



ADDIS ABABA UNIVERSITY
COLLEGE OF BUSINESS & ECONOMICS
SCHOOL OF COMMERCE
POST GRADUATE PROGRAM

**The Effect of Leadership Style on Employee Motivation: The case of
Goh Bethoch Bank S.C**

**A Research Project Submitted to the Office of Graduate Studies of
Addis Ababa University School of Commerce in Partial Fulfillment
of the Requirements for the Degree of Masters in Business
Leadership**

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Addis Ababa, Ethiopia

Statement of Declaration

I declare that this project entitled: The Effect of Leadership Style on Employee Motivation: The case of Goh Bethoch Bank S.C is my original work under the guidance of BahranAsrat (PhD)and has not been presented for a Degree in any other University with any source have been used duly acknowledged.

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Statement of Certification

This is to certify that AsnakeFentahas carried out this research work on the topic entitled The Effect of Leadership Style on Employee Motivation: The Case of Goh Bethoch Bank S.C. This work is original and it is sufficient for submission for the partial fulfillment for the requirements of the award of Masters of Art in Business Leadership.

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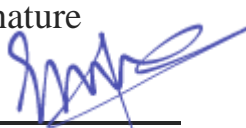
The Effect of Leadership Style on Employee Motivation:

The case of Goh Bethoch Bank S.C

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III. Abbreviations and Accronym

GBB	Goh Bethoch Bank S.C
SPSS	Statistical Package for the Social Sciences.
CEO	Chief Executive Officer
Sr	Senior
St	Standard Devation
MLQ	Multi-Factor Leadership Questioner
SD	Strongly Disagree
D	Disagree
N	Neutral
A	Agree
SA	Strongly Agree
NT	Never true
USNT	Usually not true
UT:	Usually true
AT	Always true
Sig	Significance
ANOVA	Analysis of Variance

IV. Abstract

This study's primary objective is to examine how leadership style affects worker motivation. In order to conduct this study used simple random sampling method 133 respondents were randomly selected from a total of 200 populations. From this, 124 questionnaires were collected. The multifactor leadership questionnaires adopted from Bass and Avolio (1992) and Tremblay, Blanchard, Taylor, Pelletier, and Villeneuve (2009), Work Extrinsic and Intrinsic Motivation Scale (WEIMS) was used to study this research. To adopt this research, both descriptive and explanatory research approach was used. The primary data used as an open ended questionnaires interpret by using Statistical Package for the Social Sciences (SPSS) version 25. The survey was done in Goh Bethoch Bank S.C Head office and all nine branches in Addis Ababa and out line. The statistical analyses indicate that transformational and transactional leadership style was significant effect and laissez faire leadership style has no significant effect on employee motivation. Accordingly, this research investigates the interaction between transformational, transactional, and laissez faire leadership styles on employee motivation. Leadership style and motivation require a deeper understanding of the techniques needed to improve the inspiration and motivation of employees. Therefore, this study should analyze the relationship between leadership styles that may be employed to promote motivation in employee performance.

Keywords: Leadership Style, motivation, transformational, transactional, and laissez faire leadership style.

CHAPTER ONE

1. Introduction

Employee motivation is significantly impacted by effective leadership. For this research, we study the effect of leadership style on employee motivation. This chapter contains the background of the study, the statement of the problem, the research question, and objectives, the scope of the study, /the limitation of the study, and the organization of the study are included in this chapter

1.1 Background of the Study

Studies have demonstrated that worker performance can be improved through good leadership, as demonstrated by features such as improved teamwork, job satisfaction, and productivity (Christian and Musinguzi, 2018).

Achua and Lussier (2013) state that effective leadership involves expressing the organization's ideals and vision to employees and getting their support. As a result, the organization might get closer to its objectives.

Employee retention and inspiration are critical since they are the backbone of the business (Mullins, 2007). One of a leader's most important responsibilities is to guide their team members toward achieving organizational objectives. Leadership is essentially motivating or influencing others to accomplish the goals of the organization (Kesting et al., 2016). The level of motivation among employees is influenced by the leadership style that their employer chooses (Kour & Andorta, 2016; Rodriguez, 2012). Thus, the goal of this research is to ascertain how different leadership styles effect on employee motivation at Goh Bethoch.

Team members' level of motivation is influenced by the leadership style of their leader (Kour & Andotra, 2016; Rodriguez, 2012). Research indicates a robust and affirmative correlation between transformative leadership style and employee motivation (Sahin, Gürbüz, & Sesen, 2017). In contrast to leaders who follow transactional leadership, Rodriguez's (2012) research indicates that executives who embrace transformational leadership are more successful in inspiring their workforce. Chaudhry et al. (2012) discovered that the transactional leadership

strategy was more effective, even though the data showed a positive and substantial association between transformational and transactional leadership styles and motivation.

Transactional leaders may inspire their teams by articulating clear objectives and offering rewards for achieving them, claim Wang et al. (2020). In our organization, where employees flourish when given clear direction and expectations, this leadership style has shown to be quite effective. Employee motivation is strongly correlated with work performance, and employee motivation is correlated with rewards (Obeidat, Mitchell, & Bray, 2016). Employee motivation is significantly influenced by pay (Mazzei, 2014).

1.2 Background of the Organization

Ethiopia's first mortgage bank, Goh Bethoch Bank S.C is commenced operations on October 25, 2021. The Bank has 2.63 billion in capital as of the right moment, of which 1.32 is paid-up capital. Along with more than 8,000 stockholders, it has nine branches, including the CMC Branch Megegnagna Branch, Lebu, Arat Kilo Branch, and Bole Branch (Head Office) in Addis Ababa, Rwanda (the former Japan embassy Abderuf Plaza). It was formed by eleven visionary individuals who were deeply committed to their country and its people. These individuals included academics, bankers, and investors. Ethiopia's first private mortgage bank was established as a result of several problems, including the country's insufficient housing finance system, the enormous backlog of unfinished houses, rising building prices, and continuous inflation.

We look at what makes for a successful leadership style and evaluate GBB's needs in terms of employee motivation. This study examines the relationship between employee motivation and the three leadership styles transactional, transformational, and laissez-fair. This leadership styles are mostly practice in the company and closly relationship with employee motivation. Attaining our organizational objectives requires a strong leadership style in addition to high levels of staff motivation.

1.3 Statement of the Problem

According to Lazaroiu (2015), low motivation in the workplace can have detrimental effects like boredom, complacency, and all-around discouragement. According to studies, employees think that their efforts and performance will matter in the long run and will affect the business. By taking into account many viewpoints and striving for positive outcomes, one can develop a sense of worth and success (Yahaya & Ebrahim, 2016). Research indicates that there is a close relationship between motivation and leadership since highly motivated leaders usually have highly motivated followers (Musinguzi et al., 2018).

Most leaders in many organizations don't behave in a way that encourages and inspires workers to accomplish better. In addition, most managers of organizations have a strict style of leadership. They don't adapt their style of leadership to the changing needs of the business or the changing conditions. Reactive leadership, in which leaders guide their subordinates without considering the situation at hand, is another problem. They don't allow the situation to dictate the precise leadership position they should adopt. Poor employee performance, a deficiency in motivation, and inadequate institutional growth and development are the ultimate consequences. Accordingly, this would investigate the connection between management leadership style and organizational performance (Ukaidi, 2016).

Another factor impacting leadership style in financial firms is the qualifications of the people selected for such roles. A portion of their appointments are usually arbitrary. What occurs in such an organization is that competent leaders are unable to direct members toward preset goals or objectives by applying the appropriate leadership style. When this occurs, comments regarding the way these executives behave or manage the business come to light, which affects the goals of the organization (Uchenwamgbe, 2013). The more motivated a worker is, the more dedicated they are to the organization.

Consequently, motivation is needed to promote a favorable work attitude among employees. A business that is unable to motivate its employees will surely lag behind its rivals in the industry. Many potential employees are drawn to a firm by its motivational attributes, and motivation helps the organization retain its current talent pool (Chung-Chieh Lee, 2013). Training can improve staff dedication, knowledge exchange, and pride in their employment (Meyer, 2007).

This study examined the effects of transactional and transformational leadership styles on employee motivation and commitment with in GBB. This study looked into how leadership style influences GBB employee motivation.

Previous studies have shown how important motivation and leadership are in increasing employees motivation, which in turn increases the company's total production (Enz, Carnina, & Walsh, 2006; Mcmanus, 2005; Vora, 2004; Kundu & Vora, 2004). There is a significant issue with the leadership approach that is used by most organizational executives, according to the study. Demotivation results from leaders' inability to properly inspire their staff, and demotivation affects the performance of the organization as a whole. Motivated employees then devote themselves to the business, increasing productivity and decreasing attrition (Parvin, 2011). This study, in contrast to others, looks into the relationship between employee motivation and leadership styles within the framework of GBB.

1.4 Research Questions

1. What is the effect of transformational leadership styles on employee motivation at GBB?
2. What is the effect of transactional leadership styles on employee motivation at GBB?
3. What is the effect of lassies fair leadership styles on employee motivation at GBB?
4. What are the major leadership styles influence on employee motivation?
5. What is the current status of employee motivation in GBB?

1.5 Research Objective

The general objective of the study is to analyze the effect of the different leadership styles on employee motivation.

1.5.1 The Specific Objectives are:

- To investigate the effect of transformational leadership styles on employee motivation.
- To ascertain effect of transactional leadership styles on employee motivation.
- To experiment the impact of lassies fair leadership styles on employee motivation
- To examine the dominant leadership styles that influences on employee motivation.
- To determine the level of employee motivation

1. 6 Significance of the Study

Effective leadership requires matching the company's objectives with the aspirations of its employees (Abbas & Asgar, 2010; Shamir et al., 1998). The key components that increase employee motivation are making sure that work is distributed fairly and equally, attending to employees' needs, fostering a happy work environment, supporting employee growth, and offering incentives and feedback. Increasing a company's performance requires using management strategies including rewarding staff members and influencing their behavior on an individual and group level.

Other organizations facing comparable difficulties and those who aspire to conduct additional research in related fields have benefited greatly from the research. It is expected that our organization, will benefit from this research. The result of this study was especially helpful anybody else who wants to know how different leadership styles affect employees motivation.

The research was directed to accomplish the study's purpose by the conceptual framework, which included the leadership model by Avolio and Bass (1991), which contains the three leadership styles: transformational, transactional, and laissez faire. Furthermore, the Work Extrinsic and Intrinsic Motivation Scale (WEIMS) was employed by Tremblay, Blanchard, Taylor, Pelletier, and Villeneuve (2009). The ultimate objective of this research is to examine how employee motivation is increased and collaboration and communication are effected by leaders' trustworthiness. Furthermore, our organization employed an effective leadership style to motivate and inspire its employees. Additionally, it is essential to comprehend the various incentives that may inspire our personnel to enhance organizational performance.

1.6 Scope of the Study

The primary objective of this research is to investigate the effect of different leadership styles on employees motivation. The research aims to differentiate the three leadership styles transformational, laissez-faire, and transactional, and examine the relationship between these styles and employee motivation Those the three leadership styles have directly or indirectly affects on inspiring employees in our organization. It also seeks to investigate the connection between leadership styles and worker motivation within the GBB organization as a whole.

