



**Addis Ababa University School of Commerce Department of
Business Leadership Management**

**Leadership Practices and Challenges in the
Construction Industry of Ethiopia: The Case of
BOKRA Construction and Trading PLC**



By: Abrham Feleke

Advisor: Zegeye Muluye (PhD)

*A Project Paper submitted to the School of Graduate Studies of Addis
Ababa University School of Commerce in partial fulfilment of the
Requirements for the Award of Degree of Masters in Business
Leadership Management*

JUNE, 2023

ADDIS ABABA, ETHIOPIA

Addis Ababa University

School of Commerce

Department of Business Leadership Management

**Leadership Practices and Challenges in The Construction Industry of
Ethiopia: The Case of BOKRA Construction and Trading PLC**

By

Abrham Feleke

APPROVED BY BOARD OF EXAMMINERS

Zegeye Mulye (PhD)

Advisor

Signature

Date

Internal Examiner

Signature

Date

External Examiner

Signature

Date

Statement of Declaration

I, Abrham Feleke, have carried out independently a research work on the topic entitled “Leadership Practices and Challenges of the Construction Industry of Ethiopia: A case of BOKRA Construction and Trading PLC” in partial fulfillment of the requirements for the degree of masters of art in Business Leadership Management with guidance and support of the research advisor Zegeye Mulye (PhD). This study is my own work that has not been submitted for any degree or master program in this or any other situations.

Abrham Feleke

Signature _____

Date _____

Statement of Certification

This is to Certify that Abrham Feleke, has carried out this research project on the topic entitled “Practices and Challenges of Leadership in the Construction Industry of Ethiopia: A case of BOKRA Construction and Trading PLC”. This work is original in nature and it is sufficient for submission for the partial fulfilment for the award of degree of degree of masters of art in Business Leadership Management.

Zegeye Mulye (PhD)

Signature _____

Date _____

Acknowledgements

It is through the providence of God to do this project and I always said Thanks to God. Next to that, my advisor Dr. Zegeye Mulye (PhD) who brings me all of his knowledge and time without any constraint I would like to say many thanks with great respect. Next my families I am very grateful to have just like this family who supports and give patience for my work time. Finally, I appreciate all of the respondents of BOKRA Construction and Trading PLC (owners and staffs) for your cooperative and wise support in providing me openly and confidentially all the necessary information.

Table of Contents

ACKNOWLEDGEMENTS	4
TABLE OF CONTENTS	5
LIST OF TABLES	8
ABSTRACT	9
CHAPTER ONE	10
1. INTRODUCTION	10
1.1. Background	10
1.1.1. Background of the Study	10
1.1.2. Background of the company	11
1.2. Statement of the Problem	12
1.3. Research Questions	14
1.4. Objectives of the Study	15
1.4.1. General Objectives	15
1.4.2. Specific Objectives	15
1.5. Significance of the study	16
1.6. Scope of the Study	17
1.7. Limitations of the Study	17
1.8. Definition of Terms	17
1.9. Organization of the Study	18
CHAPTER TWO	20
2. LITERATURE REVIEW	20
2.1. Definition of Leadership	20
2.2. Theories and Approaches of Leadership	21
2.2.1. Trait Theory (1930s' to 1940s')	21
2.2.2. Behavioral Theory (1940s' to 1950s')	22
2.2.3. Contingency Theory (1960s')	22
2.2.4. Transactional Leadership Theory (1970s')	23
2.2.5. Transformational Leadership Theory (1970s')	24
2.3. Transactional verses Transformational Leadership	25

2.4.	Organizational Culture	26
2.5.	Leadership and the Construction Industry	28
2.6.	Leadership in the Construction Industry of Ethiopia	29
2.7.	Theoretical Framework	31
2.8.	Conceptual Framework	32
CHAPTER THREE		33
3. METHODOLOGY		33
3.1.	Research Design	33
3.2.	Target Population	34
3.3.	Sampling Strategy	34
3.3.1.	Sampling Size	35
3.3.2.	Sampling Procedures	36
3.4.	Sources of Data and Collection Methods	36
3.5.	Data Processing and Analysis	36
3.6.	Validity and Reliability of Project Instruments	37
3.6.1.	Validity of the project Instruments	37
3.6.2.	Reliability of the Project Instruments	37
3.7.	Ethical Consideration	37
CHAPTER FOUR		38
4. RESULTS AND DISCUSSION		38
4.1.	Introduction	38
4.2.	Questioner Response Rate	38
4.3.	Demographic Information	38
4.4.	Transformational Leadership Style and Effectiveness	48
4.5.	Transactional Leadership Style and Effectiveness	50
4.6.	Organizational Culture and Effectiveness	52
4.7.	Qualities of Leaders and Effectiveness	54
CHAPTER FIVE		57

5. SUMMARY, CONCLUSION AND RECOMMENDATIONS	57
5.1. Introduction	57
5.2. Summary	57
5.3. Conclusion	59
5.4. Recommendations	59
5.5. Suggestion of Further Studies	61
References	62
Appendices	66
Appendix I	67
Appendix II	73
Appendix III	79
Appendix IV	82

LIST OF TABLES

Table 4.1: Composition of Respondents	39
Table 4.2: Gender Distribution of Respondents	39
Table 4.3: Age Distribution of Managers	40
Table 4.4: Age Distribution of Team Leaders	40
Table 4.5: Age Distribution of Subordinate Employees	41
Table 4.6: Age Distribution of Supervisors	41
Table 4.7: Education Level Distribution of Managers	42
Table 4.8: Education Level Distribution of Team Leaders	42
Table 4.9: Education Level Distribution of Subordinate Employees	43
Table 4.10: Education Level Distribution of Supervisors	43
Table 4.11: Work Experience Distribution of Managers	44
Table 4.12: Work Experience Distribution of Team Leaders	44
Table 4.13: Work Experience Distribution of Subordinate Employees	45
Table 4.14 Work Experience Distribution of Supervisors	45
Table 4.15: Project Complexity Distribution of Respondents	46
Table 4.16: General Information Summary of Respondents	47
Table 4.17: Transformational Leadership Style and Effectiveness	48
Table 4.18: Transactional Leadership Style and Effectiveness	51
Table 4.19: Organizational Culture and Effectiveness	53
Table 4.20: Qualities of Leaders and Effectiveness	55

Abstract

It is arguable that, with effective and influential leadership, an industry can win in a more competitive, complex and dynamic business environment and can achieve its sustainability and growth. Specially, the construction industry, which involves the commitment and integration of many stakeholders will benefited more from effective leaders. However, in Ethiopia there was given little attention and it leads them inefficient performance and project ineffectiveness. Past studies are not dealing with the qualities required for an effective and influential leader of the construction industry rather their focus was investigating leadership style and individual attributes. This paper aims to assess the practices and challenges of leadership in the construction industry of Ethiopia in the case of BOKRA Construction and Trading PLC and it also covers the practical aspects of Transformational and Transactional leadership styles and its attributes. Data is gathered from 64 respondents composed of managers, team leaders, subordinate employees and supervisors. The study adopts descriptive type of design to answer the research objective. It uses a quantitative method. Data is gathered both from primary through questioner and secondary through interview sources. The study found that both Transformational and Transactional leadership styles are moderately applied with a dominant exercising of transformational leadership style by BOKRA and there are some attributes like clear recruitment, employee development and equal treatment which rarely applied in BOKRA and it is due to the organizational culture and qualities of leaders, which seen as a challenge. Further, the qualities of leaders must give attention by exceling the leadership skills and knowledge which will be exercised in an effective and influential manner. Generally, effective and influential leadership will be practiced by fully addressing the attributes of leadership styles, organizational culture and quality of leaders assessed in the project that can enhance firm performance and effectiveness. The study suggested further studies to be taken by conducting a survey from many construction firms and also by considering other parties' challenges like suppliers, financial institutions and governing bodies.

CHAPTER ONE

1. INTRODUCTION

1.1. Background

1.1.1. Background of the Study

A good Leadership system and strategy endeavors organizations to exploit effective and optimum level of organizational performance and employee performance. Despite the fact that, Leadership is very essential to all types of industries, by taking into consideration the degree of firms' size and complexity; the crucial importance of Leadership to the construction sector is very vital due to the reason that, managing construction firms' relies with the commitment and integration of various stakeholders and further, its process features and the complexity of many projects matters. George, and Shamas-ur, (2012) supported this notion by addressing the necessity of leadership to the construction sector as “constructed products influence long-term socio economic development in developing countries, poor performance on projects can have severe implications for the nation and its citizens. Thus the need for effective leadership in construction is even more acute. It may be argued that ‘effective leadership’ is one of the primary answers to the problems of the construction industry, including (and perhaps, especially) problems in developing countries. To this end, greater attention should be given to leadership development.”

Effective leadership practice combines motivated and satisfied work force having a diversified knowledge, skills, experience and talents with, a well-developed and influential leader rather than, managers that guide and impose employees with rules and regulations. Construction projects are expensive and technically demanding and the project teams are large and diverse, it requires a practice of updated and well-informed influential leadership system.

Leadership practices and challenges in the construction industry are theorized and tested by several studies. George, and Shamas-ur, (2012) for example demonstrated that the practice of leadership is related to the construction industry development. Girma, (2018) demonstrated that leadership style and approach is depend on the demographic characteristics, education background and experience of high level managers. It described as young project engineers’

leaders tends to use transformational leadership styles, whereas, elderly or long years experienced construction managers exercise bureaucratic leadership style. Regarding gender leadership style result shows insignificant outcome due to very few number of female leader respondent. Endale, (2021) demonstrated no single leadership style stood out to be highly practiced rather a number of attributes from each style were practiced and some crucial attributes from those leadership styles are rarely practiced in the industry.

Construction companies in Ethiopia are suffered of practicing effective leadership and the exposure of it is mostly not fitting at the required level further, its challenge is from many stakeholders and it was basically the reason for the failure of many huge construction companies in Ethiopia, especially for those were their organization system is not focusing on effective leadership rather politically bounded or dependent.

It is clear that the construction industry of Ethiopia is at the macroeconomic level since, it mobilizes huge funds that is almost hundreds of billions ETB per annual and addresses nationwide effects, further it is operated and participate various stakeholders and many numbers. So, it needs strong, influential and effective leaders. George, and Shamas-ur, (2012) supports this idea by stating that the need for effective leadership in construction projects is undeniable in the increasingly complex environment.

This project aims to assess the qualities of effective and influential leaders required for the construction industry of Ethiopia and also to assess the challenges they face within the industry and how to overcome that challenges. In addition, it also clarifies which leadership style is practiced, and which one is more applicable and appropriate for the construction industry,

1.1.2. Background of the company

In this project, the case company “BOKRA Construction and Trading PLC”, is a private owned limited liability company, licensed in 2004e.c, with a paid-up capital of Br 21,000,000. It is a Grade-1 General Contractor (GC), listed and ranked on the top five of the biggest construction companies of Ethiopia. It is engaged in the building of civil works of Governmental Health Bureau building projects, new and expansion of University buildings and Electric power sub-stations in different cities of Ethiopia. The company, have different projects across the country and its head office located in Addis Ababa, Gerji area near to Unity University.

In the year 2006e.c to 2009e.c, BOKRA Construction and Trading PLC had 33 projects in hand in which each project had a cost value of above half a billion in ETB. And, it had also 430 permanent employees, 250 contract and 850 daily labors. It specializes in completing building projects with quality and timely accomplishment manner by providing the necessary inputs and through aligning it with qualified Engineering professions and Supporting staffs, which had a highly committed, integrated and motivated employment and reward system. Through this period the company accomplishes several projects among them some are: -

1. Bube Public Health Center, which is found in Oromia Regional State, Bube Town.
2. Hawagelan Public Health Center, which is found in Oromia Regional State, Hawagelan Town.
3. Jimma, Agaro, Metu, Bedele, Gambela, Welkite, Woliso, Alaba, Hossana – 9 (nine) from Alstom of Electro Power Sub-Station expansion projects.
4. Chanco and Gerb-guracha – 2 (two) from Hysong of Electro Power Sub-Station expansion projects.
5. Ministry of Labor and Skills, which is found in Addis Ababa, Lam-beret, near to Wossen grocery.
6. Mekele University, which is found in Tigray Regional State, Mekele – 7 University faculty Building projects and expansions.
7. 40/60 Saving House projects, Addis Ababa, Kality near to Crown Hotel – 4 Buildings.

At this moment, as the research is conducted BOKRA Construction and Trading PLC, is undertaking huge projects in Addis Ababa and different cities of Ethiopia.

