



**The Effect of Leadership Style on Organizational Culture Mediated
by Change Management: The case of Ethio-Telecom**

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Declaration

I, the undersigned, declare that this thesis work comprises my own work. In compliance with internationally accepted practices; I have dully acknowledged and referred all materials I used in this work. I understand that no adherence to the principles of academic honesty and integrity, misrepresentation/fabrication of any idea/data/facts/sources will constitute sufficient ground for disciplinary action by the university and can also evoke penal action from the sources which have not been properly cited or acknowledged.

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Certification

This is to certify that **Tigist Desalegn** carried out under my supervision of thesis entitled "*The effect of leadership style on organizational culture mediated by change management: The case of Ethio-Telecom*" submitted in partial fulfillment of the requirements for the award of Master of Business Administration. The work is original and eligible to be submitted, meeting the requirements for obtaining a Master of business Administration

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Approval of Board of Examiners

As members of the Board of Examiners of the thesis defense, we certify that we have read and evaluated the thesis prepared by **Tigist Desalegn Jikamo** and examined the paper. We recommend that the thesis is accepted as fulfilling the requirements for **Master of Business Administration**, Addis Ababa University College of Business and Economics, as complies with the regulations of the university and meets the accepted standards with respect to originality and quality.

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Acronyms and Abbreviations

OC-Organizational culture

CM- Change management

DOCS-Diagnostic Organizational Culture Survey

ET- Ethio-Telcom

LS -Leadership Style

SEM- Structural equation model

SPSS - IBM's Statistical Package for the Social Sciences

Abstract

This study investigates the impact of leadership style on organizational culture and the mediating role of change management at Ethio-telecom. The research aims to establish the relationship between leadership style, organizational culture, and change management within the context of Ethio-telecom. A quantitative research approach was adopted, with primary data collected through questionnaires distributed at the Ethio-telecom Head Office in Addis Ababa. Data analysis was conducted using Statistical Package for Social Sciences (SPSS) Version 27, employing descriptive statistics like mean and standard deviation, as well as inferential statistics such as correlation and mediation analysis. The findings reveal that change management significantly mediates the influence of leadership style on organizational culture, indicating a preference for transformational leadership at Ethio-telecom. The study findings indicate that there is a moderate positive correlation between leadership style and organizational culture, as well as between leadership style and change management. The regression analysis reveals that 19.2% of the variation in organizational culture can be explained by leadership style, suggesting a moderate relationship between the two. Moreover, the total indirect effect of leadership style on organizational culture through change management is 0.138, signifying that a significant portion of the relationship between leadership style and organizational culture is mediated by change management practices at Ethio-Telecom. These results support the hypothesis that change management acts as a mediator between leadership style and organizational culture. Future research should delve deeper into this topic through longitudinal studies with larger sample sizes and diverse organizational settings to provide valuable insights for organizations seeking to enhance their organizational culture through effective leadership strategies and change management practices.

Keywords: Leadership style, Organizational culture, Change management, Ethio-telecom

CHAPTER ONE

1. INTRODUCTION

In this section, the researcher presents background of the study, statement of the problem, research questions, and objectives of the study, significance, and delimitation of the study. Moreover, operational definitions and organization of the study are also incorporated to clearly show the flow of ideas under investigation and the way this research is organized.

1.1. Background of the Study

Today's business environment is a very difficult one where rapid change in demand lead to business development and often leave employees dissatisfied with their workplaces and jobs. Since the 1980s, organizational culture has become an important part of business management and is considered a way to survive in a rapidly changing world (Nam and Kim, 2016). The fundamental characteristics of a company are governed by its organizational culture.

Organizational Culture (OC) is a crucial aspect of any organization, influencing its performance, employee behavior, and overall success. It encompasses the shared values, beliefs, and practices within an organization, shaping the way employees interact and work together (Tianya, 2015). The indicators of organizational culture include communication patterns, decision-making processes, leadership styles, and employee engagement. Dimensions of organizational culture often include adaptability, involvement, consistency, and mission (Alam, 2019). Various factors contribute to the formation of organizational culture, including leadership style, change management practices, and external environmental factors.

Leadership Style (LS) refers to the approach and behavior of leaders in influencing their followers. It plays a significant role in shaping organizational culture and can be identified through indicators such as communication style, decision-making processes, motivational techniques, and conflict resolution methods. The origin of leadership styles can be traced to various theories such as transformational leadership, transactional leadership, and servant leadership. The debate on the most effective leadership style is ongoing, with scholars arguing

for different approaches based on situational factors and organizational contexts (Sunyoto, 2013).

Leadership plays a crucial role in driving work groups towards maximum success. Leadership style encompasses a leader's ability to influence their subordinates (Mulyadi, 2015). Leadership involves exercising authority and making decisions, and it can also see as a collective problem-solving approach (Sunyoto, 2013). Kartono (2015) emphasizes that effective leadership requires the leader's characteristics and style to accepted and suitable for the group and the prevailing situation and era. As highlighted by Mulyadi (2015), without leadership, an organization would merely be a disparate group of individuals and malfunctioning machinery.

Previous studies on leadership and culture have identified various forms of behavior and attitudes that influenced by the cultural environment. This variation arises from different ideas and perspectives within the workforce (Bass, Jung, & Avolio, 1999; Yamaguchi, 1999), as well as the fact that leadership styles can vary across distinct cultures (Dorfman et al., 2004; Wood, 2006; Jogulu, 2006). Numerous researchers have established a connection between leadership and organizational culture (Bass, 1985; Doherry, 1991; Trice & Beyer, 1991). Schein (1992) also highlights the interdependence of leadership and organizational culture, emphasizing that organizational culture reflects the values and beliefs of its founders, shaping the characteristics of the organization. Hartog, Muijen, and Koopman (1997) established a positive relationship between transactional and transformational leadership styles and organizational culture. Organizational culture and leadership are mutually dependent, with leaders playing a crucial role in establishing the values, norms, and behaviors of employees within the culture (Bass & Riggio, 2006). Jogulu (2010) further supports this notion by suggesting that leadership styles evolve as the culture of the organization changes.

On the contrary, leadership involves guiding employees towards organizational goals, effectively communicating and motivating them to utilize their talents and commit to their jobs. Unlike management, leadership approaches can adapt to current trends, when necessary, rather than strictly following traditional rules. Kotter (1990) states that leadership drives progress by managing the direction and inspiring teams to overcome obstacles. Therefore, leadership is distinct from management and considered an exceptional skill possessed by some great managers.

Change management refers to the process by which a company seeks to improve its position, performance, or culture by redesigning its structure, strategy, or working methods. It can range from small administrative changes to more extensive transformations. Lewis (2011) views organizational change as a significant and intriguing aspect of businesses, affecting various dimensions from minor departmental changes to company-wide disruptions. The causes of organizational change can be major, such as mergers, acquisitions, downsizing, or minor changes aimed at enhancing operations and effectiveness.

Change Management (CM) acts as a mediating variable in the relationship between leadership style and organizational culture. It involves the structured approach to transitioning individuals, teams, and organizations from a current state to a desired future state. Effective change management practices can significantly influence organizational culture by facilitating smooth transitions, reducing resistance to change, and fostering a positive work environment. The debate surrounding change management revolves around the best strategies for implementing change, the role of leaders in change initiatives, and the impact of change on organizational culture (Lewis, 2011).

In the specific context of Ethio-Telecom, understanding the relationship between leadership style, change management, and organizational culture is crucial for its success and sustainability. As one of the leading telecommunication companies in Ethiopia, Ethio-Telecom operates in a dynamic and competitive industry where effective leadership, adaptive organizational culture, and successful change management are essential for growth and innovation. The study aims to explore how different leadership styles within Ethio-Telecom influence its organizational culture, with change management acting as a mediator in this relationship.

1.1. Statement of the problem

In the fast-paced and ever-changing technological landscape of today, companies are increasingly prioritizing organizational change in response to external factors beyond their control (Shafi et al., 2020). Navigating this dynamic business environment requires adept leadership in driving organizational change for individuals, teams, and entire organizations to effectively adapt to these shifts (Whelan-Berry & Somerville, 2010).

In the ideal situation, Ethio-Telecom, as a prominent telecommunication company in Ethiopia, would have a strong and adaptive organizational culture that aligns with its strategic goals and values. The leadership style within the organization would be effective in fostering a positive work environment, promoting employee engagement, and driving innovation. Change management practices would be seamlessly integrated into the organizational processes, enabling smooth transitions and successful implementation of strategic initiatives. In this ideal scenario, the interplay between leadership style, change management, and organizational culture would be well understood and leveraged to enhance overall performance and competitiveness (Engle and Crowne, 2014).

However, According to the preliminary study of the researcher the reality at Ethio-Telecom presents a different picture. The current organizational culture characterized by challenges such as resistance to change, communication gaps, and lack of alignment with the company's vision and values. Leadership styles within the organization vary widely, leading to inconsistencies in decision-making, communication breakdowns, and employee disengagement. Change management practices ad-hoc or reactive, resulting in disruptions, delays in project implementation, and decreased employee morale. These issues can have a significant impact on the company's performance, employee satisfaction, and overall organizational effectiveness.

The extent and severity of these challenges can be evidenced by various indicators such as employee turnover rates, customer satisfaction levels, project success rates, and financial performance metrics. For example, high turnover rates or low employee engagement scores indicate underlying issues with the organizational culture and leadership effectiveness. If these issues are not addressed, Ethio-Telecom may face consequences such as decreased market competitiveness, reduced customer loyalty, and diminished employee motivation(Tsai, 2011).

The researcher finds out a few literatures regarding the interplay of leadership style, organizational culture, and change management. There is a lack of comprehensive studies systematically exploring the effect among these variables. Thus, the present study aims to propose and evaluate a practical conceptual framework to analyze effect between leadership style, organizational culture, and change management within Ethio Telecom. The study also delves into examining the mediating effect of change management on the effect between leadership style on organizational culture, at Ethio Telecom.

There is a research gap on addressing the effect between leadership style, organizational culture, and change management. Given the limited and inconclusive findings, further investigation is needed to understand the influence of leadership style on organizational culture and change management, specifically exploring the mediating effects of change management. This study aims to contribute to this research gap and provide valuable insights in this area.

The gap that this study aims to address lies in the lack of comprehensive research on the relationship between leadership style, change management, and organizational culture within the specific context of Ethio-Telecom. While existing studies may have explored these concepts individually or in different organizational settings, there is a need for a focused investigation into how these factors interact and influence each other within the unique environment of Ethio-Telecom. By delving into this unexplored territory, the current study seeks to provide valuable insights and recommendations tailored to the company's specific challenges and opportunities.

1.2. Research Questions

In view of the above gaps, the researcher opted to address the following specific research.

1. What is the effect of leadership style on organizational culture?
2. How does leadership style affect change management?
3. What is the effect of change management on organizational culture?
4. Does change management mediate the effect of leadership style on organizational culture at Ethio Telcom?

1.3. Objectives of the Study

1.3.1. General Objective

The general objective of this study is to examine the effect of leadership style on organizational culture mediated by change management in the case of Ethio-Telecom.

1.3.2. Specific Objective

The study guided by the following research objectives.

1. To examine the effect of leadership style on organizational culture.

2. To investigate the effect of leadership style and change management.
3. To analyze the effect of change management on organizational culture.
4. To identify if change management as a mediator variable have any effect on the relationship between the effect of Leadership style and organization culture in Ethio Telecom company.

1.4. Significance of the study

The telecommunications industry is known for its tumultuous and hypercompetitive nature, and Ethio Telecom has responded by adopting a three-year growth strategic plan. This marks the beginning of its LEAD Growth Strategy, which aims to extend its services beyond traditional connectivity to encompass digital and financial services, simplifying daily activities for organizations and individuals, contributing to inclusive growth (Ethio Telecom Vision 2025).

Acknowledging the dynamic nature of the business and market conditions, Ethio Telecom has opted for a flexible, rolling strategy that combines deliberate and emergent approaches to strategy development (Ethio Telecom Vision 2025). Given the company's ambition, it becomes essential to retain a highly committed workforce to achieve the strategic objectives.

The study's significance lies at several key areas, including:

- Examining the evolving effect between leadership style, organizational culture, and change management within Ethio Telecom in alignment with the company's strategic direction.
- Uncovering the mediating effect of change management on these crucial relationships, providing nuanced insights into their interconnectedness.
- The finding of the research will assist the management on how to improve the leadership style of leaders in relation to organizational culture mediated by change management.
- Enhancing understanding of Ethio Telecom's organizational dynamics, enabling the development of tailored interventions and strategies to boost employee commitment and organizational effectiveness.
- The study shall also be contributory in providing information to other Telcom company in the same industry on the effect of leadership style practices on organizational culture.

- The study findings could serve as an input to the academic field by setting a foundation for further research about mediating effect of change management which not considered in the previous research.

1.5. Delimitation of the study

This research exclusively focuses on the Diagnostic Organizational Culture Survey (DOCS) as outlined by (Denison et al., 2011), characterized by a combination of inductive and theory-driven elements. DOCS take on a diagnostic approach, leading to inferences about cultural effectiveness without necessarily considering potential contingency factors. Consequently, it may involve challenges related to the generalizability of predictive relationships (Denison et al., 2011). One notable limitation of DOCS, highlighted by (Sult, 2013), is its lack of incorporation of national culture, which restricts its practicality in addressing multinational cross-cultural issues. As cultural concepts can manifest differently across national cultures, there is a need for DOCS to be adaptable at varying levels of specificity to be truly effective. However, the second-order framework of DOCS may offer a potential solution to this constraint by ranking the four traits contributing to organizational performance (i.e., Mission, Consistency, Involvement, and Adaptability) differently or assigning different weights based on the specific national context.

The study excludes consideration of additional factors such as the economic position of the country, national culture, age, and gender. Moreover, it delimits itself to the company's headquarters in Addis Ababa, excluding domestic and outstation employees. The survey respondents restricted to full-time professional employees of the company. Notably, the research targets senior employees and management personnel with a minimum of five years of service within the company, given that the problem statement emphasizes the departure of experienced employees.

Methodologically: the study is delimited to sample survey. From the sample generalization were done for the population.

1.6. Organization of the paper

This paper organized into five chapters; the first chapter includes background of the study statement of the problem research objective delimitation of the study, significance of the study

and definition of terms. The second chapter contains, Review of different related literatures on leadership style organizational culture and change management. In this section, the concepts of leadership style, organizational culture, and change management and their relationship where discussed based on the existing literature. The Third chapter discusses the research methodology towards conducting the research. It presents the chosen research design, ways of information gathering, how questionnaires where organized and distributed for the determined target sample and how the results analyzed. The fourth chapter is about, the results and discussion of the study. Finally, the last chapter contains a summary of findings, conclusion and recommendations based on the findings of the research.

1.7. Definition of Terms

Leadership Style: Leadership style refers to the manner and approach in which leaders provide direction, implementing plans and motivation to the individuals.

Organizational Culture: organizational culture is defined as the shared values, beliefs, and norms that shape the behavior and attitudes of employees.

Change Management: It refers to the systematic approach to dealing with Change both from the perspective of an organization and on the individual level. (Smith, 2011).

