

**Addis Ababa University College of Business
and Economics School of Commerce**



**EFFECT OF LEADERSHIP BEHAVIOR ON EMPLOYEES
JOB SATISFACTION IN CASE OF ETHIOPIAN ROADS
AUTHORITY (ERA)**

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**July, 2019
Addis Ababa, Ethiopia**

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AUTHORITY (ERA)**

**A RESEARCH PROJECT WORK SUBMITTED TO OFFICE OF
GRADUATE STUDIES OF ADDIS ABABA UNIVERSITY SCHOOL OF
COMMERCE IN PARTIAL FULFILLMENT OF THE
REQUIREMENTS FOR THE DEGREE OF MASTER OF ARTS IN
BUSINESS LEADERSHIP**

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**July, 2019
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Declaration

I, the undersigned declare that this study is the result of my independent study work on the topic entitled: “Effect of Leadership behavior on employees job satisfaction, the case of Ethiopian Roads Authority (ERA)” in partial fulfillment of the requirements for the degree of Masters of Business Leadership in Addis Ababa University college of commerce. It is my original work and all source of material used for the study are acknowledged.

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Certification

This is to certify that Melat Alemayehu has carried out her study work on the topic entitled: “Effect of Leadership Behaviour on Employees Job satisfaction” in the case of Ethiopian Roads Authority (ERA). Accordingly, I hereby assure that her work is appropriate and standard enough to be submitted for the award of Master of Degree in Business Leadership.

Name of Advisor

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**Addis Ababa University School of Commerce Office of
Graduate Studies**

**Effect of Leadership Behaviour on Employee Job
Satisfaction in case of ERA**

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List of Abbreviations

ERA= ETHIOPIAN ROADS AUTHORITY

HO= HEAD OFFICE

HR= HUMAN RESOURCE

IHA=IMPERIAL HIGHWAY AUTHORITY

ETCA= ETHIOPIAN TRANSPORT CONSTRUCTION AUTHORITY

SPSS = STATISTICAL PACKAGE FOR SOCIAL SCIENCE

ANOVA=ANALYSIS OF VARIANCE

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Abstract

The purpose of this study was to assess the effect of leadership behavior on employee job satisfaction in Ethiopian Roads Authority Head office Quarter based on path goal leadership theory. The study employed explanatory research design and quantitative research approach. Primary data was collected from structured questionnaire and secondary data was collected from previous studies, journals, articles and books. The study used J. Carvalho “Archival application of mathematical sampling techniques. Accordingly, 125 questionnaires were distributed and 111 were obtained & used for further analysis. The collected data was analyzed using SPSS software version 21. In addition, to analyze the collected data descriptive statistics (frequencies, means & standard deviations), and multiple regression analysis were used. The finding of this study indicated that only supportive leadership behaviour has a positive and strong significant effect on job satisfaction on ERA employees. And employees of ERA are not significantly affected by participative, achievement oriented and also directive behavior has insignificant effect on job satisfaction of ERA employees. It is also indicated that currently the most dominant type of behavior is participative leader behavior however the behavior that was found to contribute more to job satisfaction in ERA is supportive leadership behaviour. Accordingly the researcher forwarded the following recommendation. The company should practice of using supportive leadership behavior which has significant effect on job satisfaction. The company should also conduct job satisfaction surveys from time to time & take corrective actions on areas that need improvement.

Key words: leadership behaviour, job satisfaction, Ethiopian roads Authority

CHAPTER ONE

INTRODUCTION

This chapter includes the back ground of the study, background of the organization, research problem, research questions to be answered, objectives to be achieved, scope & limitation of the study, significance of the study, definition of key terms & organization of the study.

1.1 Background of the study

Organizations are social frameworks where human resources are the most essential components for effectiveness and proficiency. Organizations need powerful supervisors and employees to accomplish their goals. As an issue of regular contentions, the achievement or disappointment of an association is subject to the styles and aptitudes of a leader (Fasika, 2016). In today's society, flow of life depends on effective leadership in several aspects such as; organizations development, survival of community, work function and effective performance.

The construct leadership has been the topic of many studies in the general management literature. Leadership refers to the ability through which someone can influence others to enhance outcomes, so in different situations, different strategies are used to accomplish established goals (George, 2019). While the frameworks for describing the characteristics of a leader have evolved, the consensus is that effective leadership is a success factor in organizations, and that an appropriate leadership style can lead to better performance (Laohavichien, Fredendall& Cantrell, 2009; Turner & Müller, 2005; Podsakoff, MacKenzie, Moorman, & Fetter, 1990). Leadership is viewed as an important predictor of organizational effectiveness and employee job satisfaction and plays a central role (Bass, 1990). According to Wilderom, Berg & Peter (2004), leadership behavior has a direct effect on the relations between superiors and subordinates, thus affecting employee performance, job satisfaction and commitment and the organization's total coherence.

Leadership and employee job satisfaction are two factors that have been regarded as fundamental for organizational effectiveness (Tordera & Peiro, 2008). Leadership can be defined as a process whereby an individual influences a group of individuals to achieve a common goal (Northouse, 2007).Leadership is also considered as one of the most important determinants of employees' job satisfaction (Tordera et al. 2008).

A capable leader provides direction for the organization and lead followers towards achieving desired goals. In similar vein, employees with high job satisfaction are likely to exert more effort in their assigned tasks and pursue organizational interests. Organizational success in achieving its goals and objectives depends on the leaders of the organization and their leadership styles or behavior. By adopting the appropriate leadership styles, leaders can affect employee job satisfaction (Fiedler, 1967). When organizations adopt the appropriate leadership style, it will increase the performance of its employees. And applying an effective leadership behavior will help managers to know how to motivate the organization employees. An effective leadership will either use intrinsic or extrinsic motivation tool to motivate their employees that will increase job satisfaction (Mooney, 2019).

Leadership behavior is defined as a pattern of behavior leaders prefer to use (Chiok, 2001). While, Mosadeghrad, (2003) views leadership behavior as a series of attitudes, characteristics and skills used by a manager in different situations in accordance with individual and organizational values. Managers use different behaviors in different situations with different subordinates to motivate them to perform at their utmost potential (Kreitner, 2008). Leadership theories have proposed several leadership behaviors. This study is based up on the Path goal leadership theory. The theory centers on the motivational factors of the subordinates that have significant influence on the outcome of the task (Robert House, 1971). The Path goal theory stresses that if the subordinates find the leadership style to be satisfying and it meets their expectations, they will be motivated toward the goal of leadership. It categorizes leadership behavior in to four i.e. directive, supportive, participative, and achievement oriented (Mosadeghrad & Yarmohammadian, 2006).

Job satisfaction refers to the attributes and feelings people have about their job. The positive and favorable attitudes towards their job indicate job satisfaction. Negative and unfavorable attitudes towards the job indicate job dissatisfaction (Armstrong, 2003). It is also an employee cognitive and affective evaluation of her or his job. According to Moyes, Shao & Newsome (2008), the employee satisfaction may be described as how pleased an employee is with her or his position of employment. According to Wilkinson & Wagner, 1993, working with a leader who does not provide support, show consideration or engage in hostile behaviours can be stressful for employees. Negative leader-employee interaction can result in decrease pleasure with work. The quality of the leader-employee relationship has an impact on the employees self-esteem and job satisfaction.

According to Spector (1997) employee satisfaction is defined as all the feeling that a given individuals has about his/her job and its various aspects. Among the different influence leadership behavior creates, one is employee job satisfaction. In many organizations it is assessed annually or quarterly assuming to provide the necessary improvements.

1.2 Background of the Organization

Following the eviction of the Italian occupiers, the Imperial Ethiopian Government was convinced that a Road Agency solely responsible for rehabilitating/restoring and expanding the road network throughout the country had to be established. Accordingly, the Imperial Highway Authority (IHA) was established under proclamation No. 115/1951 as a semi-autonomous agency with specific duties to plan, design, construct, and maintain roads. Responsibilities for construction and maintenance of roads remained under a single autonomous authority (IHA) for 26 years (1951-1977). The Ministry of Transport and Communication turned out to be the supervising authority of ERA. The Ethiopian Roads Authority has been reestablished under proclamation 133/1978 incorporating, among others, the Rural Roads Department in addition to the Highway Department. In 1980, the Military Government that took power in 1974 reformed the agency into the Ethiopian Transport Construction Authority (ETCA) by proclamation No. 189/1980 and became answerable to the newly formed Ministry of Construction. The proclamation enlarged responsibility of the Authority by expanding its task to incorporate the construction of Airports, Seaports, Railways, and Municipal Roads. Following the shift from a command-based economy to a market oriented one in 1991, ERA was reestablished by proclamation No.63/1993 with a view to providing a strong administration under the leadership of a Board. As part of its reform, the government assigned administration of rural roads to the regional self-governments and main roads to ERA as part of the Federal Government's responsibility. ERA's role regarding rural roads was then limited to rendering support such as overall network planning, training and technical assistance as required by Regional Governments. To cope up with existing situations, ERA was again re-established by proclamation No. 80/1997 with the objective to develop and administer highways, and to ensure the standard of road construction. With the establishment of the new cabinet of Ministers in October 2001, a Ministry of Infrastructure and later on Ministry of Works and Urban Development has been formed with the responsibility of developing the infrastructure of the nation. ERA, which is one of the organizations under the Ministry of Works and Urban Development and

accountable to the Board, is responsible for planning and formulating long and short term plans and programs for road construction, design, maintenance of trunk and major link roads, as well as for administration of contracts.

Since 1980, Ethiopian Road Authority (ERA) is leading the industry of road construction projects. It's constructing some of its activities in the projects with other private owned construction companies as a sub-contractor which shows that ERA is not involving only itself in the road construction but it creates an opportunity for other private construction companies too. As many literatures sited, leadership behavior is important factor for organizational success and to gain the desired result employees job satisfaction also plays an important role. In fact conducting this study will help to identify the leadership behavior ERA currently using as well as helps to learn their employees satisfaction level and how the leadership behaviour have significant effect on their employee satisfaction. Therefore, this study will benefit the company as well as those private owned construction companies who are involved in ERA as a sub-contractor to achieve the desired goal the company wants to achieve by knowing the ERA employees satisfaction level and the leadership behavior exhibited.