1.2. Statement of The Problem

The role of effective leadership for the construction industry is vital in enhancing productivity and effectiveness of construction site management. Moreover, the leadership ability to transform the organization as per the dynamic force market is essential for sustained success in construction industry. Also, the ability of leaders to both motivate the internal workforce as well as communicate to a diverse project team is a challenge to individuals for developing their communication skills. Cole, (2005) explain it as, Leader is a person who could motivate or

attract the commitment of the followers by way of influence or power to achieve the goals of the organization.

The construction industry of Ethiopia is highly in need of effective and influential leaders, that can achieve to complete projects on time, influence employees for common goals, motivate, empower and develop employees, having a broad and dynamic skills in handling conflicts, manage resources economically and in ethical manner and further, a leader that consider the social and economic value of the firm plus the society at large.

This time the construction industry of Ethiopia become high depth, its running budget is huge and it incorporates many stakeholders. Shifferaw, (2019) argues that, qualities of construction industry leadership and management in Ethiopia is dependent on the development of the construction industry. However, when we are looking its leadership practice, it is more of in doubt and the leaders are mostly weak in overcoming the challenges in –and-out-side the industry. Even the organizational culture and system did not properly articulate a standard measures regarding the attributes of effective leadership that properly fit with the context of the construction industry of Ethiopia and so far, the leader-member interaction and communication is very unsatisfactory, in clear terms it is bureaucratic arrangement. Therefore, the purpose of this study is to fill this gap by evaluating the leadership practice of the case company and how it tackles the challenges, what are the main challenges in practicing effective leadership in the construction industry of Ethiopia. Further, it wants to address the qualities of effective leadership as a standard measure on different situations and also, focus on how to create efficient leader-member interaction in today's competitive, dynamic and innovative construction industry of Ethiopia.

Past studies on this context focuses on leadership styles and individual attributes such as self-awareness, courage, confidences, generosity, honesty, mastery, and passion to determine effective leadership reflection for the construction industry of Ethiopia. Of course, individual attributes have a great contribution to leadership. However, these are not enough to show out the full picture of effective leadership and these past studies have a gap on bringing the necessary qualities of construction leaders as a discipline or subject. In addition, their focus is on a broad depth of leadership style rather, not providing the necessary practical technics and ignoring of

human aspects of managing people. Further, the leader-member interaction is not deeply discovered in the construction context of Ethiopia.

In addition, most of the construction projects in Ethiopia are not completed on desired and agreed contract dates rather, it lasts long with additional cost incurring and without answering projects' urgency for the nation use and past studies on this issue suggests, the gap is on the weak development of the construction industry in developing countries. Therefore, this study also aims to identify the reasons for this consequence is that a leadership issue or other else? It will provide the answer at the completion of the study.

Generally, this study addresses to the above mentioned purpose and to fill the gap of past studies such as in setting the conceptual guidelines of leadership as a discipline, assessing the contribution of different stakeholders for effective leadership exercise and the practice of the industry for human development and social responsibility aspects.

1.3. Research Questions

This project is designed to addressee and answer a research questions on leadership practices and its challenges on the construction industry of Ethiopia and most specifically, on the case company BOKRA Construction and Trading PLC.

1. What pictures does it look like the leadership practice of the construction industry in Ethiopia?
2. What Challenges face to implement effective leadership in the Ethiopian construction industry and specifically which challenges give more weight in the case of BOKRA Construction and Trading PLC?
3. What frame works and approaches will give an effective leadership practice?
4. What are the features that determine effective leadership practice as a standard for the construction industry of Ethiopia?
5. Does the organizational culture affect the leadership effectiveness of the construction industry and what kind of culture is preferable?
6. Which leadership style is dominantly practiced in the construction industry of Ethiopia?
7. What are the attributes of effective leadership and quality leader?

1.4. Objectives of the Study

This project assesses the objectives of the study by classifying into the main or the general objectives and the targeted or specific objectives. And it is as follows: -

1.4.1. General Objectives

This project's main or general objectives are to bring the experience and challenges of practicing leadership in the construction industry context of Ethiopia basically, in BOKRA Construction and Trading PLC, the case company.

1.4.2. Specific Objectives

The researchers also aim to clarify the targeted or specific objectives of the study at the completion of this project. These are as follows but not limited to: -

- ❖ To assess the determinants of effective leadership for the construction firms.
- ❖ To Assess the leadership practice of BOKRA Construction and Trading PLC is based on standard models and theories.
- ❖ To provide and draw a clear picture on the conception and operationalized framework of effective leadership applicable for the construction sector of Ethiopia and more specifically, to the case company.
- ❖ To find a standard measures of effective leadership technic and applicability.
- ❖ To identify the effect of organizational culture and employee behavior in shaping the practice of effective leadership.
- ❖ To assess which managerial skills, experience and knowledge is preferable to effective leadership practice of the construction industry.
- ❖ To assess the impact of organizational culture on leadership effectiveness of the construction firms and;
- ❖ To trace out the attributes of leadership style applicable for the construction companies of Ethiopia.

1.5. Significance of the Study

The study significance is vital for the construction companies, consulting firms, today's leaders of the construction industry, for policy makers, for potential lenders, suppliers, researchers and other stakeholders.

The qualities required for an influential and effective leader, and the mechanism the qualified leader takes to overcome the challenges as described in the findings of this study will benefit construction companies and consultancy firm at large. It enhances firms' productivity, employee performance optimal point, employee satisfaction, client satisfaction, all stakeholders' addressability and social responsibility. And, in turn it maximizes firms' profit maximization level and shareholders return and the sustainability and development of the organization at large.

Policy makers will also be benefited from the findings for allocating the time and adequate budget needed for completing different size and scope projects which lead by effective and influential qualified leaders. Even, to treat the unexpected future uncertainties and risks in understandable manner with the qualified leaders.

The study findings will also be important for potential lenders like banks, insurance companies and other borrowers to lend money confidentially, and through expecting future co-operative work and return at high level. The qualities of effective leaders matter the sustainability of the firm performance and its periodic settlement of credits through efficient payment system.

Suppliers will have a body of knowledge on how the firm is operating with huge purchasing transactions and its settlement of credit supply of inputs. And that will be measured and determined by qualified, effective and influential leader that have a great intellectual and communication skill.

Further, the findings of this study provide for future researchers the gap of this research and on what area and concept of point to be focused and assess a further research and study and in what scope and inter related disciplinary subjects to be align with.

Other stakeholders like international donors, custom and revenue authorities, societies and other stakeholders will also be benefited from this finding by having a potential information on the

qualities of effective and influential leaders in addressing the social responsibility and the obligations and accountability of the firm and each employee.

1.6. Scope of the Study

This study focuses on the leadership practice and challenges of construction firms by taking BOKRA Construction and Trading PLC as a case company and the characteristics of effective and influential leaders for today's project requirement by taking seven projects of the company five found in Addis Ababa and the remaining two projects address in out of Addis Ababa. The study also bounded in the scope of the project cost that have a project cost of above 200,000,000 ETB (Two hundred million Birr project price).

1.7. Limitations of the Study

The limitation of this study is in that the practice of leadership is limited to the case company not addressing the whole construction company in Ethiopia and so, it may not be equally treated as the weakness of other construction company leaders. Further, it only depends on the construction industry not looking for other industries and their interdependencies. In addition, some information collected from respondents are subjective and self-interest based and it is due to respondents are feeling fear of losing job.

1.8. Definition of Terms

Organizational culture: The working environment, the norms, policies and rules, ethics of conduct exercised and considered as a working conditions and criteria that judges between employee and employer as an intermediate.

Organizational performance: The extent to which the company is meeting the required outcome result and performing with efficient resource utilization.

Employee Performance: The performance of employees to meet their required jobs and duties on time and with the necessary knowledge, information and working ethics.

Team Performance: The performance of group works to meet group decisions that will make better influence on the performance of the company.

Employee satisfaction: The satisfactory level of employees of the company through motivation, incentives, rewards and development and training.

Leadership style: The leading technics and systems of managers and supervisors in the company.

Transactional leaders: A leadership style of leading employees, groups, works and companies through providing clear instructions, allocating resources, active vigilance and prompt interventions to correct mistakes so as to ensure that employees meet their goals and the organization goals at the required level and time.

Transformational leaders: A leadership style of leading employees through trust, motivation, involvement, empower, vision, respect, pride and developing the feeling of employees that they are owner of their work and even the company.

1.9. Organization of the study

This project contains five major chapters and each chapters have sub titles, the organization of it is as follows: -

The first part of the study, which is chapter one includes the introduction part broadly consists of the background of the study about leadership and the case company history in short, the statement of the problem, research questions raised by the study, research objective by dividing it to general and specific, significance of the study, scope of the study, limitations of the study, definition of terms and finally the organization of the study. The second part, which is chapter two addresses the literature review part which contains different relevant literatures on the definition of leadership, leadership style, leadership practice and challenges of leadership more empirically (conceptually), the theories and models of leadership and its styles and finally the theoretical framework of the study is covered. In the third part of the study, which designed as chapter three covers the research methodology part including the kinds, sources and types of data, design research, population and sampling techniques, data collection method and data analysis methodology. Further, the fourth part, which is chapter four focuses on results and discussion part which summarizes results and findings and interpreting into the necessary outcomes. Finally, the last part which is chapter five covers the Summary, Conclusion and

Recommendation parts that consists and comprises the short summary of the major findings, conclusion report what the project aimed to study and its final finding result and finally providing the necessary recommendation or remedial actions to overcome the problem stated in the statement of the problem and also provide future research direction.

CHAPTER TWO

2. LITERATURE REVIEW

This chapter discovers existing literatures related with this project as a benchmark and a base for the gap of earlier studies and findings for leadership experience and challenges of the construction industry of Ethiopia. Many theories and models are discussed by identifying from their concept of leadership definition, the leadership theory and model framework they link with, the drawbacks identified as leadership challenges, the recommended solutions and suggested future needed research directions.

2.1. Definition of leadership

Of course, no consensus leadership definition exists but, many previous studies on this context presented and provide several varying definition of leadership in their research.

Fiedler (1967:36) suggested that “leadership behavior means particular acts in which a leader engages in the course of directing and coordinating the work of his group members”. To Burns (1978:425), “leadership is the reciprocal process of mobilizing by persons with certain motives and values, various economic, political and other resources, in context of competition and conflict, in order to realize goals independently or mutually held by both leaders and followers”. Bennis (1989:65) defined leadership as “the capacity to create a compelling vision and translate it into action and sustain it”. Yukl (1989:253), “leadership involves influencing task objectives and strategies, influencing commitment and compliance in task behavior to achieve these objectives, influencing group maintenance and identification and influencing the culture of an organization. Bass (1990), which defined leadership as “the principal dynamic force that motivates and coordinates the organization in the accomplishment of its objectives”.

Further, other studies like Gardner (1990:1), defines leadership as “leadership is the process of persuasion or example by which an individual (or leadership team) induces a group to pursue objectives held by the leader and his or her followers”. Chemers (1997:1) believed that “Leadership is a process of social influence in which one person is able to enlist the aid and support of others in the accomplishment of a common task”. Vroom and Jago (2007:18) defined

leadership as “a process of motivating people to work together collaboratively to accomplish great things”. Herbert, (2002) investigated and found that “only 10 percent of project manager’s role entails application of technical knowledge while 90 percent involves soft skill issues such as management and leadership”. Robbins, S.P., and Judge, T.A., (2013) emphasize the fact that ‘not all leaders are managers, nor for that matter, all managers are leaders’. Just because an organization provides its managers with certain formal rights no assurance they will lead effectively. The book also narrates the 19th century French saying of Talleyrand. “I am afraid of an army of 100 sheep lead by a lion than an army of 100 lions lead by a sheep”, which emphasizes how Leadership is so crucial and decisive.

Therefore, all the terms stated in the literatures so far to define leadership such as ‘influencing’, ‘mobilizing’, ‘motivating’, ‘coordinating’, ‘directing’, ‘persuading’, ‘common goals’, ‘vision’ and ‘objectives’ is focused to point out and to give worth for the value of leadership for the success and achievement of organizational and employee performance. In general, most of the literatures consider leadership is involving of a common goal and valuable positive relations among the leader and followers. Specially, for the construction industry it is so vital importance since, it requires collective stakeholders’ participation with devotion and meeting of deadlines.

2.2. Theories and approaches of leadership

Several approaches studying leadership over the years stated their theories either it is industry specific or general to the concept of leadership. This study overviews certain earlier studies and their theories on targeting the relevant one with this study.