CHAPTER TWO

2. REVIEW OF RELATED LITERATURE

2.1. Meaning and Concept of Leaderships

Leadership is to invite and direct followers or subordinates to achieve common goals by creating a work environment that is more authoritative, effective, directed, and controlled (Abadiyah et al., 2020). Leadership is one of the abilities needed by a leader in a company to lead the company (Bastari et al., 2020). Leadership comes from the word "leading" which means guidance, while people who carry out guidance are called leaders (Bastari, et al., 2020). A leader's influence is known to make improvements to employees in achieving company goals. Meanwhile, the leadership style will be associated with the actions of a leader when leading followers or providing guidance (Rohman, et al., 2020). Leadership has been defined in many different ways by different authors. There is no common agreement on the definition of the term as everyone explains it from various angles: in terms of behaviours, traits, role relationships, influence, or communication patterns (Yukl,2006). Currently, the concept of leadership is one of the most popular areas of study in the field of organizational behaviour and organizational studies, different literature shows that it has also a significant impact on subordinates' attitudes to work (Leonard et al., 2013). Leadership has also a significant impact on environmental factors such as social, technological, economic, political, and ecological change and it touches all human aspects directly or indirectly.

Leadership can also be defined as the process of guiding, controlling, and managing all activities. Furthermore, leadership is „a process of social influence to guide, structure, and/or facilitate behaviour's, activities, and/or relationships towards the achievement of shared aims (Bolden et al., 2011). While Ghose,(2014) defines leadership as a dynamic process whereby one „man“ influences other to contribute voluntarily to the realization and attainment of the goals 11 objectives; aspiration of values of the group that is representing the essence of leadership is to help a group or an organization to attain sustainable development and growth. But this definition shares the idea of great man theory in which the definition asserted only man influence over there.

2.2. Leadership Theories

Vergara, (2000) emphasizes the pivotal role of leadership in realizing an organization's mission, vision, and objectives by aligning individual interests with strategic organizational designs. According to (Yukl, 1998), leadership has evolved through various perspectives:

Leadership entails exerting influence beyond mere compliance with organizational procedures. It is a process of influencing group activities in pursuit of a common goal. It provides purpose and direction to collective efforts, instigating a desire to channel endeavors toward shared objectives.

In the viewpoint of De Vries, (1997), leadership involves motivating individuals to conduct tasks they may not initially embrace yet finding fulfillment in doing them. McGregor (cited in Motta and Vasconcelos, 2002) distinguishes between assumptions about human nature and motivations corresponding to different leadership styles: "Theory X" assumes people are lazy and require close supervision, leading to a prevalent hierarchical administrative posture. "Theory Y" posits that people find enjoyment in work, are creative, and are competent, promoting leadership-related actions.

Moreover, Kouzes and Posner, (1997) argue that leadership is not solely the domain of those in hierarchically superior positions, as it occurs whenever someone seeks to influence the behavior of individuals or groups, irrespective of their purpose (Ngodo, 2008; Sofi and Devanadhen, 2015; Akparep et al., 2019). Additionally, (Quintella, 1994) outlines fundamental requirements for effective leadership.

2.3. Leadership styles

2.3.1. Transformational Leadership

Transformational leadership is fundamental in inducing or persuading subordinates or followers to internalize organizational goals as their own and strive to achieve them. This leadership model seeks to cause followers to change their needs, beliefs, and values, aiming to stimulate the entire organization to move toward higher-order needs (Crawford et al., 2003). Transformational leadership places a high value on employees' personal growth to enhance organizational benefit (Crawford, 1995).

The characteristics of transformational leadership include increasing confidence and motivation, clarifying follower's directions of work in obtaining organizational goals, sharing beliefs and benefits, and being open to employee's feedback and suggestions. Transformational leadership signifies strong influences on relationship between leaders and followers that instils power for achieving performance objectives and work goals. And also Burns (1978) first proposed transactional leadership, which focuses on exchanging benefits to satisfy the needs of both side of followers and leaders. Moreover, transformational leadership style concentrates on the development of followers as well as their needs. Managers with transformational leadership style concentrate on the growth and development of value system of employees, their inspirational level and moralities with the preamble of their abilities (Nanjundeswaraswamy and Swamy, 2014). And also according to Rehman et al. (2012) transformational leadership involves motivating others to move towards their own self-interests for the achieving the goals of the group and the organization and adopt new ways to success.

It's been observed that transformational leadership instills motivation in individuals to exceed expectations, leading to higher performance levels. This style described as leadership exercised by individuals who introduce profound changes at societal and organizational levels, leaving lasting impacts (Rego, 1997

In the transformational leadership style, leaders foster an environment that promotes freedom to innovate and share experiences and achievements, aiming for the organization to benefit from this process (Bryant, 2003). This leadership style requires a combination of theoretical, technical, and methodological competencies grounded in management and leadership skills, where leaders reinforce the vision and mission through their actions, motivating and challenging expectations while displaying trust and respect for subordinates. Leadership is a multifaceted concept, as evidenced by the varied models and styles that researchers have articulated over the years. Notably, (Burns, 1978; Bass, 1985, 1997, 1998; Avolio and Bass, 2002; Adair, 2003; Crawford et al., 2003; Armstrong, 2012; Xenikou, 2017) have contributed to the classification of different leadership models based on the leader's interaction with group members.

One such model is transactional leadership, which emphasizes a tit-for-tat relationship, wherein group members accept the leader's influence in exchange for personal advantages, rewards, or under the threat of penalties (Bass, 1997).

On the other hand, transformational leadership calls for group members to set aside their personal interests for the collective good of the group and the organization (Gonçalves, 2008; Góis, 2011). It signifies a shift in the perception of the leader within an organization, framing the leader as a visionary who defines the organizational reality through the fusion of a vision, reflective of the organization's mission, and the values that support its purpose (Costa et al., 2000).

Moreover, transformational leadership aims to encourage subordinates or followers to internalize the organizational goals, tirelessly working towards them, and altering their beliefs and values in the process (Jabbar and Hussin, 2019). This form of leadership, as described by (Bass and Avolio, 1990), transcends transactional leadership, and emphasizes employees' personal growth to enhance organizational benefits (Crawford, 1995).

2.3.2. Transactional leadership

According to Yulk (2007) asserts that transactional leadership style is one leadership style that emphasizes on transaction between leaders and subordinates. Transactional leadership motivates and influencing subordinates by exchanging reward with a particular performance. In a transaction the subordinate promised to be given rewards when subordinate is able to complete their duties in accordance with agreements. In other words, he encourages subordinates to work. Transactional leadership styles can affect positively or negatively on performance. It depends on employee assessment. Positive effect can occur when employees assess transactional leadership positively and a negative effect can occur if employee considers that transactional leadership styles cannot be trusted because they do not keep their promises, dishonest or not transparent.

Furthermore, Transactional leadership style according to Rehman et al. (2012) refers to motivate followers by attracting or appealing to their self-interests. Transactional leadership relies more about trades between the leader and follower by which followers are compensated for meeting specific goals or performance criteria. The transactional leader will first validate the relationship between performance and reward and then exchange it for an appropriate response that encourages subordinates to improve performance and hence the leadership focuses more on daily practices of work (Nanjundeswaraswamy and Swamy, 2014). Transactional leader

dimensions are practice Management-by-Exception and contingent reward. Management-by-Exception is practiced in two forms: passive and active (Gill, 2011).

The exploration of transactional leadership by (Castanheira and Costa, 2007) underscores its focus on a system of rewards and penalties tied to the fulfillment or non-fulfillment of specified objectives. In this style, the leader outlines behaviors, and goals without significantly influencing or motivating employees towards achieving these aims. Transactional leadership creates a dichotomy between the leader as a superior and the follower as dependent, emphasizing conformity with the organization's reality. The leader engages in transactions, whether economic, political, or psychological, without deeply motivating or influencing employees. The leader directs followers towards organizational goals by clarifying roles and demands while using exchange and negotiation to align objectives, often centered on incentives and status as rewards for performance. This leadership approach relies on established reward and punishment systems to guide followers towards fulfilling agreed-upon objectives in line with the organization's goals. This stands in stark contrast to transformational leadership, in which the leader appeals to the individual interests of followers, while transactional leaders primarily exert authority derived from their organizational hierarchy (Kalsoom et al., 2018).

The four components of transformational leadership, as identified by (Castanheira and Costa, 2007), include charisma, inspiration, respect for subordinates, and intellectual stimulation. These components align with the four dimensions outlined by (Heitor, 2006): idealized influence, inspirational motivation, intellectual stimulation, and individual consideration. These dimensions emphasize the leader's influence through admired and respected actions, motivation through vision and modeling, encouragement of creativity and problem-solving, and individualized attention to foster growth.

Research has also delved into the impact of leadership styles on various organizational facets. For example, a study by (Cui et al., 2022) revealed that transformational and transactional leadership styles impact organizational learning and innovation performance, and organizational learning mediates the relationship between leadership styles and innovation performance. Similarly, (Wang and Huang, 2022) found that transformational leadership positively moderates the relationship between control culture and innovation ability, underlining the far-reaching effects of leadership styles on organizational dynamics.

While the efficacy of transformational leadership in traditional work settings is evident, the study by (Gutu et al., 2022) highlights the need to adapt these leadership tools for exclusive online work environments, where their effectiveness might diminish. This suggests the importance of revisiting and reshaping leadership strategies to suit evolving work conditions.

2.3.3. Authoritarian Leadership or Autocratic Leadership

This type of leadership involves the leader exerting complete power and control over all decision-making processes, providing specific instructions on tasks and procedures, and emphasizing organizational discipline (Harms et al., 2018).

In fact, most followers of autocratic leaders can be described as biding their time, waiting for the inevitable failure this leadership produces and the removal of the leader that follows Michael (2010). Dahl (1989) and Fishkin (1991) proclaimed that democratic leadership influences people in a manner consistent with the basics of democratic principles and processes, such as \deliberation, equal participation, inclusiveness and self-determination (cited in Gastil, 1994).

According to White & Lippitt (1960), democratic leaders actively encourage and stimulate group decisions and group discussions (cited in Choi, 2007). Kuczmarski and Kuczmarski (1995) defined characteristic of democratic leaders as influential, helpful, knowledgeable, a good listener, encouraging, guiding, respecting and situation-centred (cited in Ray & Ray, 2012). Mullins (1999) stated that democratic leadership style centralized more on people and interaction is greater within the group (cited in Puni, et al., 2014).

2.3.4. Democratic Leadership

This leadership approach underscores openness and transparency, fostering an organizational culture that values and embraces the contributions and ideas of everyone. It entails providing everyone in the organization with the ability to make decisions, with a focus on establishing the company's vision (Omeke Faith & Onah Kenneth, 2012).

2.4. Theoretical Literature review on organizational culture

Organizational culture, as defined by Schein (2010), encompasses a set of norms, values, underlying assumptions, and beliefs formed by group members to address integration challenges, consequently shaping the behaviors of employees within the organization. Denison et al. (2012) echo Schein's concept by characterizing organizational culture as the deep-seated values, protocols, beliefs, and assumptions held by members, embodying, and reinforcing fundamental principles (Denison & Mishra, 1995). Moreover, building upon this foundation, (Denison and Mishra, 1995) categorized organizational culture into four traits: involvement, consistency, adaptability, and mission. These traits were further dissected into smaller indices to capture an organization's need for strength and flexibility (Denison et al., 2014). In Denison's model, organizations are evaluated based on the strength of their culture, with a focus on more surface-level values and visible practices, which are more accessible and reliable than artifacts (Yilmaz & Ergun, 2008). The Denison Organizational Culture Survey (DOCS) model is a foundational tool with robust predictive capabilities for assessing organizational culture and widely adopted in IT organizations (Denison et al., 2014).

Various models, such as those proposed by (Schein, 1985), the Competing Values Framework by (Cameron and Quinn, 2011), and the (Denison model, 1995) utilized to illuminate organizational culture. Denison and Mishra introduced the DOCS scale in 1995, which further refined by Denison and colleagues (Denison et al., 2015). In this study, the instrument recommended by (Denison et al., 2012) used. Notably, the Denison model suggests that high-performing organizations demonstrate prominent levels of four cultural traits. The involvement culture allows top-performing companies to structure their organizations around team members, promoting coordinated activities and empowering employees. This trait emphasizes the organization's capability to respond to changes and adapt to the business environment (Fey & Denison, 2003; Wahyuningsih et al., 2019). Consistent culture provides a central source of coordination, communication, integration, and control. It is associated with highly committed team members, consistent business practices, and adherence to core values, serving as a potent driver of internal integration and stability (Denison et al., 2014). The adaptability culture observed in organizations that embrace change and prioritize customer needs, forming a cluster with the involvement culture and emphasizing flexibility and change management (Denison et

al., 2014; Fey & Denison, 2003). Lastly, an organization highlighting a mission culture maintains a clear vision and direction, effectively responding to changes in the external business environment (Denison et al., 2014).

2.5. Theoretical literature review on change management

The process of organizational change recognized as a multifaceted and evolving endeavor, as articulated by (Castel and Friedberg, 2010), in which traditional and new practices intersect to create a dynamic environment. Described by (Shin et al., 2012), organizational change entails the transition from existing work practices, processes, and strategies, influencing the entire organization. This view was further underscored by (Agote et al., 2016), who elucidate how organizations progress from their current state to a desired future state in pursuit of long-term organizational goals. Moreover, (AlManei et al., 2018) characterizes change as a comprehensive behavioral shift within the business organization, signifying a movement from one state to another.

In delineating change management, (Smith, 2006) illustrates it as a systematic sequence of processes, encompassing the planning for change, effective communication of change, involvement in change initiatives, support for change, leadership in change, management of change, and addressing resistance to change. (Smith, 2006) aligns effective communication of change with the smooth operation, interpretation, and management of the change process, thereby fostering a supportive environment for individuals within organizations (Johansson & Heide, 2008). Involvement in change pertains to the preparedness for change, emphasizing that every member of the organization should be engaged in change initiatives (Smith, 2006). Within the context of change management, this study underscores the critical importance of focusing on involvement in change and communication of change.

Change management is an essential process that facilitates the smooth participation of individuals in organizational change, while mitigating resistance and shock associated with the change. Change, being different from the familiar, often encounters resistance due to human preference for familiarity and convenience. This resistance stems from factors such as organizational inertia, traditional culture, past successful response strategies, the cost of driving

transformation, and conscious/unconscious resistance from organizations. Successful change occurs when the facilitating factors outweigh the inhibiting factors.

According to Brown and Morberg (1986), change management involves modifying various aspects of the organizational system, such as the organizational climate, technology, structure, decision-making process, and management system, to achieve organizational goals. Greiner (1972) identified leadership, communication, and education and training as common strategies for change. Kotter and Schlesinger (1979) proposed various approaches to manage resistance to change, including education, participation and communication, support, negotiations and agreements, manipulation and cooperation, and coercion.

Recent research has focused on effectively managing resistance to organizational innovation and promoting innovative behavior. Lewin's early studies aimed to enhance individuals' adaptability to the organization, while current studies aim to minimize resistance and foster innovation. Key factors highlighted in previous research include leadership, communication, education and training, member participation, counseling, and effective strategies.