1.3 Statement of the Problem

The achievement of employees' satisfaction fall on different factors, among different factors leadership behavior is one of them. Organization should give much focus on the best leadership behavior because it also affects the goal and objectives of the organization (Chiok, 2001). The use of a particular leadership behavior by manager affects both job satisfaction and productivity of the employees (Chiok, 2001). Many researchers have conducted on different organization that the leadership behavior or style they are applying has an effect for the success of the organization as well as for the employee's satisfaction. The main task of ERA is undertaking road construction projects throughout the country and a recent study conducted by the African Development Fund revealed that ERA had an overall success assessment of 73% when it comes to managing and culminating the projects to completion. However, World Bank (2012) reported that the implementation of these projects had several problems such as lack of timely warning and management intervention with the implementation of the tasks and poor employee performance.

Human resource is the most essential components for organization effectiveness and proficiency. Organization to be effective and successful, satisfaction of employees plays a significant role. So for the satisfaction of employees, organization must takes many steps, one

of such steps is to provide the best manager or supervisor who train, guide and give necessary support for the employees to have the best output in the organization because coordination with manager and employee is very important to fulfill any task at a given time. And in an organization applying the best leadership behavior will benefit not only ERA but the country as a whole, considering that ERA as a major and leading road construction organization in the country. In the case of ERA, there is no survey on their employee satisfaction and this may be a result of having poor leader-employee relationship based on their leader's behaviour.

In today's organizations, there are different types of leadership behavior. According to Fiedler, (1967) leaders are either human relations-oriented or task-oriented. According to him there is no ideal leader. Both task-oriented and relationship-oriented leaders can be effective if their leadership orientation fits the situation. When there is a good leader-member relation, a highly structured task, and high leader position power, the situation is considered a "favorable situation". His theory found that task-oriented leaders are more effective in extremely favorable or unfavorable situations, whereas relationship-oriented leaders perform best in situations with intermediate favorability such as in a situation where there is good and smooth leader-member relation or in the middle ground situation where there is rough relation between subordinates and supervisors. And in the mid1950s, at the Ohio State University, Fleishman (1957) identified two major components of leader's behavior: initiating structure and consideration. Consideration means that the leader is being friendly, supportive, concerned, open and consultative to his employees. On the other hand, initiating structure occurs when the leader defines the role's structures that the employees would follow toward attainment of the formal goals, consequently, employees see their reward or punishment in advance as a direct result of their performance and behaviour in their attempts to achieve those goals.

House and Mitchell (1974) proposed four leader behaviours: Supportive leadership, Directive leadership, Participative leadership and Achievement-oriented leadership behavior. ERA is the biggest road construction company in Ethiopia. But throughout the years the company did not try to make any survey on their employee's satisfaction and there is no any data that shows their employees satisfaction level. And this will affects and become challenge for the company to achieve the desired objective. Also there is no empirical research has been carried out about the dominant leadership behavior of managers that affect employee satisfaction and also there is no survey on employee satisfaction at ERA. Therefore doing this study might help us to know the leadership behaviour that are exhibited at ERA, and to know

how it affects employee satisfaction and know the present satisfaction level of the employees of ERA.

1.4 Research Questions

The study tries to address the following questions:

- What is the employee satisfaction level of ERA employees?
- What type of leadership behavior is dominant at ERA?
- To what extent Directive leadership behavior affects employee satisfaction?
- To what extent Supportive leadership behavior affects employee satisfaction?
- To what extent Participative leadership behavior affects employee satisfaction?
- To what extent Achievement oriented leadership behavior affects employee satisfaction?

1.5 Objectives of the study

1.5.1 General objective

- The general objective of this study is to assess the effect of leadership behavior on employee satisfaction at ERA.

1.5.2 Specific objective

- To assess the current satisfaction level of ERA employees.
- To determine the dominant leadership behaviour being exercised at ERA
- To examine the degree of effect of Directive leadership behaviour on employee's satisfaction.
- To examine the degree of effect of Supportive leadership behaviour on employee's satisfaction.
- To examine the degree of effect of Participative leadership behaviour on employee's satisfaction.
- To examine the degree of effect of Achievement oriented leadership behaviour on employee's satisfaction.

1.6 Significance of study

The finding of this research will have great significance especially for ERA in the following ways. First, it helps to identify the leadership behavior that is exhibited in the company. Second knowing the existing situation helps to point out any problem under the study which relates to employee satisfaction and the relationship it has with leadership behaviors. The study also helps to know the current satisfaction level of their employees. Last but not least, this study will add to literature with regard to determining the effect and relationship of those leadership behaviors and employee satisfaction. In addition, this research will serve as a reference for academic purposes, to subsequent student researchers and helps to gain additional knowledge for the researcher itself.

1.7 Scope of the Study

This study is focused on explaining the effect of leadership behavior on employee job satisfaction in ERA. Leadership theories have proposed several leadership behaviors. This study is based on path goal leadership behavior model. Path goal model enhance employees performance and satisfaction by focusing on employees motivation. This theory also allows leaders to engage in different types of leadership behaviour depending on the situation. In this study the dependent variable is employee job satisfaction and there are four independent variables which are Supportive leadership, Directive leadership, Participative leadership and Achievement-oriented leadership behaviours. The location to conduct this study is at the head office which is found around Mexico, Addis Ababa. There are different department divisions in ERA head office. This study focus only on ERA head office employees who are involved in Corporate Service division which includes human resource development & management, financial management, goods procurement & facility management, change management & institutional development departments. This study conducted with regard to academic calendar of the university.

1.8 Limitation of the study

In conducting this study, some constraints in administering the data collection process and also doing the analysis are faced by the researcher. Some of the hold backs include time constraint which makes the researcher hold back to do more best, all the distributed survey questionnaires are not returned; the respondents did not give a genuine response. However the researcher at most effort tries to overcome this challenge by explaining the purpose of the research to the respondents and also by assuring the confidentiality of the response.

1.9 Definition of key Terms

Leadership Behavior: is the way in which a leader accomplishes his/her purposes. (Marie 2011)

Directive leader: refers to situations where the leader lets followers know what is expected of them and tells them how to perform their tasks.

Supportive leader: refers to situation where the leader provides psychological support to subordinates and create friendly environment.

Participative leader: refers to situation where the leader encourages involvement of subordinates in decision making and operations.

Achievement-oriented: the leader encourages performance excellence and exhibits confidence in ability of subordinates to meet challenges goals.

Employee job satisfaction: all the feeling that a given individuals has about his/her job and its various aspects. (Spector 1997)

Effect: the extent to which one variable affects another variable.

1.10 Organization of the study

The research work will consist five chapters.

- Chapter one introduces the background of the study, followed by background of the organization, statement of the problem, research questions, objectives of the study, significance of the study, scope, limitation of the study, definition of key terms and organization of the study.
- Chapter two deals with related literature review and conceptual framework.
- Chapter three contain methodology and describes the study area, the research design and approach, population of the study, sample size, source and data collection instrument, method of data analysis, ethical consideration and the measurement of reliability and validity.
- Chapter four devoted to the analysis and presentation of the findings, interpretation of data, and the related information.
- Chapter five at the end, it winds up the assessment by giving conclusions in the light of the findings. And at last a recommendation is provided based on the concluded findings.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 The concept of leadership

The word Leader appeared in English language as early as 1300, yet the word leadership did not appear till 1800(Stodgily 1974). The word Leadership comes from the Angle Saxen word leaden meaning ‘to go’, ‘proceeding’ or ‘for most among’.

Haiman (1950) states that leadership is a process in which an individual direct, guide, influence or control the thoughts, feelings or behaviour of other human beings. In large organizations leadership may be defined as influencing and emerging of people to do work together in a common effort to achieve the purpose of enterprise.

In the words of Hemphill, “leadership is the behaviour of an individual who is involved in directing activities. It is attitude and culture pattern of large number of people.”

According to Stodgill 1948, leadership is the process of influencing the activities of a group towards goal setting and goal achievement. Leaders are made not born. If you have the desire and willpower, you can become an effective leader. Good leaders develop through a never ending process of self-study, education, training, and experience. To inspire your workers into higher levels of teamwork, there are certain things you must be, know, and, do. These do not come naturally, but are acquired through continual work and study. Good leaders are continually working and studying to improve their leadership skills; they are not resting on their successes.

Research recently carried out by Priyanka Sethi 2009 found that Leadership is defined in so many different ways that it is hard to come up with a single working definition. Leadership is not just a person or group of people in a high position; understanding leadership is not complete without understanding interactions between a leader and his or her followers. Leadership is not simply a characteristic of a single person. It is rather a complex social relationship, the behavioral process of influencing individuals and group towards set goals. It influences the behaviour of every one that is seemed in one form or another in every form of life.

Leadership is a subject that has generated equal interest among scholars and masses. Though leadership has long been of interest to historians and philosophers, giving one specific definition of leadership is a very complex task (Bass 1985). Leadership is the process of

influencing the activities of individuals or organized groups towards the achievement of certain goals and objectives. A leader must deal directly with people, develop relationship with them, persuade and inspire them to collaborate in the achievement of goals and vision. Leaders need to show courage, integrity, compassion, vision, contribution and ethical stance. Further, they should be able to judge as how people feel, what motivates them, and how to influence them in the achievement of organizational objectives.

Leadership is a process in which a leader attempts to influence his or her followers to establish and accomplish a goal or goals. In order to accomplish the goal, the leader exercises his or her power to influence people. That power is exercised in earlier stages by motivating followers to get the job done and in later stages by rewarding or punishing those who do or do not perform to the level of expectation.

Northouse (2007) and Rowe (2007) Viewed leadership as a process whereby an individual influences a group of individuals to achieve a common goal and success of the organization. This definition is in line with Jago, A. G. (1982) which sees leadership as the process of influencing people and providing them an environment to achieve team or organizational objectives. Leadership is all about listening to people, supporting and encouraging them and involving them in the decision making and problem solving processes.