2.2.1. Trait theory (19030s’ to 1940s’)

This theory concerned with differentiating leaders from followers by the view of personal qualities and characteristics. And, it states people are either born or made with certain qualities that will make them excel in leadership roles and they utilize to enhance organizational performance and leader prestige. These characteristics include intellectual attributes, physical features, intelligence, personality aspects, aptitudes, capabilities, sense of responsibilities, creativity and social standing.

The trait theories' aim was to prepare a master list of traits and that would eventually result in an ideal leader. Stogdill's (1948) research, relevant traits included intelligence, alertness to others' needs, comprehension of the task, initiative, persistence in managing problems, self-confidence and a desire to accept responsibility and occupy a dominant and controlling position. However, Stogdill, noted certain problems with this master-list approach and argued that no universal traits were required for leadership and these traits varied according to the followers' characteristics, activities and goals.

In connection with our study, this theory just contributes some of the attributes or characteristics required for leadership but not limited to and not only dependent on that.

2.2.2. Behavioral Theory (1940's to 1950s')

It offers a new perspective that focuses on the behaviors of the leaders as opposed to their mental, physical or social characteristics. They believe that leaders are made not born. This theory divided into task-oriented, more concern given to productivity and performance, and people-oriented, more concern to people (employees).

This behavioral theory brings core ideas for our study in that, people-oriented leaders give value to people and it will lead to work satisfaction, employee satisfaction, job enrichment, goal achievement, cooperative and respect among followers and with the leaders. In the other side, task-oriented gives less concern to employee desires and requirements and gives high value to productivity and performance issues.

2.2.3. Contingency Theory (1960s')

This theory claims that there is no single way of leadership style applicable for all situations and industries rather, the leadership style of a firm depends on the situations of employees, organizational culture, working environment, type of industry and regulatory issues. In other words, it believes in the case of contingency theory leadership practice applicable for one situation may not be applicable for other situations.

Dr. Paul Hersey and Kenneth Blanchard (1969), developed the situational leadership theory and states that, leaders must adapt their leadership style to the situation. According to this theory,

choosing the optimal leadership style to adopt will depend on the group's maturity. The management must then match the leadership style to the employee's maturity level. Generally, this theory's concern is on situational conditions and among this employee is the crucial part Robert (1971) in his publication of 'Administrative Science Quarterly', stated that leaders must provide practical guidance and resources to help their subordinates achieve their goals.

Related to this study, employee motivation factors and organization culture considered to be the major challenges for effective leadership practices which is provided from this theory.

2.2.4. Transactional Leadership Theory (1970s')

It is also called Exchange theory or managerial leadership and is characterized by the transaction between the leader and followers/employees that means, it is a leadership style where leaders rely on rewards and punishments to achieve optimal job performance from their subordinates. It has a more concern on the mutual benefit interaction and transaction with a positive value for order and structure principle of exchange between the two parties for attaining maximum output/goal achievement.

St. Thomas University (1971) describes as transactional leaders are more focus and effective on formal authority and position responsibility in an organization. And are responsible for maintaining routine by managing individual performance and facilitating group performance. This type of leaders set the criteria for their workers according to previously defined requirements. Performance reviews are the most common way to judge employee performance. It is work best with employees who know their jobs and are motivated by the reward-penalty system. The status-quo of an organization is maintained through transactional leadership.

St. Thomas University (1971) transactional leadership is more likely applicable to command military operations, manage large corporations, or lead international projects that require rules and regulations to complete projects on time or move people and supplies in an organized way. Transactional leaders are not a good fit for places where creativity and innovative ideas are valued.

Bernard, Jane and Bruce (1980) stated the dimension of transactional leadership into three which are the contingent reward (the process of setting expectations and rewarding workers for meeting

them), passive management by exception (where a manager does not interfere with workflow unless an issue arises), Active management by exception (in which managers anticipate problems, monitor progress and issue corrective measures).

This study outlines the characteristics of transactional leadership qualities appropriate for the construction industry in the different dimensions of contingent reward, passive management by exception and active management by exception.

2.2.5. Transformational leadership theory (1970s')

This type of leadership theory concerns on the concept that inspire leaders to transform followers through their inspirational nature and charismatic personalities. Involves creating flexible rules and regulations and that are guided by group norms. Transformational leadership approach causes change in individuals and social systems and it creates valuable and positive change in the followers with the end goal of developing followers into leaders.

Kendra (2023) states that transformational leaders are generally energetic, enthusiastic, and passionate. Not only are these leaders concerned and involved in the process, but they are also focused on helping every member of the group succeed. Transformation leaders focus on helping of members of the group support one another and provide them with support, guidance and inspiration they need to work hard, perform well and stay loyal to the group. The primary goals of transformational leadership are to inspire growth, promote, loyalty and instill confidence in group members.

Kendra (2023) group members are not just encouraged to participate, but they are also inspired to become leaders themselves. Transformational leaders can accomplish this by being responsive and empowering. The individual's goals become better aligned with the purposes of the entire group so that each group member's success furthers the organization's goals. This style of leadership can have a positive effect on the group effectiveness of better performance, better well-being and sense of empowerment.

This study also insights the characteristics of transformational leadership qualities relevant for an effective leader of the construction industry.

2.3. Transactional verses Transformational Leadership Styles

Of course, both leadership styles are complementary and can be exercised independently or together in a company structure work lines. In other words, transformational leadership style creates a vision and inspire subordinates to strive beyond required expectations, whereas transactional leadership focuses more on extrinsic motivation for the performance of job tasks. Generally, transactional leadership lacks trust and respect, and therefore any kind of true leader-subordinate relationship. While transformational relationships should lead to the development of a leader-subordinate bond, any transactional relationship may develop some form of shared trust and respect, but it is limited.

Michigan State University (2021) describes as Transactional Verses Transformational leadership style is not a question of a good vs bad, right vs wrong approach to leadership. While they are in fact opposite approaches to leadership, both offer advantages and are important styles of leadership to understand and apply in certain types of situations. A leader may naturally gravitate towards either transactional or transformational side in their style and methods. However, the best leaders understand that both can be utilized and integrated into their overall leadership toolkit. Those who aspire to leadership in the business world should develop an understanding of the differences between the two and recognize how they can apply the appropriate style based on the situation.

Jennifer (2022) identifies the two theories as transactional leader is someone who follows a routine or set of rules and focusing on sticking to the procedure to achieve results. Whereas, transformational leaders focus on the future, embrace creativity and encourage their subordinates to innovate and try new things with the ultimate goal of creating future success of the organization. Jennifer (2022) indicates the advantages of transactional leadership for some scenarios like: when there is a team full of self-interested or self-motivated people, when there is a clear structure for systems that require repetitive task, specifically in large organizations or groups and to achieve short-term goals quickly. Jennifer (2022) also indicates the advantages of transformational leaders such as: will encourage employee growth and development, to train subordinates to become leaders themselves, to move employees away from self-interest and into a mindset of communal success, to provide subordinates enough space to make their own decisions and to encourage team building and improve communication among team members.

In summarizing the differences between Transactional and Transformational leadership style the following table shows clearly with its classification of business practices.

Business Practices	Transactional	Transformational
Leadership Effectiveness	Effective through organizational performance and employee supervision.	Effective through organizational change & employee development.
Time devotion	Maximizing productivity in the present	Developing a strategy for the future of their team and organization
Activities	Making the day-to-day business of an organization flow smoothly.	Guiding organization or teams towards positive change
Promoting growth	Effective through goal targeting	Effective through overall development approach
Innovation and creativity	Less effective	Highly effective through encouraging new ideas and thoughts.
Motivational approach	Carrot and Stick approach	Empowering, delegation, commitment and inspiration to development.
Duration of Strategy	Short and medium term	More of long-term and less of short-term.

Table - 1.1 Differences between Transactional and Transformational leadership style Michigan State University (2021).

2.4. Organizational Culture

Organizational culture is the set of values, norms and beliefs shared by members of an organization. That means, employees share common values and beliefs about work related issues. Kellie (2020) supports this definition by elaborating deeply as organization culture is the collection of values, expectations and practices that guide and inform the actions of all team

members. Think of it as the collection of traits that make your company what it is. A great culture exemplifies positive traits that lead to improved performance, while a dysfunctional company culture brings out qualities that can hinder even the most successful organizations.

Organizational culture is closely linked with effective leadership and it will be a challenge unless it is treated and determined in good functional manner with the vision and mission of the company. Kellie (2020) confirms this idea and said that ‘don’t confuse culture with organizational goals or a mission statement, although both can help define it. Culture is created through consistent and authentic behaviors, not press releases or policy documents. You can watch company culture in action when you see how a CEO responds to a crisis, how a team adapts to new customer demands, or how a manager corrects an employee who makes error.

Culture is a key advantage when it comes to attracting talent and outperforming the competition. Kellie (2020) in its point raised that, 77% of workers consider a company’s culture before applying and almost half of employees would leave their current job for a lower-paying opportunity at an organization with a better culture. The culture of an organization is also one of the top indicators of employee satisfaction and one of the main reasons that almost two-thirds of employees stay in their job.

Qualities of Organizational Culture

According to Kellie (2020) the qualities of organizational culture required for high performing organizations and that has to be retain in order to make the company unique and preferable are as follows: -

Alignment come when the company’s objectives and its employee’s motivations are all puling in the same direction. Exceptional organizations work to build continuous alignment to their vision, purpose and goals.

Appreciation can take many forms; a public kudos, a note of thanks, or a promotion. A culture of appreciation is one in which all team members frequently provide recognition and thanks for the contributions of others.

Trust is vital to an organization. With a culture of trust, team members can express themselves and rely on others to have their back when they try something new.

Performance is key, as great companies create a culture that means business. In these companies, talented employees motivate each other to excel, and, as shown above, greater profitability and productivity are the results.

Resilience is a key quality in highly dynamic environments where change is continuous. A resilience culture will teach leaders to watch for and respond to change with ease.

Teamwork encompasses collaboration, communication and respect between team members. When everyone on the team supports each other, employees will get more done and feel happier while doing it.

Integrity, like trust, is vital to all teams when they rely on each other to make decisions, interpret results and form partnerships. Honesty and transparency are critical components of this aspect of culture.

Innovation leads organizations to get the most out of available technologies, resources and markets. A culture of innovation means that you apply creative thinking to all aspects of your business, even your own cultural initiatives.

Psychological safety provides the support employees need to take risks and provide honest feedback. Remember that psychological safety starts at the team level, not the individual level, so managers need to take the lead in creating a safe environment where everyone feels comfortable contributing. Now that you know what a great culture looks like, let's tackle how to build one in your organization.

2.5. Leadership and the Construction Industry

It is clear that leadership has a vital role for the successful growth and development of organizational performance and employee satisfaction specially, for the construction industry due to its large size nature and technically complex and they involve a combination of specialized skills. Chinyio and Vogwell (2007) found that effective leadership of the many stakeholders in a construction project can aid in harmonizing their goals and preventing conflict.

Several reasons raised for the failure of many construction companies but, mainly the major reason it poor exercise of effective leadership and unsystematic alignment of leadership practices

with organizational culture that promotes organizational performance and employee satisfaction. Bjeirmi, Begg and Scott (2007) noted that the UK construction industry has been the subject of ongoing criticism for its fragmentation and poor record on quality, waste, financial claims, safety and efficiency. They note that a major cause for this criticism is inadequate communication throughout the construction process because inappropriate procurement approaches have been adopted.

Effective leadership which have a high quality of targeting on performance and employee satisfaction with flexible style and working system with situation will provide the maximum result needed and optimal level of confidentiality on tackling obstacles on the construction industry. Much of the blame for the industry's poor performance in most countries is often allocated to factors outside of the control of construction organizations and professionals. Certain authors blame economic cycles and the political environment Enshassi, Hallaq and Mohamed (2006).

However, most studies argue that the outside factors are rare and a little effect rather, they believe that the challenge is from the leadership capability side of construction leaders and the organizational culture formulated in many construction companies that lead to poor performance and corrupted working environment. Adam (2007) supports this idea as, there are no bad projects, just bad leaders; he further elaborated that, when you see a project that is late, has defects or large cost overruns it is not a "bad project", it is a poor outcome, it is the culmination of bad decisions, probably incompetence and certainly poor leadership. Therefore, the need for effective and influential leadership for the construction industry is vital to meet the objectives and aspirations of the stakeholders in the most innovative, imaginative and value-adding manner for the benefit of the company, the client and all concerned parties. Thus, leadership should be a key feature in construction.