Whelan-Berry and Somerville (2010) identified factors contributing to effective change management, such as vision, leader behavior, communication, education and training, employee engagement, personnel systems/practices, and organizational structure. Kettinger and Grover (1995) categorized change management factors as communication, direct member participation, role playing, and training. Voelpel et al. (2004) emphasized effective leadership, education and training, clear strategies, inter-level communication, and cooperation among members.

2.6. Empirical Literature Review

2.6.1. Relationship between leadership style and organizational culture.

A comprehensive review of the literature emphasizes the interconnected nature of leadership and organizational culture, highlighting the significance of consciously aligning employee values with the company's strategy for optimal organizational performance. A literature review on this topic sheds light on various aspects of this relationship. One approach to understanding the link between culture and leadership is through the conceptualization of culture in organizational

theory. (Smircich, 1983) identifies two approaches in the study of cultural phenomenon in organizations: culture as an organizational variable and culture as a malleable element. Consequently, the manner, direction, and impact of such manipulation depend on the leader's skills and abilities. The literature advocating for the benefits of transformational leadership provides extensive support for this perspective (e.g., Nicholls, 1988; Quick, 1992; Simms, 1997). In contrast, when culture viewed as an integral part of the organization, leaders' thoughts, feelings, and responses are shaped by the culture (Bass and Avolio, 1993; Schein, 1992).

Schein (1992) observes the intertwined nature of organizational culture and leadership, illustrating this interconnectedness by examining the relationship between leadership and culture within the organizational life cycle. As a company is formed, the founder creates an organization that mirrors their values and beliefs, thus molding the cultural traits of the organization. However, as the organization evolves over time, the established culture influences and shapes the leader, impacting the leader's actions and style. Through this dynamic and ongoing process, the leader both creates and influenced by the organizational culture. Reflecting on the consensus regarding the links between organizational culture and leadership, (Bass and Avolio ,1993) echo Schein's argument, suggesting an ongoing interplay where the leader shapes the culture and is, in turn, shaped by the resulting culture. (Bass, 1985) illustrates the relationship between leadership and culture by exploring the impact of different leadership styles on culture. He argues that transactional leaders operate within the confines and limitations of the existing culture, while transformational leaders often strive to change the organizational culture in alignment with their vision. Similarly, (Brown, 1992) notes that effective leaders must develop the skills necessary to modify aspects of their culture to enhance organizational performance.

2.6.2. Relationship between leadership style and change management.

In the realm of education, as in other domains, technological, scientific, and social advancements necessitate shifts in management techniques (Jones, 2010). Nonetheless, enacting change poses significant challenges, with one of the primary obstacles being the reluctance or resistance of individuals within the organization. Hence, the management of change becomes paramount. Stace and Dunphy (1994) identify two pivotal dimensions in organizational change: the scale and magnitude of the change, and the approach adopted by the leader. Given that educational

institutions regarded as agents for societal transformation and progress (Carnoy and Samoff, 2014), the change leadership attributes of school managers hold immense significance.

The foundations of change implementation can trace back to Lewin's (1947) three-stage model, which delineates change as comprising unfreezing, changing, and refreezing stages. The unfreezing stage entails establishing the necessity for change, the changing stage involves the actual implementation of change, and the refreezing stage pertains to the internalization and establishment of new work methods (Lewin, 1947). Subsequently, Judson (1991) developed a five-phase model, while Kotter (1996) introduced an eight-phase model along with various change leadership styles. In the 21st century, a new form of change leadership emerged (Caldwell, 2009).

Despite the plethora of literature on leading change, there been limited study on change leadership behavior (Herold et al., 2008). Herold et al. devised a change leadership style rooted in practice-oriented recommendations, encompassing specific leadership behaviors such as visioning, enlisting, empowering, monitoring, and assisting with individual adaptation. These behaviors focused on implementing a particular change rather than organizational change in its entirety. While changing leadership behaviors may be associated with other leadership styles like transformational and transactional leadership, notable distinctions exist. Organizational changes perceived as "planned events," and the impact of change leadership is episodic rather than enduring and cross-situational (Liu, 2010). Change leadership behaviors target specific changes, whereas transformational and transactional leadership behaviors are broad, enduring, and trans-situational.

Liu (2010) also asserts that change leadership represents a distinct leadership style centered on implementing a specific, distinct change, whereas transformational leadership is a more general leadership style that influences a variety of organizational events, not limited solely to organizational change. Change leaders are adept at garnering employees' support for the specific change at hand by formulating a vision for change, involving employees in change-specific decision-making, assisting individuals in coping with change-related challenges, and providing regular feedback about the change process.

2.6.3. Relationship between organization culture and change management

Studies on organizational culture and change management previous empirical studies have confirmed the positive relationship between OC and CM (Al-Ali et al., 2017; Rajala et al., 2012). (Kotter, 1998) described how successful change occurs whenever there is communication to change the vision and strengthen that change by anchoring innovative approaches into the OC in the eight-step model. Further, his last step explained that the changes would become part of the OC when embedded in the core part of the organization, and the values must agree with the new vision to ensure that the employees support the change. In such a way, the current study connected the theoretical basis between the OC and CM based on Kotter's eight steps model. Yildirim and (Birinci, 2013) explained that OC contributes to organizational change. Based on Sikri's study, (Onyango, 2014) OC significant and positive effect on CM. Their findings concluded that the dimensions of OC (attitude and support) more significantly affect CM, while (beliefs and norms) did not influence CM. (Muscalu, 2014) stated that any cultural change in the organization requires communication as it is synonymous with the changing behaviors and attitudes of the organization members. (Too et al., 2018) also confirmed that OC significantly affects CM in Kenya. Although the previous literature has reported minimal research on the concept of OC and CM, (Jackson, 2001) focused on the strategic change process for employees to focus on the cultural dynamics for the implementation. (Dani et al., 2006) examined the role of OC to demonstrate trust in business organizations. (Grober and Baumol, 2017) studied interactive in culturally affecting the organization through technological tools.

2.7. Research Gaps

The existing literature on the interconnected dynamics of leadership, change management, and organizational culture, as evidenced by the studies of Schein (1992), Bass and Avolio (1993), Jones (2010), Herold et al. (2008), Al-Ali et al. (2017), Rajala et al. (2012), Too et al. (2018), and Grober and Baumol (2017), has provided valuable insights into the relationship between these constructs. However, there are several notable research gaps that warrant further investigation.

Firstly, while these studies have highlighted the critical role of leadership in shaping organizational culture and driving change initiatives, there is a need for more comprehensive exploration of the specific leadership styles and behaviors that are most effective in influencing organizational culture through change management. Existing research has primarily focused on general leadership styles, such as transformational or transactional leadership, without delving deeply into the nuanced aspects of leadership behaviors that are most conducive to successful change management and cultural transformation.

Secondly, there is a gap in the literature regarding the contextual factors that may moderate the relationship between leadership style, change management, and organizational culture. The existing studies have not extensively examined how contextual variables, such as organizational size, industry type, or national culture, may influence the effectiveness of leadership in driving change and shaping organizational culture. Understanding these contextual nuances is crucial for developing a more nuanced understanding of the interplay between leadership, change management, and organizational culture.

Thirdly, while the existing literature has emphasized the importance of effective change management practices in mediating the impact of leadership style on organizational culture, there is a need for more in-depth exploration of the specific change management strategies and processes that are most effective in translating leadership behaviors into tangible changes in organizational culture. This gap in the literature calls for a more granular examination of the mechanisms through which change management mediates the relationship between leadership style and organizational culture.

Lastly, there is a dearth of research that examines the long-term effects of leadership style and change management on organizational culture. Most existing studies have focused on short-term outcomes, and there is limited understanding of how the impact of leadership style and change management practices may evolve over time and influence the enduring values, beliefs, and behaviors within an organization's culture. Therefore, there is a need for longitudinal studies that track the long-term effects of leadership and change management on organizational culture to provide a more comprehensive understanding of their sustained influence.

2.8. Conceptual Framework of the study

Based on the extensive literature review presented in this chapter, this study proposes a conceptual framework as illustrated in Figure 1

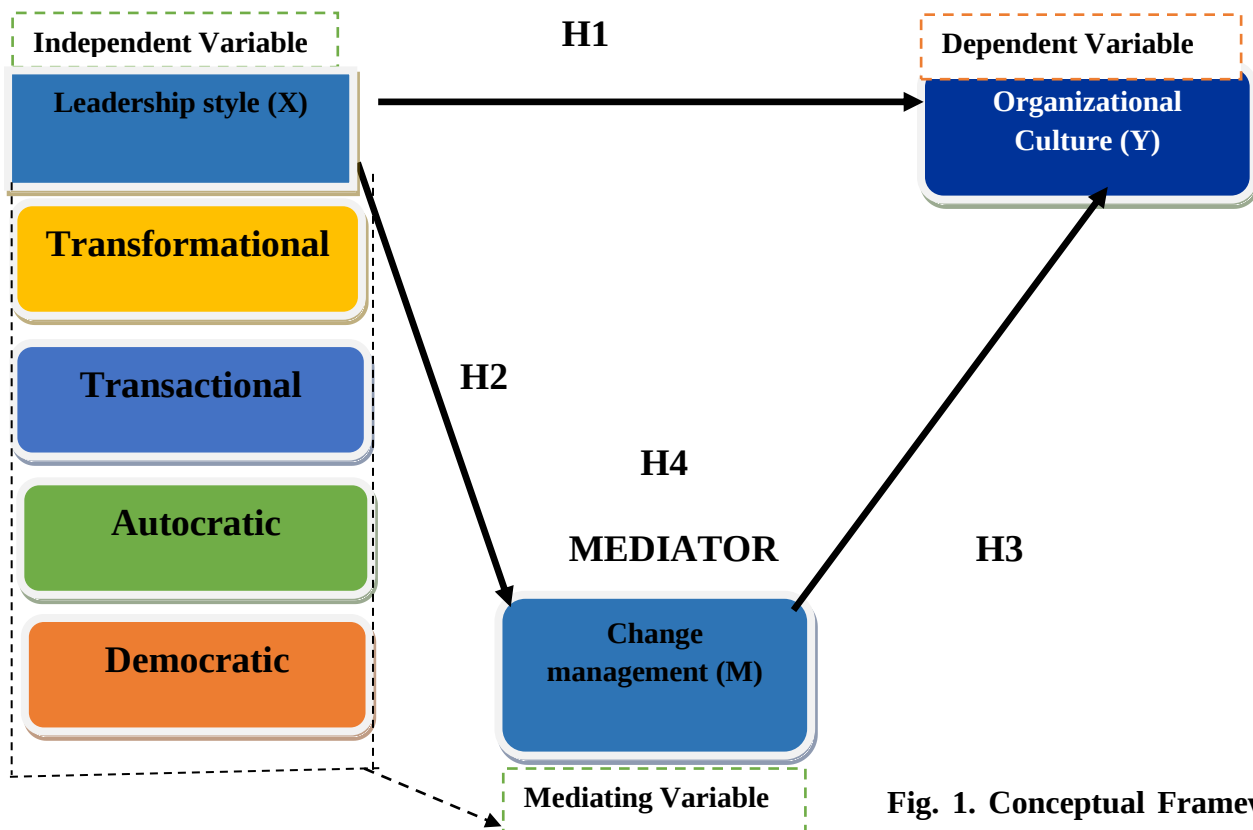


Fig. 1. Conceptual Framework

Source: Researcher Modification, 2024

2.9. Development of Hypothesis

H1: *There is a statistically significant effect of leadership style on organizational culture.*

H2: *There is a statistically significant effect of leadership style on change management.*

H3: *There is a statistically significant relationship between organizational culture and change management.*

H4: *Change management significantly mediates the effect of leadership style and organizational culture.*

CHAPTER THREE

3. RESEARCH METHODOLOGY

This chapter includes important points such as the researcher approach, research design, population and sample, data collection instruments, validity and reliability test of the instrument, method of data analysis and ethical issues of the study.

3.1. Research Approach

In educational research, there are three main types of research approaches such as quantitative, qualitative, and mixed research approaches (Best and Khan, 2006). Choosing a particular type of research approach depends on the research questions that the researcher intended to answer at the end of the study (Kotheri, 2004). The research questions could list as "what", "how or why" or both "what and how or why". Such research questions will address using different research approaches such as quantitative, qualitative, or mixed research approach (Creswell, & Clark, 2007; Kothari, 2004). For this study, the researcher considered quantitative research approach to gather adequate data and answer the research questions under investigation.

Quantitative research focuses on evaluating a particular predetermined hypothesis through gathering numerical data for developing knowledge. It gives due attention on finding a product of cause and effect, and establishing the relationship between variables through gathering a numerical data using questionnaires as a data collection tools (Best, & Kahn, 2006; Tewksbury, 2009).

3.2. Research Design

A research design is the outline, or strategy that the researcher is going to use to obtain an answer to research questions (to support or reject research hypotheses). It helps the researcher with advance planning of the methods to adopted for collecting the relevant data and techniques to be used during analysis. The nature and objectives of the problem to be studied and the means of obtaining information are the most crucial factors to be considered to choose the appropriate research design (Creswell, & Clark, 2007).

Thus, the study employed both descriptive and explanatory research design to fully address and the mediating effects of change management on leadership style and organizational culture. According to Kothari (2004) explanatory research design helps the researcher explain the observed phenomena, problems, or behaviors. The study used an explanatory research design for three major reasons. Firstly, the research questions listed under chapter one addresses through explanatory approach because there is a causal relationship between variables. Secondly, the effects of change management on leadership style and organizational culture validated only through number of causal type study. Lastly, the main objective of the study is to assess the mediating effect of change management on leadership style and organizational culture.

The research design combined the merits of both descriptive and explanatory. The explanatory research aimed at elucidating all the concepts such as Leadership styles, Organization culture and Change management contexts and existing studies for the coverage of research gap(s). While in the descriptive research, quantitative data analysis used to analyze and confirm the relationship of Change management as a mediator between the effect of leadership style and organizational culture with the help of data gathered through self-administered questionnaires.

3.3. Target Population

As the Ethio Telecom Report indicates as of July 18, 2023, there are a total of 17,202 permanent employees Including the Management (Team Leader and above) and other support staff out of these 9097 employees working at Addis Ababa.

3.4. Sample and sample Size

The sample size of the study is determined using Yemane's formula (Yemane, 1967). That is,

$$n = \frac{N}{1+N(e)^2} = \frac{9097}{1+9097(0.05)^2} = \frac{9097}{1+9097(0.0025)} = \frac{9097}{1+22.21} \cong 383$$

Where n= sample size

N = population

e= sampling error at 0.95 confidence level

Therefore, the total sample size of this study at 0.05 marginal errors is 383.

3.5. Sampling Technique

There are two major ways of selecting sample from population. They are probability and non-probability sampling methods. In probability sampling approach, a sample is selected randomly and everyone in the population has an equal chance to be selected whereas in non-probability sampling method, it is up to the researcher to select sample from the population (Bryman & Bell, 2007). In this study, probability sampling was employed. Out of probability sampling techniques, stratified simple random sampling technique was employed since all employees in Ethio-telecom are not at the same level of job categories. Therefore, the researcher categorized the total population into two strata such as managerial and non-managerial.