The research focused on the specific geographic coverage of the Addis Ababa headquarters and its branches, including those located in outline branches. The research approach employed descriptive and explanatory techniques to randomly select members using a simple random sampling method.

1.7 Limitations of the Study

The reaserch examines at how a leadership style affects the motivation of their team members in the context of GBB. As a result, only GBB staff was involved in the data collection and processing. The research was completed in a relatively short amount of time, including the collection of questionnaires, analysis of the results, and failure to distribute the questionnaires equitably using the random selection technique. The research's conclusions might not accurately reflect the opinions of other banking institutions in the study area.

1.8 Organization of the Study

There were five chapters in this study research. Background information, the problem statement, research questions, research objectives, scope, the definitions of words, and an analysis of the study's organization are all included in the first chapter. Reviews of motivation and leadership style were covered in chapter two. In the third chapter, the research design, approach, study description, model, procedure, data collection methods and the reliability were discussed. In chapter four, the data gathered through a questionnaire and analyzed using SPSS software. The final section, comprising a summary, conclusion, and suggestions, is in chapter five.

1.9 Definition of key Terms

Leadership: serves as an important social influence mechanism that is necessary for achieving societal and organizational objectives. Its existence is enigmatic, yet its absence is frequently apparent; this is a concept that is both comprehensible and challenging to completely appreciate (Faeth 2010:2).

Leadership Style: A leader's style has a big impact on motivation (Gopal & Chowdhury, 2014).

Motivation: refers to the processes that, over time, affect a person's behavior's overall intensity and direction. Time is critical because motivated behaviors occur in the now with an eye toward the future (Bernard, Mills, Swenson & Walsh 2005).

Intrinsic Motivation: is driven by personal fulfillment, curiosity, or enjoyment (Lai 2011) and entails engaging in a task for its purpose.

Extrinsic Motivation: Gives the act of participating in a task because it brings pleasure or excitement (Ryan & Deci 2000)

Leaders: Leaders assist their workers in following the right route by involving and empowering them (Gill, 2012). It is the ability to influence, motivate, and facilitate others to contribute to the effectiveness and prosperity of the organization what they possess.

Employees: A person who works for another business or individual is an employee.

Transformational Leadership Style: Transformational leaders inspire their employees due to their charisma, vision, intellectual stimulation, and meticulous attention to detail. Transformational leadership seeks to alter the status quo by outlining to followers the issues with the current structure and painting an exciting picture of what a new organisation could achieve. (Lussier (2013).

Transactional leadership Style: Transactional leadership is a form of leadership that motivates followers largely through adjustments based on contingent compensation, according to Burns (1978).

Laissez-faire Leadership Style: According to (Lewin, Lippitt, and White,1939), laissez-faire leadership is a style of leadership whereby the supervisor gives little guidance and lets subordinates make their own decisions.

CHAPTER TWO

Review of Related Literature

2.1. Introduction

Different definitions of leadership result from the variety of perspectives that have been utilized to analyze it, which adds to its complexity. A definition states that a leader's duties include conveying ideas, gaining support for the vision, and inspiring followers to support and implement the ideas with help from others (Lussier 2013).

2.1.1 Theories of Leadership

Diverse viewpoints have surfaced over time, and within these viewpoints, leadership theories have also grown. In the discussion that follows, several popular and up-to-date theories regarding the nature of leadership are discussed.

2.1.2 Trait Theories of Leadership

This theory is a framework for identifying the fundamental characteristics of successful leaders, was inspired by the "Great Man" notion. This method also incorporates models that clarify physical, psychological, and social qualities in an attempt to explain leadership success (McKee 2012).

2.1.3. Behavioral Theories of Leadership

The trait technique did not produce the desired results. As the need for identifying and educating leaders became more urgent during World War II, the prior findings led researchers to refocus their attention on attributes to behaviors as a source of leadership effectiveness (Nahavandi 2009).

2.2 Leadership styles

It explains the psychological tactic employed by leaders to influence, motivate, uplift, and direct their subordinates. A leader's style determines how they implement plans and tactics to accomplish particular objectives.

2.2.1 Transformational Leadership Style

The transformational leadership paradigm first emerged in the early 1980s, and since then, about one-third of leadership research has focused on it (Love and Gardner, 2001; Northouse, 2019). Transformational leaders are known for their emphasis on intrinsic motivation and follower development, which follow the requirements of contemporary business environments, according to Bass and Riggio (2006). Transformational leaders, according to Simsek and Fidan (2005), stand out for their ability to see the big picture and breathe fresh energy and individuality into organizational systems. They inspire and motivate followers to achieve outstanding outcomes in addition to realizing their leadership potential (Bass & Riggio, 2006). Transformational leadership is associated with higher levels of work satisfaction, employee performance, and organizational engagement (Atmojo, 2012; Celik, Akgemci & Akyazı, 2016).

Expanding the personal potential of each employee is encouraged by transformational leadership. Bass and Riggio (2006) identified the four main elements of transformational leadership.

- **Idealized Influence:** The leader is respected and trusted by the following. They are role models for people to follow and are ethically pure.
- **Inspirational Motivation:** By emphasizing to their team members the importance of achieving outstanding performance, the leader encourages them to achieve organizational goals. According to Bass and Avolio (1994), leaders who exhibit this behavior can inspire their followers and communicate complex ideas.
- **Intellectual Stimulation:** The leader pushes followers to extend their understanding of topics and to reflect critically on their standards and ideas.
- **Individualized Consideration:** The leader guarantees equity and fairness in their interactions by addressing each follower as an individual.

2.2.2 Transactional Leadership Style

Incorporates the trading of incentives contingent upon the accomplishment of a task, (Arnold, Cooper, & Robertson, 1998; Kuhnert and Lewis, 1987). This leadership style is often seen as an exchange of prizes depending on task performance, which is similar to the concept of employing rewards and punishments to drive employee (Bass, 1997). However, there is criticism of this leadership strategy for putting management ahead of strategic leadership (Hargis, Wyatt &

Piotrowski, 2001). Avolio and Bass (2004) claim that one kind of punishment included in transactional leadership is one form of reward, and one form of contingent reward. Recognizing and rewarding employees for their hard work and accomplishments is contingent reward. To ensure that leadership tasks are fulfilled in accordance with defined work standards, management-by-exception requires, nevertheless, closely monitoring employees and provide supervision (Gill, 2011).

2.2.3 Laissez-faire Leadership Style

Employees under this types of leadership have a lot of autonomy to solve problems and take independent action (Amanchukwu, Stanley, & Ololube, 2015). Leaders who practise laissez-faire may exhibit cautious behaviour or delay making crucial decisions. Moreover, employees may find it difficult to embrace this kind of leadership if they lack the knowledge, skills, or experience necessary to establish their own opinions (Eagly et al., 2003).

It takes on a detached leadership style that gives others the power to make decisions. Employers who have a steady staff should apply this leadership approach. It is inappropriate, therefore, in situations when direction, timely feedback, and praise are required (Uhl-Bien & Marion, 2009).

2.3 Concept of Motivation

Motivation is a objective-oriented trait that helps achieve specific goals. It requires a great deal of work to accomplish one's goals.

2.3.1 Intrinsic Motivation

It is fundamental to curiosity, education, and growth, and it is important for the progress of humanity (Ryan & Deci, 2020). If we are just motivated by external advantages, we are less likely to try out new activities or acquire non-instrumental knowledge or skills (Ryan & Deci, 2020).

An individual is considered to be acting with intrinsic motivation when their incentive comes from a source other than tangential gain. The phenomenon of intrinsic motivation was first identified in experimental studies of animal behavior when it was shown that many species engage in exploratory, playful, and curiosity-driven behaviors even in the absence of

reinforcement or reward (White, 1959). These innate behaviors certainly aid in adaptation, but they don't appear to serve any such practical function. Instead, they appear to be driven by the fulfilling emotions that arise from training and utilizing one's skills.

2.3.2 Extrinsic Motivation

The urge to take a certain activity to benefit from it or avoid problems is known as extrinsic motivation. In other words, we are motivated by the instrumental value of an activity; it is a means to an end (Ryan & Deci, 2000). Some people are just naturally more motivated by outside rewards. According to Deci, Olafsen, and Ryan (2017), extrinsic aspirants consider material wealth, physical attractiveness, and reputation or celebrity to be more worthy or important life goals. Nonetheless, goals including community service, meaningful relationships, and personal development come under the category of intrinsic ambitions, which are more likely to indicate favorable results like job satisfaction and wellbeing (Deci et al., 2017).

2.4 Motivational Theories

These models can be classified into two types, according to Brooks (2009): content and process theories. Accordingly, content theories are regarded as the first precise models of human motivation, scholars continue to devote a significant deal of attention to them.

2.4.1 Content Theories of Motivation

Upon initial examination, motivation theories typically reveal that their foundations lie in people's needs and desires (Fisher, 2009).

The research is adopted from the different motivational theories Incentive Theories, Vroom's Theory of Expectancy, Abraham Maslow's Theory of Hierarchical Needs, Theory X and Theory Y of McGregor, Alderfer's Erg Theory of motivation.

2.4.2 Abraham Maslow's Theory of Hierarchical Needs

In the field of motivation studies, Maslow's 1943. theory of need hierarchy is one of the most well recognised content theories. According to Maslow, behavior is influenced by five essential human needs: esteem, safety, social, physiological, and self-actualization requirements. Luthans

(2011), claims that he represented human motivation by creating a pyramid to demonstrate this. According to him, the base of the pyramid is made up of basic requirements, and unless those needs are satisfied, people won't think about moving towards higher-level demands.

2.4.3 Theory X and Theory Y of McGregor

Managers who buy into Theory X must believe that their team members are unmotivated, don't love what they do, and are incapable of accepting accountability for their performance. According to Theory Y managers, workers who are motivated to work independently, take pleasure in their work, see it as a challenge, and desire to achieve more can concentrate their efforts.

2.4.4 Vroom's Theory of Expectancy

A person's expectations for the future affect their motivation, as per Vroom's motivation theory based on expectation. Expectations have an effect on people's drive. In this instance, the belief is that more effort equals better achievement. The assumption that if you work hard, you will gain from the result is what is meant by instrumentality in this context. To maintain and enhance employee motivation, managers must consider and handle the incentives and work's valence, instrumentality, and expectancy components (Vroom, 1964; Erez & Isen, 2002; Brooks, 2009; Ku çu ko zkan, 2015).

2.4.5 Incentive Theory

According to the theory, incentives and consequences have an impact on how workers behave at work. As such, these serve as the main drivers behind people carrying out particular actions and accomplishing particular objectives. For example, bonuses are sums of money given to employees as a thank you for their exceptional job. An opportunity is a type of compensation that people receive for investing in training or ongoing education to advance their skills and knowledge. A rise in income, a better position, or a promotion can all make employees feel appreciated and advanced. Offering paid time off, extra vacations for emergencies, or reimbursement for scheduled trips are ways to boost employee happiness.