Leadership is the behavior of an individual who is involved in directing activities. House and Mitchell (1974) proposed four leader behaviours: Supportive leadership, Directive leadership, Achievement-oriented leadership and Participative leadership. Supportive leadership and Participative leadership were similar to the behavior known as "consideration", while the Directive leadership and Achievement-oriented leadership styles were similar to the behavior known as "initiating structure". As a result of leadership studies in the mid-1950s, at the Ohio State University, Fleishman (1957) identified two major components of leader's behaviour: initiating structure and consideration. Consideration means that the leader is being friendly, supportive, concerned, open and consultative to his employees. Therefore, the higher the level of consideration which is being supportive and friendly in the leader, the higher the perception that the goal of the company is achievable and consequently, that the reward the subordinate gain is attainable. On the other hand, initiating structure occurs when the leader defines the role's structures that the employees would follow toward attainment of the formal goals, consequently, employees see their reward or punishment in advance as a direct result of their performance and behaviour in their attempts to achieve those goals. This means the

followers receive their reward or punishment according to their performance. Therefore, the higher the level of initiating structure in the leader, the more likely that the employees will be informed which paths they should follow and what the rewards are for following those paths. Leaders who are high in both initiating structure and consideration will supply positive rewards to those who follow high performance paths and negative rewards to those who follow low performance paths (Evans, 1970).

2.2 Leadership Theories

Abbasialiya, A. (2010) looked at leadership from the employee's perspective that everything a leader does affects the success of objectives the company has and the well-being of employees and the organization. Leadership is the art or process of influencing people so that they will work willingly towards the achievement of group goals. A good leadership is important and the application of the theories, principles and styles is a guide to good leadership in everyday work. A good leader needs to be a successful leader because it is what you does that makes you successful. In influencing the people in the organization towards the goals of the organization, there have been various approaches adopted by different set of leaders, as one model may not be suitable for different organizations with different set of objectives. Some of the theories of leadership are Great Man Theory/Trait Theory, Behavioural Theories, Contingency/Situational Theories, Transactional Theory of Leadership, Transformational Theory of Leadership, path-goal theory. The assumption behind trait theory was that "leaders are born and not made". This concept was popularly known as the "Great Man Theory" of leadership. The great man theory was originally proposed by Thomas Carlyle in 1949 and the assumption behind this theory is that 'great leaders will arise, when there is great need'. The theory also assumes that a leader cannot be a normal person and they are different from the average person in terms of personality traits such as intelligence, perseverance and ambition.

Behavioural theories assume that specific behavioural patterns of leaders can be acquired through learning and experience. Behavioral leadership proposed that behavior of the leader impacted work and follower effectiveness. Under this approach, many studies were carried out to support this theory, majorly:

Ohio State Studies: - One of the foremost studies that originated on behavioral theories was the study made by Ohio State University in 1945 by E.A. Fleishman, E.F. Harris and H.E.

Burt. The study narrowed the leadership behaviours into two categories, initiating structure and consideration.

Consideration reflects the extent to which the leader establishes trust, mutual respect and rapport with the group. Leader pays more attention to the employee of the organization rather than the task and shows concern for the well-being, comfort and satisfaction of employees. This dimension is associated with two-way communication, participation and the human relations approach to leadership.

Initiating structure reflects the extent to which the leader defines and consolidates group interactions towards attainment of formal goals and organizes group activities. It includes behaviour that attempts to organize work, work relationships, and goals. A leader with initiating structure is generally task oriented, with focus on performance of employees and meeting of deadlines. This dimension is associated with efforts to achieve organizational goals.

University of Michigan studies:- Leadership studies was also carried out by the University of Michigan's Research centers, in 1946 by Rensis Likert and his associates. These studies resulted in the development of two types of leadership behavior (Bryman, 1986). Employee-centered leaders focus on the individual needs of followers, while job-centered leaders direct activities toward efficiency by focusing on reaching task goals and facilitating the structure of tasks (Leftwich, 2001). The employee-centered leadership can be compared with the 'consideration' component of Ohio studies, job-centered leadership can be compared with 'initiating structure'.

Managerial grid:-The Managerial Grid theory of leadership was proposed by Robert Blake and Jane Mouton in 1964. This theory of leadership was based on the styles of "concern for people" and "concern for task". The theory illustrated in a graphical form is also known as the "Leadership Grid Theory". Blake and Mouton believed that both concerns are essential ingredients of effective management.

Contingency/Situational Theories: - there are three models exist in this leadership approach: Fiedler's (1967) co-worker theory, House's (1971) path-goal theory, and Hersey and Blanchard (1969) situational leadership theory. From this approach and the three models no leadership style is best in all situations. The effectiveness of leadership also depends upon situations. "Leadership must change with the situation or the situation must change to

accommodate the kind of leadership exercised” (Fairholm, 1998, p. 53, cited in Hughes, 2005). The first comprehensive contingency model for leadership was developed by Fred Fielder; he suggests that effective group performance depends on the proper match between the leader’s style of interacting with his/her subordinates and the degree to which the situation gives control and influence the leader. (Robbins 1997). Contingency theories tried to predict which types of leadership style will be most effective in different types of situations (Holda, 1995). Contingency approaches assume that there are no universally acceptable styles of leadership. A leadership style may be effective in one situation, yet ineffective in another.

2.3 Leadership behavior

A leadership behavior is defined as a pattern of behavior leaders prefer to use. A single leadership behavior is not ideal for every situation. A leader may be more effective in a particular situation but may not be as effective with a different situation (Mosadand Yarmohammadian, 2006).

Mosadeghrad (2003) views leadership behavior as a series of attitudes, characteristics and skills used by a manager in different situations in accordance with individual and organizational values. Supervisors use different behaviours in different situations with different subordinates to motivate them to perform at their utmost potential. Several studies have been conducted to examine the impact of leadership behaviours on organizational outcomes (Kreitner, 2008).

2.4 Path-goal leadership behavior

Drawing from research Path–goal theory first appeared in leadership literature in the early 1970s in the works of Evans (1970), House (1971), House and Dessler (1974), and House and Mitchell (1974). The Path-Goal theory developed by Robert House is the most effective contingency approach to leadership (S. P. Robbins. 2005). In this theory the main objectives of the leaders is to provide guidance, support, and help necessarily for subordinates to achieve the organization goals. (C. Silverthorne. 2001). House and Mitchell 1974 propose that the leadership behavior types which include directive, supportive, participative and achievement-oriented leaderships can be used in different situations and times by the same person. By applying one of these leadership behaviors, the managers try to affect the perceptions of their subordinates, and pave the way for achieving organization goal. Four different types of leadership styles are suggested by path goal theory namely, participative, supportive, directive, and achievement-oriented leadership styles. A good leader should know

which style to practice and when (A. Rad, M. Yarmohammadian. 2006). Directive leader explains to the subordinates what is expected from them, provide guidance, and ensure procedures and rules implementation. The supportive leader pays high attention to the subordinates' needs and wellbeing. On the contrary the participative leader encourages the subordinate's participation in the process of decision making whereas achievement-oriented leader attempts to enhance the performance, defines the standards, and ensures achievement of these standards by the subordinates (S. B. Prasad. 1990). According to path-Goal theory, leader provides necessary direction and support to subordinates to achieve individual as well as organizational goals (Silverthorne, 2001). The stated goal of this leadership theory is to enhance employee performance and satisfaction by focusing on employee motivation. According to Path-Goal Theory, motivations, satisfactions, and work performances of followers depend on the leadership styles chosen by their administrators (Bycio, Hackett, & Allen, 1995; House, 1971; Sayles, 1981).

Path-Goal theory is the most significant contingency approach to leadership (Robbins (2005). This theory was also influenced by the expectancy theory of motivation developed by Victor Vroom in 1964. The Path-Goal theory proposes that leaders may not only use different behaviors with different subordinates but they might use different behaviors with same subordinates in different situations. This means the leaders will have to engage in different types of leadership behavior depending on the nature and the demands of a particular situation. It is the leader's job to assist followers in attaining goals and to provide the direction and support needed to address the organization's goals. According to House and Mitchell (1974), Path-goal suggests four leader behaviors, as described below.

Directive Leadership: - involves letting subordinates know what is expected of them, providing guidance about work methods, developing work schedules or timeline to end up their tasks, identifying work evaluation standards, and indicating the basis for outcomes or rewards. It is like task orientation and is similar to the "initiating structure" concept described in the Ohio State studies (Halpin & Winer, 1957). It tells subordinates exactly what they are supposed to do. This style is appropriate when subordinates ability is low and or the task to be performed is complex or ambiguous. Job satisfaction is increased when the leader gives more directives (Hoy and Miskel 2001).

Supportive Leadership: - is more of a relationship-oriented style and resembles the consideration behavior construct that was identified by the Ohio State studies. It consists of

being friendly and approachable as a leader and includes attending to the well-being and human needs of followers. Supportive leaders treat followers as equals and give them respect for their status. This style is effective when subordinates lack self-confidence, work on dissatisfying or stressful tasks and work does not provide job satisfaction (Hoy and Miskel 2001).

Participative Leadership: -consists of inviting followers to share in the decision making. A participative leader consults with followers, obtains their ideas and opinions, and integrates their suggestions into the decisions about how the group or organization will proceed. This style is effective when subordinates are well motivated and competent (Lussier and Achua 2001).

Achievement-oriented Leadership: - characterized by a leader who challenges followers to perform work at the highest level possible. Achievement-oriented leaders show a high degree of confidence that followers are capable of establishing and accomplishing challenging goals. He/she pushes work improvement and sets high expectations for subordinates and rewards them when the expectations are met. That is, the leader provides both high directive (structure) and high supportive (consideration) behaviour. This style works well with achievement oriented subordinates (Lussier and Achua 2001).