Table 3-2: Sample of the study

No.	Job Category	Number of Employees	Proportion of sample	Number of Sample
1.	Management	553	$(553/9097) * 383$	23
2.	Non-management	8544	$(8544/9097) * 383$	360
Total		9097		383

Source: Data base of the organization

3.6. Types and Sources of the Data

Primary data were collected from the respondents of the study through questionnaires developed for this purpose. On top of this, necessary secondary data were collected from the website of the organization, and both published and unpublished resources such as books, journals, magazines, and news paper for triangulation purpose. Therefore, both primary and secondary data were considered to collect an adequate data to answer the research questions under investigation.

3.7. Procedure for data gathering.

The researcher obtained consent from the Director of Human Resource Management to carry out the study at Ethio-telecom. A cover letter, accompanied by the research questionnaires, elucidated the purpose and goals of the research, furnished precise instructions, and stressed the

ethical considerations. These discussions emphasized that participation in the study would be voluntary, anonymous, and confidential.

3.8. Data collection Instrument

A five-point Likert Scale questionnaires were employed to collect data from the respondents. Questionnaire helps the researcher to collect an adequate data from the respondents in a short time with low cost. Moreover, Likert Scale questionnaire lets the respondents to feel confident and privately respond to the questions provided without any interference. Likert Scale questionnaire prepared and distributed will consist of 74 items. Respondents will be asked to rate each statement putting a “√” mark in the space provided in choosing numbers between 1 and 5 where the numbers have the following meanings: 1-strongly disagree, 2- disagree, 3- neutral, 4-agree and 5- strongly agree.

According to (Cohen et al., 2007), utilizing a questionnaire encourages respondents to be forthcoming as it permits them to provide answers anonymously. Additionally, questionnaires are more cost-effective compared to interviews. Furthermore, questionnaires have the advantage of gathering information from numerous respondents within a short timeframe (Johnson & Christensen, 2008). For the current study, standardized questionnaires were employed to assess leadership style, organizational culture, and change management. Specifically, the questionnaire created by Khalid (2014) It suits for the purpose of this study was used for leadership style evaluation, while the Denison Organizational Culture Survey (DOCS), and questionnaire which Adopted from (Bouckennooghe et al.,2009) will be utilized for organizational culture assessment and change management measurement.

3.9. Data Analysis Tools

Data collected through Likert Scale questionnaire analyzed using the Statistical Package for Social Sciences (SPSS) version 27. Firstly, all data gathered through Likert Scale questionnaire organized in tabular form and encoded to SPSS. Then interpretation done using descriptive statistics such as mean and standard deviation. For further interpretation inferential statistics used based on the normality of the data. If the data is normally distributed, then parametric statistics are employed.

Additionally, tables utilized to provide a comprehensive view and facilitate easy comparison of the data collected from the survey. As for regression analysis, it applied to investigate the relationship between the dependent and independent variables, in this case, organizational culture and organizational commitment, respectively. Simultaneously, it assisted in quantifying the relationship between mediating variables.

The study assesses the mediation effect of a mediator variable on the relationship between the independent and dependent variables.

$M = \beta_0 + \beta_1 x_{i1} + \beta_2 x_{i2} + \beta_3 x_{i3} + \epsilon$ Were, for $i = n$ observations:

M = Mediating variable

x_i = independent variables

β_0 = y-intercept

$\beta_1, \beta_2, \beta_3$ = coefficients of independent variables

ϵ = residuals (model error)

3.10. Validity and Reliability

Creswell and Clark (2007) state that validity looks at whether the instrument measures what it intended to measure or to elicit accurate information. So, to reduce the flaws that might happen in the construction of instruments, the researcher will show the draft of the Likert Scale questionnaire to the advisor for reviewing and commenting on it. Then, face validity of the instrument checked by experts on the area and the advisor, and necessary revision done as per the comments. Best and Kahn (2006) describe that the items of the instrument should represent a significant aspect of the purpose of the investigation. The content validation established by cross-referencing the content of the instruments to those elements contained in the basic research questions to determine if there is indeed a match. Moreover, the items constructed was in line with the answer to the research questions. Content validity addresses to what extent the appropriate content represented in questions. Hence, my supervisor, an expert on the area, checked the content validity of the instrument.

Likewise, Creswell and Clark (2007) state that reliability also measures whether the instrument measures consistently over time. The best way to look at reliability is the extent to which the measurements resulting from a test are the result of characteristics of those measured. Therefore, the reliability of the instrument checked by using Coefficient of Alpha Cronbach. The reliability coefficient for leadership style items were $\alpha=0.616$, for organizational culture items were $\alpha=0.799$ and for change management items were $\alpha=0.604$. All the items were in acceptable range.

3.11. Ethical Considerations

To conduct this study, ethical issues such as plagiarism, data cooking, privacy of the respondents and rule and regulation of the organization in which this study is conducted were taken into consideration. All information collected from the respondents was kept confidential without exposing the respondent's identity to the third body. Moreover, before distributing the questionnaires to the respondents, the researcher lets the respondents to know the purpose of the study and was made informed consent with the respondents. Respondents were informed about the confidentiality of the research permission and informed consent was signed.

This chapter presents the overall research methodology of the study such as researcher approach, research design, population and sample, type and source of the data, data collection instruments, measurement, validity and reliability test of the instrument, method of data analysis and ethical issues of the study has clearly stated.

CHAPTER FOUR

4. RESULT AND DISCUSSION

4.1. Introduction

This chapter presents the result and discussion of the data collected from the respondents. The data organized in tabular form and analyzed in line with the research hypothesis of the assessment of the effect of Leadership style on organization culture mediated by change management: in the case of Ethio Telecom Head Office in Addis Ababa, Ethiopia. The data analyzed using SMART PLS and the Statistical Package for Social Sciences (SPSS) Version 27. Descriptive statistics such as mean and standard deviation and inferential statistics such as correlation and mediation analysis presented in the form of table.

4.2. Response Rate

The researcher prepared 383 questionnaires and distributed them to the research participants working at Ethio-Telecom Head Office in Addis Ababa through Google form. 365 respondents, which are 95.3% of the total sample, completed the questionnaires and returned properly. In terms of job category, 23 managers, and 342 non-managerial were responded to the questionnaires.

4.3. Demographic Characteristics of the Respondents

This section presents the characteristics of the respondents such as gender, age, education qualification, work experience, job category and marital status. This helps the readers to understand the respondents that may help to estimate the accuracy of the data gathered through questionnaires as below.

Table 4-1: Demographic information of the respondents

		Frequency	%
Sex	Female	165	45.2%
	Male	200	54.8%
Age of the respondents	20-29	109	29.9%
	30-39	151	41.4%
	40-49	80	21.9%
	Above 50	25	6.8%
Educational Qualification	Diploma	54	14.8%
	Degree	189	51.8%
	Master Degree	104	28.5%
	PhD	0	0.0%
	Other	18	4.9%
Work experience in your current organization in years	0-1	6	1.6%
	2-5	54	14.8%
	6-10	106	29.0%
	11-20	128	35.1%
	Above 21	71	19.5%
Job Category	Non managerial	342	93.7%
	Managerial	23	6.3%
Marital Status	Single	180	49.3%
	Married	146	40.0%
	Divorced	25	6.8%
	Widowed	14	3.8%

Source: Survey, 2024

Table 4.1 above shows the demographic data of 365 respondents. Regarding the gender of the respondents, the number of males is 200 (54.8%) and that of female is 165 (45.2%). This indicates male respondents are more than female at Ethio-Telecom Head Office. The most straightforward possibility is that the company simply has a higher proportion of men in its workforce. This could be due to numerous factors, including historical hiring practices, industry norms, or even conscious or unconscious bias in recruitment.

The age distributions of the respondents done in four categories. The data shows that the largest number of respondents, 151 (41.4%) were between the age groups of 30 and 39. Moreover, about 109 (29.9%) of the respondents were at the age between 20 and 29. Similarly, about 80 (21.9%) of the respondents were at the age between 40 and 49 whereas greater than 50 is about 25 (6.8%). In general, these demographic data shows that all respondents were mature enough to provide responses to the questions.

Concerning the education background of the respondents, 189 (51.8%) of the respondents were first degree holders. Besides, 104 (28.5%) were masters holders and 54 (14.7%) were diploma level whereas 18 (4.9%) respondents were categorized under other. This reveals that respondents have a better understanding of the issue under investigation.

In addition, with regard to the work experience of the respondents, the data reveals that, 6(1.6%) of the respondents had work experience of 0 to 1 year, 54(14.8%) of the respondents had work experience of 2 to 5 years, 106(29%) respondents had an experience of 6 and 10 years, 128 (35.1%) respondents had an experience of 11 and 20 years and 71 (21%) respondents had an experience of greater than 21 years. From this, we conclude that the respondents were well experienced to answer all questions and gave reliable data of the issues under investigation. Respondents with work experience can build trust and rapport with researchers, as they share a mutual understanding of the organizational context. This can lead to more open and honest responses, enhancing the quality of the research data and respondents with work experience lend credibility to the research findings, as their insights are based on real-world experience and not just theoretical knowledge. Recruiting research question respondents with work experience significantly enhances the quality, depth, and relevance of research on organizational culture. It

allows researchers to gather richer insights, improve data validity, and provide actionable recommendations for positive cultural change within organizations.

In relation to the job category of the respondents, 23 (6.3%) respondents were Managerial. Moreover, 342 (93.7%) of the respondents were non-managerial. Hence, all respondents can respond to the questionnaire distributed to the point as per their category.

Regarding the marital status of respondents, 180 (49.3%) of the respondents were single. On top of this, 146 (40%) respondents were married. Moreover, 14 (3.8%) respondents were widows and 25 (6.8%) respondents divorced respondents incorporated. The demographic data reveals that most of the respondents matured enough, well experienced, professionally qualified, and responsible enough to provide reliable responses to the questions presented to them.

4.4. Descriptive Analysis of Leadership Style

4.4.1. Autocratic Leadership Style

Table 4-2: Descriptive Analysis of Autocratic Leadership Style

Descriptive Statistics			
	N	Mean	Std. Deviation
Decisions are always made by managers for subordinates.	365	3.9233	.87683
Managers are determined to push projects forward to get results.	365	3.6027	1.01283
My duties are limited by the managements.	365	3.7534	1.12393
Managements set high standards expecting others to do the same	365	3.9507	.97934
Often, performance requirements are designed as per the leaders needs	365	3.4192	1.19622

Source: Survey, 2024

In the study on "The Effect of Leadership Style on Organizational Culture Mediated by Change Management: The case of Ethio-Telecom," the Likert 5-point scale was used to assess respondents' perceptions of autocratic leadership styles within the organization. The descriptive statistics reveal the mean scores and standard deviations for five statements related to autocratic leadership practices. The overall mean scores fall within the range of 3.42 to 3.95, indicating a tendency towards agreement with the statements.

The first statement, "Decisions are always made by managers for subordinates," received a mean score of 3.92, suggesting that respondents leaned towards agreement with this autocratic leadership practice. Similarly, the statement "Managers are determined to push projects forward to get results" yielded a mean score of 3.60, indicating a moderate level of agreement among respondents. These results imply that there is a perception of managerial control and directive behavior in decision-making processes and project management within Ethio-Telecom.

Furthermore, the statements "My duties are limited by the managements" and "Managements set high standards expecting others to do the same" received mean scores of 3.75 and 3.95, respectively, reflecting a tendency towards agreement with these autocratic leadership practices. The high mean score for setting high standards suggests that managers within Ethio-Telecom are perceived as having high expectations from their subordinates, which may influence organizational culture and performance.

Lastly, the statement "Often, performance requirements are designed as per the leaders' needs" had a mean score of 3.42, indicating a moderate level of agreement among respondents. This suggests that there may be a perception of performance requirements being tailored to meet the leaders' preferences rather than reflecting broader organizational goals. Overall, the results highlight a prevailing perception of autocratic leadership practices within Ethio-Telecom, which can impact organizational culture and employee attitudes. Further analysis and interpretation of these findings could provide valuable insights into the relationship between leadership styles, change management, and organizational culture within the organization.

4.4.2. Democratic Leadership Style

Table 4-3: Descriptive Analysis of democratic Leadership Style

Descriptive Statistics			
	N	Mean	Std. Deviation
Staff works best as everyone is involved in taking decisions	365	3.8849	1.03133
Staff are encouraged to involve in managerial decision making	365	3.7644	1.06871
I don't mind how long discussions last, so long as we consider every angle	365	4.0411	.78514
Managers insist teammates to abide by formal decision if follow proper procedures	365	3.8219	1.11856
Staff are encouraged to demonstrate their innovative ideas	365	3.8740	1.00028

Source: Survey, 2024

The descriptive statistics provided for the Likert 5-point scale measuring democratic leadership styles within Ethio-Telecom reveal the mean scores and standard deviations for five statements related to this leadership approach. The overall mean scores for the statements fall within the range of 3.7644 to 4.0411, indicating a tendency towards agreement with the democratic leadership practices.

The first statement, "Staff works best as everyone is involved in taking decisions," received a mean score of 3.8849, suggesting a moderate level of agreement among respondents. This indicates a perception that involving everyone in decision-making processes is valued within the organization, reflecting a democratic leadership style that emphasizes employee participation.

Similarly, the statement "Staff are encouraged to involve in managerial decision making" yielded a mean score of 3.7644, further supporting the perception of an organizational culture that values and encourages staff involvement in managerial decision-making processes. The mean scores for these two statements suggest a tendency towards agreement with the practice of involving staff in decision-making, which aligns with democratic leadership principles.

Moreover, the statement "I don't mind how long discussions last, so long as we consider every angle" received a mean score of 4.0411, indicating a higher level of agreement among respondents. This suggests a strong endorsement of open and inclusive communication processes within Ethio-Telecom, reflecting a democratic leadership style that values thorough consideration and input from all team members.

The statement "Managers insist teammates to abide by formal decision if follow proper procedures" had a mean score of 3.8219, indicating a moderate level of agreement among respondents. This suggests that while formal procedures are emphasized, there is also an indication of managerial insistence on team compliance, which reflects a balance between structure and employee involvement characteristic of democratic leadership.

Lastly, the statement "Staff are encouraged to demonstrate their innovative ideas" received a mean score of 3.8740, indicating a moderate level of agreement among respondents. This implies that there is perceived encouragement for staff to contribute innovative ideas within the organization, aligning with the principles of democratic leadership that foster creativity and participation.

Overall, the results suggest that there is a prevailing perception of democratic leadership practices within Ethio-Telecom, characterized by employee involvement in decision-making, open communication, encouragement of innovative ideas, and a balance between formal procedures and team participation. These findings provide valuable insights into the relationship between leadership styles and organizational culture within the organization, highlighting the potential impact on employee attitudes and organizational performance.

4.4.3. Transactional Leadership Style

Table 4-4: Descriptive Analysis of transactional Leadership Style

Descriptive Statistics			
	N	Mean	Std. Deviation
I am constantly reminded of what I would receive if I do what is expected.	365	3.7123	1.07519
When mistakes are made disciplinary action is instituted.	365	3.5479	1.15360
My supervisor pays close attention to anomalies that may arise.	365	3.9096	1.08184
I get rewarded for exceptional performance.	365	3.9863	.93898
My supervisor closely checks for nonconformity.	365	4.0877	.85033

Source: Survey, 2024

The descriptive statistics for the Likert 5-point scale measuring transactional leadership styles within Ethio-Telecom reveal the mean scores and standard deviations for five statements related to this leadership approach. The overall mean scores for the statements fall within the range of 3.5479 to 4.0877, indicating a tendency towards agreement with the transactional leadership practices.