2.4.6 Alderfer's Erg Theory

The theory divided Maslow's five degrees of need into three categories. These, along with items like sustenance and housing, are the requirements of life. The growth demonstrates the intrinsic demand for one's development by self-worth, accomplishment, and certainty. It demands morals, inventiveness, and abilities to solve problems. Relatedness research includes social connections, family dynamics, material assets, and love-related criteria. Unlike Maslow's sequential method, Alderfer's ERG Theory recognizes that wants can be addressed at many levels concurrently rather than rigidly in a hierarchy (Brooks, 2009).

2.5 The Relationship of Transformational Leadership and Employee Motivation

Research on the topic indicates that transformative leadership greatly increases motivation. The results of studies by Sun and Leith wood (2015), Chan et al. (2019), Charoensukmongkol and Puyod (2021), and Dewi et al. (2022) corroborate the hypothesis of transformational leadership and its effect on employee motivation. Most studies' conclusions show that a transformational leadership approach has a favorable effect on Transformational leadership is the behavior of leaders who inspire their team members to go above and beyond organizational expectations (Bass, 1985; Avolio et al., 2009; Robbins & Judge, 2018). Ideal influence, intellectual curiosity, and transformative leadership values stimulation, individual consideration, and inspirational drive ("four" I's") all result in workers putting forth greater effort, producing more, boosting satisfaction and morale, enhancing organizational performance, reducing attrition and absenteeism, and enhancing organizational flexibility (Robbins & Judge, 2017).subordinates' motivation (Sougui et al., 2016).

Transformational leadership is a process that both transforms and inspires followers. It awakens their larger potential, persuades them of the importance of work outcomes, and motivates them to put the interests of the team or organization ahead of their own. specifications (Yulk, 2010). Bass (1996) asserts that transformational leadership plays a vital role in motivating people to go above and beyond what is expected of them. Because they respect, trust, and appreciate their employer, employees are motivated to work harder for the organization (Avolio & Bass, 2001; Yulk, 2010).

Positive and substantial effects on motivation are produced by transformative leadership. Given that transformative leadership processes change individuals (Northouse, 2016). The fundamental principles of transformational leadership encompass leading by example, inspiring others, and encouraging the full potential of each follower (Kammerhoff et al., 2019). Transformational leadership is an essential component that motivates individuals to surpass expectations (Bass, 1996). Leadership has the power to increase morality and motivation in both followers and leaders (Northouse, 2016).

Because they respect, trust, and value their leaders, employees are motivated to work harder for the organization (Avolio & Bass, 2001; Yulk, 2010). That's why transformative leadership determines motivation.

2. 6 The Effect of Transactional Leadership style on Employee Motivation

Supervisors can control subordinates by using transactional leadership to manage their wants and interests, according to Bass (1985). When management gives diligent employees fair and consistent rewards, the faith of employees in their superiors grows. This trust affected the employee's readiness to follow supervisory instructions.

The transactional leadership approach places a strong emphasis on the trading relationship between leaders and followers (Northouse, 2018). By implementing a system of incentives and sanctions, the leader in this approach maintains consistency and achieves objectives. When someone performs well, the leader rewards them with bonuses, increased income, promotions, and recognition; when they perform poorly, they receive punishments including salary reductions, warning letters, reprimands, and terminations.

2.7 The Impact of Laissez Faire Leadership style on Employee Motivation

Judge and Piccolo (2004) found a negative relationship between a laissez-faire leadership style and subordinate motivation. In agreement with Judge and Piccolo's findings, Webb (2003) found a negative association between laissez-faire leadership and subordinate motivation. Conversely, Baruto (2005) found that leaders' laissez-faire leadership style and subordinate motivation were positively correlated. Laissez-faire leadership is a non-interventionist approach where managers provide employees minimal guidance and let them make their own decisions. This style of

leadership has sparked a great deal of discussion in the domains of management and organizational behavior. One crucial area of research has been the impact of laissez-faire leadership on employee engagement. The relationship between motivation and laissez-faire leadership will be examined in this essay, along with the positive and negative effects that this leadership style can have on employee engagement, motivation, and productivity within a company. Knowing how motivation is affected by laissez-faire leadership can provide managers and leaders with important insights to improve their management approach and create a motivated and productive work environment

2.8 Review of Empirical Studies

Effective leaders communicate with their teams. Motivating and inspiring their team members is achieved by explaining the "why" behind the task. Teams may comprehend the significance of their work and find purpose in accomplishing the goals when they are aware of the vision and goals. Rewards, recognition, and incentives all have a strong motivating effect.

At the most basic level, there is a connection between motivation and leadership. Leadership theories imply that leaders have a big impact on the outcomes of people, teams, and organizations. Moreover, it is thought that inspiring followers is the primary means by which leaders impact others. Thus, to get better outcomes, leaders should motivate their followers more (Harrell, 2008).

The productivity of an organization is influenced by the leadership style selected (Ukaidi, 2016). The status is safeguarded and maintained under passive management-by-exception; in laissez-faire leadership, the status is ignored since the leader effectively avoids oversight and decision-making responsibilities. However, the finest leadership style in the twenty-first century turns out to be laissez-faire. A laissez-faire leader doesn't interfere in the personal matters of their followers and exerts very little control over the group. There is virtually little interaction between the group leader and its members. A group led by someone with a laissez-faire attitude finds it difficult to stay motivated or find any direction at all. Motivation is the capacity of people, organizations, and communities to carry out activities, settle conflicts, and set and achieve goals. Those who are motivated are activated or energized toward a goal (UNDP, 2014). Motivating employees to do their work at a satisfactory or better level can be challenging. Employees are

motivated when they are pleased with their jobs and have a personal drive to finish projects. Employees who aren't driven to succeed at the firm have a bad effect on other employees, which could directly affect the performance of the business. Workplace Unhappiness that leads to a lack of drive can be harmful. It can be difficult to complete a task if you are not motivated. Low motivation lowers productivity, and other employees may feel under pressure to finish tasks that they haven't finished. Encouragement increases employees' understanding of their worth. Underperforming employees can eat up an owner's valuable time, and handling abandoned or postponed projects can directly affect the owner's bottom line. The morale of the entire office could be badly impacted by one unmotivated worker. Employee resignations may result from their discontent with their positions (C.2017; Eugene Franco). Alkahtani (2016) asserts that by clearly conveying high standards, inspirational and motivating leaders encourage a sense of teamwork and excitement among their followers.

2.9 Conceptual Framework of the Study

This reaserch investigates that perceived connection between staff motivation and leadership styles motivation in Goh Bethoch Bank S.C. Specifically, the research analysis the relationship between transformational, transactional, and laissez-faire laesdership style) as independent varable and employee, intrinsic and extrinsic motivation as dependent variables .

The following diagram depicts the conceptual framework used in this investigation.

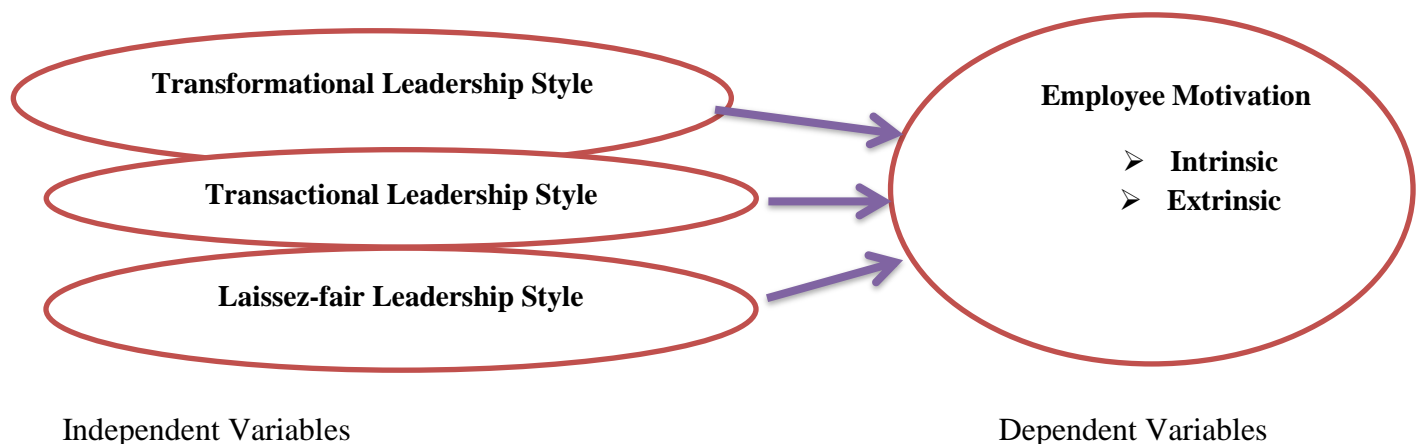


Figure 2.1 Conceptual Frame work of the study

Source: Eden Teklay (2019). The influence of leadership style on employee motivation,P. 20

CHAPTER THREE

3.1 Introduction

This chapter describes, the research approach and design, target population, determination of sample size, sampling technique and the model, the data collection instrument, method of data analysis, validity and reliability of the data ethical consideration and the measurement.

3.2 Research Design

The research designs are the methods for gathering, evaluating, and interpreting the data. known as the (Creswell and Plano Clark 2007, p. 58). The method for gathering and analyzing the necessary data, as well as how the data will be used to address the research question, are all outlined in the study design (Grey, 2014). This reaserch used both descriptive and explanatory type of study. The purpose of descriptive study is to provide a picture of a situation, person, or event or show how things are related to each other and as they naturally occur (Blumberg, Cooper, and Schindler 2005). However descriptive studies cannot explain why an event has occurred and is much suitable for relatively new or unexplored research studies(Punch 2005). On the other hand explanatory studies set out to explain and account for the descriptive information descriptive studied may ask what questions, and explanatory studies seek to ask why and what questions (Grey 2014). The study identifies the underlying causes and connections between various variables. It aims to clarify the causes of specific phenomena and their relationships to other variables. It describes how employee motivation is measured by several leadership styles, including transactional, transformational, and laissez-faire in GBB.

3.3 Research Approach

The research approach is a plan and procedure that consists of broad steps toward data collection, analysis, and interpretation.

A researcher of quantitative study will mutinously record and verify information which is almost always in numerical form and usually transfer the data into computer-readable format (Neuman,2006,p 48). It is standard for scientific investigation, gathering quantitative information, and the activities applying statistical techniques. Creswell (1994) defines the

quantitative approach is an inquiry into an asocial or human problem, based on testing theory composed of variables, measured with numbers, and analyzed with the statistical procedure.

This study analysis transformational, transactional, and lassies fair leadership styles as independent variables and intrinsic and extrinsic employee motivation as dependent variables.

3.4 Description of study Variables

This reaserch describes three types of leadership styles transformational, transactional, and lassies fair and employee intrinsic and extrinsic motivation were analyzed. An independent variable is an attribute or characteristic that influences or affects an outcome or dependent variable (Creswell, 2012:116). Dependent variable is an attribute or characteristic that is dependent on or influenced by an independent variable (Creswell, 2012:115).

3.5 Description of the Study area and the Target Population

This reaserch were conducted in Addis Ababa Bole Branch (Head Office), which is located in Bole Rwanda, the former Japan Embassy Abderuf plaza, Arat Kilo Branch, CMC Branch Megenagna Branch, Lebu Branch, and outline cities Bahir Dar Branch, Dire Dawa Branch, Hawassa Branch, and Adama Branch.