2.6. Leadership in the construction industry of Ethiopia

There are not enough studies that provide accurate information regarding the leadership practice of the construction industry of Ethiopia. However, some thesis conducted and reached on their findings such as, Endale, (2021) in his thesis focuses on the transformational and transactional styles of leadership and conclude that, both styles are less or rarely practiced in the construction

companies of Ethiopia, and the attributes analyzed by his study is not well practiced, rather moderately practiced by the construction projects of his case study samples. Enadle, (2021) adopts descriptive type of design using qualitative and quantitative data from both primary and secondary sources through questioner, interview, open-ended questions and by referring to the case company, Ethiopian Construction Design and Supervision works corporation documents and files. The methodology, data used and analysis of the thesis by Endale, (2021) was in a good technical way whereas, the case company he took was engaged in consulting rather than construction and it will not exactly work for both. Because, construction companies are wider than consulting firms in that, it involves many different supporting departments and staffs that mobilizes and manages resources and inputs for the maximum achievement integration.

Professor Shifferaw, (2019) suggests the construction industry of Ethiopia like other developing countries faces numerous problems and challenges from the industry context in general and leadership effectiveness and application in particular. Further, he elaborates the construction industry of Ethiopia has similar leadership difficulties as other developing countries such as, lack of guidance and rules for construction leaders, poor administration of construction industry laws, codes, management systems, absence of construction industry council, non-empowered strong engineering professional association, political assigned staff interference, external regulatory body influence, the expansion of corruption, and diversified man power both skilled and unskilled are among the challenges of the leadership practice of Ethiopian construction industry. The study was designed to cover the general practices and challenges of the construction industry of Ethiopia and it did not take any survey assessment, it uses secondary data like progress measurement and system analysis rather than taking sample company. That means, the study of Professor Shifferaw (2019) was to assesses the status of leadership development in the construction industry of Ethiopia.

Girma (2018) in his thesis find a result that, bureaucratic type of leadership is practical in aged leaders of the construction companies of Ethiopia and also finds that top managers are use of more delegation approach to their followers, that means as the position of managers become high they are practicing Laissez-faire (Delegate) leadership style. The thesis of Girma, (2018), discovered the problems and challenges of leaders of the construction industry of Ethiopia are poor performance of construction projects, shortage of financial capability, scheduling problem

and organizational system of implementation, performance planning effort, and scarcity of leadership skill of company and project managers. It uses both the primary and secondary sources of data through questioner and referring to archives. Its objective and conclusion is focusing on discovering the styles of leadership of construction industry managers and leaders but, it did not address the required skills of competent leaders rather it invites for future studies and investigations.

To become competitive in the current construction projects, the construction companies of Ethiopia must have a strong leadership practices and tackling techniques to overcome the challenges they face from different situations and scenarios. Further, this day the challenge is from economic development point of view by the government and the competition from international companies as a global demand, effective exercise of leadership role is very vital and critical solution.

2.7. Theoretical Framework

The roadmap of this project as a key concept of theoretical framework adopts the leader-member exchange theory, which typically involves the integration and co-operation of leaders and several and wide-range of diversified employees in the organization which attempts different duties for common goals with wide range of personal needs and desire of achievements. Leader-member exchange theory derives from the social exchange theory and is based on the assumption that leaders and followers develop unique relationships based on their social exchanges, and the quality of these exchanges within an organization can influence employee outcomes Liden, Sparrower and Waynes (1997). Economic exchanges between a leader and the followers with a view to deliver on what is promised by both parties. Benedictine University (2017) suggested that Leader member exchange theory has important implications for improving diversity and inclusion. And also belief that applying this theory is easy for followers because it aligns them with the leader, take on extra tasks and expect positive results. And, for leaders this theory offers a great challenge, because making the team as productive as possible will mean finding ways to turn out-group members into in-group members. Benedictine University (2017) also addresses that this theory is inclusion aim in that, if minorities, women or people with disabilities routinely identify as out-group members, the leader should ask the question, “what is required to be an in-group member here, and are we creating unintentional barrier for others?”

This project also adopts the leadership qualities required for effective leaders cited by Simplilearn (2023) leadership theories, these are: strong moral principles and ethics, excellent organizational abilities, competent learner, encourages employee development and encourages affiliation and connection. These qualities are thought to be the most crucial by leaders all across the world, according to research. And leadership theories aid illuminating how leaders use and cultivate these qualities. Leadership theories have recently been more codified, which makes them simpler to comprehend, discuss and evaluate in practice.

Further Simplilearn (2023) argues that successful leader also possesses qualities like personality, bravery, a transparent vision and ambition in addition, a strong leader creates organizational success by encouraging the team to perform at their highest level and by exceling essential leadership skills required for excellent leaders such as; understand the way to offer support, have empathy and demonstrate it, keep the lines of communication open, being capable of taking decisions, effective planning and collaborate.

2.8. Conceptual Framework

Conceptual framework provides an illustration of relationship between variables. The dependent variable is effective leadership which is determined by qualities of leaders, styles of leadership, organizational culture, team commitment, employee motivation and development.

CHAPTER THREE

3. METHODOLOGY

In this chapter the research project briefly presents about the type of data collected, the methodology used to collect, analyze and interpret the data, the size of data, the target population and sampling strategy. Further, it includes the research design, its approach and the ethical considerations.

3.1. Research Design

This part of the research design is targeted to analyze a strategy for answering the research question using empirical data. Further, by creating a research design the project will make decisions about the overall research objectives and approach, whether it will rely on primary research or secondary research, the sampling methods or criteria for selecting subjects, the data collection methods, the procedures that will follow to collect data, and the data analysis methods.

This project adopts descriptive survey type of research design to answer the research questions addressed by the study. Since, descriptive aims to accurately and systematically illustrate a clear picture about a population, situation or phenomenon. It can answer what, where, when and how questions but not why questions Shona (2019). And this study concerns with finding of facts on the situation of leadership practices and its challenges regarding the construction industry through asking questions to administrators and concerned staffs of the case company. This method has been successfully applied in similar studies by scholars such as: Kariuki and Mwangi (2015), Kibuchi (2012).

The study gathered data from both the primary and secondary sources so as to have enough information about the problem and to meet its objectives. The primary source of data is through closed-ended questioner from respondents of BOKRA Construction and Trading PLC high level managers, line managers, project managers and section managers and also other subordinates that are relevant to the workflow system which matters the efficiency of the leaders and performance of the organization. In addition, the secondary data source is from the case company's financial records, human resource historical data of employee turnover results,

employee development strategy and employee-employer relations manuals and other department file records, bulletins, websites and projects' files.

The study uses a quantitative research method. According to Pritha (2020) a quantitative research method is widely used in the natural and social sciences and more applicable for a descriptive type of research. Pritha (2020) also states that quantitative method is often used to standardized data collection and generalize findings further the method has a strength in replication, direct comparison of results and for analyzing of large sample data. So, the method will help to improve validity through the systematic comparison of two or more independent estimates of key variables (means). The quantitative method is assessed through questioner.

3.2. Target Population

The study involves a targeted population size of 70 respondents, among them 5 members are top senior managers, 4 line managers, 8 project managers, 18 team leaders, 19 staff subordinate workers, and 9 from the consultant and client supervisors and the remaining 7 members are from subcontractors and audit inspectors of the company selected for better triangulation purpose. Further, the study population focuses on the head office and selected seven (7) projects which have a project cost of above 200,000,000 ETB (Two hundred million birr). From the seven projects five of them is located in Addis Ababa, and the remaining two projects are out of Addis Ababa, which is one in Fiech Selale Oromia region, and the other one in Tepi SNNRP region.

3.3. Sampling Strategy

The study uses a probability sampling method technique for the primary data through questioner by targeting on the top line managers, line managers, the working staff and supervisors of the company, client and consultant side that, clearly affects the leadership exercise of the company and which directly influence the company's performance and employee performance. Whereas, for the secondary data it uses a purposive or judgmental sampling technique by analyzing the trend and industry analysis of income-turnover ratio and employee-turnover ratio which analyzes the five years audited financial report of BOKRA Construction and Trading PLC out of 10 years audit report which is from 2005e.c to 2014e.c.

The respondents selected are more related to professionals having an exposure of leadership experiences, skills and having the authorities of management hired in the case company and also include employees that will be affected by the decision and practice of the leaders and managers further, it also includes representatives from the client and consultant perspectives to judge the leadership effectivity of the case company since, it is engaged in building of huge projects of the country which undertakes the day-to-day follow up and monitor of the governmental authorities.

3.3.1. Sampling Size

The study adopted the sample size formula proposed Yemane (1967).

$$n = \frac{N}{1 + Ne^2}$$

n is the sample size

N is the population e²

e is the confidence level used for sampling

For the secondary data collection which is from 2005e.c to 2014e.c audited financial statement of BOKRA Construction and Trading PLC through purposive sampling technique to select odd or even year. Finally, the chosen year to be investigated through purposive sampling technique shown high turnover on the year period of even number of years than odd year numbers. So, it will cover the audited financial report of year 2006, 2008, 2010, 2012 and 2014e.c. which focuses on evaluating a trend analysis and industry analysis of income-turnover ratio and employee-turnover ratio rates.

However, for the primary data through questioner since, the population size is 70 and which is very small, to increase its accuracy the study will be conducted using a census survey in order to represent the respondents input which will sufficiently determine the study.

Therefore, for the primary data collection no need for sample size determination formula rather, it will conduct the data to all respondents of the population without any discrimination. While, the research questions are initially designed for each profession independently by identifying

them as top managers, senior staffs, subordinates and outside experts like supervisors of consultants and clients and some questions are common for all.

3.3.2. Sampling Procedures

It is the systematic process of identifying individuals for a study to represent the population. To obtain adequate representation, this study used convenience sampling techniques and procedures. In which the data will be collected from 48 respondents of the head office and project employee of the company and 14 respondents from client and consultant supervisors, 8 members from subcontractors and auditors. Therefore, since it is a purposive or judgmental /convincing/ sampling strategy, it purposely addresses to share the experience of department managers and project managers and the challenges they face in exercising leadership in the project and the business interaction with the head office employees. In addition, on the consultant and client side it uses the view of supervisors about the leadership effectiveness of the company and their main challenges behind the company.

3.4. Sources of Data and Collection methods

The data source is from two ways, one as a primary data from respondents and the method is through direct interview and open-ended questioners that raised general and conceptual questions for respondents to confidentially provide their answers. The other one is secondary data which includes department files, financial and human resource manuals, annual reports, records and archives collected through referring to trend analysis and system change effect.

3.5. Data Processing and Analysis

The study uses descriptive analysis and processing of data collected from the primary and secondary sources. Primary data collected through close-ended questioner and interview is analyzed to produce a quantitative result that will bring facts and conceptual findings for the study and the secondary data collected through referring of files and archives of the company will provide more of a quantitative result and less of a qualitative past trends of workflows and exercises of leaders, performance of the company based on average ratio formulas and employee satisfaction through ratio formulas.

3.6. Validity and Reliability of project instruments

3.6.1. Validity of the project instruments

Validity of the research instruments measures the ability of the instruments to adequately represents the subject under study in relation to the available theories and empirical definitions Mugenda and Mugenda (2003). In this study, the instruments content and constructed validity is evaluated and the result indicate that the questions in the project instrument were well formulated that means, the research questions validly indicate its objectives clearly because the questioners are more formalized and used by past studies with some modifications to the statuesque and the mindset of the respondents. In addition, the secondary data instrument is from audited financial report of the company's financial statement and the auditor is accepted and have recognition by the responsible authority office of the country.

3.6.2. Reliability of the project instruments

Reliability of the project instrument is the degree of consistency of a construct. A reliable research instrument will return the same results when the variables are tested severally under the same underlying phenomenon Mugenda and Mugenda (2003). Its purpose is to reduce errors and minimize biases. This study is used test – retest reliability measures and the result was positive.

3.7. Ethical Consideration

The respondents selected are with volunteer and aware of the project purpose. In addition, they are in confidentiality and free of fear to provide their open-ended answers and perspectives without the influence of any bone else. The researcher was keen to acknowledge borrowed workers from other authors. During data collection the researcher made sure to seek permission from relevant research authorities and proper information regarding the survey given to the respondents prior to commencing the study. Further, it is reviewed by the advisor, professional in the area and experienced researchers.