2.5 The concept of job satisfaction

The definition of job satisfaction has been debated throughout its history. Many researchers have defined job satisfaction as an emotional reaction to the job (e.g., Cranny, C.J., Smith, P.C. and Stone, E.F. 1992; Locke, 1969; Spector, 1997). There is no universally accepted definition of employee satisfaction, but there are many definitions of job satisfaction in the literature because job satisfaction can describe different things to different people. People are affected by various different factors including personal characteristics, needs, values, feelings and expectancies. Also, it varies from organization to organization, since job satisfaction influencing factors such as working environment, job characteristic, opportunities for employees and working environment differ according to organization (Harputlu, 2014). According to Zeffane (1994) and Spector (1997), most studies identified two factors that affect job satisfaction: environmental factors, associated with the work itself or work environment, and personal characteristics, associated with individual attributes and characteristics. Job satisfaction is a very important aspect of an employee's well-being and

has emotional, cognitive, and behavioral components (Saari and Judge, 2004). Emotional means one's feelings regarding the job, cognitive aspect refers to one's thoughts and beliefs about the job, and, behavioral component refers to people's actions with respect to the job.

Employee job satisfaction is one of the motivational indicators measured from an employee's perspective for organizational effectiveness (Matzler & Renzl, 2007, Savaneviciene & Stankeviciute, 2011). Job satisfaction is a collection of feelings that an individual has towards his or her job. (Robbins 2005). A person can gain life satisfaction in the area where they spend most of their lives and their working life. This means, life satisfaction is possible with job satisfaction (Yigit, Dilmac, & Deniz, 2011). Job satisfaction is the positive emotional states that result from a person's appreciation for their profession or professional experiences (Locke, 1983). It is the sum of employee's emotional states and positive attitudes in relation to their work and work environment (Robbins, 1998) and the joy they experience in their work and working life.

Job satisfaction reflects the extent to which an individual likes the job, and the organizations with satisfied employees are more productive than those with unsatisfied employees (Hellriegel and Slocum, 2007). Job satisfaction is influenced by many factors such as: the working conditions, work itself, supervision, policy and administration, advancement, compensation, interpersonal relationship, recognition and empowerment (Castillo and Cano 2004). Job satisfaction is the most important factor that leads to recognition, income, promotion, and the achievement of other goals that lead to a feeling of fulfillment (Kaliski, B.S., 2007). Job satisfaction represents a feeling that results from the perception that the job enables the material and psychological needs. (Aziri, B., 2008). Nelosn & Quick (2006) defined job satisfaction as a positive emotional state or fun that emerged from the assessment of work or work experience. According to Schultz.D & Schultz.S.E (2006), Job satisfaction is a feeling and positive and negative attitudes about the job.

Job satisfaction is described as a collection of feelings toward a job (Spector 1997). He measured satisfaction based on nine facets: pay, promotion, supervision, benefits, contingent rewards, operating procedures, coworkers, nature of work, and communication. He also developed "job satisfaction measuring scale" to evaluate the level of satisfaction of employees regarding their job which covers various factors like pay, benefits, supervision; promotion, nature of work, and coworkers. If employees get the salary, benefits, promotion, nature of

work, supervision and coworkers they want they will possibly be more satisfied and will also like to stay with organization.

2.6 Job satisfaction theories

Job satisfaction theories have been divided into two categories; these are content theories and process theories. Content theory suggests that job satisfaction come true when employees' need for growth and self-actualization are met by their job. Content theories are the Maslow's Need Hierarchy Theory, Aldefer- ERG, Herzberg's Two Factor Theory, and McClelland's Need Theory. These theories are important for understanding what motivates people at work (Luthans, 1995).The process theory explains job satisfaction by looking at how well the job meets one's expectations and values. Process theories are Vroom's Expectancy Theory, Locke's Goal- Setting Theory, Adams' Equity Theory and Job Characteristic Theory Unutmaz, S. (2014). Job satisfaction cannot be a substitute for motivation (Başar, 2011). But there seems to have relationship between these two concepts. Highly motivated people experience much satisfaction (Chughati & Perveen, 2013). Some theories on job satisfaction are based on the motivation theories, and, some of them can be perceived as job satisfaction theories.

2.7 Factors affecting job satisfaction

There are several factors that affect employee job satisfaction such as pay, promotion, autonomy, working conditions, co- workers, supervisory support etc. In 1962, Vroom pointed out that the job satisfaction has seven aspects, i.e. the compensation, the supervisor, the colleagues, the working environment, the job content, the promotion, and the organization itself. Şirin (2009) states the factors affecting job satisfaction as follows; feeling of success, relations with the management and employees, job safety, responsibility, recognition, high salary, promotion opportunity, clarity of roles, participation in decisions, freedom, good coordinated work, lack of continuity, relocation, performance, life satisfaction, and perceived work stress (Çınar & Karcıoğlu, 2012).

According to Spector (1997), there are factors that affect job satisfaction: environmental factors and personal factors. Environmental factors consist of working conditions, personal development opportunities, rewards, supervision, co-workers and communication. Personal factors include demographic variables, which are gender, educational level, and seniority.

Kalleberg(1977) proposed that job satisfaction consists of two components. These are intrinsic (working assignment) and extrinsic (working condition). Working condition is the job environment which encompasses the relationship with management function, mentoring system, and others. And work assignment refers to the duty given to employees so that they should implement their job with a commitment and productive.

2.8 The Relation between Leadership Behavior and Job Satisfaction

Leadership behavior is an important determinant of employee job satisfaction. The quality of the leader-employee relationship has a great influence on the employee's self-esteem and job satisfaction (Chen and Spector 1991; Brockner 1988; DeCremer 2003). Human relations movement arose indicate that valuing employee's job satisfaction is a key component of leadership. Employees are more satisfied with leaders who are considerate or supportive than with those who are either indifferent or critical towards subordinates (Yukl 1971).

2.9 Empirical review of related Literature

Different studies have been made regarding the effect of leadership on job satisfaction based up on path goal leadership theory to illustrate the effects of leader behavior on job satisfaction.

The study conducted by Malik (2013) examined the impact of leadership behavior on employee job satisfaction who works in Pakistan. In that case employee job satisfaction depends up on the leadership behavior of managers and find out there was significant correlation between the four path goal leader behavior and the job in general. After the analysis, employee job satisfaction was found significantly correlated and affected by leadership behavior of managers.

Malik, Aziz and Hassen (2014) in their studies examined the effects of leadership behavior on employee job satisfaction among telecom sector employees using path goal leadership theory. The finding revealed significant relationship of subordinate's acceptance of leader with leadership behavior and situational factor. It was predicted that leadership behavior affects subordinate acceptance of leader which fosters job satisfaction. In addition there is significant relationship between linear combination of the four leadership behavior (directive, supportive, participative and achievement oriented) and acceptance of leader. A regression analysis revealed that 37% variance in leader behavior is attributed to job satisfaction.

Buket, akdol, sebrem and arikboga (2015) studied the effect of leadership behaviour on employee job satisfaction, in turkey fast 50 technology companies. The research states one of the most important positive job attitudes is job satisfaction. According to the results leadership is an important variable that enable high job satisfaction. The finding of their study indicated that significant and positive effect of leadership on both overall job satisfaction and creativity facet of job satisfaction.

2.10 Conceptual Frame Work

In developing the conceptual model, the path goal theory developed by Robert House which is categorized under contingency approach was the basis for the study.

Path-goal theory is about how leaders motivate followers to accomplish designated goals. This theory proposes a four leadership behavior as Supportive (relations oriented), directive (task oriented), achievement oriented and participative leadership Behaviors. The four leadership behaviors effect on job satisfaction will be examined on this study. While in studying and measuring job satisfaction, from the Spector nine facets: only pay, promotion, supervision, benefits, and communication takes in to consideration.

Independent variable

Dependent variable

Leadership behavior

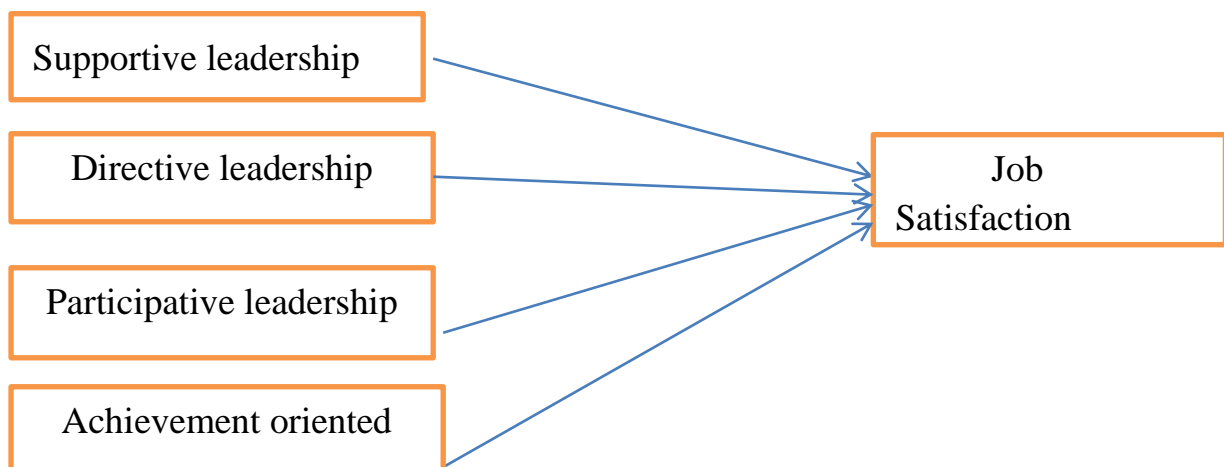


Figure 1: Conceptual framework; source path goal leadership theory (Northouse, 2013).

CHAPTER THREE

RESEARCH METHODS

This chapter describes the study area, the research design and approach, population of the study, sample size determination, source of data and collection method, method of data analysis, ethical consideration and the measurement of reliability and validity.

