, middle management, and junior level) were randomly selected to ensure that the sample reflects the broader population and to mitigate the risk of sampling bias [6].

## Administration of Questionnaires

The 300 questionnaires were administered in both online and paper formats to accommodate participants' preferences and accessibility. This two-pronged approach facilitated a high response rate by allowing participants to choose the method that was more convenient for them. Clear instructions were provided to ensure respondents understood the study's purpose and the importance of their participation.

Follow-up reminders were sent to participants to encourage completion of the questionnaires, resulting in a 95.3% response rate. 286 of the questionnaires distributed were retrieved and analyzed. This hearty response rate not only enhances the credibility of the findings but also ensures a thorough representation of leadership styles and perspectives across the selected organizations.

**Questionnaire Design:** The survey instrument is carefully crafted, with closed-ended Likert-scale questions. These questions will assess employees' perceptions of leadership styles, job performance, and organisational sustainability. The design was informed by both the literature reviewed (secondary data) and sector-specific insights, ensuring cultural and contextual relevance [10].

## Sampling Approach

A stratified sampling technique was used to select respondents, including senior managers, middle-level managers, and junior-level employees from each of the identified organizations. The technique was used because it allowed for diverse perspectives from different organizational levels and enhanced the robustness of the findings.

## Distribution Procedure

Questionnaires were distributed both electronically (via email) and in paper format, where paper copies were given directly to the participant. Clear instructions and assurances of confidentiality were provided to participants to encourage honest and unbiased responses. Respondents were given a defined period to complete the questionnaires and a date by which they would be retrieved. One week after distribution, follow-up reminders were sent to ensure maximum participation.

## Data Collection and Management

The completed questionnaires retrieved were organized for analysis. Responses were coded into the Statistical Package for the Social Sciences (SPSS) version 7, which would be

used for analysis. Descriptive statistics were used to summarize general trends, while inferential statistics were used to identify relationships between leadership styles and employee performance indicators.

The methodology for this research will generally focus on survey-based data collection using questionnaires to efficiently gather relevant information within a limited timeframe. Using structured questionnaires, the study aimed to capture quantitative insights into the effects of leadership styles on employee performance and sustainable growth and development in Guyana's public and private organizations [7, 8].

### **Research Design**

Four researchers explained that a research design is an all-inclusive plan that provides details of the methods, procedures, and strategies for collecting and analyzing data or the information needed. Therefore, a research design is necessary to gather and analyze data and ensure alignment with the stated objectives [11]. For the purpose of this study, which aims to confirm theoretical principles and the hypothesis proposed by, an explanatory research design is employed. By applying the explanatory research design, one can develop an understanding of the relationship between cause and effect. The design also allows the use of statistical tests, such as mean, standard deviation, correlation, and linear regression, to draw clear conclusions that inform policies and practices [12]. Researchers further indicated that the explanatory design goes beyond descriptive studies to explain, make predictions, and draw inferences. The study shows that this design aims to explain phenomena. It uses theories or hypotheses to identify the causes of certain phenomena [13]. The explanatory design can be used to show how an independent variable (leadership style) causes significant changes in a dependent variable (employee performance). Descriptive and inferential statistical tools can be used to

achieve research objectives. This design allows data to be collected inexpensively from a large population [13]. Given the attributes of the explanatory design, it is very appropriate for this study.

### **Organisations Used for Research**

This study carefully selected four organisations, two from the public sector and two from the private sector. One local bank, Citizens Bank (Guy) Ltd, and Banks DIH Ltd (a beverage giant) were also selected to participate in the study. The Guyana Geology and Mines Commission (GGMC) and the Guyana Water Inc. are public organisations selected to represent the public sector to participate in the study.

The Citizens Bank was chosen because it is one of the private, local banks that have consistently shown increasing profits year after year. The bank was incorporated in 1993 and was a wholly owned subsidiary of Citizens Bank Jamaica. In 1998, it transitioned to full local ownership. Seventy percent of the existing shares held by Citizens Bank Jamaica Limited were acquired by Banks DIH Limited, which became a major shareholder, and other companies purchased shares to maintain this ownership structure.

Banks DIH is one of Guyana's most iconic companies. It traces its origins back to the 1840s, when Jose Gomes D'Aguiar started a rum business in Guyana. The business expanded into a chain of retail spirit shops and later grew to include a cocoa and chocolate factory and a schooner shipping agency. In 1986, following the founder's death, his four sons formed the partnership D'Aguiar Bros. They acquired the Demerara Icehouse (DIH). The name DIH, associated with banks, was adopted after the acquisition, hence Banks DIH. This major private sector company continued to grow stronger; as a result, it was chosen to study the leadership styles that contributed to its sustainable growth and development.