CHAPTER FOUR

4. RESULTS AND DISCUSSION

4.1. Introduction

This chapter deals with the findings of the results about the practice and challenges of leadership in the construction industry of Ethiopia by focusing on the case company BOKRA Construction and Trading PLC. It broadly analysis, discusses and presents the findings of the study that corresponds with its objectives and the variables that picture out to answer the research questions. The main areas include: study demographics, transformational and transactional leadership styles, team commitment, organizational culture and qualities of leaders.

4.2. Questioner Response Rate

The study uses a census survey for 70 respondents of targeted population. Out of the 70 questioner issued 64 questioners were returned representing 91% response rate which is, suitable for the study. Return rate of 50% is considered sufficient, 60% is good, 70% and above very good Mugenda and Mugenda (2003). The researcher made calls, email through telegram and physical visit to request the respondents to complete and return the questionnaires.

4.3. Demographic Information

The study targeted on top, senior, line and project managers, team members, subordinate employees and supervisors of client and consultant and so far sub-contractors and auditors of BOKRA Construction & Trading PLC. The demographic characteristics of respondents were investigated through gender, age, education level, work experience and project complexity which is illustrated in table as follows: -

Table 4.1: Composition of Respondents

Respondents Composition	Frequency	Percentage
Managers	15	23.44%
Team Leader	18	28.13%
Subordinate Employees	15	23.44%
Supervisors	16	25.00%
Total	64	100.00%

Table 4.1 shows the respondent composition and it is almost equal distribution of respondent rate across the employees of the organization of course, a little high number in team member category. Further, the result shows fair distribution for all members of the company.

Table 4.2: Gender distribution of Respondents

Respondents	Frequency			Percentage		
	Male	Female	Total	Male	Female	Total
Managers	12	3	15	18.75%	4.69%	23.44%
Team Leaders	10	8	18	15.63%	12.50%	28.13%
Subordinate Employees	11	4	15	17.19%	6.25%	23.44%
Supervisors	12	4	16	18.75%	6.25%	25.00%
Total	45	19	64	70.31%	29.69%	100%

Table 4.2 shows the gender distribution of respondents' rate in which 70.31% of the male composition dominates the 29.69% female ratio rate. Among the four categories of respondents the team leaders' category composes more female rate than other categories which is 12.5% of the total respondent number. Overall the results on gender response rate shows except team leader category the male composition in all categories is a triple and above proportion of the female rate.

Table 4.3: Age distribution of Managers

Respondents	Age Category	Frequency	Percentage
Managers	<25	0	0.00%
	26 – 40	8	53.33%
	41 – 50	6	40.00%
	>50	1	6.67%
Total		15	100.00%

Table 4.3 shows the age distribution of top, senior, line and project managers respondents in which, out of the 15 managers the majority (8 managers) or 53.33% is on the ages of 26 – 40 following these 6 managers or 40% is in the ages of 41 – 50. There is only 1 or 6.67% of manager in the ages >50. However, there is no respondent manager on the age distribution <25. It indicates almost all of the managers are at the age range of young and adult and which is good for making quick decisions, for flexibility of actions and open for new ideas.

Table 4.4: Age distribution of Team Leaders

Respondents	Age Category	Frequency	Percentage
Team Leaders	<25	1	5.56%
	26 – 40	13	72.22%
	41 – 50	4	22.22%
	>50	0	0.00%
Total		18	100.00%

Table 4.4 shows the age distribution of team members respondents in which, out of the 18 team Leaders the highest proportion 13 or 72.22% is on the ages of 26 – 40 and following these 4 team leaders or 22.22% proportion is on the ages of 41 – 50. There is only 1 team leader or 5.56% is on the ages of <25. However, there is no respondent team leader on the age distribution of >50. It indicates the age range of team leaders are young and adult, which are productive forces and eager for devotion, creativity and development issues. It is helpful for the company in demonstrating creative ideas and innovation, regarding quick decision measures at team level and development aspects of employees.

Table 4.5: Age distribution of Subordinate Employees

Respondents	Age Category	Frequency	Percentage
Subordinate Employees	<25	0	0.00%
	26 – 40	10	66.67%
	41 – 50	5	33.33%
	>50	0	0.00%
Total		15	100.00%

Table 4.5 shows the age distribution of subordinate employee respondents in which, out of the 15 subordinate employees the highest frequency 10 or 66.67% is on the ages of 26 – 40 and following these the age distribution of 41 – 50 counts 5 or 33.33% of subordinate employees. However, there is no subordinate employees in the ages of both <25 and >50. It indicates the subordinate employees of the company are at the age range of strong workforce employees and it is crucial for performance achievement and productivity.

Table 4.6: Age distribution of Supervisors

Respondents	Age Category	Frequency	Percentage
Supervisors	<25	0	0.00%
	26 – 40	6	37.50%
	41 – 50	9	56.25%
	>50	1	6.25%
Total		16	100.00%

Table 4.6 shows the age distribution of supervisor respondents in which, out of the 16 supervisors the highest quantity 9 or 56.25% is on the ages of 41 – 50 and following these, 6 or 37.5% supervisors is on the ages of 26 – 40. There is only 1 or 6.25% contribution of supervisor in the ages of >50. However, there is no supervisor in the ages of <25. It shows the age range of supervisors is young and adult which is, complement to the managers' age range. So, it is good for the company in that there will be mutual understanding and cooperation between managers and supervisors.

Table 4.7: Education level distribution of Managers

Respondents	Education Level	Frequency	Percentage
Managers	PhD	0	0.00%
	Master's Degree	4	26.67%
	Bachelor Degree	11	73.33%
	Diploma	0	0.00%
	Certificate	0	0.00%
	High School	0	0.00%
Total		15	100.00%

Table 4.7 shows the educational level of top, senior, line and project manager respondents in which, out of 15 managers 11 or 73.33% having a bachelor degree and following these 4 or 26.67% managers have a master's degree. However, there is no respondent manager having PhD and below bachelor degree level of education.

Table 4.8: Education level distribution of Team Leaders

Respondents	Education Level	Frequency	Percentage
Team Leaders	PhD	0	0.00%
	Master's Degree	3	16.67%
	Bachelor Degree	11	61.11%
	Diploma	3	16.67%
	Certificate	1	5.56%
	High School	0	0.00%
Total		18	100.00%

Table 4.8 shows the education level of team leader respondents in which, out of 18 team leaders the highest portion 11 or 61.11% team leaders have a bachelor degree following these team leaders having a master's degree and diploma each contributes 3 or 16.67% and team leaders with certificate poses 1 or 5.56% contribution. However, there is no team leader in an education level of both PhD and high school.

Table 4.9: Education level distribution of Subordinate Employees

Respondents	Education Level	Frequency	Percentage
Subordinate Employees	PhD	0	0.00%
	Master's Degree	0	0.00%
	Bachelor Degree	7	46.67%
	Diploma	2	13.33%
	Certificate	6	40.00%
	High School	0	0.00%
Total		15	100.00%

Table 4.9 shows education level of subordinate employee respondents in which, out of 15 subordinate employees having a bachelor degree contributes 7 or 46.67% followed by subordinates having certificate which is 6 or 40% and subordinates having diploma contributes 2 or 13.33%. However, there is no respondent subordinate employees having PhD or below certificate level.

Table 4.10: Education level distribution of Supervisors

Respondents	Age Category	Frequency	Percentage
Supervisors	PhD	0	0.00%
	Master's Degree	8	50.00%
	Bachelor Degree	8	50.00%
	Diploma	0	0.00%
	Certificate	0	0.00%
	High School	0	0.00%
Total		16	100.00%

Table 4.10 shows the education level of supervisor respondents in which, out of 16 supervisors, having a master's degree and bachelor degree both have equal distribution that is 8 or 50% of each. However, at the level of PhD and below bachelor degree there is no respondent supervisor.

Table 4.11: Work Experience distribution of Managers

Respondents	Work Experience	Frequency	Percentage
Managers	<2	0	0.00%
	2 – 4	0	0.00%
	5 – 7	0	0.00%
	8 – 10	1	6.67%
	>10	14	93.33%
Total		15	100.00%

Table 4.11 shows the work experience of top, senior, line and project managers in which, out of 15 managers, the highest portion 14 or 93.33% of managers have a working experience of >10 years followed by only 1 or 6.67% manager having a working experience of 8 – 10 years. However, there is no respondent manager having a working experience below 8 years.

Table 4.12: Work Experience distribution of Team Leaders

Respondents	Work Experience	Frequency	Percentage
Team Leaders	<2	0	0.00%
	2 – 4	2	11.11%
	5 – 7	2	11.11%
	8 – 10	3	16.67%
	>10	11	61.11%
Total		18	100.00%

Table 4.12 shows work experience of team leader respondents in which, out of 18 team leaders 11 or 61.11% team leaders have a working experience of >10 years followed by 3 or 16.67% team leaders having a work experience of 8 – 10 years and team leaders having 2 – 7 years have 4 or 22.22% contribution. However, there is no team leaders having a work experience of below 2 years.

Table 4.13: Work Experience distribution of Subordinate Employees

Respondents	Education Level	Frequency	Percentage
Subordinate Employees	<2	0	0.00%
	2 – 4	1	6.67%
	5 – 7	2	13.33%
	8 – 10	5	33.33%
	>10	7	46.67%
Total		15	100.00%

Table 4.13 shows work experience of subordinate employee respondents in which, out of 15 subordinate employees 7 or 46.67% subordinates have a working experience of >10 years followed by 5 or 33.33% of subordinates having a work experience of 8 – 10 years. Subordinate employees having work experience of 2 – 4 years and 5 – 7 years have a composition of 6.67% and 13.33% consecutively. However, there is no respondent subordinate employee having a work experience having <2 years.

Table 4.14: Work Experience distribution of Supervisors

Respondents	Age Category	Frequency	Percentage
Supervisors	<2	0	0.00%
	2 – 4	0	0.00%
	5 – 7	1	6.25%
	8 – 10	4	25.00%
	>10	11	68.75%
Total		16	100.00%

Table 4.14 shows work experience of supervisor respondents in which, out of 16 supervisors 11 or 68.75% supervisors have work experience of >10 years followed by 4 or 25% supervisors having 8 – 10 years. Supervisors having work experience of 5 – 7 years have the least contribution which is 1 or 6.25%. However, there is no supervisor having a working experience of below 5 years.

Table 4.15: Project Complexity distribution of Respondents

Project Complexity	Frequency	Percentage
Low	0	0.00%
Medium	10	15.62%
High	54	84.38%
Total	64	100.00%

Table 4.15 shows project complexity of respondents in which, out of the 64 respondents 54 or 84.38% respondents believe that the project of BOKRA is highly complex and 10 or 15.63% of respondents agrees that the project of BOKRA is medium complexity. However, there is no respondents that believe BOKRA's projects are low complexity. The result indicates the nature of BOKRA's projects are more of high complex and it seems there are many participants which demands effective leadership.

Summary of Demographic study

The summary of the demographic issues of the study is illustrated below in table 4.16 which shows the overall demographic variables of respondents by summarizing managers, team leaders, subordinate employees and supervisors categories in the characteristics of demography.

Table 4.16: General Information Summary of Respondents
Demographic study

Variables		Frequency of Respondents	
		Frequency	Percentage
Gender	Female	19	29.69%
	Male	45	70.31%
	Total	64	100.00%
Age Range	<25	1	1.56%
	26 – 40	37	57.81%
	41 – 50	24	37.50%
	>50	2	3.13%
	Total	64	100.00%
Educational level	PhD	0	0.00%
	Master's Degree	15	23.44%
	Bachelor Degree	30	46.88%
	Diploma	10	15.63%
	Certificate	3	4.69%
	High Schools	6	9.38%
	Total	64	100.00%
Work Experience	Below 2 Years	0	0.00%
	2 to 4 Years	3	4.69%
	5 to 7 Years	5	7.81%
	8 to 10 Years	13	20.31%
	Above 10 Years	43	67.19%
	Total	64	100.00%
Project Complexity	Low	0	0.00%
	Medium	10	15.63%
	High Schools	54	84.38%
	Total	64	100.00%

4.4. Transformational leadership style and Effectiveness

The study tries to check and discuss the practice of transformational leadership style in the construction industry of Ethiopia by providing related questions to respondents of the case company and the findings are presented in Table 4.17

Table 4.17: Transformational Leadership Style and Effectiveness

Statements	Mean	Standard Deviation
Managers are model of respecting rules, regulations and equal treatment of employees, team & projects	4.26	0.77
Managers are fair in distribution of authority, work, command and employee assignment in a non-conflicting manner	4.03	0.96
Managers are strong in control, quick feedback system and in a supportive and improving manner	3.91	0.94
Manager suggests and supports new idea and creativity	3.98	0.69
Manager decisions is on involvement of all responsible parties	3.85	1.01
Manager provides training and development schemes in a fair manner	3.71	1.09
Managers provide fair reward system	3.95	0.84
Managers share major decisions quickly and implement it	3.54	1.25
Manager system of delegation and empowering is fair and equal	3.91	0.96
Managers system of training and development program is to fill knowledge gaps and to enhance team effectiveness	3.78	0.84
Mean of Means	3.89	

Table 4.17 shown above that, transformational leadership style is applied more regularly by managers and team leaders with an aggregate mean of 3.89. Managers are model of respecting rules and regulations and recognizing equal treatment of employees, teams and projects (mean 4.26). Managers are faire in distribution of authority, work, command and employee assignment in a non-conflicting manner (mean 4.03).