The first statement, "I am constantly reminded of what I would receive if I do what is expected," received a mean score of 3.7123, suggesting a moderate level of agreement among respondents. This indicates that employees perceive a degree of emphasis on rewards for expected performance, reflecting a transactional leadership style that focuses on contingent rewards.

Similarly, the statement "When mistakes are made disciplinary action is instituted" yielded a mean score of 3.5479, further supporting the perception of a culture where disciplinary actions

are taken in response to mistakes. This reflects a transactional leadership approach that emphasizes corrective actions in response to non-compliance or errors.

Moreover, the statement "My supervisor pays close attention to anomalies that may arise" received a mean score of 3.9096, indicating a higher level of agreement among respondents. This suggests that employees perceive a culture where supervisors closely monitor and address any irregularities, aligning with the transactional leadership style's focus on active supervision and correction of deviations from expectations.

The statement "I get rewarded for exceptional performance" had a mean score of 3.9863, indicating a moderate to high level of agreement among respondents. This suggests that employees perceive a culture where exceptional performance is recognized and rewarded, reflecting the contingent reward aspect of transactional leadership that links performance to specific rewards.

Lastly, the statement "My supervisor closely checks for nonconformity" received a mean score of 4.0877, indicating a high level of agreement among respondents. This implies that there is a strong perception of active monitoring and correction of nonconformity within the organization, aligning with the transactional leadership approach's emphasis on maintaining conformity to established standards.

Overall, the results suggest that there is a prevailing perception of transactional leadership practices within Ethio-Telecom, characterized by an emphasis on contingent rewards, disciplinary actions for mistakes, close attention to anomalies, recognition of exceptional performance, and active monitoring for nonconformity. These findings provide valuable insights into the relationship between leadership styles and organizational culture within the organization, highlighting the potential impact on employee attitudes and behaviors in response to this leadership approach.

4.4.4. Transformational Leadership Style

Table 4-5: Descriptive Analysis of Transformational Leadership Style

Descriptive Statistics			
	N	Mean	Std. Deviation
I believe that the management shared the organizational mission.	365	3.7123	1.07519
I always meet set targets as clearly communicated.	365	3.5479	1.15360
I am always motivated to work more than expected	365	3.9096	1.08184
I diligently execute duties as I trusted my manager/supervisor.	365	3.9863	.93898
My manager is always tries to enhance my capability to accomplish the best	365	4.0877	.85033

Source: Survey, 2024

The Likert 5-point scale results for the Transformational leadership styles within Ethio-Telecom indicate the mean scores and standard deviations for five statements related to this leadership approach. The overall mean scores for the statements fall within the range of 3.5479 to 4.0877, suggesting a general agreement with the transformational leadership practices among respondents.

The statement "I believe that the management shared the organizational mission" received a mean score of 3.7123, indicating a moderate level of agreement among respondents. This suggests that employees perceive a degree of alignment between management and the organizational mission, reflecting a foundational aspect of transformational leadership that emphasizes shared vision and values.

Furthermore, the statement "I always meet set targets as clearly communicated" yielded a mean score of 3.5479, indicating a moderate level of agreement among respondents. This implies that

there is a perception of clear communication of targets within the organization, aligning with the transformational leadership style's focus on setting clear goals and expectations.

Moreover, the statement "I am always motivated to work more than expected" received a mean score of 3.9096, suggesting a moderate to high level of agreement among respondents. This indicates that employees feel motivated to exceed expectations, reflecting the inspirational motivation aspect of transformational leadership that aims to inspire and empower employees to perform at their best.

The statement "I diligently execute duties as I trusted my manager/supervisor" had a mean score of 3.9863, indicating a high level of agreement among respondents. This suggests that trust in managers or supervisors plays a significant role in motivating employees to perform their duties diligently, aligning with the transformational leadership approach's emphasis on building trust and fostering positive relationships.

Lastly, the statement "My manager is always trying to enhance my capability to accomplish the best" received the highest mean score of 4.0877, indicating a strong agreement among respondents. This highlights the perception that managers actively support employees in developing their skills and capabilities to achieve excellence, reflecting the developmental consideration aspect of transformational leadership that focuses on individual growth and development.

In conclusion, the results suggest that there is a prevailing perception of transformational leadership practices within Ethio-Telecom, characterized by shared organizational mission, clear communication of targets, motivation to exceed expectations, trust in managers, and support for employee development. These findings provide valuable insights into how transformational leadership styles influence organizational culture and employee attitudes within the organization, emphasizing the importance of visionary leadership, motivation, trust, and development in driving positive organizational outcomes.

4.4.5. Aggregate Mean of Leadership Styles

Table 4-6: Aggregate Mean of Leadership Styles

Statistics					
	Autocratic	Democratic	Transactional	Transformational	Leadership Style
Mean	3.6038	3.7299	3.8773	3.8488	3.7899
Std. Deviation	.56050	.59421	.55058	.58171	.35869

Source: Own Survey,2024

In Table 4.6 above, mean score and standard deviation of dimensions of leadership presented. All mean scores of dimensions of leadership style such as Autocratic, Democratic, Transactional and Transformational are above the average of the scale which are M= 3.6038, M= 3.7299, M= 3.8773, and M= 3.8488, respectively. Moreover, the variations for the Autocratic, Democratic, Transactional and Transformational range up to SD = 0.56050, SD = 0.59421, SD = 0.55058, and SD = 0.53298, respectively.

The mean score of leadership style is M=3.7899 and the standard deviation is SD = 0.35869. The minimum standard deviation indicates the maximum data clustered around the mean.

4.5. Analysis of Ethio-Telecom Organizational Culture

4.5.1. Empowerment

Table 4-7: Descriptive Analysis of Empowerment dimensions of Organizational Culture

Descriptive Statistics			
	N	Mean	Std. Deviation
Decisions are made at the levels where right information is available	365	3.7918	.91113
Employees believes that they can have a positive impact	365	3.8000	.91747
Information is widely shared so that employees can get the information they need	365	3.4192	1.22795
Cooperation across different parts of the organization is encouraged	365	3.7973	.91537
Teamwork is used to get work done, rather than hierarchy	365	3.2658	1.27230
Employees work like they are part of a team	365	3.9534	1.05899
There is a continuous investment to develop the skills of employees	365	3.4192	1.22795
The capabilities of employees are viewed as an important source of competitive advantage	365	3.7973	.91537
Authority is delegated so that employees can act on their own	365	3.6055	1.21029

Source: Survey, 2024

The Likert 5-point scale results for the Empowerment dimensions of Organizational Culture within Ethio-Telecom provide valuable insights into employees' perceptions of empowerment practices in the organization. The overall mean scores for the statements range from 3.2658 to 3.9534, indicating a mixed level of agreement among respondents with the empowerment dimensions of organizational culture. Based on the interpretation criteria provided, the results show that employees generally agreed or were neutral towards most statements, with no strong disagreement expressed.

The statement with the highest mean score of 3.9534 was "Employees work like they are part of a team," suggesting that respondents agreed that there is a sense of teamwork and collaboration within the organization. This indicates a positive aspect of organizational culture where employees feel connected and engaged in working together towards common goals, fostering a team-oriented environment.

On the other hand, the statement with the lowest mean score of 3.2658 was "Teamwork is used to get work done, rather than hierarchy," indicating a lower level of agreement among respondents. This suggests that there may be challenges in fully embracing a teamwork-based approach over hierarchical structures in certain parts of the organization, highlighting areas for potential improvement in promoting collaborative work practices.

Overall, the results reflect a moderate level of agreement with empowerment dimensions within Ethio-Telecom's organizational culture. While employees generally perceive aspects such as teamwork and employee skills development positively, there may be opportunities to further enhance empowerment practices, such as promoting information sharing, encouraging cooperation across departments, and delegating authority effectively. By addressing these areas, Ethio-Telecom can strengthen its organizational culture, improve employee engagement, and drive positive change within the organization.

4.5.2. Consistency

Table 4-8: Descriptive Analysis of consistency dimensions of Organizational Culture

Descriptive Statistics			
	N	Mean	Std. Deviation
Managers "practice what they preach"	365	3.9753	1.04142
There is a consistent set of values that govern the way Ethio Telcom does business	365	3.7973	.91537
There is an ethical code that guides employees' behavior and tells right from wrong	365	3.2192	1.17724
When disagreements occur, employee work hard to achieve a "win-win" solutions	365	3.9507	1.05236
There is a clear agreement regarding the right way and the wrong way to do things	365	3.8411	1.03614
It is easy to reach consensus, even on conflicting issues	365	3.6685	1.20540
Employees from different parts of the organization share a common perspective	365	3.8959	1.04834
It is easy to coordinate projects across different parts of the organization	365	3.5370	1.20979
The approach to doing business is very consistent	365	3.2877	1.22788
Source: Survey, 2024			

The Likert 5-point scale results for the consistent dimensions of Organizational Culture within Ethio-Telecom provide valuable insights into employees' perceptions of key cultural aspects in the organization. The overall mean scores for the statements range from 3.2192 to 3.9753, indicating a mixed level of agreement among respondents with these dimensions. Based on the interpretation criteria provided, the results show that employees generally agreed or were neutral towards most statements, with no strong disagreement expressed.

The statement with the highest mean score of 3.9753 was "Managers 'practice what they preach,'" suggesting that respondents strongly agreed that managers in Ethio-Telecom demonstrate consistency between their words and actions. This indicates a positive aspect of

organizational culture where leadership sets a good example and follows through on their commitments, fostering trust and credibility among employees.

On the other hand, the statement with the lowest mean score of 3.2192 was "There is an ethical code that guides employees' behavior and tells right from wrong," indicating a lower level of agreement among respondents. This suggests that there may be opportunities to further clarify and reinforce ethical guidelines within the organization to ensure that employees have a clear understanding of expected behaviors and values.

Overall, the results reflect a moderate level of agreement with consistent dimensions of organizational culture within Ethio-Telecom. While employees generally perceive aspects such as managerial consistency and shared perspectives positively, there may be areas for improvement in promoting ethical standards, enhancing coordination across different parts of the organization, and ensuring a consistent approach to doing business. By addressing these areas, Ethio-Telecom can strengthen its organizational culture, build a more cohesive work environment, and drive positive outcomes for the organization as a whole.

4.5.3. Creating Change

Table 0-9: Descriptive Analysis of Creating Change dimensions of Organizational Culture

Descriptive Statistics			
	N	Mean	Std. Deviation
Improved ways to do work are continually adapted	365	3.9068	.94176
Different parts of the organization cooperate to create change	365	3.8575	1.10517
Ethio Telcom actions and other changes in the business Environment	365	3.7151	1.03293
Customers comment leads to changes and influences decision making	365	3.7342	1.08843

Employees understand customers wants and needs	365	4.0192	.93888
Customers inputs directly influences company's decisions	365	4.2986	2.79739
Innovations are encouraged	365	3.9452	.89089
Learning is an important objective in a day-to- day work of the company	365	3.2411	1.06232
Ethio Telcom view failures as an opportunity for learning and improvement	365	3.7699	1.07758

Source: Survey, 2024

The Likert 5-point scale results for the change dimensions of Organizational Culture within Ethio-Telecom provide valuable insights into employees' perceptions of the organization's adaptability, customer focus, innovation, and learning culture. The overall mean scores for the statements range from 3.2411 to 4.2986, indicating a mixed level of agreement among respondents with these dimensions. Based on the interpretation criteria provided, the results show that employees generally agreed or were neutral towards most statements, with no strong disagreement expressed.

The statement with the highest mean score of 4.2986 was "Customers inputs directly influence company's decisions," indicating that respondents strongly agreed that customer feedback has a significant impact on decision-making within Ethio-Telecom. This suggests a customer-centric approach and responsiveness to market demands, which is crucial for maintaining competitiveness and meeting customer expectations.

On the other hand, the statement with the lowest mean score of 3.2411 was "Learning is an important objective in the day-to-day work of the company," indicating a lower level of agreement among respondents. This suggests that there may be opportunities to further emphasize and integrate learning as a core aspect of the organizational culture, fostering continuous development and knowledge sharing among employees.

Overall, the results reflect a moderate to high level of agreement with the change dimensions of organizational culture within Ethio-Telecom. Employees generally perceive aspects such as customer influence on decision-making, adaptability, and encouragement of innovations positively. However, there may be areas for improvement in promoting a stronger learning culture and reinforcing the importance of coordination across different parts of the organization to create change effectively.

4.5.4. Mission

Table 4-10: Descriptive Analysis of Mission dimensions of Organizational Culture

Descriptive Statistics			
	N	Mean	Std. Deviation
There is a clear mission that gives meaning and direction	365	3.7507	1.20017
Ethio Telcom strategic direction is clear to me	365	3.3315	1.08040
There is a long-term purpose and direction of the company	365	3.7918	.91113
Leaders set goals that are ambitious, but realistic	365	3.7699	1.07758
Ethio Telcom continuously track its progress against the stated goals	365	3.7507	1.20017
There is widespread agreement about the goals of the company	365	3.3315	1.08040
Employees have a shared vision of what the organization will look like in the future	365	3.5863	1.18893
Leaders have a long-term viewpoint	365	3.8356	1.04057

Ethio Telcom vision creates excitement and motivation for employees	365	4.0411	.97831
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Source: Survey, 2024

The Likert 5-point scale results for the dimensions of Organizational Culture within Ethio-Telecom provide valuable insights into employees' perceptions of the organization's mission, strategic direction, goal setting, and vision. The overall mean scores for the statements range from 3.3315 to 4.0411, indicating a moderate to high level of agreement among respondents with these aspects of organizational culture. Based on the interpretation criteria provided, the results show that employees generally agreed or were neutral towards most statements, with some leaning towards strong agreement.

The statement with the highest mean score of 4.0411 was "Ethio Telecom vision creates excitement and motivation for employees," indicating that respondents strongly agreed that the organization's vision is inspiring and energizing for the workforce. This suggests that the leadership's vision is well-communicated and resonates with employees, fostering a sense of purpose and motivation within the organization.

On the other hand, statements such as "Ethio Telcom strategic direction is clear to me" and "There is widespread agreement about the goals of the company" had lower mean scores, indicating a moderate level of agreement among respondents. This suggests that there may be opportunities to further clarify and communicate the strategic direction and goals of Ethio-Telecom to ensure alignment and shared understanding among employees.

Overall, the results reflect a positive perception of leadership style and organizational culture within Ethio-Telecom. Employees generally perceive aspects such as having a clear mission, long-term purpose, and visionary leadership positively. However, there may be room for improvement in enhancing communication around strategic direction and goal setting to foster greater alignment and engagement across the organization.

Table 4-11: Descriptive Analysis of Aggregate Organizational Culture

Organizational Culture					
	Empowerment	Consistency	Creating change	Mission	Organizational Culture
Mean	3.6499	3.6849	3.8329	3.6874	3.7178

Std. Deviation	.55912	.56725	.53914	.54582	.41202
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Source: Own Survey,2024

In Table 4.8 above, mean score and standard deviation of dimensions of organizational culture presented.

