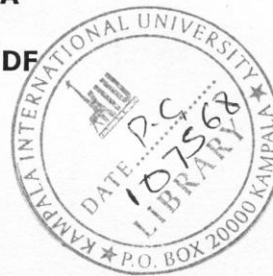


**LEADERSHIP STYLES AND EMPLOYEE TURNOVER IN SELECTED BANKS IN  
MOGADISHU, SOMALIA**

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**A THESIS SUBMITTED TO THE COLLAGE OF ECONOMICS AND MANAGEMENT  
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## ABSTRACT

The study established the relationship between leadership styles and employee turnover in banking industry in Mogadishu, Somalia. The problem statement of the study was indicated that the Bank industry in Somalia is facing a challenge of employee turnover. The primary issue is that employees don't stay in their banks for long-time as expected. The high rate of turnover is not likely to reduce in the near future since projections by analysis indicated more trends for at least the next five years. Four specific objectives guided this study and these were i) identifying leadership styles used in the banking industry in Mogadishu, Somalia; ii) establishing the effect of democratic leadership style on employee turnover in the banking industry in Mogadishu, Somalia; (iii) establishing the effect of autocratic leadership style on employee turnover in the banking industry in Mogadishu, Somalia; (iv) establishing the effect of laissez fair leadership style on employee turnover in the banking industry in Mogadishu, Somalia. This research employed descriptive correlation design to describe the relationship between leadership styles and employee turnover in banking industry in Mogadishu Somalia. The study used a population of 276 and a sample size of 163. Questionnaires and interview guide were used for reaching respondents who were randomly selected to be part of the study and the data collected was organized and analyzed to generate information which came from the research. The findings revealed the following: the leadership styles in banking industries in Mogadishu Somalia was rated high, indicating that the employees in banking industries in Mogadishu, Somalia are facing a relatively fair leadership styles applied by their managers and directors, the findings also indicated a positive and significant effect of democratic leadership style on employee turnover in banking industries in Mogadishu, Somalia, the findings indicated that autocratic leadership style has a significant effect on employee turnover, the finding still indicated that Laissies-fair leadership style has a significant effect on employee turnover. The researcher concluded that; the banking industries in Mogadishu, Somalia are practicing relatively fair leadership styles while carrying out their activities, improvement in democratic leadership style decreases the level of employee turnover in banking industries in Mogadishu, Somalia, improvement of autocratic leadership style can significantly reduce the employee turnover in selected Banking industries in Mogadishu, Somalia and the higher the existence of laissies-fair leadership style can help in reducing the employee turnover in banking industries in Mogadishu, Somalia. The researcher recommended that; the management of Banking industries in Mogadishu, Somalia should apply or use the style that makes employee stable and contributes employee satisfaction, the management of the banking industries in Mogadishu, Somalia should always give freedom to capitalize on their skills and talents by letting them share their view. Because democratic leadership style is usually one of the most effective and leads to higher productivity, the management of the Banking industries in Mogadishu, Somalia should ensure that employees should not be given works which make them stressed and which is coupled with recurrent deadlines and managements should be participative rather than Autocratic to reducing on the number of employees leaving the banks, and also the researcher recommends that the management of banking industries in Mogadishu Somalia should aware the laissez-fair leadership style is associated with dissatisfaction, unproductiveness and ineffectiveness which means the managers or leaders always avoid responsibilities or may either not intervene in the work affairs of subordinates.