The Guyana Geology and Mines Commission (GGMC) is an agency under the Ministry of Natural Resources (MNR). The Commission is generally responsible for overseeing mining activities throughout Guyana. Bauxite, gold, diamonds, manganese, and many other rare earth minerals fall within the Commission's remit. The organization employs over 600 people, including engineers in various fields. It was chosen because of its significant role in the economy. The minerals and rare earths it manages contribute substantially to Guyana's Gross Domestic Product (GDP).

Guyana Water Inc (GWI) is one of Guyana's primary utility companies, falling within the remit of the Guyana Housing and Water Ministry. A GWI office can be found in every town and sub-district. This organisation is critical to Guyana's economy and receives subvention from Guyana's treasury to ensure its functions are carried out. The GWI was selected as one of the public organisations because it receives subvention from the government and is a critical service organisation in the economy. Questionnaires served as the central instrument for collecting data. The structured surveys, using a Likert scale, are designed to capture employees' perceptions, experiences, and attitudes regarding leadership effectiveness, motivation, job satisfaction, and organisational sustainability. Questionnaires will be distributed across the various organisational levels – including senior managers, middle management (supervisors), and junior-level employees- to obtain a comprehensive and comparative view of leadership practices and their impact on organisational outcomes. This approach enables the identification of patterns, trends, and relationships within the data, while ensuring the process remains efficient and scalable.

Additionally, the secondary data collection includes relevant literature, such as journals, books, and reputable online sources. The secondary data provides context, supports the

interpretation of survey findings, and helps situate the study within a broader academic discourse on leadership and organisational development. By integrating secondary data, the analysis is informed by established theories and sector-specific insights, thereby enhancing the validity and relevance of the results.

## Research Tools

The primary tool used is the structured questionnaire, a widely used instrument in quantitative research for collecting standardised data from respondents. Structured questionnaires consist of predetermined questions with fixed wording and order, enabling comparable data collection across participants. They are particularly effective for measuring attitudes, perceptions, and behaviours in organisational settings.

Structured questionnaires are favoured in leadership and employee performance research because they allow for efficient data collection from large samples and facilitate statistical analysis. The use of closed-ended questions, such as Likert-scale items, ensures that responses can be easily coded and analysed quantitatively.

The questionnaire employs the Likert scale; a popular and fundamental psychometric tool used in social science research. Likert scales measure the degree of agreement or frequency regarding specific statements, typically ranging from “strongly disagree” to “strongly agree.” This approach is highly effective at capturing nuanced attitudes and perceptions regarding leadership styles and employee performance.

Likert scales are recommended for their reliability and validity in measuring latent constructs such as job satisfaction, motivation, and leadership effectiveness.

Statistical Analysis Tools (SPSS, Reliability, Validity): Data collected via questionnaires are analysed using the Statistical Package for Social Sciences (SPSS), a robust software for quantitative data analysis. SPSS is commonly used to perform descriptive statistics,

inferential tests (e.g., t-tests, ANOVA), and regression analysis in organisational research [4, 7, 8].

**Table 2.** Regression Coefficients [7]

Variable	Coefficient 'β	Std. Error	t-value	p-value	95% Confidential Interval
Intercept	0.384	0.450	0.85	0.396	[-0.51, 1.28]
Transformational	0.500	0.080	6.27	<0.001	[0.34, 0.66]
Transactional	0.207	0.077	2.67		[0.05, 0.36]
Laissez-Faire	-0.248	0.080	-3.10	0.003	[-0.41, -0.09]

*Sourced from the SPSS IDB 7 2025*

The regression coefficient table 2 shows how different leadership styles are statistically connected to employee performance. Positive coefficients indicate a positive impact, while

negative ones show a detrimental effect, helping identify which leadership approaches are most effective in Guyana's organizations.

**Table 3.** T-Test Results Table [7]

Comparison	t-value	p-value	Interpretation
Transformational vs Transactional	12.31	< 0.0001	Significant difference between these two styles
Transformational vs Laissez-Faire	35.63	< 0.0001	Highly significant difference between these styles
Transactional vs Laissez-Faire	24.05	< 0.0001	Significant difference between these styles

*Sourced from the SPSS 7 computation table*

The T-Test results table 3 compares employees' performance across different leadership styles and sectors, showing whether the observed differences are statistically significant. This helps determine which leadership approaches have a meaningful impact on employee outcomes in Guyana's organizations.