Managers are strong in control, suggests and supports new idea, makes decision on involvement of all responsible parties, provides fair reward system and have a system of delegation (mean 3.91, 3.98, 3.85, 3.95, and 3.91 respectively). Further Managers provide training and development schemes, share major decisions quickly and their system training and development program is to fill the gap of knowledge and skills (mean 3.71, 3.54 and 3.78 respectively). Laerd (2018) defined that, the mean of means is used to know the collective effect of variables with an aggregate mean value and calculated to identify items that have significant influence on performance. Since, the mean of means for the transformational variables is above the neutral rate (3), it is favorable. But, it is below the agreed rate (4) so, it is moderately practiced with some defects. Further, mean that is higher in value than the mean of means is significant with strength determined by their value. In this instance managers model of respecting rules, equal treatment of employees and fair distribution of authority in a non-conflicting manner have a strong significant influence on performance. Of course, the rest measurement results regarding transformational leadership shows a significant influence on performance while, the mean of managers' decision on involvement based, training and development schemes, sharing major decisions quickly and system of training and development to fill knowledge gaps is below the mean of means value which shows no significant influence on performance.

The findings of the study show that seven of the ten elements of transformational leadership style aspects are well or moderately practiced in the organization and three of the ten elements are less practiced.

Well or moderately practiced elements of are as follows: -

- ❖ Managers are models of respecting rules and regulations and recognizing equal treatment of employees, teams and projects exercised well in the organization and it reflects the existence of transformational leadership style.

- ❖ There is a fair distribution of authority, work, command and employee assignment in a non-conflicting manner is also well practiced.
- ❖ There also strong control, quick feedback system in a supportive and improving way by managers.
- ❖ Managers suggest and support creativity and new idea.
- ❖ Managers provide fair and clear reward system.
- ❖ Managers delegation and empowering system is fair and in equal treatment.
- ❖ Managers' decision on involvement of all responsible parties is practiced at average level in the organization but not at optimum level.

Less practiced elements transformational elements are: -

- ❖ Providing of training and development schemes in a fair manner by managers is less practiced.
- ❖ Sharing of major decisions quickly by managers is practiced at a lower level.
- ❖ The objective of training and development program in filling the knowledge gap and to enhance team effectiveness is also less practiced.

4.5. Transactional leadership style and Effectiveness

The study tries to check and summarizes the practice of transactional leadership style in the construction industry of Ethiopia by providing related questions to respondents of the case company and the findings are presented in Table 4.18.

Table 4.18 shown below that, transactional leadership style is also moderately applied in the company with aggregate mean of 3.76. Many of the respondents agree that managers' system is in strict rules and regulations (mean 4.34), the assumption of managers for employee reward is based on achievement of performance (mean 4.08), Managers believe that promotion and punishment of employees is based on meeting of rules (mean 4.00), managers believe that training and development is based on predetermined rules (mean 3.97) and managers and team leaders give priority only to rules and regulations rather than devotions (mean 3.88). The findings show that managers' system of strict rules and regulations have the strongest influence on performance and next to that managers' assumption of reward based on achievement of performance and on meeting of rules influence performance through transactional leadership

style of the company. However, the study found that no significant influence on manager's setup of clear rules for further training and lassie affair based decision.

Table 4.18: Transactional leadership style and effectiveness

Statements	Mean	Standard Deviation
Mangers system is in strict rules and regulations	4.34	0.88
Managers and team leaders are keeping full authority and total control on themselves	3.79	1.09
Managers feedback and evaluation is for only results and performance regardless of any situations and conditions	3.61	1.14
Managers and team leaders give priority only to rules and regulations rather than devotions.	3.88	0.97
Managers and team leaders decision is without involvement influence or lassie affair	3.33	1.17
Managers and team leaders believe employees are hired with sufficient knowledge and skills so, no need for further training	3.17	1.12
Managers assume employee reward is only based on achievement of performance	4.08	0.73
Managers and team leaders keep total control and responsibility to them	3.48	0.95
Managers believe that reward and punishment will be done for meeting rules of the company and is clear	4.00	0.87
Managers believe training is only based on the predetermined rules and in clear manner	3.97	1.16
Mean of Means	3.76	

The finding of the study shows that five of the ten elements tested are well or moderately practiced in the company and the remaining five elements are less practiced.

Well or moderately practiced elements of transactional leadership are: -

- ❖ Managers system of strictly following rules and regulations are well practiced.
- ❖ Managers priority to rules and regulations rather than any result.
- ❖ Managers assumption of providing reward schemes based on performance.
- ❖ Managers believe to provide punishment and promotion program for meeting rules and regulations of the company.
- ❖ Managers believe of providing training and development based on predetermined rules.

Less or rarely practiced elements of transactional leadership are: -

- ❖ Managers and team leaders power of authority and command is rarely practiced.
- ❖ Managers feedback and evaluation for only work result is also less practiced.
- ❖ Laisse affair decisions or decisions by employees without involvement of managers is rarely practiced.
- ❖ Managers believe of fair and clear hiring system and the need for further training is also less practice.
- ❖ Keeping total control by managers and team leaders also rarely practiced.

4.6. Organizational culture and Effectiveness

The study tries to check and summarizes the challenges and effectiveness of organizational culture in the construction industry of Ethiopia by providing related questions to respondents of the case company and the findings are presented in Table 4.19.

Table 4.19 shown below that, the organizational culture has a strong influence on performance with an aggregate mean of 3.96. Respondents agreed that the company norms and stands are on the support of all employees, project requirements and teams (mean 4.45), the company rejects dysfunctional practice and dysfunctional conflicts (mean 4.19), the company supports creative ideas and innovative concepts (mean 4.03). The findings show that the company norms and stands that is in support of employees and projects have the strongest influence on performance and next to that company rejects dysfunctional practice and supporting of creativity by the company have a significant influence. However, the company way of clear hiring and developing leaders, providing fair and clear rewarding system, providing recognition and teaching lesson, and equal treatment of employees have a little significant on performance.

Table 4.19: Organizational Culture and effectiveness

Statements	Mean	Standard Deviation
The company norms and stands are on the support of all employees, project requirements and teams	4.45	0.75
The culture of the organization have a clear way of hiring and developing leaders and teams	3.75	1.07
The company supports creativity ideas and innovative concepts	4.03	0.90
The company provides faire and clear rewarding system	3.83	0.94
The company provides recognition for good work and a teaching lesson for weak work	3.68	1.03
Treatment of employees is equal across the company	3.77	1.09
The company rejects dysfunctional practice and dysfunctional conflicts	4.19	0.93
Mean of Means	3.96	

The findings of the study show that four of the seven tasted elements of organizational culture are well practiced and the rest three are less or rarely practiced.

Well or moderately practiced organizational culture

- ❖ The company norms and stands are in the support of all employees, project requirements and team are more practiced organizational culture.
- ❖ The company supporting of creativity and innovative concepts
- ❖ The company provides fair and clear rewarding system based on performance.
- ❖ The company rejects dysfunctional practice and dysfunctional conflicts.

Less or rarely practiced organizational culture

- ❖ Clear culture of hiring and developing leaders is less practiced.

- ❖ Culture of providing recognition for good works and teaching lesson for weak works is less practiced.
- ❖ Equal treatment of employees is less practiced specially, for project employees it is rare practice of equal treatment. Of course, the culture of the organization is a little bit supportive and conducive at head office but, it is less supportive for project employees. So, it shows there is high authority and power at head office than projects and it leads to exertion of influence by head office managers and employees on project managers and staffs

4.7. Qualities of Leaders and Effectiveness

The study tries to check and summarizes the challenges and effectiveness of leaders' quality in the construction industry of Ethiopia by providing related questions to respondents of the case company and the findings are presented in Table 4.20.

Table 4.20 shown below that, the qualities of leaders have a significant influence on performance with an aggregate mean of 3.97. Respondents agree that managers and team leaders have strong moral principles and ethics (mean 4.36), managers and team leaders have excellent skills and organizational abilities (mean 4.39) this findings show that these two are the strongest influential on performance and next to these managers and team leaders are good learners, encourage employee development, encourage affiliation and connection, have a system of collaborative and teamwork (mean 4.00, 4.09, 4.06 and 4.00 respectively) have also a strong influence on performance. However, Managers support of creativity, managers' capability of easily controlling and practicing change management, managers' system of command is open and transparent, managers' believe in support of employees' weakness have rare influence on performance.

Table 4.20: Qualities of Leaders and effectiveness

Statements	Mean	Standard Deviation
Managers and team leaders have strong and moral principles and ethics	4.36	0.68
Managers and team leaders have excellent skills and organizational abilities	4.39	0.85
Managers and team leaders are good learners even from their subordinates	4.00	1.10
Managers and team leaders encourage employee development and training	4.09	1.14
Managers and team leaders encourage affiliation and connection	4.06	0.77
Managers and team leaders support creativity and new idea	3.78	0.88
Managers and team leaders can easily control and practice change management	3.67	0.87
Managers and team leaders communication is open and transparent	3.73	1.02
Managers and team leaders system is in collaborative and team work	4.00	0.78
Managers and team leaders belief is in support of employee weakness rather than tight control	3.61	1.23
Mean of Means	3.97	

The findings of the study show that six of the ten assessed results of quality of leaders are well or moderately practiced in the company and the remaining four are less practiced.

Well or moderately practiced quality of leaders are: -

- ❖ Managers and team leaders are strong moral principles and ethics are practiced well.
- ❖ Managers and team leaders are excellent skills and organizational abilities.
- ❖ Managers and team leaders are good learners.

- ❖ Managers and team leaders encourage employee development and training.
- ❖ Managers and team leaders encourage affiliation and connection.
- ❖ Managers and team leader system is in collaborative and team work.

Less or Rarely practiced quality of leaders are: -

- ❖ Managers and team leaders support of creativity and new idea is less practiced.
- ❖ Managers and team leaders easily controlling and practicing of change management is less practiced.
- ❖ Managers and team leaders open and transparent way of command is also rarely practiced.
- ❖ Managers believe of supporting weak employees is also rarely practiced.

CHAPTER FIVE

5. SUMMARY, CONCLUSION AND RECOMMENDATION

5.1. Introduction

This chapter summarizes and discussed the findings of the study, provides a conclusion statement and suggests a recommendation which relates with the research objectives. In addition, it also suggests future study areas.

5.2. Summary

The main objective is to assess the practice and challenges of leadership in the construction industry of Ethiopia in the case of BOKRA Construction and Trading PLC. In summarizing and analyzing the questioner results of the respondents, the study shows that the majority of the respondents agree that leadership style (transformational and transactional leadership style), organizational culture and qualities of leaders play an important role in leadership effectiveness and performance of the organization.

The data gathered through questioner and interview summarized, analyzed and presented with the following major findings of the study: -

Concerning the general information of the study survey male employees' dominance is above a double rate of the female employees. Most of the respondent employees are on the age range of 26 – 40 and 41 – 50 years and it means majority of them are youth and energetic. Further, almost all of the respondents are educated in which managers and supervisors have a minimum of bachelor degree and some of them have a master's degree. Team leaders and subordinates have a minimum education level of certificate and most of them have a bachelor degree. Many of the respondents have well experienced which is above five years specially managers and supervisors have above seven years work experience in which the majority is above ten years of work experience. Team leaders and subordinate employees also have above two years of work experience and most of them have above ten years of work experience. Further it shows most of the employees are worked in the company for many years and it indicates the company's employee retention system is good.

Regarding the practice of transformational leadership style most of the statements for measuring it indicates the company moderately practice transformational leadership style but, to some extent it did not address some aspects of the style and it means the company are not fully practicing transformational leadership style among them are concerning training and development scheme and sharing of major decisions by managers are the main defects.