The target population constitutes a subset of the broader population being investigated characterized by specific attributes or criteria directly relevant to the research inquiry(Alvi,2016).

GBB has currently 200 employees which include in all positions CEO, Chief officers, Directors, Managers, Senior, Officers Juniors, and Trainees, and which is found in all branches in Addis Ababa and outline Branches.

3.6 Sampling Technique, Method, and Sample Size

In this study, simple random sampling method are used together with the probability sampling technique. In order to distribute the questioners, firstly, gather the all employees of in GBB demographics data from Human Capital Management Department a sample frame and sorting the data based on their own position, salary, and total years of experience then randomly select

the respondents. After randomly selected from the sample frame then distributing the questioners for the respondents each and every respondents have have equal chanceof probability to be selected.

Acharya (2013) asserts that under a basic random sampling technique, each person has an equal probability of being chosen for inclusion in the population sample. In surveys and quantitative research designs, simple random sampling is frequently employed (Rahi, 2017).

GBB has a total population of 200 employees with 11 departments and 9 Branch's each Department has its hierarchical level of positions and the branch has a maximum of 6 employees including the branch manager. The questionnaire survey is focused on all employees in all departments, branch, and positions. To establish the right sample size, three parameters typically need to be stated in addition to the population size and study purpose: the degree of accuracy, the degree of variability in the characteristics being measured, as well as the degree of confidence or risk (Miaoulis and Michener, 1976).

The study used Yamane's (1967) formula with 95% confidence and 5% allowable sampling error to calculate the population's sample size. Out of the 200 employees, 133 were selected as a sample using the formula below.

$$n = \frac{N}{1+N(e^2)}$$

Where: N = is the number of total population

n = is a sample size

1= is a constant

e² = is the estimated standard error which is 5% for 95% confidence level

$$= \frac{200}{1+200(0.05)^2} = 133.33$$

Therefore, the total sample size is **134**

3.6 Data Collection Source/Type and Instruments

The method of data collection for this study was determined to be the questionnaire. Information used for research analysis was acquired from primary and secondary sources. Open-ended questions were used to gather the primary data. Of all the data collection methods used for surveys, the questionnaire is most likely the most popular. The purpose of the questionnaire was to address the goals and research questions.

The Multifactor Leadership Questionnaire (MLQ) and motivating questions with an emphasis on extrinsic and intrinsic factors were employed in the study. The third edition of the Multifactor Leadership Questionnaire (MLQ), published by Bass and Avolio in 2004, was modified and utilised to measure the leadership behaviours and styles of supervisors. From the three independent variables; transformational, transactional and laissez faire leadership style 24 questionnaires were developed and understandable by the respondents with 5-point Likert scale. The Workplace Extrinsic and Intrinsic Motivation Scale was used for the intrinsic and extrinsic questions; the scale was converted into a 5-point Likert by splitting the questions into 8 questions, and the respondents were asked to select the response they believed to be the most appropriate. The secondary data was gathered from the company's annual reports, proclamations, brochures, manuals, and human capital management procedures and websites.

3.7 Data Analysis /Model/ Technique and Software

To put it simply, data analysis is the act of turning the collected data into insightful knowledge. To address the decision-making process, several strategies are used in this process, such as modeling to identify trends, correlations, and ultimately conclusions (Start, 2006). The descriptive analysis condenses the facts into a straight forward presentation on Univariate and bivariate analyses are two categories into which this technique falls (Taherdoost, 2021).

Explanatory analysis aims to clarify research questions about correlations, linkages, and patterns between different variables (Taherdoost, 2014; Taherdoost & Madanchian, 2020).

The study was conducted using the Statistical Package for Social Science (SPSS) version 25 and employed both the descriptive analysis and the model for analysis. Correlation and regression

analysis are also used in the study to examine the relationship between employee intrinsic and extrinsic motivation and the three leadership styles transformational, transactional, and laissez-faire. Correlation can be used to summarise the degree and strength of a relationship between two or more values. Numerical reactions between variables can be predicted, optimised, or explained with the use of regression.

$$\text{Regression Model: } Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$$

Where: Y = Employee Motivation X1 = Transformational Leadership Style

X2 = Transactional Leadership Style, X3 = Laissez-faire Leadership Style,

β_0 = Coefficient of Independent Variable, and ϵ = Error Margin.

3.8 Reliability and Validity Analysis.

For this research, the primary goal of a validity and reliability analysis is to ascertain whether the conclusions drawn from the assessment's findings are relevant and fulfill the intended function. Every time I use multiple guidelines and processes, construct validity and reliability are involved, and a particular attribute needs to be measured. The consistency of the research is analysis by reliability, and we measure accuracy by validity

3.9 General Reliability test

Table 3.1 Reliability Test

Statistics of Reliability			
s/n	Variables	Cronbach's Alpha out put	Number of Items
1	Transformational Leadership style	0.809	12
2	Transactional Leadership style	0.701	6
3	Laissez-faire Leadership style	0.837	6
4	Motivation	0.76	8
Average		0.777	32

Source: Own Survey Questioner 2024

The internal consistency of the scale's items increases when the Cronbach's alpha coefficient approaches 1.0, as indicated by a number between 0 and 1.

The rules, as presented by George and Mallery (2003), are as follows: ≥ 9 Excellent, ≥ 8 Good, ≥ 7 Acceptable, ≥ 6 Questionable, ≥ 5 Poor, and ≤ 5 Unacceptable. As a result, the 0.777 result shows that the research's reliability is acceptable.

3.10 Ethical Consideration

The research was carried out with a focus on ethical obligations. This involved correctly citing sources, informing participants about the study's objectives and how the data would be utilized, as well as presenting the results in an unbiased manner. The data collected was kept confidential through the investigator.

When utilising someone else's ideas, correct acknowledgment must be given (Creswell, 2009). In this sense, any resources that belong to another person or group have been duly acknowledged. Finally, the researcher will provide a copy of the finished report to the appropriate department and has taken all required measures to ensure that research participants won't experience any bodily or psychological harm.

In order to do research in an ethical manner, one needs to be aware of the benefits and hazards involved, protect the rights of human subjects, have informed consent, and be knowledgeable about the laws and policies that control this activity.

CHAPTER FOUR

4.1 Response Rate Analysis

In order to carry out this study, 134 questionnaires were sent to the participants. Of those, 124 (92.53%) had a response rate that could be gathered from the corresponding respondents; the remaining 10 (7.46%) could not be collected.

4.1.1 Data Analysis and Interpretation

After the data was collected, this research was examined utilising statistical methods. After being categorised and streamlined, the pertinent data was imported into the SPSS software for analysis and presentation as the final product. The SPSS software, version 25, was used to perform descriptive and inferential analyses. The descriptive analysis was used to calculate the mean and standard deviations of respondents' answers to leadership style questions in order to identify the dominant or prevailing style of leadership in Goh Bethoch Bank S.C. To summarise the respondent profile in terms of frequency and percentages, a frequency and percent table was employed. After that, the link between leadership style and employee motivation was examined, and the regression analysis technique was utilised to investigate the effect of leadership style on employee motivation.

4.1.2 Demographics Characteristics of the Respondents

This part includes information about the respondent's gender, marital status, educational background, years of experience, position, and salary..

Frequency and percentage were used to present the descriptive statistics results for the respondents' demographic attributes.

Table 4.1 Personal Information of the respondents

		Frequency	Percent
Gender	Male	82	66.1
	female	42	33.9
	Total	124	100.0
Yrs of Experience	18-25 years	17	13.7
	26 -30 years	28	22.6
	31-35 years	51	41.1
	36 -40 years	11	7.5
	41-45 years	9	7.3
	46-50 years	6	7.5
	Above 51 Years	2	0.3
	Total	124	100.0
Marital States	single	63	50.8
	marred	61	49.2
	Total	124	100.0
Education	certificate	2	2.48
	diploma	2	2.48
	degree	85	66.82
	masters and above	35	28.22
	Total	124	100
Position	Jr. Officer	33	26.6
	Officer	33	26.6
	Sr. Officer	37	29.8
	manager	12	9.7
	Director and above	9	7.3
	Total	124	100.0
Experience	below 5 years	78	62.9
	5-10 years	20	16.1
	11-15 years	11	8.9
	16 -20 years	7	5.6
	Above 21 years	8	6.4
	Total	124	100.0
Salary	below 15,000	24	19.4
	15,001-25,000	20	16.1
	25,001-30,000	43	34.7
	30,001-40,000	29	23.4
	40,001-60,000	7	5.6
	above 60,000	1	0.8
	Total	124	100.0

Source: own survey 2024

From the above data survey, most responders are in the age range of 31 to 35.. 51(41.1%) of the respondents secondly, the age between 26-30 yrs. is 28(22.6%) of the respondents, the third one is 36-40 yrs. of the respondents 19(15.3%). Fourthly 18-25 yrs. 17(13.7%) lastly,46-50 years 6(7.5%)and Above 51 years 2(0.3%) of the respondent's.

From this survey decided that, the respondents are young and productive energy which is important to motivation in the work place. Thus, age might explain shifts in employees attitudes at work by impacting their needs, aspirations for the future, and values at a certain point in their lives. Academics have proposed explanations for the age-related changes in work-related attitudes.

The table shows that 63(50.8%) of the respondents are single and 61(49.2%) & of the questionnaires' are filed by married employees.

The foundation of a family connection is an employee's marital status, and marital satisfaction is a subjective or objective indicator of a person's overall marital status that influences motivation.

According to the table, 85 respondents, or 66.72%, have a first degree. Secondly 35(28.22%) of the respondents have masters and the rest 2.48 were certificates and diplomas equally 2(2.48) respondents. The survey indicates that the majority of the respondents are educated. This educational level of employees have impact on motivation in the work place.

The Survey shows that 37(29.8%)of the respondents have Sr. Officers.33(26.6%) of the respondents have Jr. Officers and officers which have equal proportionate of the respondents 12(9.7%) and 9(7.3 %) of the respondents have Managers and Director and above levels. This indicates that there are proportionate job positions which increases the motivational environment in the company.

According to the table below 5 yrs. 8(62.9%) of the total respondents. Secondly 20(16.1%) of the respondents have 510 yrs. The data indicates that 11(8.9%) 7(5.6%)and 8(6.4%) 11-15 yrs,16 - 20yrs and Above 21yrs. experience respectively.

Work experience is defined as a workforce's capacity to carry out a certain activity; it is demonstrated by the tasks that need to be done and the time required to achieve them (Yuniarsih and Suwanto) (2013: 117). A person's work experience is a gauge of their length of employment.

Employment history, measured in years. Employees having prior work experience attest to their suitability for the role. It can also be used to show the duration of employment. A person is more trained and skilled at completing all tasks the more work experience they have.

According to the survey data, the organisation has experienced workers who have inspiration among their coworkers.

The Table shows that 43(34.7%) of the questioners were filed whose a salary between 25,001-30,000 secondly 29(23.6%) of the respondents were filed with 30,001-40,000 thirdly 24(19.4 %) of the respondents below 15,000 payable and lastly 7(5.6 %) and 1(0.8%) of the respondents files 40,001-60,000 and above 60,000 respectively.