3.1 Description of the study area

This study was carried out in Ethiopian Roads Authority at Head office quarter. According to the HR database, there are total of 1531 employees who are permanent and contract workers in the Head office. ERA is comprises the head office, two training centers and ten Roads Network Management Branch Directorate (RNMBDs). Therefore this study is conducted at the head office which contains 1531 employees.

3.2 Research design and Approach

This study uses an explanatory research design; the objective of these studies is to find out the effect leadership behavior has on employee job satisfaction. Quantitative research approach is followed which is a systematic empirical investigation of observable factors via statistical, mathematical or computational techniques. It minimizes subjectivity and arrives at more objective conclusion (Creswell, 2013).

3.3 Population of the study

Currently there are about 1531 employees in ERA at head office who are permanent and contract workers. The study is conducted only on ERA head office employees who are involved in Corporate Service division which includes human resource development & management, financial management, goods procurement & facility management, change management & institutional development departments. The reason to select the target is there are corporate service division and engineering department division at the head office quarter. The researcher guided by the HR Director to focus on those departments because they are more of supporters for the departments in ERA rather than engineering departments. See the table 3.1 below:-

Table 3 1: Total Number of Employees of ERA in HO

| ERA Head office employees | Number of employees |
|---------------------------|---------------------|
| Permanent employees | 1340 |
| Contract employees | 191 |
| Total employees | 1531 |

Source:-ERA HR Data base

3.4 Sample size determination

Sampling enables the researcher to study a relatively small number of units in place of the target population, and to obtain data that are representative of the whole target population. This study adopts a purposive sampling technique, i.e. the participants will be selected using judgment sampling technique. To determine the sample size Carvalho's "Archival application of mathematical sampling techniques" Records management Quarterly (1984) as cited on OSPO 2005 table is used.

The table below shows that at any of the ranges was the population of the study falls the researcher has three choices to pick the sample size of the study by considering how manageable the data to be gathered are and time constraint it has. As mentioned early the population of this study is 1531 employees, since the population of the study fall in the sixth category, the sample of this study is 125 employees. See the table 3.2 below:-

Table 3 2: Sample Size Determination

| Population1 | Sample Size2 | | |
|----------------|--------------|--------|------|
| | Low | Medium | High |
| 51-90 | 5 | 13 | 20 |
| 91-150 | 8 | 20 | 32 |
| 151-280 | 13 | 32 | 50 |
| 281-500 | 20 | 50 | 80 |
| 501-1,200 | 32 | 80 | 125 |
| 1,201-3,200 | 50 | 125 | 200 |
| 3,201-10,000 | 80 | 200 | 315 |
| 10,001-35,000 | 125 | 315 | 500 |
| 35,001-150,000 | 200 | 500 | 800 |

Source: J. Carvalho “Archival application of mathematical sampling techniques” Records management Quarterly (1984) as cited on OSPO 2005.

3.5 Source of data collection

This study was used both primary and secondary data. Primary data is obtained from employees of ERA through distributed questionnaires. The secondary data is obtained from previous study, books, articles, and journals from the internet.

3.6 Data collection method

The primary data was gathered through a structured questionnaire. Job satisfaction survey (JSS) by Spector 1994 was used and adopted to measure and to assess the level of job satisfaction among employee. The Four leader behaviors were measured through leadership behaviour questionnaire adopted from path-goal leadership Theory Investigation of Superior Subordinate Relationships, by J. Indvik (1985) and Indvik (1988) on the bases of the work of House and Dessler (1974) and House (1977) cited in Fulk and Wendler (1982). The questionnaires were closed-ended and Likert scale measurement was used to determine the level of agreement. It consists of three parts. Section one consists of five questions about demographic characteristics. Section two contains a total of 20 questions about the four types of leadership behavior. See the table 3.3 below:-

Table 3 3: Component of questions related to leadership behaviour

| Sr.No | Dimension | Total Questions |
|-------|--|-----------------|
| 1 | Directive leadership behavior | 5 |
| 2 | Supportive leadership behavior | 5 |
| 3 | Participative leadership behavior | 5 |
| 4 | Achievement oriented leadership behavior | 5 |
| | Total | 20 |

Source: Path-goal leadership Theory Investigation of Superior Subordinate Relationships, by J. Indvik, 1985; and Indvik (1988) on the bases of the work of House and Dessler (1974) and House (1977) cited in Fulk and Wendler (1982).

Section three contains a total of twenty one questions adopted from Job satisfaction survey (JSS) by Spector 1994. The questions were prepared using a five point Likert scale such that scale 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree. Respondents were asked to indicate their level of agreement or disagreement with each of the questions provided.

Table 3 4: Component of Questions related to the level of job satisfaction

| Sr.No | Dimension | Total Questions |
|-------|---------------|-----------------|
| 1 | Pay | 4 |
| 2 | Promotion | 4 |
| 3 | Supervision | 5 |
| 4 | Benefit | 5 |
| 5 | Communication | 3 |
| | Total | 21 |

Source: Job satisfaction survey (JSS) by Paul E. Spector 1994.

3.7 Validity and Reliability

3.7.1 Validity

Validity is the extent to which a concept or measurement is well-founded and corresponds accurately to the real world. It's important because it can help determine what types of test to

use, and help to make sure researchers are using methods that are not only ethical, and cost-effective, but also a method that truly measures the idea or construct in question. Validity cannot be measured numerically; instead it's measured by the content validity of the instrument's ability to measure what is intended to be measured and by the extent to which the instrument is correspondent to the other variables, as predicted by some rationale or theory. Therefore this study tried to address validity through the review of literature and adapting instruments used in previous research. The validity of the instrument was checked by the advisor to see whether it measures what it purported to measure.

3.7.2 Reliability

Reliability is the overall consistency of a measure. These measures is said to have reliability if it produces similar results under consistent conditions. It is the characteristic of a set of test scores that relates to the amount of random error from the measurement process that might be embedded in the score. For this study the widely used Cronbach Alpha was used to measure internal reliability for tests with multiple possible answers. Internal reliability or consistency is a measure of how well the test is actually measuring what it wants to measure. The range of the reliability coefficient is from 0 to 1. Rule of thumb for preferred levels of the coefficient is greater .80, it is said to have very good reliability; if it below .50, it would not be considered a very reliable test.

Table 3 5: Summary of scales & Cronbach's alpha values

| Sr.No | Variable of the study | No. of items | Cronbach's alpha values |
|-------|---|--------------|-------------------------|
| 1 | Directive leadership behaviour | 5 | .767 |
| 2 | Supportive leadership behaviour | 5 | .771 |
| 3 | Participative leadership behaviour | 5 | .634 |
| 4 | Achievement oriented leadership behaviour | 5 | .824 |
| 5 | Job satisfaction | 21 | .854 |

Source: survey questionnaire

3.8 Method of Data Analysis

Descriptive statistics, frequency tables, mean score ranking order, correlation test, multi-collinearity test, and regression analysis were used to answer the research questions posed in the first chapter of the research. The relationship between the dependent variable, job

satisfaction, and the independent variables was expressed as a linear combination of the independent variables plus an error term. The multiple linear regression models are specified as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

Where Y=Job Satisfaction

X1= Directive leadership behaviour X3= Participative leadership behaviour

X2= Supportive leadership behaviour X4= Achievement oriented behaviour

Where the β s are coefficients of independent variables, Xs are column vectors for the independent variables in this case; Directive, Supportive, Participative and Achievement oriented leadership behaviour; while e is a vector of errors of prediction. The results is presented by using tables to bring easy and clear understanding on the findings.

3.9 Ethical Consideration

The researcher takes into account the ethical obligations to all involved in the study. The researcher first gain consent of all respondents prior to administering the questionnaire and maintain their anonymity. In addition, the researcher ensured the respondent that findings of the study and the use of the information is only be used for academic purposes and also findings of the research were presented without any deviation from the outcome of the research. Information obtained kept in strict confidentiality by the researcher.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1 Introduction

This study attempted to examine the effect of leadership behavior on employee job satisfaction in ERA. A total of 125 questionnaires were distributed to employees and 111 (88.8%) usable questionnaires were found to be valid and were used for further analysis. A statistical analysis was conducted by using IBM SPSS Version 21. The procedures of data classification and organization were set to validate the data for further analysis. After data classification and organization the statistical analysis of Mean, Standard deviation, correlation, multi-co linearity test and multi-regression was performed in order to fulfill the purpose of the study.

4.2 Demographic Background of Respondents

Descriptive statistics using frequencies is used to analyze the demographic characteristics of the respondents and the result of the analysis is described in detail here under

Table 4 1: Gender of the Respondents

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|------------|-----------|---------|---------------|--------------------|
| Valid MALE | 77 | 69.4 | 69.4 | 69.4 |
| FEMALE | 34 | 30.6 | 30.6 | 100.0 |
| Total | 111 | 100.0 | 100.0 | |

Source: own survey 2019

As it can be seen from the above table, Male respondents took the biggest share of the sample population considered under the study (n=77), which is 69.4% of the sample.

Table 4 2: Ages of Respondents

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------------|-----------|---------|---------------|--------------------|
| Valid 20-25 | 14 | 12.6 | 12.6 | 12.6 |
| 26-30 | 72 | 64.9 | 64.9 | 77.5 |
| 31-40 | 24 | 21.6 | 21.6 | 99.1 |
| 41-50 | 1 | .9 | .9 | 100.0 |
| Total | 111 | 100.0 | 100.0 | |

Source: own survey 2019

From the above table, majority of the respondents was found to be between 26-30 followed by 31-40 and 20-25 this indicates that employees of ERA are less than the age of 40 and this shows that most of the employees are at the youngest stage and they are energetic and they can come up with the most innovative ideas that would help their company grow. They also cope up with the technologies easily that is helpful for the ERA.

Table 4 3: Marital status of the Respondents

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------|-----------|---------|---------------|--------------------|
| Valid SINGLE | 73 | 65.8 | 65.8 | 65.8 |
| MARRIED | 37 | 33.3 | 33.3 | 99.1 |
| DIVORCED | 1 | .9 | .9 | 100.0 |
| Total | 111 | 100.0 | 100.0 | |

Source: own survey 2019

This indicate that majority of ERA employees are single (n=73) which is 65.8% of the sample followed by married with (n=37) which is 33.3% and divorced employee with (n=1) which is 0.9%.