Reliability Testing refers to the consistency of a measurement instrument. Cronbach's Alpha is the most widely used statistic for assessing the internal consistency of scales, especially those based on multiple Likert items. A Cronbach's Alpha value above 0.7 is generally considered acceptable, indicating that the items reliably measure the same construct [4-8, 18]

**Table 4.** Reliability Statistics (Cronbach's Alpha) [7]

Scale	Cronbach's Alpha	Number of Items
Transformational	0.92	18
Transactional	0.85	10
Laissez-faire	0.78	6
Job Performance	0.88	6

*Sourced from the SPSS 7 Cronbach's Alpha computation*

The Reliability Statistics (Cronbach's Alpha) indicate how consistently the research instruments measured leadership styles and employees' performance. A high Cronbach's

Alpha value shows that the survey items were reliable and produced stable, consistent results (Table 4).

**Table 5.** Validity Evidence [7]

Scale	Construct Validity (Factor Loading)	Criterion Validity (Correlation with job performance)
Transformational	Loads on Factor 1 (> 0.70)	R = 0.0, p < 0.001
Transactional	Loads on Factor 2 (> 0.70)	R = -0.40, p < 0.01
Laissez-faire	Loads on Factor 3 (>0.70)	R = -0.10, p > 0.05
Job Performance	Loads on Factor 4 (>0.70)	-

*Sourced from SPSS IDB 7*

The Validity Evidence table 5 shows how effectively the research instruments (such as questionnaires) measure what they are supposed to measure. This table helps establish that the study's conclusions on leadership styles and employee performance are based on reliable, relevant data.

### Sample Size

Determining an appropriate sample size is a critical aspect of quantitative research, as it directly influences the reliability, validity, and generalizability of the findings. In survey-based research, the sample size should be justified based on the research objectives, the population size, the desired level of precision, and available resources [16] in studies employing stratified random sampling, as in this research, the sample is typically allocated proportionally or optimally across strata to ensure adequate representation of key subgroups. In his study, 300 structured questionnaires were evenly distributed among four organizations—two public and two privates—using a stratified random sampling method. This approach ensures that each group (senior management, middle management, and junior employees) is properly represented, thereby improving the accuracy and comparability of results across different organizational levels and sectors. The sample size was determined based on practical factors, including the total number of

employees in the selected organizations, the need for sufficient statistical power to detect meaningful effects, and resource limitations [19].

Sample size justification in quantitative research is an important step when designing an empirical study. It justifies the sample size that will be collected. The main aim of a sample size justification is to explain how the collected data is expected to provide valuable information. It was explained that in organisational studies, a sample size of 200–300 is often considered sufficient to achieve reliable estimates and allow subgroup analyses, especially when stratified sampling is used. The achieved response rate of over 95% (286 completed questionnaires) further strengthens the robustness and credibility of the study's findings [17].

The sample size for this research was carefully chosen to balance methodological rigor with practical feasibility, yielding results that are both statistically sound and relevant to leadership styles and employee performance in Guyana's public and private sectors.

### Limitations of the Study

Despite the valuable insights this research provides, several limitations must be acknowledged. The chosen sample size was inadequate – only four organisations across Guyana's public and private sectors were

included. This approach, therefore, undermines the generalizability of the findings.

There was exclusive reliance on a quantitative approach; as a result, mixed-methods or longitudinal approaches were not explored due to time constraints. It therefore indicates that the data depth was limited. Qualitative methods are better suited to capture nuanced perspectives and contextual factors. Self-reported measures, though widely used in organisational research, are susceptible to social desirability and recall bias, potentially affecting their accuracy. Furthermore, the study's focus on Guyana's unique socio-economic and cultural context may limit the transferability of findings to other regions or sectors, as leadership effectiveness is often shaped by local norms and institutional constraints [18-20].

## Results

This study has evaluated three leadership styles (transformational, transactional, and laissez-faire) and their impact on employees' performance in the public and private sectors in Guyana, ultimately leading to sustainable growth and development. This statistical evaluation used hypothesis testing. Applying the t-test and regression analysis to the data gleaned from the questionnaire. The t-test results indicate statistically significant differences between transformational, transactional, and laissez-faire styles. The results support the hypothesis that transformational and transactional leadership styles positively affect employees' performance, whereas laissez-faire leadership negatively affects performance.

Private and public organisations have different objectives – Private organisations pursue high profits; as such, their business outlook is more dynamic and competitive. Public sector organisations must comply with government rules and policy-driven mandates.

The impact is stronger in private organisations for transformational leadership.