Decenzo et al. (2007) claim that modern workers want more than just income or compensation they want extra considerations that will make their lives better. Fair talent distribution and experienced pay are therefore crucial for the business.

4.1.3 Respondents, Views, and Perceptions of Transformational Leadership Style

Though most authors (Gardner & Avolio, 1998; Klein & House, 1995; Shamir et al., 1993) agree that transformation leadership style is an interactive phenomena, most research questions have concentrated on the leader's behaviour, which is usually assessed by the followers' reactions.

Empirical data indicates that characteristics of followers, including beliefs and desires (Ehrhart & Klein, 2001) or implicit leadership theories (Schyns & Sanders, 2004), influence how transformative leadership is viewed and attributed. Follower characteristics can impact a style's perception as well as its acceptance.

Table 4.2 Descriptive Statistics Transformational Leadership style of the Respondent

Idealized Influence (II)										
		SD	D	N	A	SA	Total	Mean	Std. Deviation	
1]My Manager can create a positive atmosphere for those around him/her.	Frequency	3	13	32	28	48	124	3.85	1.127
		Percent	2.4	10.5	25.8	22.6	38.7	100.0		
		Frequency	2	12	23	24	63	124	4.08	1.109
2	I have absolute trust in my supervisor.	Percent	1.6	9.7	18.5	19.4	50.8	100.0		
		Frequency	3	30	23	48	20	124	3.42	1.098
3	I take great pride in being affiliated with my supervisor.	Percent	2.4	24.2	18.5	38.7	16.1	100.0		

Inspirational Motivation (IM)										
1	My Manager motivates me to explore innovative and novel approaches to accomplish our objectives.	Frequency	4	11	29	69	11	124	3.58	0.893
		Percent	3.2	8.9	23.4	55.6	8.9	100.0		
2	My Manager presents visually appealing images of our potential.	Frequency	7	20	25	19	53	124	3.73	1.314
		Percent	5.6	16.1	20.2	15.3	42.7	100.0		
3	My Manager inspires me to exceed my expectations.	Frequency	15	18	14	18	59	124	3.71	1.480
		Percent	12.1	14.5	11.3	14.5	47.6	100.0		
Intellectual Simulation (IS)										
1	My Manager cultivates a setting that promotes and supports learning and development.	Frequency	9	19	25	15	56	124	3.73	1.364
		Percent	7.3	15.3	20.2	12.1	45.2	100.0		
2	My Manager encourages me to approach problems with fresh and inventive perspectives.	Frequency	5	12	28	54	25	124	3.66	1.035
		Percent	4.0	9.7	22.6	43.5	20.2	100.0		
3	My Manager encourages individuals to reconsider concepts that they had previously taken for granted.	Frequency	3	17	15	30	59	124	4.01	1.172
		Percent	2.4	13.7	12.1	24.2	47.6	100.0		
Individual Consideration (IC)										
1	My Manager shows a sincere concern for both my personal and professional growth.	Frequency	4	9	26	25	60	124	4.03	1.133
		Percent	3.2	7.3	21.0	20.2	48.4	100.0		
2	My Manager shares his/her viewpoints regarding our progress with others.	Frequency	6	11	22	73	12	124	3.60	0.954
		Percent	4.8	8.9	17.7	58.9	9.7	100.0		
3	My manager is readily available and easy to approach, whenever I require assistance or advice	Frequency	7	19	47	23	28	124	3.37	1.158
		Percent	5.6	15.3	37.9	18.5	22.6	100.0		

Source: own survey 2024

From the above survey data, the **Idealized Influence** questions the respondents I have absolute trust in my supervisor have the highest mean and St. deviation value of the result is **4.08** and std. deviation of **1.10** this indicates actions such as demonstrating that the leader values the group's interests over the interests of the individual. The effectiveness of a supervisor relies on the trust established, which is a matter specific to the local context. Creating a culture of trust within your work group does not require any authorization. Ultimately, employees are motivated by the actions you take, and that holds the utmost significance for those who work under your supervision, that employee's trust in the supervisor has increased motivation. On the other hand, I take great pride in being affiliated with my supervisor have the lowest mean and st. deviation which is **3.42** and **1.09** this indicates that Recognizing the significance of your contributions in the workplace can boost your drive and sense of accomplishment. For instance, grasping how a particular assignment impacts your team's objectives could inspire you to excel in completing that assignment. It is essential to reflect on the impact of your work environment. External

elements, like income, can impact the level of pride you feel towards your work on motivation. Reflecting on this external factor regularly can serve as a reminder of your work's purpose and help cultivate a stronger sense of pride in your job and accomplishments. My manager motivates me to explore innovative and novel approaches to accomplish our objectives have the lowest mean and st. deviation of **3.58** and **0.893** respectively. This indicates that motivated employees are more likely to be engaged, devoted, and even eager to go to their supervisors and the company as a whole.

The **Inspirational Motivation** questions that the respondents of mean and std. deviations of manager presents visually appealing images of our potential. have the highest mean and std. duration is **3.73** and **1.31** respectively. Employee completes their tasks promptly, demonstrate dedication, and actively seek out chances to acquire new skills and advance in their profession. As a result, managers must inspire their employees to cultivate a culture of diligent work. Consequently, managers possess the most current knowledge regarding their employees' work patterns, rendering them the ideal individuals to oversee employee motivation. Therefore, giving direction to managers is increasing motivation.

In **Intellectual Simulation** The overall mean and std. deviation value of the result of the manager encourages individuals to reconsider concepts that they had previously taken for granted **4.01** and 1.172 respectively. According to Is'haq (2008), an intellectually stimulating leader demonstrates the extent to which he inspires his subordinates to be innovative in approaching old challenges in fresh ways and fosters an atmosphere that is tolerant of seemingly managers have a critical role to find out what each employee cares about this is results in increase employee motivation. On the other hand, my manager encourages me to approach problems with fresh and inventive perspectives have the lowest mean and st, deviation of **3.66** and **1.03** respectively.

Individual Consideration is the highest mean and Std. deviation on manager shows a sincere concern for both my personal and professional growth. Whose value is **4.03** and **1.13** respectively, This indicates that A performance review's input can be a priceless tool for both professional and personal development. It's imperative to express gratitude to your supervisor for their insightful comments and helpful critiques for inspiring motivation. On the other hand, my

manager is readily available and easy to approach, whenever I require assistance or advice has the lowest mean and std. deviation of **3.37** and **1.158** respectively

4.1.4 Respondents, Views, and Perceptions of Transactional Leadership Style

As to Straker's (2009) assertion, the transactional leader establishes unambiguous frameworks that delineate the expectations of their subordinates and the benefits they accrue from complying with directives. Although they are not frequently discussed, punishments are also widely accepted and Usually, there are established formal systems of discipline.

Table 4.3 Descriptive Statistics Transactional Leadership style of the Respondent

Contingent reward											
			SD	D	N	A	SA	Total	mean	St. deviation	
1	My Managers feel content when I fulfill the expectations placed upon me	Frequency	3	19	53	25	24	124	3.387	1.04149422	
		Percent	2.4	15.3	42.7	20.2	19.4	100.0			
		Frequency	6	32	23	34	29	124	3.387	1.23439645	
2	My Manager examines the precise factors accountable for meeting performance goals.	Percent	4.8	25.8	18.5	27.4	23.4	100.0			
		Frequency	2	41	42	28	11	124	3.04	0.99100994	
3	My Managers clearly outline the rewards that can be anticipated upon successful attainment of performance objectives.	Percent	1.6	33.1	33.9	22.6	8.9	100.0			
		Management by exception (MBE)									
1	The agreed-upon standards are consistently met by others, which always pleases my supervisor.	Frequency	1	12	35	30	46	124	3.871	1.05126901	
		Percent	0.8	9.7	28.2	24.2	37.1	100.0			
2	My Managers focuses entirely on addressing errors, grievances, and setbacks		SD	D	N	A	SA	Total			
		Frequency	3	11	31	35	44	124	3.855	1.07969846	
		Percent	2.4	8.9	25.0	28.2	35.5	100.0			
3	My Manager shows that I only address issues once they have persisted for a long time.	Frequency	10	16	23	35	40	124	3.637	1.27728547	
		Percent	8.1	12.9	18.5	28.2	32.3	100.0			

Source: own survey 2024

According to Robbins (2007), transactional leaders make use of social exchange in their transactions. Using management by exception and contingent rewards, Abdul & Husnian (2012) demonstrate the effectiveness of transactional leaders. According to the above data the respondents **Contingent Rewards** clearly outline the rewards that can be anticipated upon successful attainment of performance objectives the mean and St. deviations value are **3.38** and **1.23** respectively. This shows that rewards up on successful attainment have increase employee motivation. On the other hand, my managers clearly outline the rewards that can be anticipated

upon successful attainment of performance objectives have low mean and St. deviation of **3.04** and **0.99** respectively.

The **management by exceptions** questions for managers focus entirely on addressing errors, grievances, and setbacks have the highest mean and St. Deviation of **3.87** and **1.05** respectively. This indicates that focusing on grievances and errors increases employee motivation. On the other hand, my manager shows that I only address issues once they have persisted for a long time and have low mean and st. deviation **3.63** and **1.27** respectively.

4.1.5 Respondents, Views, and Perceptions of Lassies Faire Leadership Style

In evaluations of this leadership style's disadvantages, the mechanisms and contextual limitations related to its outcomes have drawn less focus than the immediate results of laissez-faire leadership (Bass & Bass, 2008). One important component of the laissez-faire leadership style is employee aptitude; if employees lack expertise in their industries, their performance will suffer. This approach is incorrect if attaining exceptional performance is the main goal. Employees are not motivated, inspired, or have a clear sense of where they fit in the organisation.

Table 4.4 Descriptive Statistics Lassies faire Leadership style of the Respondent

								Me3an	St. D	
		SD	D	N	A	SA	Total			
1	My manager gives subordinates the freedom to solve complex problems on their own.	Frequency	8	21	32	29	34	124	3.48	1.239
		Percent	6.5	16.9	25.8	23.4	27.4	100.0		
2	When subordinates are working, my manager expects me to keep out of their way.	Frequency	6	12	57	35	14	124	3.31	0.966
		Percent	4.8	9.7	46.0	28.2	11.3	100.0		
3	Typically, my manager permits employees to evaluate their performance.	Frequency	5	23	48	14	34	124	3.40	1.188
		Percent	4.0	18.5	38.7	11.3	27.4	100.0		
4	My manager allows their subordinates full autonomy to independently address issues.	Frequency	6	12	63	36	7	124	3.21	0.877
		Percent	4.8	9.7	50.8	29.0	5.6	100.0		
5	My manager thinks that most of the time, employees want minimal involvement from the leader	Frequency	5	12	31	52	24	124	3.63	1.032
		Percent	4.0	9.7	25.0	41.9	19.4	100.0		
6	It is imperative that managers assist their subordinates in taking ownership of finishing their work.	Frequency	5	12	31	52	24	124	3.55	1.212
		Percent	4.0	9.7	25.0	41.9	19.4	100.0		

Source: own survey 2024

From the above survey, the respondents of managers think that most of the time, employees want minimal involvement from the leader have a high mean and St. Deviation has **3.63** and **1.032** respectively. This indicates the employee's little attention from their supervisor which results in inspiring work motivation in the company. This type of leadership involves delegating tasks to group members and having the group leader skip out on many activities.