Regarding transactional leadership style, it is also practiced by the company on a moderate manner since it addresses most of the transactional leadership style statements while, it did not fully practice all the statements required for transactional leadership in the questioner like lassie affair decisions, clear hiring rules and training schemes and also managers total control power are some of the defects.

Therefore, both transformational and transactional leadership styles are moderately practiced in the company, with a dominant and widely exercising of transformational leadership style over the transactional one.

Concerning the challenges of organizational culture most of the respondents' statement shows that the culture of the company is in a supportive way. But, some are still slightly a challenge among them are little recognition of works of employees, not clear hiring and developing schemes and non-equal treatment of employees specially for project staffs are some of the defects.

Regarding qualities of leaders', the respondents' response shows that most of the qualities are practiced by managers and team leaders. But some qualities are still not well practiced among them are easily controlling and managing of changes, managers' supportiveness of weak employees, supporting creativity and openness and transparency of managers in communication are some of the defects.

Overall, most of the variables of leadership effectiveness are practiced at a moderate level in the company even still there are some gaps that are not addressed. Moreover, as compared to the transactional leadership style, transformational leadership style is the widely used style in most of the projects of BOKRA. The details of the statements well practiced and rarely practiced variables are shown already in the last chapter.

5.3. Conclusions

The study aimed in assessing the practice and challenges of leadership in the construction industry of Ethiopia more specifically, in BOKRA Construction and Trading PLC as a case company. It focuses on the two leadership styles: transformational and transactional leadership style, the challenges from the organizational culture side and the qualities of leadership on leadership effectiveness and performance of the company. The study found that no single leadership style is practiced in the company both are moderately applied but, most significantly transformational leadership style is highly practiced than transactional leadership style. Though, it is important for managers and team leaders to have and develop the attributes of transformational and transactional leadership element in order to have effective leadership and to enhance the performance of the company. In the findings of the study transformational and transactional leadership styles are complementary and they are used either independently or in some cases together depending on the project's complexity and the work flow.

Further the attributes of organizational culture and the qualities of leaders affects managers to practice transformational or transactional leadership style or both simultaneously since, some of the norms of the company influences the style of leadership and its effectiveness.

The study findings show that organizational culture also plays a great role for effective leadership and performance and it is moderately practiced in the company. The company culture has to be fair and clear terms of service in treatment of employees, hiring and developing procedures so as to attract and retain qualified and skilled employees even though, the company's employee retention system is appreciated.

In addition, the qualities of leaders are well and moderately practiced by managers and team leaders of the company. Top, senior, line and project managers should adopt the qualities that enhance leadership effectiveness in an influential manner and which fosters performance even some organizational cultures and norms are not allowing managers to promote the qualities.

5.4. Recommendations

To be influential leaders of the industry a leader must adopt both the transformational and transactional leadership style attributes since, both styles are complement each other. As

transformational leadership style involves equal treatment, fair distribution, inspiring, motivating and giving attention to employees, teams and projects and on the other hand transactional leadership style involves focusing on outputs and result achievement, task-oriented and meeting of company rules and regulations and objectives. Therefore, it is important to appropriately integrate the two styles.

Both styles are not practiced fully rather, some of the attributes of the styles are rarely practiced so, to be effective leadership there need to be addressing the defected variables properly. In order to fully practice transformational leadership styles, managers should enhance their system of sharing major decisions quickly to all responsible parties, there also be a fair training and development schemes and it has to be to fill a knowledge gap and to enhance team effectiveness.

Further, in order to fully practice transactional leadership styles, managers should clarify employee hiring rules and have to be fair, managers and leaders' authority to be with full capability, the decisions by employees must be with a *laissez faire* approach, the evaluation and rewards of employees must consider situations in addition to outputs and rules of the company.

Some of the qualities of leaders are not addressed well by managers and team leaders like supporting employees' weakness rather than tight control, providing open and transparent communication schemes, managers must support creativity and new concepts and managers should adopt the quality of easily controlling and managing changes.

The industry must provide an organizational culture that allows managers and team leaders to practice influential leadership system and enhancing organizational performance at optimum level with employee and team satisfaction. In order to attain this companies must give attention to providing fair and clear reward system, providing a culture of recognizing good works of employees and correcting and teaching of wrong activities, developing and aware employees a clear set of hiring requirements, selection criteria, requirement and developing schemes of employees.

Moreover, managers must give attention to a culture of motivating, rewarding and developing people, give more concern to nation-focused projects, alarmed for promoting creativity, innovative ideas and must construct a functional and healthy organizational culture that is

feasibly applied by managers of modern leaders so as to be an influential and effective leader of this day's competitive world.

5.5. Suggestions of future studies

This study is focused on leadership practice and challenges on the construction industry and it takes one company as a model rather, it did not consider other competing construction firms so, it will not help to provide a concrete statement about the industry. Therefore, future studies must incorporate many construction firms practice of leadership.

This study focuses on the two leadership styles only and future studies must involve other leadership styles' practicality and its challenges. Further, this study limited to the construction industry and but there need to be assessing of other industries leadership practice by future studies.

REFERENCES

- George, O. and Shamas-ur-Rehman, T. (2012) 'Leadership and Construction industry development in developing countries', *Journal of Construction in Developing Countries*, pp 17: 1 - 21.
- Girma, H. (2018) 'An Investigation of the Leadership Styles of Construction managers in Ethiopia: A thesis submitted to AAU for Masters of Science in Construction Technology and Management, pp 76 – 77.
- Endale, N. (2021) 'Assessment of Leadership Practice in Construction Projects: A case of Ethiopian Construction Design and Supervision Works Corporation ', A project paper submitted to AAU for Masters in project management, pp 40 – 41.
- Fiedler, F. and Mahar, L. (1967) 'Contingency Model Leadership Training: A field experiment validating survey', *Journal of Applied Psychology*, vol. 53, no. 2, pp 247 – 254.
- Walter, O. (2017) 'Influence of Leadership Style on Performance of Construction Projects: A Case of Housing Projects in West land of Sub-county, Nairobi Kenya', A project paper submitted to the University of Nairobi for Masters in Project Planning and Management, pp 29 – 37.
- Burns, J. (1978) 'Alternative Perspectives on Leadership: Integrating Transformational Leadership with Confucian Philosophy', *Journal of Open Leadership*, vol. 3, no. 2, pp 20.
- Bennis, W. (1989) 'Managing the Dream: Leadership in the 21st Century', *Journal of Organizational Change Management*, vol. 2, no.1, pp 6 - 10
- Yukl, G. (1989) 'Managerial Leadership: A Review of Theory and research', *Journal of Management*, vol. 15, no. 2, pp 25 – 289.
- Bass, M. (1990) 'From Transactional to Transformational Leadership: Learning to Share the vision', *Journal Organizational Dynamics*, vol. 18, pp. 19 – 31.
- Gardner, J. (1990) 'Demonstrating the Breakthrough Leadership Thinking of Visionary Social Change Agents – Insights and Strategies for Leading Transformative Change from Four Case Studies', *Journal of Advances in Applied Sociology*, vol. 6, no. 9, pp 26.

Chemers, M. (1997) 'An Integrative Theory of Leadership', Journal of Psychology Press, vol. 3, pp 78.'

Vroom, V. and Jago, A. (2007) 'The Role of the Situation in Leadership: Leadership, Journal of American Psychologist, vol. 63, no. 1, pp 17 – 24.

Herbert, A. (2002) 'Public Policy and Leadership', [online], Accessed: 24 June, 2002. Available: <https://digitalcommons.unf.edu/unf-press/57>.

Robbins, S. and Judge, T. (2013) 'Organizational Behavior: Management with Pearson', Book Published 16th edition, [online], Accessed: 20 August, 2013. Available: <https://books.google.com>

Stogdills, R. (1948) 'Personal Factors Associated with Leadership: A Survey of the Literature', Journal of Psychology, vol. 25, pp 35 – 71.

Dr. Paul, H. and Kenneth, B. (1969) 'The Situational Leadership Theory', Book Published 5th edition, [online], Accessed: 25 October, 2017. Available: <https://books.google.com>

Robert, J. (1971) 'A Path Goal Theory of Leader Effectiveness: Administrative Science Quarterly', Journal of Open Leadership, vol. 16, pp 321 – 339.

St. Thomas University, (2014) 'What is transactional Leadership? - Structure Leads to Results', [online], Accessed: 25 November, 2014. Available: <https://online.stu.edu>

Bernard, M., Jane, H. and Bruce, A. (1980) 'The Dimension of Transactional Leadership', [online], Accessed: 11 January, 2023. Available: <https://blog.vantagecircle.com>

Kendra, C. (2023) 'What is Transformational Leadership – Transformational Leaders can inspire and empowers members of a group', [online], Accessed: 24 February, 2023. Available: <https://www.verywellmind.com>

Michigan State University (2021) 'Transactional Vs Transformational Leadership: What is the Difference?', [online], Accessed: 21 November, 2021. Available: <https://www.michiganstateuniversityonline.com>

Jennifer, H. (2022) 'Transactional Vs Transformational Leadership: Which should you Choose?', [online], Accessed, 01 October, 2022. Available: <https://www.ideed.com>

Shona, M. (2019) 'Descriptive Research Definition, Types, Methods and examples', [online], Accessed: 15 March, 2019. Available: <https://www.scribbr.com>

Mwangi, M. and Kariuki, S. (2015) 'Factors Determining the Adoption of New Agricultural Technology – by Small Scale Farmers in Developing Countries', Journal of Economics and Sustainable Development, vol. 6, pp. 208 – 216.

Pritha, B. (2020) 'What is Quantitative Research? Definition, Uses and Methods.', [online], Accessed: 12 June, 2020. Available: <https://www.scribbr.com>

Michael, B. (2021) 'Importance of mixed – methods approaches in development Research and Evaluation', [online], Accessed: 13 May, 2022. Available: <https://www.3ieimpact.org>.

Mugenda, O. (and Mugenda, A. (2003) 'Research Methods, Quantitative and Qualitative Approaches', Journal of Open Access Library, vol. 3, No. 11, pp 121.

Kellie, W. (2020) 'Organizational Culture: Definition, Importance and Development', [online], Accessed: 07 May, 2020. Available: <https://www.achievers.com>.

Chinyio, E. and Vogwell, D. (2002) 'Leadership and Construction Industry Development in Developing Countries', Journal of Construction in Developing Countries, pp 17: 1 – 21.

Bjeirmi, B., Begg, P. and Scott, J. (2007) 'Partnering issues: The Evaluation of Local Authority Adoption of Partnering in Scotland', Journal of Construction in developing Countries, pp 21.

Enshassi, A., Hallaq, K. and Mohammed, S. (2006) 'Causes of Contractor's Business Failure in Developing countries: The case of Palestine', Journal of Construction in Developing Countries, pp 11:2.

Adam, M. (2017) 'Bad Projects? No, only Bad Leadership', [online], Accessed: 13 May, 2017. Available: <https://www.linkedin.com>.

Benedictine, University. (2017) 'Five Leadership Theories and How to Apply Them', [online], Accessed: 15 August, 2017. Available: <https://cvdl.ed.com>.

Simple learn (2023) '10 Major Leadership Theories Every Manager Should Master in 2023', [online], Accessed: 03, March, 2023. Available: <https://www.simplilearn.com>

Shifferaw, T. 92019) 'The Construction Industry: Challenges, Opportunities and ways forward', Journal of Federal Ministry of Urban Development and Construction, pp 4 – 11.

Liden, R., Sparrower, R. abd Wayness, S. (1997) 'Leader – Manager Exchange Theory: The Past and Potential for the future: Research in Personnel and Human Resource Management, vol. 15, pp. 47 – 119.

Lared. S. (2018) 'Measures of Central Tendency', [online], Accessed: 21 February, 2018. Available: <https://statistics.laerd.com>

APPENDICES

Letter of Transmittal

Abrham Feleke

e-mail: elbetleyisak@gmail.com

Addis Ababa, Ethiopia

April 12, 2023.

To the respondents,

I am a graduate student of Business Leadership Management department in Addis Ababa University School of Commerce. I am collecting data for a project study on “Leadership Practices and Influences in the Construction Industry of Ethiopia – the case of BOKRA Construction and Trading PLC”. I request you as a respondent in this project study to attend to each of the questions with sincerity and truthfully.

The information collected is confidential. Your identity as a respondent will not be disclosed. You are not required to state your name on the questioner. Your participation is voluntary and should there be a question that you do not wish to answer, kindly let me know and we can move to the other questions. Your cooperation is highly appreciated.