Table 4 4: Educational Qualification of the Respondents

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|--------------|-----------|---------|---------------|--------------------|
| Valid DEGREE | 94 | 84.7 | 84.7 | 84.7 |
| MASTERS | 17 | 15.3 | 15.3 | 100.0 |
| Total | 111 | 100.0 | 100.0 | |

Source: own survey 2019

This indicate that majority of the respondents are first degree holders (84.7%) followed by those possessing Masters Degree (15.3%).

Table 4 5: Experience level of Respondents

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|-----------|-----------|---------|---------------|--------------------|
| Valid 1-5 | 81 | 73.0 | 73.0 | 73.0 |
| 6-10 | 24 | 21.6 | 21.6 | 94.6 |
| 11-15 | 5 | 4.5 | 4.5 | 99.1 |
| >15 | 1 | .9 | .9 | 100.0 |
| Total | 111 | 100.0 | 100.0 | |

Source: own survey 2019

This indicate that most of the respondents have been working in ERA between 1 to 5 years (73.0%) followed by those of service year between 6 to 10 years (21.6%) and 11 to 15 years (4.5%). Experienced employees who have been working in ERA above 15 years are very small (0.9%).

4.3 Descriptive Statistics for the four types of Leader Behaviours

Descriptive analysis using mean and standard deviation is conducted on the four types of leader behaviours (directive, supportive, participative & achievement oriented) to identify which leader behaviour is more dominant in ERA. Respondents were asked to indicate their level of agreement with the questions relating to the four types of behaviours using Likert scale which ranged from strongly agree to strongly disagree. See table 4.6 below:-

Table 4 6: Descriptive Statistics for the four types of Leader Behaviours

| | N | Mean | Std. Deviation |
|---|-----|--------|----------------|
| Directive leadership behaviour | 111 | 3.8505 | .56470 |
| Supportive leadership behaviour | 111 | 3.8739 | .53047 |
| Participative leadership behaviour | 111 | 3.8775 | .44327 |
| Achievement oriented leadership behaviour | 111 | 3.4000 | .66987 |
| Valid (N) | 111 | | |

Source: own survey 2019

From the above table, the dominant leadership behaviour which is currently exhibited in ERA with the highest mean score is Participative leadership behaviour with the mean score of 3.8775. This indicates that most of ERA supervisors involve their followers or subordinates to obtain their ideas and opinion and involve them in decision making process which is good for the company success. The second leadership behaviour exhibited in the company with the mean score 3.8739 is Supportive leadership behaviour. This implies that there are some supervisors who are being friendly and approachable with their followers. These types of leaders also treat followers as equal and give them respect for their status. The third leadership behaviour is Directive leadership behaviour with mean score of 3.8505. This type of leadership is effective when task is ambiguous and subordinates self-perception of abilities is low, the clarification of task by leader is positive support. In the case of ERA, most of their tasks are routine. The fourth leadership behaviour type in ERA is achievement oriented with

mean score 3.4, which is in the case of ERA employees; individual responsibilities and control over taking decision of their task are very low and this may indicate that leaders in ERA has a lower level in encouraging performance of their subordinates and exhibits confidence in ability of their followers to meet challenging goal.

4.4 Descriptive Statistics for the Job Satisfaction Indicators

Descriptive analysis using mean and standard deviation is conducted on Job satisfaction indicators. For this study the indicators for the job satisfaction of ERA’s employees is measured in terms of Pay, Promotion, Supervision, Benefit and Communication. The response was made based on the respondent level of agreement using Likert scale which ranged from strongly agree to strongly disagree and the mean score and standard deviation is shown below.

Table 4 7: Descriptive Statistics for Job satisfaction

| | Pay | Promotion | Supervision | Benefit | Communication |
|----------------|--------|-----------|-------------|---------|---------------|
| N Valid | 111 | 111 | 111 | 111 | 111 |
| N Missing | 0 | 0 | 0 | 0 | 0 |
| Mean | 2.2725 | 3.0270 | 3.7387 | 2.6036 | 3.7748 |
| Std. Deviation | .89032 | .85769 | .66758 | .68489 | .79666 |

Source: own survey 2019

From the above table, the ERA employees have better-quality in communication with mean value of 3.7748. Supervisory practice in ERA is also at moderate level with the mean value 3.7387 followed by promotion with mean value of 3.0270 which indicate ERA employees are less satisfied internally with their carrier development. From the benefit and pay job satisfaction indicators, ERA employees are dissatisfied with their benefit with mean value of 2.6036 followed by pay which is 2.2725.

4.5 Correlation Analysis

A correlation is a statistic device that measures the strength or degree of a supposed linear association between two or more independent and dependent variables or it’s a test used to measure the interdependency of the variables. According to Bartz (1999), correlation is useful in exploiting relation among variables. And for this study Pearson correlation was used which estimates a relationship between two or more interval variables. The sample correlation coefficient, denoted by r , ranges between -1 and +1 and it quantifies the strength of linear association between the variables. If $r=-1$ there is perfectly negative correlation between the

variable and if $r=0$, there is no relation between the variables and if $r=1$ there is perfectly positive relationship between the variables. For this study the correlation computed by the independent variables which are directive, supportive, participative, achievement oriented with the dependent variable job satisfaction (pay, promotion, benefit, supervision, communication) is shown in the below table.

Table 4 8: Correlation between Leadership behavior and Job satisfaction

| | | Dir | Supp | Part | Achiv. | Job sat. |
|----------|---------------------|--------|--------|------|--------|----------|
| Dir | Pearson Correlation | 1 | -.037 | .103 | .558** | -.037 |
| | Sig. (2-tailed) | | .701 | .280 | .000 | .698 |
| | N | 111 | 111 | 111 | 111 | 111 |
| Supp | Pearson Correlation | -.037 | 1 | .105 | .158 | .501** |
| | Sig. (2-tailed) | .701 | | .271 | .099 | .000 |
| | N | 111 | 111 | 111 | 111 | 111 |
| Part | Pearson Correlation | .103 | .105 | 1 | .093 | .126 |
| | Sig. (2-tailed) | .280 | .271 | | .331 | .188 |
| | N | 111 | 111 | 111 | 111 | 111 |
| Achiv. | Pearson Correlation | .558** | .158 | .093 | 1 | .159 |
| | Sig. (2-tailed) | .000 | .099 | .331 | | .095 |
| | N | 111 | 111 | 111 | 111 | 111 |
| Job sat. | Pearson Correlation | -.037 | .501** | .126 | .159 | 1 |
| | Sig. (2-tailed) | .698 | .000 | .188 | .095 | |
| | N | 111 | 111 | 111 | 111 | 111 |

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

The above table shows that directive leadership behaviour have a negative relation with job satisfaction and also have no significance correlation with it, $r= -.037$, $p=.698$. A directive leader is more focused on task accomplishment with strict rules than employee's welfare. As a result, employees will not satisfied with leader behaviour of this type because most of such type of leaders focus setting standard of performance and define clear standard rules and regulations and less interest of subordinates feeling (Northouse, 2013). The other leadership behaviours which are Supportive leadership behavior have strong significant positive correlation with job satisfaction with $r=.501^{**}$, $p=.000$. This may be so, as supportive leaders

are better in creating friendly and conducive working environment with their subordinates and when employees receive support from their leaders with low level of work stress employees are better able to achieve desired goal and it brings successful results that are beneficial for the well being of both employees and the organization (La Rocco and Jones, 1978). According to Rollinson and Broadfield (2002), supportive leaders have behaviour like supporting follower's efforts, solving their problems and also they tend to stray from the path they follow for the sake of happiness and satisfaction of their followers. Furthermore, most of supportive leaders work for their employee's interests and are working for securing employees benefit package to ensure job satisfaction among their employees. Therefore this finding is similar with Ahmed and Halim, 1982, that those employees who work with supportive leaders are more satisfied and have low stress level. Participative leadership behavior and achievement oriented leadership behavior have a weak and insignificant correlation with job satisfaction with $r=.126$, $p= .188$ and $r=.159$, $p=.095$. This could be explained as most of ERA Leaders with participative behavior may involve their subordinates in activities but they are not given much concern or focus to get subordinates ideas and suggestions into practice. Prior research suggests that participative behaviour plays a vital role in providing subordinates with experience of intrinsic motivation, feeling of self-worth and self-determination (Deci, Connell, & Ryan, 1989). But from the result shown above, it could be said that being participative leaders does not mean only involving subordinates in activities of the task it's rather getting their ideas, opinions and suggestion properly and applies it on practical ways and employees may not be interested with this leader's behavior if he/she does not listen to their ideas. When employees recognize that their ideas are not properly listened, it may decrease employee's confidence throughout their task and responsibilities. Employees may lack freedom, opportunity to develop their career and chance to learn from their experience. Moreover achievement oriented leaders should outline and explain about the organization goal and objective as well as the strategies to achieve those goals for their followers. But in this case this type of leader's behaviour has also weak and insignificant relation with job satisfaction. However, in the case of ERA, its observed that among the four leadership behaviours, only supportive leadership behaviour have a significant effect on employees job satisfaction. The other leadership behaviours show that they do not have relation with job satisfaction.

Overall, in the case of ERA, Leaders with only supportive behaviour provides relationship oriented style and creates friendly and approachable working environment that treat followers as equals and give them respect for their status. Employees will also be satisfied to work with

those leaders for they get encouragement for continual improvement, friendly working relationship with subordinate and freedom to express their thought.

4.6 Regression analysis

Regression analysis was conducted to understand by how much the leadership behaviours which are Directive, supportive, participative and Achievement oriented leadership behaviours explains the dependent variable (Job Satisfaction).