All mean scores of dimensions of organizational culture such as empowerment, consistency, creating change and mission are above the average of the scale which are M= 3.6499, M= 3.6849, M= 3.8329, and M= 3.6874, respectively. Moreover, the variations for the empowerment, consistency, creating change and mission range up to SD = 0.55912, SD = 0.56725, SD = 0.53914, and SD = 0.54582, respectively.

The mean score of organizational culture is M=3.7178 and the standard deviation is SD = 0.41202. The minimum standard deviation indicates the maximum data clustered around the mean.

4.6. Analysis of Change Management

4.6.1. Process of change Quality of change communication.

Table 4-12: Process of change Quality of change communication.

Descriptive Statistics			
	N	Mean	Std. Deviation
We are sufficiently informed of the progress of change.	365	3.7370	1.09789

Decisions concerning work are taken in consultation with the staff who are affected.	365	3.4603	1.24331
Staff members are sufficiently involved in the implementation of the changes by our department's senior managers.	365	3.4904	1.09094
Our department's senior managers coach us very well about implementing change.	365	4.0247	.86249
Corporate management team is actively involved with the changes.	365	4.1260	.83238
Our department's senior managers have trouble in adapting their leadership styles to the changes.	365	3.7726	1.14609
Corporate management team keeps all departments informed about its decisions.	365	4.0274	.84145

Source: Survey, 2024

The Likert 5-point scale results for the dimensions of change management within Ethio-Telecom provide insights into employees' perceptions of the organization's approach to managing change and the role of leadership in facilitating this process. The overall mean scores for the statements range from 3.4603 to 4.1260, indicating a moderate to high level of agreement among respondents with various aspects of change management. Based on the interpretation criteria provided, the results show that employees generally agreed or were neutral towards most statements, with some leaning towards strong agreement.

The statement with the highest mean score of 4.1260 was "Corporate management team is actively involved with the changes," indicating that respondents strongly agreed that senior management is actively engaged in driving and supporting change initiatives within the organization. This suggests that there is a high level of visibility and involvement from top leadership in guiding and overseeing the change process, which can enhance employee buy-in and alignment with organizational goals.

On the other hand, statements such as "Decisions concerning work are taken in consultation with the staff who are affected" and "Staff members are sufficiently involved in the implementation of changes by our department's senior managers" had lower mean scores, indicating a moderate level of agreement among respondents. This suggests that there may be opportunities to further involve and engage employees in decision-making processes and change implementation to enhance their commitment and ownership of the change initiatives.

Overall, the results reflect a positive perception of leadership's role in change management within Ethio-Telecom. Employees generally perceive aspects such as senior managers' coaching on change implementation and corporate management's communication about decisions positively. However, there may be room for improvement in fostering greater employee involvement in decision-making and ensuring that leadership styles are adaptive to support successful change initiatives.

4.6.2. Climate of change or internal context Trust in leadership

Table 4-13: Climate of change or internal context Trust in leadership.

Descriptive Statistics			
	N	Mean	Std. Deviation

Two-way communication between the corporate management team and the departments is very good.	365	3.3397	1.26868
Corporate management team consistently implements its policies in all departments.	365	3.7096	1.07573
Corporate management team fulfils its promises.	365	3.7425	1.15287
If I make mistakes, my manager holds them against me.	365	3.8466	.96278

Source: Survey, 2024

The Likert 5-point scale results for the dimensions of change management within Ethio-Telecom provide valuable insights into employees' perceptions of the organization's approach to managing change and the role of leadership in shaping organizational culture. The mean scores for the statements range from 3.3397 to 3.8466, indicating a moderate level of agreement among respondents with different aspects of change management. Overall, the results suggest that employees generally agree or are neutral towards the statements, with some leaning towards agreement.

The statement with the highest mean score of 3.8466 was "If I make mistakes, my manager holds them against me," indicating that respondents agreed that their managers do not hold mistakes against them. This positive perception can foster a culture of psychological safety and learning within the organization, where employees feel comfortable taking risks and learning from their mistakes without fear of retribution.

On the other hand, statements such as "Two-way communication between the corporate management team and the departments is very good" had a lower mean score of 3.3397, indicating a moderate level of agreement among respondents. This suggests that there may be room for improvement in enhancing communication channels between senior management and

departments to ensure transparency, alignment, and effective dissemination of information related to change initiatives.

Overall, the results reflect a mixed perception of leadership's role in change management within Ethio-Telecom. While employees generally perceive aspects such as managers not holding mistakes against them positively, there are opportunities to strengthen two-way communication channels and ensure consistent policy implementation by the corporate management team. By addressing these areas, Ethio-Telecom can enhance trust in leadership, improve employee engagement, and create a supportive environment for successful change management initiatives.

4.6.3. Readiness for change Emotional readiness for change.

Table 4-13: Readiness for change Emotional readiness for change.

Descriptive Statistics			
	N	Mean	Std. Deviation
I experience the change as a positive process.	365	3.6712	1.12727
I have a good feeling about the change project.	365	3.6438	1.08903
I find the change refreshing.	365	3.5781	1.14956
I am willing to make a significant contribution to the change.	365	3.8356	1.06665
I am willing to put energy into the process of change.	365	3.8877	.98393

Source: Survey, 2024

The Likert 5-point scale results for the dimensions of readiness for change within Ethio-Telecom provide valuable insights into employees' emotional and practical preparedness for organizational change. The mean scores for the statements range from 3.5781 to 3.8877, indicating a moderate to high level of agreement among respondents with different aspects of readiness for change. Overall, the results suggest that employees generally agree or strongly

agree with the statements related to their willingness and positive feelings towards the change process.

The statement with the highest mean score of 3.8877 was "I am willing to put energy into the process of change," indicating that respondents strongly agreed that they are willing to actively engage and contribute to the change initiatives. This positive perception suggests that employees are motivated and committed to investing their time and effort in supporting organizational change, which is essential for successful implementation and adoption.

On the other hand, statements such as "I experience the change as a positive process" had a lower mean score of 3.6712, indicating a moderate level of agreement among respondents. This suggests that while employees generally view the change process positively, there may be room for improvement in enhancing their overall experience and perception of change as a constructive and beneficial endeavor.

Overall, the results reflect a positive outlook on employees' readiness for change within Ethio-Telecom, with a strong willingness to contribute and engage in the change process. The high mean scores indicate that employees are emotionally and practically prepared to embrace change and make significant contributions to its success. By leveraging this positive attitude and commitment, Ethio-Telecom can harness employees' energy and enthusiasm to drive successful change initiatives and foster a culture of continuous improvement and adaptability.

Table 4-14: Descriptive Analysis of Change Management

Statistics				
	Process	Climate	Readiness	Change Management
Mean	3.7592	3.7332	3.7233	3.7381
Std. Deviation	.50942	.53031	.54129	.39412

Source: Survey, 2024

In Table 4.9 above, mean score and standard deviation of dimensions of change management presented. All mean scores of dimensions of change management such as process, climate and readiness are above the average of the scale which are M= 3.7592, M= 3.7332, and M= 3.7233, respectively. Moreover, the variations for the process, climate and readiness range up to SD = 0.50942, SD = 0.53031, and SD = 0.54129, respectively.

The mean score of change management is $M=3.7381$ and the standard deviation is $SD = 0.39412$. The minimum standard deviation indicates the maximum data clustered around the mean.

4.7. Correlations Analysis

This study assesses the effect of leadership style on organizational culture mediated by change management. The relationships between dependent and independent variables checked using Pearson correlation. Marczyk, Dematto and Festinger (2005) indicate that if the value of the Pearson correlation r lies between 0.01 - 0.3 then the association considered as weak. If the value of r lies between 0.3 – 0.7 it considered as moderate relationship between the variables. If the value of r is between 0.7 - 0.9, then the association is strong and if r is between 0.9 and 1, then it considered as a strong association. Using this reference as a framework the association between dependent and independent variable of this study measured as below. Hence, therefore, assumptions of parametric statistics were not violated, and the normality of the data was checked using skewness value that lay between -1 and 1. The histogram graph of the data is attached as annex to the end of the paper.

Table 4-15: Correlation Test Results Correlation Test Results

Correlations				
		Leadership style	Organizational Culture	Change Management
Leadership style	Pearson Correlation	1		
	Sig. (2-tailed)			
	N	365		
Organizational Culture	Pearson Correlation	.438**	1	
	Sig. (2-tailed)	.000		
	N	365	365	

Change Management	Pearson Correlation	.638**	.411**	1
	Sig. (2-tailed)	.000	.000	
	N	365	365	365
**. Correlation is significant at the 0.01 level (2-tailed).				

Source: Survey, 2024

Table 4.15 shows the correlation matrix of dependent and independent variables. The relationship between independent variables reveals that the value of Pearson correlation $r = .438^{**}$ and $r = 0.638^{**}$ which shows moderate positive correlation between Leadership and organizational culture, and leadership and change management, respectively. This indicates that variables are positively correlated at $p = 0.000$.

The correlation matrix of dependent and independent variables provides additional support for the findings related to employees' readiness for change within Ethio-Telecom. The relationships between independent variables, specifically leadership, organizational culture, and change management, reveal significant positive correlations that further emphasize the importance of these factors in shaping employees' attitudes and preparedness for organizational change.

The moderate positive correlation between leadership and organizational culture, with a Pearson correlation coefficient of $r = 0.438^{**}$, suggests that there is a meaningful relationship between these two variables. This indicates that strong leadership within Ethio-Telecom is associated with a positive and supportive organizational culture, which in turn can influence employees' readiness for change. Effective leadership that promotes a culture of openness, collaboration, and innovation can create a conducive environment for employees to embrace change initiatives and adapt to new ways of working.

Similarly, the strong positive correlation between leadership and change management, with a Pearson correlation coefficient of $r = 0.638^{**}$, highlights the critical role of leadership in driving successful change initiatives. This finding suggests that effective leadership is instrumental in guiding and supporting the change process, aligning employees' efforts towards common goals, and fostering a culture of continuous improvement and adaptability. By demonstrating strong leadership qualities and actively engaging in change management practices, leaders can inspire

confidence, build trust, and motivate employees to embrace change with enthusiasm and commitment.

Overall, the significant positive correlations between leadership, organizational culture, and change management underscore the interconnectedness of these variables in influencing employees' readiness for change within Ethio-Telecom. By recognizing and leveraging these relationships, Ethio-Telecom can strengthen its leadership capabilities, cultivate a positive organizational culture, and implement effective change management strategies to enhance employee engagement, drive successful change initiatives, and achieve sustainable organizational growth.

In summary, the consistent studies of Schein (1992), Bass and Avolio (1993), Jones (2010), and Herold et al. (2008) support the findings from the correlation matrix regarding the positive relationships between leadership, organizational culture, and change management in shaping employees' readiness for change within organizations like Ethio-Telecom. By leveraging insights from these influential scholars, organizations can enhance their leadership capabilities, cultivate a supportive culture, and implement effective change management strategies to drive successful change initiatives and achieve sustainable growth.

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Table 4-16: Correlation Test Results of Independent Variables, Dependent and Mediating variables

Correlations							
		Autocratic	Democratic	Transactional	Transformational	Organizational Culture	Change Management
Autocratic	Pearson Correlation	1					
	Sig. (2-tailed)						
	N	365					

Democratic	Pearson Correlation	.045	1				
	Sig. (2-tailed)	.395					
	N	365	365				
Transactional	Pearson Correlation	.155**	.216**	1			
	Sig. (2-tailed)	.003	.000				
	N	365	365	365			
Transformational	Pearson Correlation	.176**	.212**	.320**	1		
	Sig. (2-tailed)	.001	.000	.000			
	N	365	365	365	365		
Organizational Culture	Pearson Correlation	.234**	.212**	.285**	.364**	1	
	Sig. (2-tailed)	.000	.000	.000	.000		
	N	365	365	365	365	365	
Change Management	Pearson Correlation	.350**	.177**	.523**	.556**	.411**	1
	Sig. (2-tailed)	.000	.001	.000	.000	.000	
	N	365	365	365	365	365	365
**. Correlation is significant at the 0.01 level (2-tailed).							

Source: Survey, 2024

When we look at the correlation between components of leadership style with dependent and mediating variables, all are positively correlated. Particularly, the correlation results between organizational culture and change management with respect to transactional and transformational leadership style are at moderate level i.e., $r = 0.285$ and $r = 0.364$ with organization culture and $r = 0.523$ and $r = 0.556$ with change management, respectively. This implies there is high relationship between organizational culture with and transactional and transformational leadership style and with change management when compared with autocratic and democratic leadership style.

The positive correlations between organizational culture, change management, and leadership styles, particularly transactional and transformational leadership, as evidenced by the correlation

results, are consistent with the seminal works of Schein (1992), Bass and Avolio (1993), Jones (2010), and Herold et al. (2008). Schein's emphasis on the influential role of leadership in shaping organizational culture aligns with the observed high relationship between organizational culture and transactional and transformational leadership styles. Similarly, Bass and Avolio's research on transformational leadership underscores the significance of transformational leaders in driving change management efforts, which resonates with the strong correlations between transformational leadership and change management. Furthermore, Jones's work highlighting the interconnectedness of leadership, culture, and change management supports the findings of high relationships between these variables. Additionally, Herold et al.'s research on organizational change readiness emphasizes the critical role of leadership support and organizational culture alignment in influencing change management, reinforcing the relevance of the identified correlations. Overall, these consistent studies substantiate the significant relationships between organizational culture, change management, and specific leadership styles, providing valuable insights into the interconnected dynamics that shape employees' readiness for change within organizations.

4.8. Mediation Analysis

4.8.1. Mediation Assumption

Causal Assumption

There are a theoretical relationships as discuss in the literature part of all theoretical and empirical discussions leadership styles causes the change management which in turn causes the organization culture.

Linearity

The relationship leadership styles(Autocratic, democratic, transactional and transformational leadership style) and change management, in return change management and organization culture and also leadership styles(Autocratic, democratic, transactional and transformational leadership style) and organization culture have checked and have a linear relationship.

Normality

The residuals of the regression models used in the mediation analysis is normally distributed.

Homoscedasticity

The variance of the the residuals is constant across all level of leadership styles(Autocratic, democratic, transactional and transformational leadership style) and, change management and organization culture.