For those who work best with little guidance, this might be advantageous; nevertheless, it might cause issues for those who need more guidance to finish jobs quickly and successfully.

On the other hand, my manager allows their subordinates full autonomy to independently address issues and has a low mean and St. deviation value of **3.21** and **0.87** respectively. This shows that allowing employees to work as it suits them is a key component of workplace autonomy. Thus, employees who have autonomy from their supervisor at work are free to choose how and when to complete their tasks.

4.1.6 Respondents, Views, and Perceptions of Intrinsic and Extrinsic Motivation

Table 4.5 Descriptive Statistics Intrinsic and Extrinsic Motivation of the Respondent

Intrinsic motivation									
		NT	USN T	SOME TIMES	UT	AT	Total		
When I am in the workplace, my focus is entirely on the tasks that need to be completed.	Frequency	2	14	27	57	24	124	3.70	0.963
	Percent	1.6	11.3	21.8	46.0	19.4	100.0		
I have the motivation to give my best every day.	Frequency	2	19	50	23	30	124	3.48	1.071
	Percent	1.6	15.3	40.3	18.5	24.2	100.0		
Am I encouraged to generate innovative and improved approaches to work	Frequency	4	40	24	53	3	124	3.09	0.988
	Percent	3.2	32.3	19.4	42.7	2.4	100.0		
I am inspired to exert more effort into my projects.	Frequency	6	15	25	63	15	124	3.53	1.016
	Percent	4.8	12.1	20.2	50.8	12.1	100.0		

Extrinsic Motivation									
I find myself pondering this inquiry, as I appear to lack the capability to effectively handle the significant responsibilities associated with this	Frequency	4	27	77	12	4	124	3.81	0.642
	Percent	3.2	21.8	59.1	9.7	6.4	100.0		
If I fail to succeed in this job, I will feel immense shame as I am determined to excel in it.	Frequency	1	14	68	25	16	124	3.33	0.872
	Percent	0.8	11.3	54.8	20.2	12.9	100.0		
This is the kind of job I selected to achieve a specific lifestyle.	Frequency	4	23	24	51	22	124	3.52	1.086
	Percent	3.2	18.5	19.4	41.1	17.7	100.0		
I am burdened with excessive expectations	Frequency	4	15	29	34	42	124	3.77	1.141
	Percent	3.2	12.1	23.4	27.4	33.9	100.0		

Source: own survey 2024

Work outcomes that give the individual a positive sense of success, relatedness, and a sense of connection with others are referred to as intrinsic motives (Kooij et al., 2011) According to the above data the question when I am in the workplace, my focus is entirely on the tasks that need to be completed have high mean and St. deviation value **3.70** and **0.96**. This indicates that the employees stay in the workplace place complete their duties and responsibilities this shows these employees are extrinsically motivated On the other hand, low mean and set deviation values Are encouraged to generate innovative and improved approaches to work. This shows that

Innovation in the workplace is crucial because it pushes workers to think beyond the box, which naturally encourages development. Employees having the ability to innovate in the workplace could be what makes you stand out from the competition.

According to (Ryan & Deci 2000). Extrinsic Motivation Provides Engaging in an activity due to the enjoyment or stimulation. Based on this, I find myself pondering this inquiry, as I appear to lack the capability to effectively handle the significant responsibilities associated with this and have a high mean and St. deviation of **3.81** and **0.64** respectively. On the other hand, if I fail to succeed in this job, I would feel immense shame as I am determined to excel in it has a low mean and St. Deviation which are **3.33** and **0.87** respectively. This shows that Failure may be unsettling or appear to be personal or professional to the employee, but it can help you succeed

by providing you with possibilities for growth and retrying. Even though it can be difficult, you can utilize failure as a teaching tool that can help you succeed in the future if you can learn to accept and value it.

4.1.7 The Dominant Leadership Style

Transformational leaders are those who may have an amazing influence on their followers and who motivate them to put aside their interests for the benefit of the organization, according to Robbins and Judge (2008). As stated by Yukl (2010),

When followers of a transformational leader experience these emotions trust, admiration, loyalty, and respect they are inspired to go above and beyond what they had originally planned to accomplish..

Table 4. 6 Description of Independent variables

sn	Descriptive Statistics		
		Mean	Std. Deviation
1	Transformation Leadership Style	3.7588	0.67066
2	Transactional Leadership Style	3.5296	0.70744
3	Lassies faire Leadership Style	3.4301	0.81181

Source: own survey 2024

The above table indicates that transformational leadership style is the dominant leadership in Goh Bethoch S.C which is the highest mean and St, deviation **3.7588** and **0.67066** respectively. Employee motivation at work and their impression of the positive effects of change are both increased under transformational leadership, which in turn encourages employees to support change. By doing this, the study contributes to the body of knowledge about the function of transformational leadership during organizational change and raises leaders' awareness of how they might positively impact employees during this process.

4.1.7 The Level of Employee Motivation

The employee's intrinsic drive for success and the extent of external motivational incentives, including bonuses, benefits, and packages affected managers' capacity to effectively alter the level of employees motivation.

Table 4.7 Description of Dependent Variables

sn	Descriptive Statistics		
	Motivation	Mean	Std. Deviation
1	Intrinsic	3.45	1.009
2	Extrinsic	3.61	0.935
3	Average	3.53	0.972

Source: own survey 2024

One of the most important elements in determining an organization's success is employee motivation. Businesses with highly motivated employees are in the top percentile. People are motivated in the workplace by a variety of elements, including rewards, job features, income, working conditions, recognition and appreciation, training and development, job security, performance appraisal, promotion, and leadership. Offering monetary incentives is a popular strategy for inspiring staff members. However, motivation levels among employees are influenced by more than just financial considerations. Employees have varying demands that must be met depending on the individual for them to work harder at their jobs. The motivational variables are identified in this study along with their significance in the process of employee motivation. Additionally, the level of agreement and disagreement between intrinsic and extrinsic motivation is 3.45,1.00 and 3.61,0.93 respectively this indicates that the employees' perceptions and views of the respondents are measured by the level of motivation.

4.2 The Correlation Relationship between Leadership Style and Employee Motivation

Analysis of correlation is a statistical indicator of how strongly two variables have a linear relationship is the correlation coefficient. Its possible values are between -1 and 1. A perfect negative, or inverse, correlation is represented by a correlation coefficient of -1, where values in one series rise while those in the other series drop and vice versa. A straight association, or perfect positive correlation, is shown by a coefficient of 1. A correlation value of 0 indicates the absence of a linear relationship.

The study analyzes the correlation between transformational, transactional, and laissez faire and employee motivation.

The following criteria for determining a relationship's strength were offered by Evans (1999).

$r = 0-0.19$ is regarded as having an extremely weak association.

A weak association is $r = 0.20 - 0.39$.

A moderate association is $r = 0.40 - 0.59$.

A strong association is $r = 0.60 - 0.79$.

It is thought that $r = 0.80 - 1$ is very strong.

Table 4.8 Correlations Analysis

Correlations					
		Motivation	transformation Leadership style	Transactional Leadership style	Lassies fair Leadership style
Motivation	Pearson Correlation	1	.725**	.703**	.400**
	Sig. (2-tailed)		0.000	0.000	0.000
	N	124	124	124	124
Transformational Leadership style	Pearson Correlation	.725**	1	.639**	.380**
	Sig. (2-tailed)	0.000		0.000	0.000
	N	124	124	124	124
Transactional Leadership style	Pearson Correlation	.703**	.639**	1	.388**
	Sig. (2-tailed)	0.000	0.000		0.000
	N	124	124	124	124
Lassies fair Leadership style	Pearson Correlation	.400**	.380**	.388**	1
	Sig. (2-tailed)	0.000	0.000	0.000	
	N	124	124	124	124
**. Correlation is significant at the 0.01 level (2-tailed).					

Source: own survey 2024

Transformational leadership style and motivation have a moderately substantial link, as indicated by the above table.. The majority of research findings indicates transformational leadership style (0.725) has a positive strong impact on the motivation of subordinates (Sougui et al., 2016). Applying a transformational leadership style increases employee motivation in the company.

The data presented in the above tables indicates that GBB leaders who possess transformational qualities are adept at motivating, inspiring, and encouraging employees to excel in a manner that

leads to significant transformations. This ultimately results in a motivated workforce that is empowered to drive innovation and play a crucial part in determining the organization's future success.

4.3 Leadership Style and its Influence on Employee Motivation

One dependent variable and several independent variables can be compared using the statistical technique of multiple regression. Multiple regression technique employs the known values for the independent variables to predict the value of the single dependent variable. Each predictor value's weight reveals how big of an influence it has on the ultimate forecast.

The present investigation examines the relationship between employee motivation and three distinct leadership styles, namely transformational, transactional, and laissez faire.

Table 4.9 Model Summary

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.793 ^a	0.628	0.619	0.37071	0.628	67.64	3	120	0
a. Predictors: (Constant), laissez, transformation, Transactional									
b. Dependent Variable: Motivation									

Source: own survey 2024

The R-value in the table above shows several correlation coefficients between the independent variables laissez faire, transformational, transactional leadership styles and the dependent variable employee's extrinsic and intrinsic motivation.

The value of R-squared indicates how well a linear regression model "fits" a given dataset. The percentage of the variance in the response variable that can be explained by the predictor variable is called the R-squared, or coefficient of determination.

The range of R-squared values is 0 to 1. When the predictor variable has a value of 0, it indicates that the response variable cannot be explained by it. When the predictor variable has a value of 1, it can fully and precisely describe the response variable.

The table above shows that the value of R Square (R²) total of 0.628, or 62.8%. Value 62.8% indicates that a high positive relation between the variables employee motivation is determined the three independent variables of transactional, lassies faire, and transformatiiona leadership styles, whre as the remaining 37.2% is influenced by variables not examined in the study.

Table 4.10 ANOVA

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	27.887	3	9.296	67.640	.000 ^b
	Residual	16.491	120	0.137		
	Total	44.378	123			
a. Dependent Variable: Motivation						
b. Predictors: (Constant), lassies, transformation, Transactional						

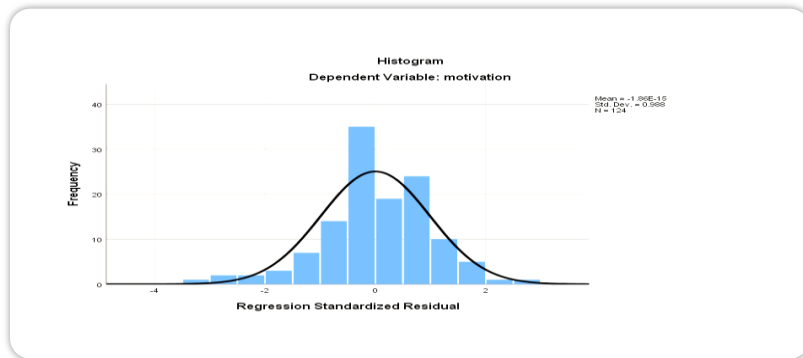
Source: own survey 2024

Overall, the data fits well into the regression model, as indicated by the F value ratio of the ANOVA test. Motivation is significantly influenced by leadership style, as seen by the preceding table, where the f value is 67. 640 and the valueof P is 0.000. This indicates that there is a statistically significant (less than 0.05) relationship between the predictor and the dependent variable. All conventional thresholds of significance are consistent with the model's best fit and reliability, according to ANOVA table the F statistic's p-value is less than the 5% level of significance (0.000).