For transactional leadership, the effect is stronger in public organisations. Having analysed the traits of the private sector, it was found that transformational leadership is the most common and effective approach in private-sector organizations in Guyana. It promotes innovation, employee empowerment, and higher job satisfaction. Employees working under transformational leaders report increased motivation and engagement, thereby boosting organizational performance. The statistical analysis showed a high regression coefficient, indicating that employees under transformational leadership are more engaged and satisfied, and will ultimately be more productive. It is worth noting that this leadership style encourages long-term growth and resilience, thereby helping organisations become more competitive and responsive.

Transactional leadership is widespread in the public sector. It also positively influences employees' performance, albeit to a lesser degree than transformational leadership. It is prevalent in the public sector, where clear structures, compliance, and reward-based motivation are valued. This style of leadership effectively maintains order, efficiency, and adherence to policies and procedures.

Laissez-faire leadership significantly negatively affects employee performance. It is strongly associated with decreased performance and little or no employee job satisfaction. It is the least effective in both sectors, often leading to reduced performance and motivation.

The effectiveness of leadership styles in Guyana's organizations depends heavily on specific circumstances within each sector. Factors such as organizational culture, resource availability, and regulatory frameworks are key in determining the best leadership approach. For example, private-sector organizations with greater resources and flexibility are better suited to adopt transformational leadership, which promotes innovation and employee development. Conversely, public sector agencies, often constrained by stricter

regulations and limited budgets, usually rely on transactional leadership to maintain order and meet policy requirements.

This study emphasizes that leadership strategies should be tailored to each organization's specific environment and challenges. Instead of applying a one-size-fits-all approach, leaders need to assess their context and modify their style to boost employee engagement and performance. By identifying and addressing these contextual differences, organizations in Guyana can foster more effective leadership and achieve better results.

## Discussion

This research presented a comparative synthesis that highlights each leadership style and its impact on employees' performance and, by extension, the organisation's sustainable growth and development. The three leadership styles (transformational, transactional, and Laissez-faire) influence employees uniquely. It is found that the transformational leadership style is prevalent in private organisations. While it is moderately practiced in the public sector organisations. Transactional leadership is more prevalently practiced in public organisations. While this approach promotes consistency and accountability, it can unintentionally restrict innovation and long-term employee engagement. Employees in these environments might feel less autonomy and creativity, which can affect job satisfaction and retention. Nonetheless, transactional leadership remains effective in situations where clear rules and procedures are essential for maintaining order and reliably delivering public services.

Laissez-faire leadership style is recognized as the least effective in both sectors, underscoring the importance of active, engaged leadership. Leaders who are absent or disengaged leave employees feeling directionless, unsupported, and unmotivated, which in turn results in lower performance and

morale. This evidence shows that organizations should avoid laissez-faire approaches, especially in environments where guidance and feedback are crucial to achieving strategic goals.

A key insight from this research is the importance of contextual factors—such as institutional culture, resource availability, and regulatory environment—in shaping the effectiveness of leadership styles. For example, resource-rich private organizations might be better positioned to adopt transformational practices, while resource-limited public agencies could depend more on transactional methods. Consequently, leaders must adapt their approach to meet their organization's specific needs and challenges, rather than applying a one-size-fits-all strategy.

This study's results demonstrate how leadership styles affect employee performance in Guyana's public and private sectors. Transformational leadership, common in the private sector, is linked to higher motivation, engagement, and job satisfaction, while transactional leadership, often seen in the public sector, promotes consistency and accountability but might restrict creativity.

The findings are supported by strong evidence of reliability and validity. The research instruments demonstrated high reliability, as indicated by a high Cronbach's Alpha value, suggesting that the survey items consistently measured leadership styles and employee performance. Validity evidence confirmed that the questionnaires accurately captured the intended constructs, ensuring the findings are based on trustworthy data.

Regression analysis coefficients further showed that transformational leadership has the strongest positive impact on employee performance, while transactional leadership has a moderate effect, and laissez-faire leadership has the least positive impact.

These statistical results reinforce the importance of adopting active and adaptive leadership styles to enhance employee

motivation, satisfaction, and organisational outcomes in Guyana's public and private sectors.

The study's findings have practical implications for leadership development and policy reform in Guyana. Organizations should invest in training programs that equip leaders with the skills to be adaptable and responsive to their environment. Policymakers can use these insights to design interventions that promote effective leadership practices, increase employee engagement, and support sustainable development. Additionally, the research encourages further exploration of how leadership styles interact with other organizational variables, such as team dynamics, technological change, and external market forces.