4.6.1 Multi- co linearity test

Before estimating any model, it is a must to check the validity of the model properly. Hence, as necessary, tests for multi-co linearity were made. Tests for multi- co linearity is done using variance inflation factor (VIF) and Tolerance. As a rule of thumb suggested by Liu (2010) if the VIF of a variable exceeds 10, there is a serious multi-co linearity problem. The VIF indicates whether a predictor has a strong linear relationship with the other predictor(s). Andy (2006) suggests that a tolerance value less than 0.1 almost certainly indicates a serious co linearity problem. In this study all of the predictors were found to have a tolerance of more than 0.1 and a VIF value of less than 10.

Table 4 9: Result of Multi co- linearity Test

| Model | Co linearity Statistics | |
|---------------------------------|-------------------------|-------|
| | Tolerance | VIF |
| (Constant) | | |
| Directive Leadership | .669 | 1.494 |
| Supportive Leadership | .942 | 1.061 |
| Participative Leadership | .977 | 1.024 |
| Achievement oriented Leadership | .657 | 1.522 |

Dependent Variable: Job Satisfaction

Source: own survey 2019

Directive leadership behaviour has (.669 tolerance and 1.494VIF) value, Supportive leadership behaviour (.942 tolerance and 1.061VIF), Participative leadership (.977 tolerance and 1.024VIF) and Achievement oriented leadership (.657 tolerance and 1.522 VIF) values which indicates that multi co linearity is not an issue in this study and Since the result of all variables meet the criteria, it can be concluded that the variable are highly correlated.

4.6.2 Multiple Regression Analysis

Multiple regression analyses were conducted to measure the impacts between the independent variables and the dependent variable. The regression results are shown in table below R square is the square of the multiple correlation coefficients; it indicates the proportion of the variance of the dependent variable explained by the independent variables. The closer R square near to 1, the better the regression model is, whereas the coefficient indicates the number of units of increase in the dependent variable caused by an increase of one unit in the independent variable. In the table the R square shows its 0.269 or 26.9% which indicates that the variation in job satisfaction is explained by the four types of leader behaviours of the Study and $p=.000$ which indicates a highly significant regression model.

Table 4 10: Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .519 ^a | .269 | .242 | .47535 |

Table 4 11: ANOVA

| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
|-------|------------|----------------|-----|-------------|-------|-------------------|
| 1 | Regression | 8.835 | 4 | 2.209 | 9.775 | .000 ^b |
| | Residual | 23.952 | 106 | .226 | | |
| | Total | 32.787 | 110 | | | |

a. Dependent Variable: jobsat

b. Predictors: (Constant), achii, part, supp, dir

Table 4 12: Result of Multiple Regression Analysis

| Model | | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
|-------|----------------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | .869 | .570 | | 1.526 | .130 |
| | Directive | -.101 | .098 | -.104 | -1.025 | .308 |
| | Supportive | .481 | .088 | .468 | 5.470 | .000 |
| | Participative | .092 | .103 | .075 | .890 | .375 |
| | Achievement oriented | .111 | .083 | .137 | 1.335 | .185 |

a. Dependent Variable: job satisfaction

According to the above table, it can be seen that directive leadership behaviour yield negative sign. Directive leadership behaviour significantly affect job satisfaction in ERA with ($\beta = -.101, p = .308$); the beta coefficient for directive behaviour is negative which means that job satisfaction and directive behaviour have an inverse relationship i.e. as directive behaviour increases job satisfaction decreases. This is because, such type of behaviour is more appropriate when a task is complex, ambiguous and formal standard is strong but the type of job performed in ERA is more of routine task mostly road construction. The significant level of directive behaviour shows ($p = .308$) which means it's insignificant because p value is > 0.05 . Since it may restricts the initiative workers and avoid the use of collaboration because the leaders are forced his/her followers to accomplish the assigned task which creates higher level of stress. Therefore the more the leader exhibits such type of behaviour the less satisfied the employees become. According to Malik, Aziz, and Hassan (2014) directive leadership is significantly related with job satisfaction, in situations where task is highly unstructured and non-routine and ambiguous, subordinates want clear directions from leader rather than sympathy. And subordinates are more satisfied with directive leader behaviour when task is not structured, well prepared and planned. But in the case of ERA, most of their task is routine and that may be implies employees become dissatisfied with directive leadership behaviour and it has insignificant relation with job satisfaction.

Supportive leadership behaviour have a significant effect on job satisfaction in ERA employees with ($\beta = 0.481, p = .000$) which also indicates positive and direct effect and relationship between supportive behaviour and job satisfaction. That is, as Supportive behaviour increases, job satisfaction level also increases. This could be due to the fact that when the task is stressful and work does not provide job satisfaction, the leader provides psychological support to his or her subordinates by creating friendly and open work environment, where employees are motivated to work harder and achieve their goal which makes their job more interesting and satisfying. And when the performance of the employees increases due to the comfortable working environment which is created by supportive leader, employees can get reward either intrinsically or extrinsically that will increase their job satisfaction level. In addition this finding is also similar to Malik (2013), supportive leadership are significantly related with job satisfaction. Thus it was concluded that leaders affect subordinates job satisfaction in situations where task is relatively routine and simple, supportive leader's offers wide range of rewards to subordinates such as encouragement and respect and further generates interest by creating a friendly and open work environment. This

motivates employees to work harder and achieve their goals and feel more satisfied while doing their task.

Participative leadership behaviour have positive direct effect on job satisfaction in ERA with ($\beta=.092$) which indicate as this leadership behaviour increases, it also leads to job satisfaction to increases by beta value. This is due to the fact that when leaders with such behaviour encourage involvement of their subordinates in decision making and operation process, it leads to the feeling of autonomy and independence to do the assigned task and this results in greater effort towards achievement of objective & higher job satisfaction. This type of behavior is best for ambiguous task to give a clear and good verification and briefing how to operates, provide effective and workable solution to the problems. This creates good working environment to interact and to share ideas from one another. However, the analysis showed that participative leaders behaviour is insignificant indicator for job satisfaction of employees as the table above shows ($p=.375$). According to George, 2019 participative leadership behaviour is not significant when the participants are going to take more time and energy to accomplish the tasks, if the leaders feel participating subordinates will reduce their power and influences, and if employees are not receptive to participate. Therefore in the case of ERA, participative leadership has insignificant effect on job satisfaction.

Achievement oriented leadership behaviour have direct effect on job satisfaction with the beta coefficient yield ($\beta=.111$) which shows the increase in this leaders behaviour will leads to a direct increase on the level of job satisfaction. As this type of leader's set clear and understandable goal that is to be achieved by subordinates, employees feel that their leader has confidence in them even when the situation is complex and not easy to comprehend (Moorhead & Griffin, 2012). An achievement oriented leader encourages performance excellence and also exhibits confidence in the ability of subordinates to meet challenging goals and as a return the subordinates will have individual responsibilities and control over taking decision of their own tasks. These means when there is a clear and unambiguous goal set by the leader, it's easy for employees to perform their assigned task at highest performance. Their highest performance increasing the size and value of the rewards they get and this will motivates them to perform better and improves their job satisfaction. This type of leaders behaviour also have insignificant effect for job satisfaction it yields ($p=.185$). This may be because this type of leaders focuses only on achieving company's goal and they do not give opportunities to get for employees feedback. They might be also little regards for employee's welfare since the primary focus was achieving the goal. This may create to

replace employees who didn't finish the assigned task on time as a result this may also create employee burnout as well as dissatisfaction.

In general, by looking the above regression results, it is found that only supportive leadership behaviour has a direct and significant effect on job satisfaction of the ERA employees. With the type of work that ERA is engaged which is road construction, this type of leadership behaviour will fit and benefit the organization since it will increase the job satisfaction level of employees that will directly increase the company's success as well. Directive leadership behaviour will brought an inverse outcome for the satisfaction level of employees. Since it yielded negative outcome, it's not fit with the current situation of ERA. And also the other two leadership behaviour which are participative and achievement oriented leadership behaviour also has insignificant effect for the job satisfaction of ERA's employees.

CHAPTER FIVE

5. SUMMARY, CONCLUSION & RECOMMENDATION

The main purpose of the study is to examine the effect of leadership behavior on employee job satisfaction in ERA using Path goal leadership theory. The four leadership behaviors are directive, supportive, participative, achievement oriented. And for the purpose of analysis, the job satisfaction was measured in terms of pay, promotion, supervision, benefit and communication.

5.1 Summary of the Findings

The results of descriptive statistics analysis reveals that from the four types of leader behaviors studied, the most dominant type of leadership behaviour currently in ERA is Participative leadership behavior.

The relationship between variables which is their correlation was conducted and the result shows that except supportive leadership behavior which has strong significance and positive relation with job satisfaction, directive leadership behaviour has negative correlation with job satisfaction and the other two leadership behaviour which are participative and achievement oriented has positive but weak correlation with job satisfaction.

Multi-co linearity test result shows that the independent variables do have a linear relation with the dependent variable. In the previous chapter the computation shows there is no a serious multi-co linearity problem between the variables.

Multiple linear regression analysis was also conducted to check if the four types of leader behaviors affect job satisfaction. The results obtained reveals that adjusted $R^2 = .269$ which indicates that 26.9 % of the variation in Job satisfaction is explained by the four types of leadership behaviors (directive, supportive, participated and achievement oriented) with $p = 0.000$ which indicates a high significant regression model.

The result of multiple regression analysis reveals that only the supportive leadership behaviour has a direct significant effect with job satisfaction. The remaining leadership behaviour is exhibited to be insignificantly related to job satisfaction.

Directive leadership behavior had an inverse relation with job satisfaction indicating that the more the leaders are directive the less satisfied the employees become in ERA. The

remaining three types of leadership behaviours (supportive, participative & achievement oriented) were found to have a positive effect on job satisfaction in ERA. This indicate that when one factor increase the other also increase except directive leadership behaviour. Because leaders who use directive behavior are strict and concern for the formality and standard of how the task is being done and how it's going to be done. For the organization like ERA, where all tasks are routine these type of leaders' behavior brings job dissatisfaction for the employees.