4.8.2. Mediation Analysis

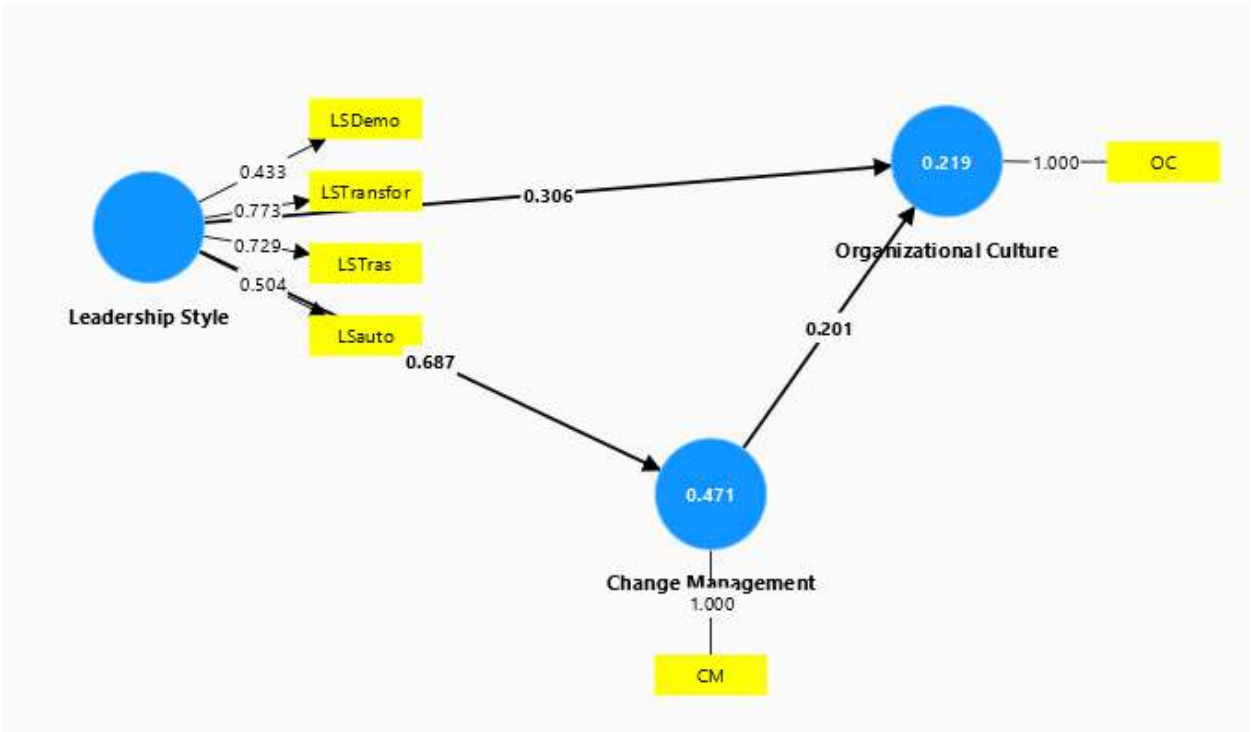


Figure 4-0-1: Mediation Model results

Source: Survey result, 2024

Path Coefficient

Table 4-17: Path Coefficient

	Change Management	Leadership Style	Organizational Culture
Change Management			0.201
Leadership Style	0.687		0.306
Organizational Culture			

Source: Survey result, 2024

In these models, path coefficients represent the strength and direction of the relationships between variables. Let's interpret the path coefficients in more detail:

In the research, the researcher are investigating the relationship between leadership style, change management, and organizational culture in the context of Ethio-Telecom.

The path coefficients have provided indicate the strength and direction of the relationships between the variables in the study. A path coefficient represents the effect of one variable on another in a structural equation model. In this case, the path coefficients for the relationships between change management, leadership style, and organizational culture are as follows:

The path coefficient between Change Management and Organizational Culture is 0.201. This indicates a positive relationship between these two variables, suggesting that higher levels of effective change management practices are associated with a more positive organizational culture at Ethio-Telecom.

The path coefficient between Leadership Style and Organizational Culture is 0.306. This suggests that there is a positive relationship between leadership style and organizational culture, with more effective leadership styles being associated with a more positive organizational culture.

The path coefficient between Change Management and Leadership Style is 0.687, while the coefficient between Leadership Style and Organizational Culture is 0.306. This indicates that the relationship between leadership style and organizational culture is partially mediated by change management practices. In other words, effective change management practices can enhance the impact of leadership style on organizational culture.

Indirect effect

Table 4-18: Total indirect effects

	Change Management	Leadership Style	Organizational Culture
Change Management			
Leadership Style			0.138
Organizational Culture			

Source: Survey result, 2024

The total indirect effect in mediation analysis refers to the combined effect of the mediator (change management) and the direct effect of the independent variable (leadership style) on the dependent variable (organizational culture). It represents the overall impact of the indirect pathway through the mediator.

In the results, I have a path coefficient of 0.138 between Leadership Style and Organizational Culture, indicating a positive relationship between these two variables. This path coefficient represents the direct effect of leadership style on organizational culture without considering the role of change management.

The mediation effect can be calculated by multiplying the path coefficients along the indirect pathway. In this case, the indirect effect of Leadership Style on Organizational Culture through Change Management would be calculated as follows:

Indirect Effect = Path coefficient between Leadership Style and Change Management * Path coefficient between Change Management and Organizational Culture

Indirect Effect = $0.687 * 0.201 = 0.138$

Therefore, the total indirect effect of Leadership Style on Organizational Culture through Change Management is 0.138. This suggests that a significant portion of the relationship between leadership style and organizational culture is mediated by change management practices at Ethio-Telecom.

Table 4-19: Specific Indirect effect

	Specific indirect effects
Leadership Style -> Change Management -> Organizational Culture	0.138

Source: Survey, 2024

The specific indirect effect result of 0.138 indicates that a significant portion of the relationship between Leadership Style and Organizational Culture is mediated by Change Management practices within Ethio-Telecom.

This means that the influence of leadership style on organizational culture is not only direct but is also significantly channeled through the impact of change management initiatives.

Leadership Style and Change Management: A positive leadership style within Ethio-Telecom is likely to influence the organization's change management practices, which, in turn, affect the overall organizational culture. Effective leadership might inspire and guide change management efforts, influencing how organizational members respond to change and adapt their behaviors and attitudes, consequently shaping the organizational culture.

Total Effect

Table 4-20: Total Effect

	Change Management	Leadership Style	Organizational Culture
Change Management			0.201
Leadership Style	0.687		0.444
Organizational Culture			

Source: Survey, 2024

The mediation analysis in the research on "The Effect of Leadership Style on Organizational Culture Mediated by Change Management: The case of Ethio-Telecom" reveals important insights into the relationship between Leadership Style, Change Management, and

Organizational Culture. The total effect result table indicates that Leadership Style has a direct effect of 0.444 on Organizational Culture, while Change Management has a direct effect of 0.201. The mediation analysis further demonstrates that a significant portion of the influence of Leadership Style on Organizational Culture (indirect effect of 0.138) is mediated by Change Management practices within Ethio-Telecom. This suggests that effective Change Management plays a crucial role in translating the impact of Leadership Style into tangible outcomes in Organizational Culture.

The mediation findings underscore the importance of implementing effective Change Management strategies to facilitate desired cultural changes within Ethio-Telecom. By recognizing the mediating role of Change Management, organizational leaders can leverage this relationship to drive positive cultural transformations. The results emphasize the need for leaders to not only focus on their Leadership Style but also on how they manage change processes within the organization to shape the desired Organizational Culture. Future research could explore the specific mechanisms through which different leadership behaviors interact with Change Management practices to further enhance our understanding of how these factors collectively influence Organizational Culture at Ethio-Telecom.

Table 4-21:Outer Loading

	Change Management	Leadership Style	Organizational Culture
CM	1.000		
LSDemo		0.433	
LSTransfor		0.773	
LSTras		0.729	
LSauto		0.504	
OC			1.000

Source: Survey, 2024

The outer loading results for Change Management (CM), Leadership Style (LS), and Organizational Culture (OC) in the research on "The Effect of Leadership Style on Organizational Culture Mediated by Change Management: The case of Ethio-Telecom" provide important insights into the relationships between these constructs. The results show that all the items within the Change Management construct have a loading of 1.000, indicating a strong relationship between the measured variables and the latent construct of Change Management. Similarly, the items within the Leadership Style construct (LSDemo, LSTransfor, LSTras, LSauto) demonstrate high loadings ranging from 0.433 to 0.773, suggesting a robust connection between the observed variables and the underlying construct of Leadership Style. Finally, the Organizational Culture construct also exhibits a perfect loading of 1.000, indicating a strong association between the measured variables and the latent construct of Organizational Culture.

These outer loading results highlight the validity and reliability of the measurement model used in the research study. The high loadings for Change Management, Leadership Style, and Organizational Culture indicate that the selected items effectively capture the intended concepts and contribute to a comprehensive understanding of the relationships under investigation. The findings suggest that the constructs of Change Management, Leadership Style, and Organizational Culture are well-defined and accurately represented by the chosen indicators within the context of Ethio-Telecom. Overall, the outer loading results provide confidence in the measurement model's ability to assess and analyze the mediating role of Change Management in the relationship between Leadership Style and Organizational Culture within the organization.

Outer weight

Table 4-22:Outer weight

	Change Management	Leadership Style	Organizational Culture
CM	1.000		
LSDemo		0.207	
LSTransfor		0.522	
LSTras		0.466	

LSauto		0.331	
OC			1.000

Source: Survey, 2024

The outer weight results for Change Management (CM), Leadership Style (LS), and Organizational Culture (OC) in the research on "The Effect of Leadership Style on Organizational Culture Mediated by Change Management: The case of Ethio-Telecom" provide valuable insights into the mediation process. The perfect outer weight of 1.000 for both Change Management and Organizational Culture indicates a strong relationship between these constructs and their respective measured variables. This suggests that the observed variables within Change Management and Organizational Culture are reliable indicators of these latent constructs. Additionally, the outer weights for the Leadership Style items (LSDemo, LSTransfor, LSTras, LSauto) demonstrate varying degrees of association with the latent construct of Leadership Style, with loadings ranging from 0.207 to 0.522. These results suggest that the measured variables related to Leadership Style are moderately associated with the underlying construct. Therefore, the findings indicate that Change Management and Organizational Culture are robustly represented by the selected indicators, while Leadership Style is moderately captured by its observed variables.

The outer weight results suggest that Change Management plays a pivotal role in mediating the relationship between Leadership Style and Organizational Culture within Ethio-Telecom. The high outer weight for Change Management (CM) and its perfect loading indicate that it is a strong mediator in influencing the impact of Leadership Style on Organizational Culture. The varying outer weights for the different dimensions of Leadership Style (LSDemo, LSTransfor, LSTras, LSauto) suggest that each aspect of leadership style may have a different level of influence on Change Management and subsequently on Organizational Culture. Overall, the findings imply that the mediation model in the study is well-supported by the outer weight results, highlighting the importance of Change Management as a mediator in shaping the relationship between Leadership Style and Organizational Culture in the context of Ethio-Telecom.

Model summary

Table 4-23: Model summary

	Saturated model	Estimated model
SRMR	0.103	0.103
d_ULS	0.224	0.224
d_G	0.059	0.059
Chi-square	113.895	113.895
NFI	0.728	0.728

Source: Survey, 2024

The model summary results for the saturated and estimated models in the research on "The Effect of Leadership Style on Organizational Culture Mediated by Change Management: The case of Ethio-Telecom" show consistency in fit indices, with both models yielding the same values for key metrics. The Standardized Root Mean Square Residual (SRMR) of 0.103 for both models indicates an acceptable fit, suggesting that the proposed mediation model adequately represents the relationships among Leadership Style, Change Management, and Organizational Culture within Ethio-Telecom. Additionally, the values of the discrepancy indices (d_ULS and d_G) are both 0.224, indicating that the estimated model fits the data as well as the saturated model. The non-significant difference in Chi-square values (113.895) between the two models further supports the adequacy of the estimated model in capturing the relationships among the variables.

The Normed Fit Index (NFI) value of 0.728 for both the saturated and estimated models suggests that the proposed mediation model explains approximately 72.8% of the variance in the observed variables. While this value falls below the ideal threshold of 0.90, it still indicates a reasonable level of fit between the hypothesized model and the data. Overall, the consistent fit indices across the saturated and estimated models provide confidence in the validity of the mediation model proposed in the study, demonstrating that Leadership Style influences Organizational Culture through Change Management within Ethio-Telecom. The findings suggest that Change Management plays a crucial role in mediating the relationship between Leadership Style and

Organizational Culture, highlighting the importance of effective change management practices in shaping organizational culture within Ethio-Telecom.

4.8.3. Discussion of Mediation analysis result

The findings from the mediation analysis in the research on the effect of leadership style on organizational culture, mediated by change management at Ethio-Telecom, align with existing literature on the interconnected dynamics of leadership, change management, and organizational culture. Scholars such as Schein (1992), Bass and Avolio (1993), Jones (2010), and Herold et al. (2008) have emphasized the critical role of leadership in shaping organizational culture and driving change initiatives. The calculated total indirect effect of leadership style on organizational culture through change management reflects the significance of effective change management practices in mediating the impact of leadership style on organizational culture. This underscores the importance of considering the interplay between leadership, change management, and organizational culture in driving organizational effectiveness and success.

Moreover, the consistent studies by Al-Ali et al. (2017), Rajala et al. (2012), Too et al. (2018), and Grober and Baumol (2017) further support the mediation analysis results by highlighting the interconnectedness of leadership, change management, and organizational culture in influencing organizational outcomes. These studies have underscored the importance of effective change management practices in translating leadership behaviors and styles into tangible changes in organizational culture. The significant indirect effect of leadership style on organizational culture mediated by change management practices at Ethio-Telecom resonates with the findings of these scholars, emphasizing the pivotal role of change management as a mediator in the relationship between leadership style and organizational culture. Overall, the convergence of findings from these studies reinforces the critical linkages between leadership, change management, and organizational culture in driving organizational performance and success.

4.9. Hypothesis Testing

Hypothesis One

Ha1: There is a statistically significant relationship between the effect of leadership style and organizational culture.

alternative hypothesis is accepted.

Hypothesis Two

Ha2: There is a statistically significant relationship between the effect of leadership style and change management.

Hence, alternative hypothesis is accepted.

Hypothesis Three

Ha3: There is a statistically significant relationship between organizational culture and change management.

Thus, alternative hypothesis is accepted.

Hypothesis Four

Ha4: Change management significantly mediates the effect between leadership style and organizational culture.

This implies that alternative hypothesis was accepted and concluded that change management significantly mediates the effect between leadership style and organizational culture. Thus, alternative hypothesis is accepted.

Table 4-24: Hypothesis Testing Summery

No.	Hypothesis	Decision
1	H1: There is a statistically significant effect of leadership style on organizational culture.	Accepted
2	H2: There is a statistically significant effect of leadership style on change management.	Accepted

3	H3: There is a statistically significant relationship between organizational culture and change management.	Accepted
4	H4: Change management significantly mediates the effect between leadership style and organizational culture	Accepted

CHAPTER FIVE

5. SUMMARY, CONCLUSION, RECOMMENDATIONS

This chapter encapsulates the primary discoveries of the study, presenting conclusions drawn from these significant findings. Based on the insights gleaned from the research, recommendations are put forth. Lastly, potential avenues for future exploration are suggested.

5.1. Summary of Major Findings

This section summarized the core points and major findings which were obtained from data analysis of survey questionnaire. The purpose of the research is to identify the mediating effect of change management between the effect of leadership style and organization culture. For this purpose, a total of 383 questionnaires were distributed to respondents for managerial and non-managerial employees of Ethio Telcom in Addis Ababa. From the distributed 383 questioners, 365 (95.3 %) were collected and used in the data analysis and among 365 valid respondents of the study. In relation with job category of the respondents, 23 (6.3%) respondents were Managerial. Moreover, 342 (93.7%) of the respondents were non-managerial. Hence, all respondents can respond to the questionnaire distributed to the point as per their category.