In summary, effective leadership in Guyana's diverse landscape requires a careful balance between transformational and transactional approaches, tailored to sector-specific realities. By fostering adaptive leadership, organizations can enhance employee performance, promote innovation, and support long-term sustainability. These insights are not only relevant for Guyana but also have the potential to influence leadership strategies in other emerging economies facing similar challenges.

## **Conclusion**

In conclusion, the study provides robust evidence that leadership styles significantly affect employees' performance and sustainable growth and development in Guyana's public and private sectors. Transformational leadership is most effective in private-sector organisations, while transactional leadership is better suited to the public sector's needs. Laissez-faire leadership generally has a negative impact. These findings offer actionable recommendations for managers, policymakers, and human resources professionals seeking to enhance organisational

outcomes through evidence-based leadership practices.

The prevalence of transformational leadership style in the private sector aligns with obtains in private organisations globally. This style drives innovation, empowerment, and job satisfaction. In these settings, it becomes clear that leaders inspire and motivate employees and foster a culture of continuous improvement and flexibility, which are vital for organizations operating under competitive pressure and rapidly changing market conditions. Employees working under transformational leaders often report higher levels of engagement, creativity, and initiative, thereby contributing to the organization's overall success.

Looking ahead, future research should broaden its scope by incorporating mixed-methods and longitudinal designs, expanding organisational and sectoral coverage, and exploring additional variables such as organisational culture, employee well-being, and digital leadership. Such efforts will further strengthen the foundation for effective leadership and sustainable growth and development in Guyana. The findings open the door to further research into how leadership interacts with other factors, such as technology adoption, team collaboration, and external pressures. Extending this research across regions or industries could offer a broader understanding of effective leadership in diverse, changing environments.

## **Conflict of Interest**

The author declares no conflict of interest related to this study.

## **Ethical Considerations**

Ethical considerations are crucial in any research effort because they guide researchers on what to focus on during primary studies. They are core beliefs that shape the research's ideas and methods. When collecting data from individuals, scientists and researchers must follow specific rules. These rules are important

because more primary studies involve human participants.

Given that the researcher adhered to the principle of informed consent when collecting data from human respondents, informed consent is the act of informing prospective study participants about the key components of a research project and the implications of their participation [14].

Anonymity is another important ethical principle that the researcher followed when collecting data from respondents. Husband (2020) explained that this refers to a scenario where the researcher does not know who the respondents are and therefore cannot link any findings to them. Anonymity is essentially for building trust, encouraging honest engagement, and protecting the identities of research participants. In this research, participants' names were optional; however, where applicable, the researcher will use pseudonyms to protect the identities of any participants whose names are known [15].

Confidentiality and Privacy are important ethical protocols that were considered in this research. These two protocols are important keys to ethical considerations in primary studies. Confidentiality refers to the obligation of researchers to prevent unauthorised access to data collected from participants. This means protecting the data from disclosure to unauthorised individuals or groups. Privacy, on the other hand, relates to a participant's right to decide when, how, and to what extent their personal information will be shared.[15]. The researcher upheld confidentiality and privacy. Respondents' information is stored in a secure locker to prevent unauthorized access. Participants were given the option to include their names on the questionnaire; even if they did, it would not have been disclosed.

### **Author Contribution**

The gold-backed loan facility was conceptualized by the author after careful consideration of how to help small- and

medium-scale miners who are locked out of the formal credit market in Guyana. An outline was drafted, the approach was designed, and the approach was finally executed. The stages include identifying the research problem, formulating the objectives, and developing the methodology, which combined case study analysis with financial modeling. Stakeholder consultations and interviews were conducted, during which qualitative data were collected from representatives of the GGB, GGDMA, Citizens Bank (Guyana) Limited, and the Bank of Guyana, as well as small- and medium-scale miners.

Quantitative analysis, including the building of the financial model, scenario analysis, and sensitivity testing, was carried out by the author following best practices from mining finance literature. The author incorporated stakeholder feedback into the modeling process to ensure practical relevance and accuracy.

The researcher also reviewed relevant literature, synthesized global and regional case studies, and contextualized findings for the Guyanese mining sector. All ethical standards, including informed consent and confidentiality, were strictly followed throughout the research process. Thereafter, the researcher conducted the analysis, documented the findings and interpretation, and drew up the report. The final manuscript was prepared and revised by the author, who takes full responsibility for the integrity and accuracy of the work.

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### Data Availability

The data used to support the findings/results of this research can be made available upon reasonable request. This data includes participants' responses from the questionnaires

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and statistical analysis. The questionnaires retrieved from the participants were available in both soft and hard copies. The soft copies were printed and pooled together with the hard copies. This hard-copy information is stored securely to maintain confidentiality and privacy.

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