Thank you for the valuable time and information provided in the study.

Yours Sincerely,

Abrham Feleke.

Appendix I: Questioner for Top, Senior, Line & Project Managers.

The purpose of this questioner is to gather information about the influence of leadership practices in the transactional and transformational styles of leadership, about the influence of organizational culture and the qualities held and not held by leaders of BOKRA Construction and Trading PLC. Please answer to each question truthfully.

Part I: General Information

1. Kindly indicate your gender Male ☐ Female ☐
2. Kindly indicate your age in years < 25 ☐ 26 – 40 ☐ 41 – 50 ☐ >50 ☐
3. Please indicate your highest level of education attained so far.
PhD ☐ Master's Degree ☐ Bachelor Degree ☐
Diploma ☐ Certificate ☐ High Schools ☐
If Others, please specify _____
4. Kindly indicate your total years of work experience. Below 2 Years ☐ 2 to 4 Years ☐
5 to 7 Years ☐ 8 to 10 Years ☐ Above 10 Years ☐
5. Kindly indicate your managerial experience Below 2 Years ☐ 2 to 4 Years ☐
5 to 7 Years ☐ 8 to 10 Years ☐ Above 10 Years ☐
6. Compared to other projects that your organization has undertaken in the past, kindly rate the project complexity.
Low ☐ Medium ☐ High ☐

Part II: Statement relating to Transformational Leadership Styles

1. I like the rules and regulations of the company to be practiced by employees by considering skills, situations and understanding.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

2. I like to be a fraction of authority and command across all employees.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

3. I control and give feedback to work results according to a value adding and innovative idea criteria.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

4. Providing creativity and new idea for the company is one of my priorities.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

5. I want decision to be made by every member of the company according to their responsibility and accountability.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

6. There will be new knowledge and information; and there need to be filled by training.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

7. I reward and teach employees based on their cooperativeness and motive to work.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

8. I like to share major decisions and responsibility to other employees.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

9. I belief in delegation and empowering of employees and even I will judge employees in this aspect.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

10. Employee training and development schemes must be to answer skill and knowledge gap of employees and to cope-up with new changes.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

Part III: Statement relating to Transactional Leadership Styles

1. I like rules and regulations of the company to be followed directly by every employee.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

2. I like to have full authority and command to remain on my hand to control the activities and employees.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

3. I control and give feedback to work results according to the predetermined criteria regardless of any situations and conditions.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

4. Following the rules and regulations of the company is one of my priorities.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

5. I make every decision by myself.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

6. I and my staff have sufficient skills to execute the activities; and have no need for further training.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

7. I reward and punish employees based on their outputs and results.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

8. I like to keep total control and responsibility with me.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

9. In addition, to outputs I reward and punish employees for their ability to meet the rules of the company.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

10. Employee training and development schemes is only based on the predetermined rules of the company.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

Part IV: Statement relating to Organization Culture

1. The company norms and stands are on the support of managers' decisions and actions.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

2. The organizational culture of the company provides a clear way of hiring and developing leaders.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

3. Creative ideas and innovative concepts of managers as a culture supported by owners or boards of the company.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

4. As a culture the company provides faire and clear terms of service for rewarding.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

5. As a culture the company gives recognition for good workers and providing teaching lesson for weak workers.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

6. The management beliefs and assumptions of employee treatment is equal for all members.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

7. The management reflects dysfunctional practice is unacceptable.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

Part V: Statement relating to Qualities of leaders

1. I as a manager have strong moral principles and ethics.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

2. I as a manager have excellent skills and organizational abilities

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

3. I as a manager is competent learner and have a desire to learn even from my followers and subordinates.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

4. I encourage employee development and training as needed.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

5. I encourage affiliation and connection.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

6. I support new ideas and creativity from every employee.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

7. I can easily control and practice change management actions.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

8. The lines of communication and work flow is open and transparent

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

9. The planning and decision mechanisms and systems are in collaborative and team work.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

10. I belief in understanding of employees the way, in which how to support their weakness rather than tight control.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

Appendix II: Questioner for Team Members.

The purpose of this questioner is to gather information about the influence of leadership practices in the transactional and transformational styles of leadership, and about the influence of organizational culture on the team members of BOKRA Construction and Trading PLC. Please answer to each question truthfully.

Part I: General Information

1. Kindly indicate your gender Male ☐ Female ☐
2. Kindly indicate your age in years < 25 ☐ 26 – 40 ☐ 41 – 50 ☐ > 50 ☐
3. Please indicate your highest level of education attained so far.
PhD ☐ Master's Degree ☐ Bachelor Degree ☐
Diploma ☐ Certificate ☐ High Schools ☐
If Others, please specify _____
4. Kindly indicate your total years of work experience. Below 2 Years ☐ 2 to 4 Years ☐
5 to 7 Years ☐ 8 to 10 Years ☐ Above 10 Years ☐
5. Kindly indicate your managerial work experience. Below 2 Years ☐ 2 to 4 Years ☐
5 to 7 Years ☐ 8 to 10 Years ☐ Above 10 Years ☐
6. Compared to other projects that your organization has undertaken in the past, kindly rate the project complexity.
Low ☐ Medium ☐ High ☐

Part II: Statement relating to Transformational Leadership Styles

1. Team arrangements and distributions is based on homogeneity and understanding.
Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐
2. All team members have their own authority in a non-conflicting manner.
Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

3. The team work system is in a supportive feedback response way.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

4. Providing creativity and new idea is encouraged by the team.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

5. The decision made by the team is on involvement of all members.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

6. Training and development about new knowledge will be addressed equally for all team members.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

7. The reward for all team members done equally.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

8. Sharing major decisions and responsibility to other teams taken positively by the team.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

9. Delegation and empowering of team leaders work equally for all competent members.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

10. Employee training and development schemes focused to answer skill and knowledge gap of team effectiveness.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

Part III: Statement relating to Transactional Leadership Styles

1. The team is managed by strict rules and regulations of the company and to be followed directly by every member.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

2. The team leader has only full authority and command to control the activities and all members.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

3. The performance of the team is evaluated according to the predetermined criteria regardless of any situations and conditions.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

4. The team leader gives priority to only on the team rules and regulations rather than team members devotions.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

5. Every decision is made by team leaders alone.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

6. Team leader belief that they and their members have sufficient skills to execute the activities; and have no need for further training.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

7. The reward and punishment systems of members are based on their outputs and results.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

8. The team leaders dominate to keep total control and responsibility alone.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

9. In addition, to outputs team leaders and managers reward and punish employees for their ability to meet the rules of the company.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

10. Team training and development schemes is only based on the predetermined rules of the company.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

Part IV: Statement relating to Organization Culture

1. The company norms and stands are on the support of team leaders' and managers' decisions and actions.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

2. The organizational culture of the company provides a clear way of team building practices.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

3. Creative ideas and innovative concepts of team members as a culture supported by Team leaders and managers.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

4. As a culture the company provides fair and clear terms of service for rewarding teams.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

5. As a culture the company gives recognition for good teams and providing teaching lesson for weak teams.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

6. Conflicts in and out of the group is resolved through the norms of the company.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

7. The management reflects dysfunctional team practice is unacceptable.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

Part V: Statement relating to Qualities of leaders

1. Team leaders and managers have strong moral principles and ethics.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

2. Team leaders and managers have excellent skills and organizational abilities

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

3. Team leaders and managers are competent learner and have a desire to learn even from their followers and subordinates.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

4. Team leaders and managers encourage employee development and training as needed.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

5. Team leaders and managers encourage affiliation and connection.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

6. Team leaders and managers support new ideas and creativity from every team member.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

7. Team Leaders and managers can easily control and practice change management actions.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

8. The managers' lines of communication and work flow is open and transparent

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

9. The planning and decision mechanisms and systems of, managers and team leaders are in collaborative and team work.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

10. Team leaders and managers' belief in understanding of employees in the way, in which how to support team member weakness rather than tight control.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

Appendix III: Questioner for Subordinate Employees.

The purpose of this questioner is to gather information about the influence of leadership practices in the transactional and transformational styles of leadership, and about the influence of organizational culture on the subordinate employees' performance of BOKRA Construction and Trading PLC. Please answer to each question truthfully.

Part I: General Information

1. Kindly indicate your gender Male ☐ Female ☐
2. Kindly indicate your age in years < 25 ☐ 26 – 40 ☐ 41 – 50 ☐ 51 – 60 ☐
3. Please indicate your highest level of education attained so far.
PhD ☐ Master's Degree ☐ Bachelor Degree ☐
Diploma ☐ Certificate ☐ High Schools ☐
If Others, please specify _____
4. Kindly indicate your work experience Below 2 Years ☐ 2 to 4 Years ☐
5 to 7 Years ☐ 8 to 10 Years ☐ Above 10 Years ☐
5. Compared to other projects that your organization has undertaken in the past, kindly rate the project complexity.
Low ☐ Medium ☐ High ☐

Part II: Statement relating to Transformational Leadership Styles

1. All employees treated equally.
Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐
2. Equal distribution of works for all employees.
Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐
3. Quick feedback system is available and in improving manner.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

4. Providing creativity and new idea is encouraged by the company managers.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

5. Training and development about new knowledge is addressed equally for all employees.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

6. The reward for all employees done equally.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

7. Delegation and empowering of team leaders work equally for all competent members.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

Part III: Statement relating to Transactional Leadership Styles

1. Employees are managed by strict rules and regulations of the company and to be followed directly by every employee.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

2. Employees are treated and rewarded only by their achievement of performance.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

3. The performance of employees is evaluated according to the predetermined criteria regardless of any situations and conditions.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

4. Managers belief that they and every employee have sufficient skills to execute the activities; and have no need for further training.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

5. The managers dominate to keep total control and responsibility alone.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

Part IV: Statement relating to Organization Culture

1. The company norms and stands are on the support of every employees

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

2. Creative ideas and innovative concepts of employees as a culture supported by the company.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

3. As a culture the company provides faire and clear terms of service for rewarding employees.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

4. As a culture the company gives recognition for good employees and providing teaching lesson for weak employees.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

5. Conflicts among employees is resolved through the norms of the company.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

Appendix IV: Questioner for Supervisors of Clients and consultants.

The purpose of this questioner is to gather information about the influence of leadership practices in the transactional and transformational styles of leadership, and about the influence of organizational culture on the project's performance of BOKRA Construction and Trading PLC. Please answer to each question truthfully.

Part I: General Information

1. Kindly indicate your gender Male ☐ Female ☐
2. Kindly indicate your age in years < 25 ☐ 6 – 40 ☐ 41 – 50 ☐ 51 – 60 ☐
3. Please indicate your highest level of education attained so far.
PhD ☐ Master's Degree ☐ Bachelor Degree ☐
Diploma ☐ Certificate ☐ High Schools ☐
If Others, please specify _____
4. Kindly indicate your work experience Below 2 Years ☐ 2 to 4 Years ☐
5 to 7 Years ☐ 8 to 10 Years ☐ Above 10 Years ☐
5. Compared to other projects that your organization has undertaken in the past, kindly rate the project complexity.
Low ☐ Medium ☐ High ☐

Part II: Statement relating to Transformational Leadership Styles

1. All projects are treated equally.
Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐
2. Faire distribution of work force and employee assignment is done according to the requirement of the project.
Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

3. Quick feedback system is practiced and in improving manner for shortcomings raised by the project delay and related issues.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

4. Creative and new idea is practiced by the company to enhance the project performance.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

5. Delegation and empowering of project managers is done with full support.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

Part III: Statement relating to Transactional Leadership Styles

1. Projects are managed by strict rules and regulations of the company and project managers are allowed only to work in this boundary requirements.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

2. Project and project managers are treated and rewarded only by their achievement of performance.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

3. Project managers and project staffs are not willing to take further training.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

4. The managers of the head office dominate to keep total control and responsibility alone regardless of considering project managers and supervisors.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

Part IV: Statement relating to Organization Culture

1. The company norms and stands are on the support of Project requirements.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

2. Creative ideas and innovative concepts of supervisors as a culture supported by the company.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

3. As a culture the company provides faire and clear terms of service for rewarding nations project requirements.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

4. As a culture the company gives recognition for strong projects and providing support for weak projects which, is less profitable but high society concerned projects (e.g. 20/80 &40/60 Saving House projects).

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

5. The company norms are providing conflict resolution approach with clients and consultants.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐

6. The company norms are against corruption and theft practices.

Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree ☐