The result of the Beta coefficient values of multiple regression analysis also reveals that from the four types of leader behaviors, only supportive behavior had the highest effect on job satisfaction followed by achievement oriented & participative leader's behaviors in ERA.

5.2 Conclusion

The primary objective of this study is to examine the effect of leadership behavior on employee's job satisfaction in the case of ERA. The study also tries to find out which leadership behavior is dominantly exhibited and current satisfaction level of employees in ERA.

A successful leader not only satisfies the needs of followers effectively by exchanging rewards, but also sets an example for their followers and promotes dramatic changes and influence on individuals, groups, and organizations. Moreover, the overall effectiveness of an organization rests on both the leadership and employee job satisfaction.

From the finding, Participative leadership behavior is dominantly exhibited in ERA but it can be conclude that ERA's majority of employees job satisfaction does not depend on participative leadership behavior. As the regression analysis shows that the leadership behaviour that has direct effect or impact and significant for the employee's job satisfaction is supportive leadership behaviour. When we see directive leader's behaviour, ERA employees are dissatisfied with such leaders because those leaders are focused only on strict rules and regulations. They are more task oriented rather than employee relation oriented. So it can be conclude that the employees seek more friendly working area than the one which is tightened toward the accomplishment of the task.

Employees of ERA have better-quality in communication and Supervisory practice followed by promotion. This shows that ERA employees are less satisfied internally with their carrier

development. From the benefit and pay job satisfactions indicators, ERA employees are dissatisfied.

Organizational performance and effectiveness strongly depend on the level of employee's job satisfaction. Because it's when those who operate the main task of the organization are satisfied either intrinsically or extrinsically, then operates with their full capacity to achieve the organization goal and objectives. To increase employee's job satisfaction, the ERA leaders may need to focus on improving the quality of the supportive relationships between the leaders and the employees. As this study indicates that focusing on supportive leadership behaviour helps for ERA employees to be satisfied and become successful in doing their assigned task.

5.3 Recommendation

Employees are the most important asset in an organization. Therefore, organizations need to have capable leaders to lead and motivate their employees in their daily operation and achieve the organizational goals. Based on the data analyzed, the researcher forwarded the following recommendation for the future improvement.

- The researcher recommends that for leaders to contribute to the satisfaction of their employees, they should be more employee-oriented. Being supportive leader improve the quality of relationship between the leaders and their employees, which in turn will increase the employee's job satisfaction. Supportive leaders also treat followers as equals and give them respect for their status and create friendly working environment and includes attending to the well-being and human needs of followers. And employees become satisfied to work with such leaders and they will be satisfied with their current job.
- The company leaders also should minimize directive leadership behavior because it has negative impact on employee's job satisfaction. Directive leaders must tells subordinates exactly what they are supposed to do when subordinates ability is low and or the task to be performed is complex or ambiguous. But in the case of ERA, their task is not complex rather it is routine task so the researcher recommend to minimize some directive leaders behavior in the company.
- The researcher also recommend that even if achievement oriented leaders do not have significant effect on employees job satisfaction, it's good for the ERA employees to

have clear and understandable goals to perform at their highest performance and they can be motivated by thinking the task they are doing is added some value for the company.

- Based on the findings of this study, ERA should improve the extrinsic factors such as, salary (Pay) and benefits by assessing the level of those factors available in organizations within and outside the industry to make satisfied their employee's with their current job.
- In addition the company should conduct job satisfaction surveys from time to time and take corrective actions on areas that need improvement.
- Finally, the last recommendation is for the future, further study must be done regarding the types of leadership behaviour and their effect on job satisfaction.

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APPENDIX A. QUESTIONNAIRES DISTRIBUTED FOR EMPLOYEES OF ETHIOPIAN
ROADS AUTHORITY (ERA)
ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCEGRADUATE PROGRAM
MASTERS OF ARTS IN BUSINESS LEADERSHIP

Dear Respondents:

My name is Melat Alemayehu and I am a post graduate student of business leadership program. This questionnaire is designed to collect data for the research project titled “The effect of leadership behavior on employee job satisfaction in the case of ERA, head office quarter”. Therefore, this is to request your kind cooperation in filling out the questionnaire and I would like to assure you that all the data gathered will be held confidential and will be used for the intended academic purposes only. I would like to express my heartfelt gratitude for your time, willingness and kind support in filling out the questionnaire.

SECTION ONE: DEMOGRAPHICPART

INSTRUCTION: This part of the questionnaire covers the personal and job related background information. Please respond to each question by putting a tick sign the choice that represents your personal profile

1. Sex

A. Male B. Female

2. Age

A. 20-25 B. 26-30 C. 31-40 D. 41-50 E. Above 50

3. Marital Status

A. Single B. Married C. Divorced D. Widowed

4. Educational Qualification

A. Diploma B. Degree C. Masters D. Above Masters

5. Total years of experience in this company in years

A. 1-5 B. 6-10 C. 11-15 D. above 15 years

SECTION TWO: LEADERSHIP BEHAVIOUR QUESTIONS

INSTRUCTION: The following questions are aimed to measure your opinion about your supervisors or your leader's behavior in four dimensions such as directive, supportive, participative, and achievement oriented. Please make a "√" mark on your response to each statement according to the five point scale labeled at each statement (1) Strongly Disagree (2) Disagree (3) Neutral (4) Agree (5) Strongly Agree

| Leadership behavior | Strongly disagree 1 | Disagree 2 | Neutral 3 | Agree 4 | Strongly agree 5 |
|--|--------------------------------|-----------------------|----------------------|--------------------|-----------------------------|
| Directive leadership behavior | | | | | |
| 1. My supervisor let subordinates know what is expected from them. | | | | | |
| 2. My supervisor informs subordinates about what needs to be done and how it needs to be done. | | | | | |
| 3. My supervisor asks subordinates to follow standard rules and regulations. | | | | | |
| 4. My supervisor explains the level of performance that is expected of subordinates. | | | | | |
| 5. My supervisor gives vague explanations of what is expected of subordinates on the job. | | | | | |
| Supportive leadership behavior | | | | | |
| 6. My supervisor maintains a friendly working relationship with his/her subordinates. | | | | | |
| 7. My supervisor encourages my career development by facilitating a training program. | | | | | |
| 8. My supervisor says things that hurt subordinates' personal feelings. | | | | | |
| 9. My supervisor helps subordinates to overcome problems that stop them from carrying out their tasks. | | | | | |
| 10. My supervisor behave in a manner that is thoughtful of subordinates' personal needs | | | | | |

| Participative leadership behavior | Strongly disagree 1 | Disagree 2 | Neutral 3 | Agree 4 | Strongly agree 5 |
|--|--------------------------------|-----------------------|----------------------|--------------------|-----------------------------|
| 11. My supervisor consults with subordinates when facing a problem. | | | | | |
| 12. My supervisor listens receptively to subordinates' ideas and suggestions. | | | | | |
| 13. My supervisor acts without consulting his/her subordinates | | | | | |
| 14. My supervisor asks for ideas or opinions from his/her subordinates concerning how to carry out tasks. | | | | | |
| 15. My supervisor invites his/her subordinates to participate in decision making. | | | | | |
| Achievement oriented leadership behavior | | | | | |
| 16. My supervisor lets his/her subordinates know what is expected of them to perform at their highest level. | | | | | |
| 17. My supervisor sets challenging goals for subordinates to achieve at their highest performance. | | | | | |
| 18. My supervisor encourages his/her subordinates to continuously improve their work performance. | | | | | |
| 19. My supervisor shows his/her doubts about subordinates' ability to meet most objectives. | | | | | |
| 20. My supervisor expects his/her subordinates to excel in all aspects of their work. | | | | | |

SECTION THREE: JOB SATISFCTION QUESTIONNARIE

INSTRUCTION: These questions are aimed to measure your perception of job satisfaction in the company. Please make a “√” mark on your response to each statement according to the five point scale labeled at each statement (1) Strongly Disagree (2) Disagree (3) Neutral (4) Agree (5)

| INDICATOR | Strongly disagree 1 | Disagree 2 | Neutral 3 | Agree 4 | Strongly agree 5 |
|--|------------------------|---------------|--------------|------------|---------------------|
| Pay | | | | | |
| 1. I feel I am being paid a fair amount for the work I do. | | | | | |
| 2. I feel satisfied with my chances for salary increases. | | | | | |
| 3. Pay raises do not happen often. | | | | | |
| 4. I feel appreciated and valued by the organization when I think about what they pay me. | | | | | |
| Promotion | | | | | |
| 5. There is clear promotion policy in my organization. | | | | | |
| 6. My performance and length of stay in my organization determines my chances for promotion. | | | | | |
| 7. I am satisfied with my chances for promotion. | | | | | |
| 8. In my organization, those that do well on the job get chance of being promoted. | | | | | |
| Supervision | | | | | |
| 9. My supervisor shows too little interest in the feelings of his/her subordinates. | | | | | |
| 10. My supervisor is quite competent in doing his/her job. | | | | | |
| 11. I am satisfied with the competence of my supervisor in making decisions. | | | | | |
| 12. My supervisor provides timely feedback and communication to us on the issues affecting our work. | | | | | |
| 13. I can express myself freely to my supervisor. | | | | | |

| Benefit | Strongly disagree 1 | Disagree 2 | Neutral 3 | Agree 4 | Strongly agree 5 |
|--|-------------------------------|----------------------|---------------------|-------------------|----------------------------|
| 14. All necessary fringe benefits are provided in my organization. (E.g. health insurance, transport allowance, provident fund or pension, etc...) | | | | | |
| 15. The benefit package we have here is equitable or distributed fairly. | | | | | |
| 16. The benefits I receive are as good as most organizations offer. | | | | | |
| 17. I am satisfied with the benefits I received. | | | | | |
| 18. There are benefits that we do not have which we should have. | | | | | |
| Communication | | | | | |
| 19. Communication seems good within my organization. | | | | | |
| 20. Communication between me and my colleagues are good. | | | | | |
| 21. Communication between me and my immediate supervisor is good. | | | | | |

THANK YOU