4.4 Normality Test

The investigator employed the histogram technique to verify that the data was normal. The bell-shaped histogram formed, indicating a normal distribution of the residuals (disturbance or errors). A normal distribution of residuals around the anticipated dependent variable score is required. As shown in the figure below, the dependent variable employee For every value of the independent variables, motivation has a normal distribution. transformational, transactional, and lassies fair leadership style

Figure 4.1 Histogram



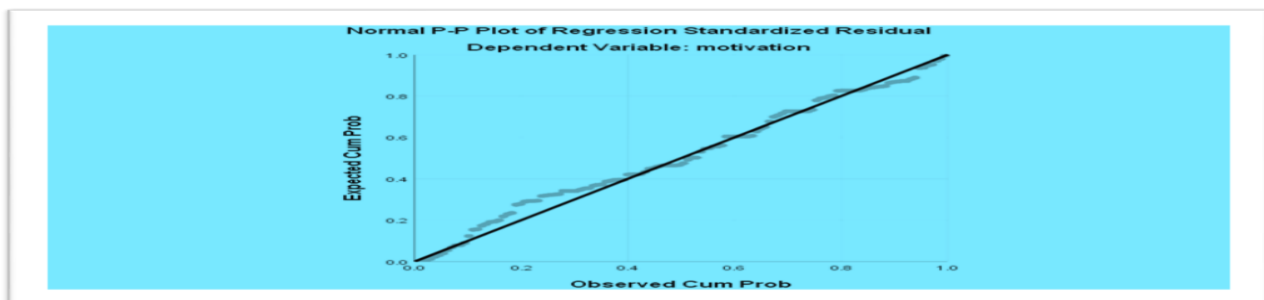
Source: own survey 2024

4.5 Linearity Test

A dependent variable's degree of fluctuation in relation to changes in the independent variables is checked by linearity test. Plotting regression residuals using SPSS software allowed us to examine whether the connection between the dependent variable (employee motivation) and the independent variables (transformational, transactional, and laissez-faire leadership styles) is linear. A linear relationship between the residuals and the anticipated scores of the dependent variable is expected if linearity is present.

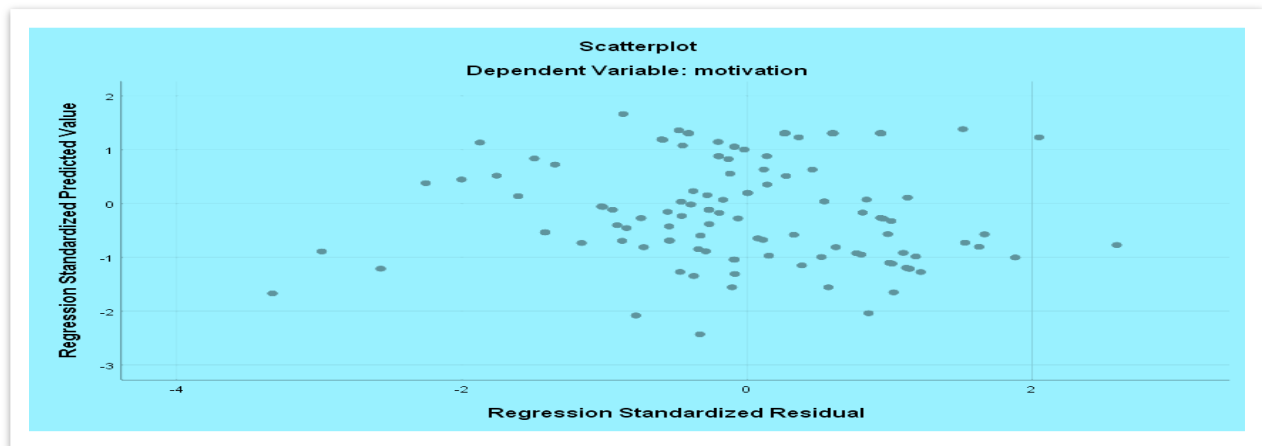
As seen in the below diagram, variations in the independent variables are mostly responsible for the correlation that exists between the dependent and independent variables. The data analysed for this study does not exhibit any problems with linearity, and the residuals follow a straight line.

Figure 4.2 Normal p-p plot of Regression



Source: own survey 2024

Figure 4.3 Scatter Plot



Source: own survey 2024

4.6 Multicollinearity Tests

The correlation matrix and variance inflation factors (VIF) can be used to evaluate multicollinearity. To guarantee the correlation between independent variables, a correlation matrix is utilized (Explanatory variables), and a dependent variable to pinpoint the multicollinearity issue. In different hand, the correlation matrix calculates a matrix of each independent variable's Pearson's bivariate correlations variables as well as the extent of the coefficients of correlation. A factor (VIF) of the linear regression, as opposed to the Variance Inflation, indicates the degree to which the variances in the regression Estimates increase with multicollinearity.

A correlation coefficient of less than 0.843 might not cause major problems with multicollinearity, according to Hair et al. (2006). The table's correlation matrix, whose correlation coefficients (r) range from **0.843** to **1.186**, shows that the independent variables are correlated. The highest correlation coefficient, 0.843, is less than the level recommended by Hair et al. Based on the correlation matrix result, it can be deduced that there is no multicollinearity issue among the independent variables in the model.

Table 4.11 Coefficients of variables

Coefficients ^a			
Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Transformation Leadership style	0.572	1.749
	Transactional Leadership style	0.568	1.762
	Lassies fair Leadership style	0.82	1.22
a. Dependent Variable: Motivation			

Source: own Survey 2024

Field (2005), states that in linear regression, the Variance Inflation Factors (VIF) show how much multicollinearity has magnified the variances in the regression estimates. When the VIF score is higher than 10.0, multicollinearity problems are present.

The researcher concluded that there are no substantial data concerns that would point to a violation of the multiple regressions' assumptions based on the study of the data from the linearity, normality, and multicollinearity tests.

4.4 Coefficient of Dependent and Independent Variable

You may determine if there is a positive or negative connection between each independent variable and the dependent variable by looking at the sign of a linear regression coefficient. A positive coefficient suggests that the dependent variable's mean tends to increase along with the independent variable's value. A negative coefficient indicates a tendency for the dependent variable to drop as the independent variable rises. The effect strength of each independent variable is compared to the dependent variable using a standardized beta coefficient.

Table 4.12 Multiple Regression Coefficient Result

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.661	0.21		3.148	0.002
	Transformational	0.401	0.066	0.448	6.084	0
	Transactional	0.328	0.063	0.387	5.236	0
	Lassies faire	0.059	0.045	0.079	1.29	0.199
a. Dependent Variable: motivation						

Source: own survey 2024

Based on the coefficient of regression, there is significant influence of transformational leadership style on employee motivation in ($\beta=0.448$, $p=.000$). Additionally, the beta coefficient of transformational leadership in the table above shows, a positive and direct relationship between in such types of leadership style and employee motivation, meaning that as the style of leadership grows, so does motivation. The above table demonstrates that transactional leadership style also significantly affected employee motivation at ($\beta=0.387$, $p=.000$). On the other hand, the laissez-faire leadership style shows that ($\beta=0.079$, $p=0.199$). This indicates that laissez-faire leadership style has an insignificant relationship with employee motivation.

Regression Model: $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$

Where: Y = Employee Motivation

X1 = Transformational Leadership Style

X2 = Transactional Leadership Style

X3 = Laissez-faire Leadership Style

β_0 = Coefficient of Independent Variable

ϵ = Error Margin.

Therefore, $Y = 0 + 0.448 + 0.387 + 0.079 + 0.05$

The beta value for transformational leadership is 0.448, according to the survey results shown in the above table. Based on the assumption that all other parameters stay the same, this shows that a 1 percent increase in transformational leadership led to a 44.8 percent rise in employee motivation. The beta value of transactional leadership is 0.387, indicating that, while holding other factors equal, a 1 percent increase in transactional leadership translated into a 38.7 percent rise in employee motivation. Finally, assuming all other variables stay the same, a 1 percent rise in laissez-faire leadership led to a 7.9 percent increase in employee motivation, according to the beta value (B) for this style of leadership, which is 0.079. Based on the regression coefficient (B) findings, transformational leadership has a higher predictive capability for employee motivation

CHAPTER FIVE

5.1 SUMMARY OF FINDING, CONCLUSION AND RECOMMENDATION

The purpose of this study was to examine how leadership style affects worker motivation. After a brief summary of the study's findings, this chapter offers a number of recommendations, discusses the study's limitations, and suggests possible directions for further research.

5.2 SUMMARY OF FINDING

This study aims to investigate the impact of leadership style on employee motivation in the GBB organisation. Specifically, we will measure employee motivation levels, ascertain how employees perceive their managers as leaders, and investigate the relationship between leadership style and employee motivation. Lastly, we will look at the effects of three different leadership philosophies on employee motivation: transformational, transactional, and laissez-faire.

In order to determine what behavior and types of the leaders in GBB and the perspective of its employees and what kind of leaders those employees believe their leaders are in the organisation, the descriptive statistical analysis was able to clarify the objectives mentioned by its frequency and percentage to analyse the respondent's personal demographic information parts and use the mean and standard deviation as the views and perceptions of the respondents.

From the demographic information, 51(41.1%) of the respondents have 31-35 yrs. This suggests that the company employees are young people and creates a better work atmosphere, both of which boost employee motivation. Therefore, age may account for changes in workers' attitudes at work by influencing their needs, goals for the future, and values at a given stage of life. Scholars have put up theories to account for the aging-related shifts in attitudes about the workplace.

According to the data, 37(29.8%) of the respondents were Sr. officers this shows that the senior officer level of employees has more recruited and the promotion from officers to Sr. officers is highly practiced.

From the demographic data, 43 (34.7%) of the respondents have a salary between 25,001-30,000. This indicates that the company has a structured salary scale

The demographic information shows that 78 (62.9%), of the respondents below 5 yrs. Experience indicates that more recruited trainee and Jr. Officer employees in the company.

According to the analysis of the given data, there are four research questions answered to this study.

- I. The research conducted by Sun and Leithwood (2015), Chan et al. (2019), Charoensukmongkol and Puyod (2021), and Dewi et al. (2022) provides evidence in favour of the hypothesis of transformational leadership and its effect on employee motivation.

Most research findings, a transformational leadership style positively affects subordinates' motivation (Sougui et al., 2016).

According to the above result transformational leadership style has a higher mean value than another leadership style which is **3.75**. This indicates that transformational leadership style is highly affected by employee motivation.

Transformational leadership has positive significance ($p=0.00$) and positive correlation ($r=0.725$), this indicates that the relationship between transformational leadership style with motivation is highly practiced in GBB.