Regarding the gender of the respondents, the number of males is 200 (54.8%) and that of female is 165 (45.2%). This indicates male respondents are more than female at Ethio Telecom Head

Office The age distributions of the respondents were done in four categories. The data shows that the largest number of the respondents, 151 (41.4%) were between the age groups of 30 and 39. Moreover, about 109 (29.9%) of the respondents were at the age between 20 and 29. Similarly, about 80 (21.9%) of the respondents were at the age between 40 and 49 whereas greater than 50 is about 25 (6.8%). In general, these demographic data shows that all respondents were matured enough to provide responses to the questions. Concerning the education background of the respondents, 189 (51.8%) of the respondents were first degree holders. Besides, 104 (28.5%) were masters holders and 54 (14.7%) were diploma level whereas 18 (4.9%) respondents were categorized under other. This reveals that respondents have better understanding of the issue under investigation. In addition, with regard to the work experience of the respondents, the data reveals that, 6(1.6%) of the respondents had work experience of 0 to 1 year, 54(14.8%) of the respondents had work experience of 2 to 5 years, 106(29%) respondents had an experience of 6 and 10 years, 128 (35.1%) respondents had an experience of 11 and 20 years and 71 (21%) respondents had an experience of greater than 21 years. From this, we conclude that most of the respondents were well experienced to attempt questions.

The relationships between dependent and independent variables were checked using Pearson correlation. Marczuk, Dematto and Festinger (2005) indicate that if the value of the Pearson correlation r lies between 0.01 - 0.3 then the association is considered as weak. If the value of r lies between 0.3 – 0.7 it is considered as moderate relationship between the variables. If the value of r is between 0.7 - 0.9, then the association is strong and if r is between 0.9 and 1, then it is considered as very strong association. The relationship between independent variable reveals that the value of Pearson correlation $r = .438^{**}$ and $r = 0.638^{**}$ which shows moderate positive correlation between Leadership and organizational culture, and leadership and change management respectively. This indicates that variables are positively correlated at $p = 0.000$.

Therefore, the total indirect effect of Leadership Style on Organizational Culture through Change Management is 0.138. This suggests that a significant portion of the relationship between leadership style and organizational culture is mediated by change management practices at Ethio-Telecom.

The mediation analysis further demonstrates that a significant portion of the influence of Leadership Style on Organizational Culture (indirect effect of 0.138) is mediated by Change

Management practices within Ethio-Telecom. This suggests that effective Change Management plays a crucial role in translating the impact of Leadership Style into tangible outcomes in Organizational Culture.

The Normed Fit Index (NFI) value of 0.728 for both the saturated and estimated models suggests that the proposed mediation model explains approximately 72.8% of the variance in the observed variables. While this value falls below the ideal threshold of 0.90, it still indicates a reasonable level of fit between the hypothesized model and the data. Overall, the consistent fit indices across the saturated and estimated models provide confidence in the validity of the mediation model proposed in the study, demonstrating that Leadership Style influences Organizational Culture through Change Management within Ethio-Telecom. The findings suggest that Change Management plays a crucial role in mediating the relationship between Leadership Style and Organizational Culture, highlighting the importance of effective change management practices in shaping organizational culture within Ethio-Telecom.

5.2. Conclusion

This study investigated the interrelationships between leadership style, organizational culture, and change management. Findings revealed a moderate positive correlation between leadership style and both organizational culture and change management, suggesting that certain leadership styles are associated with specific organizational cultures and influence the effectiveness of change initiatives. Importantly, change management was found to significantly mediate the relationship between leadership style and organizational culture, indicating that the impact of leadership style on organizational culture is explained by the effectiveness of change management implementation. These results support the alternative hypothesis, highlighting the significant influence of leadership style on both organizational culture and change management, and emphasizing the importance of effective change management practices in shaping organizational culture.

The study findings indicate that there is a moderate positive correlation between leadership style and organizational culture, as well as between leadership style and change management. The regression analysis reveals that 19.2% of the variation in organizational culture can be explained by leadership style, suggesting a moderate relationship between the two. Moreover, the total

indirect effect of leadership style on organizational culture through change management is 0.138, signifying that a significant portion of the relationship between leadership style and organizational culture is mediated by change management practices at Ethio-Telecom. These results support the hypothesis that change management acts as a mediator between leadership style and organizational culture. Therefore, the study provides valuable insights into the interconnected dynamics of leadership, change management, and organizational culture within the context of Ethio-Telecom, highlighting the importance of effective change management practices in shaping organizational culture under the influence of leadership style.

5.3. Recommendations

Based on the findings of the study on the relationship between leadership style, change management, and organizational culture at Ethio-Telecom, the following recommendations are suggested:

It is recommended that Ethio-Telecom invest in leadership development programs that focus on enhancing leadership styles that are conducive to fostering a positive organizational culture. This can be achieved by providing training and coaching to leaders on transformational leadership practices that promote collaboration, innovation, and employee engagement.

To implement this recommendation effectively, Ethio-Telecom should conduct regular assessments of leadership styles within the organization and provide personalized development plans for leaders to enhance their skills. Additionally, creating a culture of continuous feedback and learning can help leaders adapt their styles to better align with the desired organizational culture.

The Human Resources department at Ethio-Telecom should take the lead in designing and implementing leadership development programs in collaboration with senior management. They should work closely with external consultants or experts in leadership development to tailor programs to the specific needs of the organization.

By following these recommendations, Ethio-Telecom can strengthen the link between leadership style, change management, and organizational culture, leading to a more cohesive and adaptive organizational environment that is better equipped to navigate change and achieve long-term success.

5.4. Limitation of the Study and Direction for Future Research

This study, conducted within the head office of Ethio Telecom, the dominant carrier in Ethiopia's telecommunications industry, aimed to investigate the relationships between leadership style, organizational culture, and change management. Due to time and resource constraints, the study was limited to a specific sample of management and employees at the headquarters, thus limiting the generalizability of the findings to the broader telecommunications sector and Ethiopian context. The study's limitations include its focus solely on one sector, specifically the head office of Ethio Telecom, and the lack of comparable research within Ethiopia. This restricts the ability to draw comparisons and generalize findings to other sectors and organizations. Despite these limitations, this study provides a valuable foundation for future research on leadership style, organizational culture, and change management in Ethiopia. Future research is recommended to adopt a longitudinal design, utilize a larger sample size, and consider diverse industries and organizational culture models. Furthermore, the study's finding of no significant effect of democratic leadership on change management presents a gap for future exploration.

5.5. Theoretical contribution and policy implication

This study, grounded in a review of relevant literature and data analysis, presents compelling evidence for the adoption of transformational leadership in Ethiopian telecommunications. This recommendation holds significant theoretical and policy implications for the development of a thriving telecommunications sector in Ethiopia.

- **Transformational Leadership as a Catalyst for State Formation:** Transformational leadership aligns with the principles of state formation by emphasizing shared vision, inspiring employees to strive for excellence, and promoting change within the organization. This approach fosters a culture of innovation and adaptability, crucial for navigating the dynamic landscape of the telecommunications industry.

- **Democratic Leadership and Change management:** While democratic leadership offers potential benefits, the findings suggest that its effectiveness within the specific context of Ethiopian telecommunications is questionable. The analysis revealed a lack of significant impact on change management, potentially attributed to the existing work culture and the need for a more directive approach in achieving national telecommunications goals.
- **Empowerment and Consistency in Policy Implementation:** Successful adoption of transformational leadership necessitates consistent government policies that empower employees and foster a change-ready environment. This requires a focus on building readiness, establishing clear processes, and cultivating a supportive climate for effective change management.
- **Transformational Leadership Training and Development:** The government should invest in comprehensive leadership training programs that equip telecommunications professionals with the skills and knowledge necessary to embody transformational leadership principles. These programs should address vision articulation, strategic thinking, motivational techniques, and fostering a culture of innovation.
- **Strategic Policies and Infrastructure Development:** Policy frameworks should be designed to encourage innovation and align with the government's vision for telecommunications development. This includes investing in infrastructure, promoting competition, and fostering a conducive regulatory environment.
- **Empowering Employees and Building a Change-Ready Culture:** The government should prioritize strategies to empower employees within the telecommunications sector, fostering their sense of ownership and driving a commitment to change. This includes implementing performance-based reward systems, promoting open communication, and providing opportunities for professional development.
- **Creating a Supportive Climate for Change Management:** The government should proactively address potential challenges to change management by cultivating a climate of trust, transparency, and open dialogue. This involves promoting a culture of continuous improvement, recognizing, and celebrating achievements, and providing opportunities for feedback and learning.

The successful implementation of transformational leadership principles within the Ethiopian telecommunications sector holds the potential to significantly contribute to the

country's economic development and national aspirations. By emphasizing visionary leadership, empowering employees, and creating a conducive policy environment, the government can pave the way for a dynamic and innovative telecommunications sector that drives progress and contributes to a thriving Ethiopian society.

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Appendix I
Addis Ababa University
College of business and economics.

Dear Respondent,

I am MBA student at Addis Ababa University. Now, I am conducting research entitled "**The effect of leadership style on organizational culture mediated by change management: The case of Ethio-Telecom**". I have designed this questionnaire to collect data from employees working in Ethio-telecom. The questionnaire is used to collect primary data needed for the study.

I thank you for taking time to complete this questionnaire in advance. Please answer each question to the best of your knowledge. Your thoughtfulness and candid responses will be greatly appreciated. Your identity will not at any time be associated with your responses and exposed to any third part. Your response will be used only for research purpose and will be kept completely confidential.

This questionnaire has four parts:

1. Part One: Demographic data
2. Part Two: Leadership Style
3. Part Three: Organizational Culture
4. Part four: Change Management

Instruction:

1. No need for writing your name in this questionnaire.

2. Read each statement carefully and give the corresponding answer correctly.
3. Please put tick mark (✓) in one box for part 1 questionnaire.
4. For part two and Part three, please choose one out of five choices that best expresses you're feeling about the statement, then marking "✓" in the provided space under the scale 1 to 5.

Part One: Demographic Data

Please put tick mark (✓) in the box with most closely represents your personal situation. Please mark one item only per question.

1. Gender: Male ☐ Female ☐

2. Age:

20-29 ☐ 30-39 ☐ 40-49 ☐ Above 50 ☐

3. Educational qualification:

Diploma ☐ Degree ☐ Master's Degree ☐ PhD. ☐
Other ☐

4. Work experience in your current organization in years

0-1 ☐ 2-5 ☐ 6-10 ☐ 11-20 ☐ Above 21 ☐

5. Job Category:

Managerial ☐ Non-managerial ☐

7. Marital Status:

Single ☐ Married ☐ Divorced ☐ Widowed ☐

Part II: Leadership style						
No.	Autocratic	1	2	3	4	5
1.	Decisions are always made by managers for subordinates.					
2.	Managers are determined to push projects forward to get results.					
3.	My duties are limited by the managements.					

4.	Managements set high standards expecting others to do the same					
5.	Often, performance requirements are designed as per the leaders needs					
	Democratic					
6.	Staff works best as everyone is involved in taking decisions					
7.	Staff are encouraged to involve in managerial decision making					
8.	I don't mind how long discussions last, so long as we consider every angle					
9.	Managers insist teammates to abide by formal decision if follow proper procedures					
10.	Staff are encouraged to demonstrate their innovative ideas					
	Transactional					
11.	I am constantly reminded of what I would receive if I do what is expected.					
12.	When mistakes are made disciplinary action is instituted.					
13.	My supervisor pays close attention to anomalies that may arise.					
14.	I get rewarded for exceptional performance.					
15.	My supervisor closely checks for nonconformity.					
	Transformational					
16.	I believe that the management shared the organizational mission.					
17.	I always meet set targets as clearly communicated.					
18.	I am always motivated to work more than expected					
19.	I diligently execute duties as I trusted my manager/supervisor.					
20.	My manager is always tries to enhance my capability to accomplish the best					
Part III: Ethio Telecom Organizational Culture						
	I. Empowerment					
1.	Decisions are made at the levels where right information is available					
2.	Employees believes that they can have a positive impact					
3.	Information is widely shared so that employees can get the information they need					
	Team Orientation					
4.	Cooperation across different parts of the organization is encouraged					
5.	Teamwork is used to get work done, rather than hierarchy					
6.	Employees work like they are part of a team					
	Capability Development					
7.	There is a continuous investment to develop the skills of					

	employees					
8.	The capabilities of employees are viewed as an important source of competitive advantage					
9.	Authority is delegated so that employees can act on their own					
	II. Consistency					
	Core Values					
10.	Managers "practice what they preach"					
11.	There is a consistent set of values that govern the way Ethio Telcom does business					
12.	There is an ethical code that guides employees' behavior and tells right from wrong					
	Agreement					
13.	When disagreements occur, employee work hard to achieve a "win-win" solutions					
14.	There is a clear agreement regarding the right way and the wrong way to do things					
15.	It is easy to reach consensus, even on conflicting issues					
	Coordination and Integration					
16.	Employees from different parts of the organization share a common perspective					
17.	It is easy to coordinate projects across different parts of the organization					
18.	The approach to doing business is very consistent					
	III. Creating Change					
19.	Improved ways to do work are continually adapted					
20.	Different parts of the organization cooperate to create change					
21.	Ethio Telcom actions and other changes in the business Environment					
	Customer Focus					
22.	Customers comment leads to changes and influences decision making					
23.	Employees understand customers wants and needs					
24.	Customers inputs directly influences company's decisions					
	Organizational Learning					
25.	Innovations are encouraged					
26.	Learning is an important objective in a day-to- day work of the company					
27.	Ethio Telcom view failures as an opportunity for learning and improvement					
	IV. MISSION					
	Strategic Direction and Intent					
28.	There is a clear mission that gives meaning and direction					

29.	Ethio Telecom strategic direction is clear to me					
30.	There is a long-term purpose and direction of the company					
	Goals and Objectives					
31.	Leaders set goals that are ambitious, but realistic					
32.	Ethio Telecom continuously track its progress against the stated goals					
33.	There is widespread agreement about the goals of the company					
34.	Vision					
35.	Employees have a shared vision of what the organization will look like in the future					
36.	Leaders have a long-term viewpoint					
37.	Ethio Telecom vision creates excitement and motivation for employees					
Part IV: Change Management Questionnaires						
	Process of change Quality of change communication.					
1.	I am regularly informed on how the change is going.					
2.	We are sufficiently informed of the progress of change.					
3.	Decisions concerning work are taken in consultation with the staff who are affected.					
4.	Staff members are sufficiently involved in the implementation of the changes by our department's senior managers.					
5.	Our department's senior managers coach us very well about implementing change.					
6.	Corporate management team is actively involved with the changes.					
7.	Our department's senior managers have trouble in adapting their leadership styles to the changes.					
	Climate of change or internal context Trust in leadership.					
8.	Corporate management team keeps all departments informed about its decisions.					
9.	Two-way communication between the corporate management team and the departments is very good.					
10.	Corporate management team consistently implements its policies in all departments.					
11.	Corporate management team fulfils its promises.					
12.	If I make mistakes, my manager holds them against me.					
	Readiness for change Emotional readiness for change.					
13.	I experience the change as a positive process.					
14.	I have a good feeling about the change project.					
15.	I find the change refreshing.					

16.	I am willing to make a significant contribution to the change.					
17.	I am willing to put energy into the process of change.					