The regression coefficient of transformational leadership style had a significant effect on employee motivation in ($\beta=0.448$, $p=.000$), the beta coefficient of transformational behavior in the above table indicates that there is a positive relationship between such type of leadership style & employee motivation which means as the practice of leadership style increases employee motivation also increases.

- II. According to Bass (1985), managers can exert influence over subordinates by managing their needs and interests through a transactional Leadership style. Employee trust in their superiors grows if a manager rewards hardworking staff members fairly and consistently. This trust influenced the worker's willingness to comply with directives from the supervisor.

The above result shows transformational leadership style has a moderate mean value over other leadership styles which is **3.52**. This indicates that the transactional leadership style is highly affected by employee motivation next to the transformational leadership style.

The transactional leadership has positive significance ($p=0.00$) and positive correlation ($r=0.703$), this indicates that the relationship between transactional leadership with motivation is moderately impacted.

The regression coefficient of transformational leadership style had a significant effect on employee motivation in ($\beta=0.387$, $p=.000$), the beta coefficient of transactional leadership style r in the above table indicates that there is a positive & direct relationship between such type of leadership style & employee motivation which means as the leadership style increases employee motivation also increases.

- III.** Judge and Piccolo (2004) discovered a negative correlation between the motivation of subordinates and laissez-faire leadership. Webb (2003) discovered a negative correlation between Laissez-faire leadership and subordinate motivation, which is in line with Judge and Piccolo's findings. On the other hand, Baruto (2005) discovered a favorable correlation between subordinate motivation and leaders' laissez-faire leadership style.

The above result shows Laissez-Faire's leadership style has a lower mean value than another leadership style which is **3.43**. This indicates that Laissez-Faire leadership style has an insignificant effect on employee motivation.

The Laissez-Faire leadership has positive significance ($p=0.00$) and positive correlation ($r=0.400$), this indicates that the relationship between the Laissez-Faire leadership style with employee motivation is slightly impacted.

The regression coefficient of the Laissez-Faire leadership style has an insignificant effect on employee motivation ($\beta= 0.079$, $p=.0199$), and the beta coefficient of transactional leadership style r in the above table indicates that there is a very weak relationship between Laissez-Faire leadership style.

- IV.** Studies show that employee motivation and transformational leadership style have a strong positive relationship (Sahin, Gürbüz, & Sesen, 2017). Based on the above description transformational leadership style is the major influencing variable next to

transactional and laissez faire leadership style. Transformational leadership style is highly practiced in GBB. Next to transformational leadership transactional leadership is influenced employee motivation.

According to Wang et al. (2020), transactional leaders can motivate their teams by clearly communicating goals and providing incentives for reaching them.

5.3 CONCLUSION

This study examines the effect of transformational, transactional, and laissez faire leadership styles on employee motivation. Individual perceptions and views influence the motivations of individuals and groups.

The leadership type regression coefficient result, specifically (transformational leadership style and transactional leadership style were significantly laissez-faire leadership Insignificant on employee motivation. According to this, the most reliable indicator of worker motivation is a transformational leadership style. The outcome of the correlation coefficient between transactional and transformational leadership When it comes to staff motivation, leadership style has a strong and positive relationship, whereas a laissez-faire approach has a poor one.

Managers give the guidance necessary to manipulate an effective leadership style. To sustain business performance, it should be sensitive to employee views that realise a clear vision and goals. Leaders have to keep a positive work environment and are aware of what their followers expect from them.

This research set out to learn how the three leadership styles in banking business sectors affect employee motivation. According to the results, both transformational and transactional leadership styles can increase employee motivation.

Based on the above findings revealed that the two leadership styles transformational and transactional have a positive significant impact on employees' motivation, decision-makers in the banking organization should pay more attention to these leadership styles as it will help motivate employees toward succeeding the desired goals. The findings indicated that work motivation is significantly influenced by leadership style. Therefore, if a good leadership style is appropriately practiced, employees' motivation is directly increased. Therefore, researchers

should good attention to these leadership styles i.e. Transformational and transactional due to their strong significant effect on employees.

5.4 RECOMMENDATIONS

The following recommendation has been sent out in light of the study's results and conclusions.

The study suggested that increasing employee motivation can be achieved through a transformation leadership style. The Company investigates transformational leadership by encouraging subordinates and other staff members to modify their viewpoints, presumptions, and beliefs in light of this discovery. These findings validate how to encourage optimistic outlooks and critical thinking in GBB Staff Members.

According to Belle (2014), Transformational leaders usually teach motivating messages to their followers. Thus, supervisors in this company inspire their followers by bringing their beliefs, attitudes, and behaviors.

It is advised that, this research is promote good practice in leaders assumption, based on the descriptive analysis of the presence of transformational leadership style is valuable for the existence of effective employee motivation.

There is empirical evidence to suggest that followers' attributes, such as wants and values (Ehrhart & Klein, 2001) or implicit leadership theories (Schyns & Sanders, 2004), impact how transformative leadership is perceived and attributed. Thus, the level of perceptions, views agreements, and disagreements of transformational leadership is highly impacted. Managers can influence their subordinates to perform the maximum task

Based on the regression and correlation analysis it show that transformational leadership style is recommended to the company. We recommended that GBB leaders who possess transformational qualities are adept at motivating, inspiring, and encouraging employees in a given situation which leads to a good working environment. This results in a motivated workforce that is empowered to drive innovation and play a vital role in shaping the future success of the organization.

5.5 FUTURE RESEARCHES

Given that motivated actions take place in the present but have an eye toward the future, time is of the essence (Bernard, Mills, and Swenson & Walsh 2005).

This study was conducted quickly and only included a small number of employees, suggesting that the company needs to engage internal or external experts to thoroughly examine its issues and learn broadly more about the expectations of its workers regarding the tasks they complete.

The model summary data shows that the value of R Square (R²) total of 0.628, or by 62.8%. Value 62.8% indicates that a high positive relation between the variables employee motivation is determined by independent variables transformational leadership style and transactional leadership style and laissez faire leadership style, while the remaining 37.2% is influenced by variables not examined in the study. So, researchers explore other variables that have not influenced this study.

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APPENDIX



ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

SCHOOL OF COMMERCE

DEPARTMENT OF BUSINESS LEADERSHIP

This questionnaire is prepared to collect first-hand information that will help to **The Effect of Leadership Style on Employee Motivation: The case of Goh Bethoch Bank S.C.** I am conducting this research for the partial fulfillment of the requirement for the completion of a **Master of Art Business Leadership (MBL)**.

I extend an invitation to you to take part in this questionnaire. Your sincere and precise feedback will greatly enhance the value of this study. Therefore, I kindly request you to carefully read through the questionnaire and share your opinion. Your name is not required, and I guarantee that all the information you provide will be treated with utmost confidentiality.

Thank you in advance for your cooperation.

Instruction: - Please put a tick “√” or “X” mark just inside the given box.

- Any questions regarding the questionnaires please Contact;
- **Asnake Fenta** **Asnake.fenta19@gmail.com.**

Background/Demographics/Information

1. Gender: Male Female
2. Age: 18-25 yrs. 26-30 yrs. 31-35 yrs. 36-40 yrs. 41-45 yrs.
46-50 yrs. Above 51 yrs.
3. Marital Status: Single Married Divorced Others
4. Educational Background: Certificate Diploma Degree
Masters and Above
5. Current Position: Jr. Officer Officer Senior Officer Manager
Director and above
6. Total yrs. Experience: Below 5 yrs. 5-10 yrs. 11-15 yrs.
16-20 yrs. Above 21 yrs.
7. Salary Level: Below 15, 000 15,001-25,000 25, 001-30,000
30,001- 40,000 40,001- 60,000 Above 60,001

You are requested to rate yourself against each Leadership style statement to indicate your level of agreement with what the statement is suggesting, where the following ratings:

1=Strongly Disagree 2=Disagree 3=Neutral 4=Agree 5= Strongly Agree

Tick “√” or a mark “x” in the box (cell)

		Evaluation Points				
Leadership Style-Related Questions		1	2	3	4	5
TRANSFORMATIONAL LEADERSHIP STYLE						
Idealized Influence (II)						
	My Manager can create a positive atmosphere for those around him/her.					
2	I have absolute trust in my supervisor.					
3	I take great pride in being affiliated with my supervisor.					
ii Inspirational Motivation (IM)						
1	My Manager motivates me to explore innovative and novel approaches to accomplish our objectives.					
2	My Manager provides appealing images about what we can do.					
3	My Manager inspires me to exceed my expectations.					
iii Intellectual Simulation (IS)						
1	My Manager cultivates a setting that promotes and supports learning and development.					
2	My Manager encourages me to approach problems with fresh and inventive perspectives.					
3	My Manager encourages individuals to reconsider concepts that they had previously taken for granted.					
iv Individual Consideration (IC)						
1	My Manager shows a sincere concern for both my personal and professional growth.					
2	My Manager shares his/her viewpoints regarding our progress with others.					
3	My manager is readily available and easy to approach, whenever I require assistance or advice					
II TRANSACTIONAL LEADERSHIP STYLE						

i	Contingent Reward (CR)					
1	My Managers feel content when I fulfill the expectations placed upon me.					
2	My Manager examines the precise factors accountable for meeting performance goals.					
3	My Managers clearly outline the rewards that can be anticipated upon successful attainment of performance objectives.					
ii	Management by exception (MBE)					
1	The agreed-upon standards are consistently met by others, which always pleases my supervisor.					
2	My Managers focus entirely on addressing errors, grievances, and setbacks.					
3	My Manager shows that I only address issues once they have persisted for a long time.					
III	LAISSEZ FAIRE LEADERSHIP STYLE					
1	In complex situations, my manager lets subordinates work problems out on their own.					
2	My manager requires staying out of the way of subordinates as they do their work.					
3	Typically, my manager permits employees to evaluate their performance.					
4	My manager allows their subordinates full autonomy to independently address issues.					
5	My manager believes in most situations, workers prefer little input from the leader.					
6	My Managers need to help subordinates accept responsibility for completing their work.					

Source: Adopted from Bass and Avolio (1992).

You are requested to rate yourself against each Motivational statement' to indicate your level of agreement with what the statement is suggesting, where the following ratings with the Likert-scaled response ranges

1 = Never true, 2 =usually not true, 3 = Sometimes, 4= usually true, 5=Always true

Tick “√” or a mark “x” in the box (cell) that represents your appropriate level of agreement

s/n	Motivational Type Question	1	2	3	4	5
I	Intrinsic Motivation					
1	When I am in the workplace, my focus is entirely on the tasks that need to be completed.					
2	I have the motivation to give my best every day.					
3	Am I encouraged to generate innovative and improved approaches to work?					
4	I am inspired to exert more effort into my projects.					
II	Extrinsic Motivation					
1	I find myself pondering this inquiry, as I appear to lack the capability to effectively handle the significant responsibilities associated with this job.					
2	If I fail to succeed in this job, I will feel immense shame as I am determined to excel in it.					
3	This is the kind of job I selected to achieve a specific lifestyle.					
4	I am burdened with excessive expectations.					

***Source Trembley, M. A., Blanchard, C. M., Taylor, S., Pelletier, L. G., & Villeneuve, M. (2009). Work Extrinsic and Intrinsic Motivation Scale**