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Addis Ababa University
College of Business and Economics
School of Commerce
Business Leadership Program Unit

The Effect of Leadership Styles on Organizational Culture:

A Case of Yenetta Code

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

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Statement of Declaration

I, Selome Belay, hereby declare that this research project entitled: The Effect of Leadership Styles on Organizational Culture in the Case of Yenetta Code, submitted by me for the award of Master's Degree in Business Leadership is my original work and it has not been presented for the award of any other Degrees, Diploma, Fellowship or any other similar titles of any other university or institution.

Declared By: Selome Belay

Signature: _____

Date: _____

Statement of Certification

This is to certify that research work prepared by Selome Belay entitled “The Effect of Leadership Styles on Organizational Culture in the Case of Yenetta Code” submitted in partial fulfillment of the requirements for the degree of Masters of Arts in Business Leadership complies with the regulation of the University and meets the accepted standards with respect to originality and quality.

Advisor

Signature

Date

Approval Sheet

This is to certify that the research prepared by Selome Belay, entitled The Effect of Leadership Styles on Organizational Culture in the Case of Yenetta Code submitted in partial fulfillment of the requirements for the degree of Master of Arts in Business Leadership complies with the regulations of the University and meets the accepted standards with respect to originality and quality.

Approved by:

Board of Examiners:

Advisor _____ Signature _____ Date _____

Internal Examiner _____ Signature _____ Date _____

External Examiner _____ Signature _____ Date _____

Abstract

The primary purpose of this research is to investigate the effect of different leadership styles on the organizational culture of Yenetta Code, an educational institution teaching coding in Addis Ababa, Ethiopia. The study evaluates the various leadership methods employed by Yenetta Code's top executives and their impact on the team. To achieve the research objective, both primary and secondary data were used to investigate the impact of leadership styles such as Transformational Leadership Style, Transactional Leadership Style, and Laissez-faire Leadership Style (an independent variable) on the organizational culture (a dependent variable). To measure leadership style and organizational culture, the Multifactor Leadership Questionnaire (MLQ) and the Denison Organizational Culture Survey were utilized to collect primary data. The quantitative approach was applied, and data was gathered via surveys. Descriptive statistics were used to analyze the data; correlation analysis was used to identify and relate variables; and regression analysis was used to predict changes in the dependent variable when the independent factors changed. The results from the analysis of a dataset derived from questionnaires on organizational culture and leadership styles were completed by 92 Yenetta Code employees. At Yenetta Code, the study unveiled noteworthy positive associations between Transformational Leadership and Organizational Culture, as well as between Transactional Leadership and Organizational Culture. Conversely, the research indicated a lack of a strong and substantial relationship between Laissez-faire Leadership and Organizational Culture. These findings underscore the influential role of Transformational and Transactional Leadership in fostering a positive organizational culture. Importantly, the study did not identify any major issues of multicollinearity among the independent variables, ensuring the validity of the observed relationships. These findings emphasize the importance of effective leadership in shaping a thriving organizational culture.

Keywords: Leadership styles, Organizational Culture Transformational, Transactional, and Laissez-faire.

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Chapter One: Introduction

1.1. Background of the Study

Organizational culture has become a crucial factor in determining the success or failure of businesses and institutions. The leadership style of the organization's top management plays a significant role in shaping the organizational culture. The success of a business is significantly influenced by its organizational culture. A positive culture fosters collaboration, motivates employees, and encourages them to perform at their best (Schein, 2010). Leadership styles play a crucial role in shaping organizational culture and can either drive an organization toward success or hinder its growth (Bass & Avolio, 1994). However, limited research exists on how different leadership styles influence the development and maintenance of an organization's culture (Denison, 1990). This research project aims to investigate the effect of various leadership styles on organizational culture within Yenetta Code. The findings of this study will provide valuable insights for the organization to improve the work environment and overall performance.

According to Wood et al. (2010), leadership involves using appropriate interpersonal styles and methods to guide individuals and groups toward task accomplishment. Effective leadership is considered a crucial factor in improving performance, particularly in today's rapidly changing business environment characterized by high competition, shifting cultures, and rapidly changing technology. To succeed in this environment, leaders need to have a broader awareness of the new mix of competencies and leadership characteristics required to make relevant, correct, and timely decisions.

Leadership is focused on achieving results by inspiring, creating opportunities, coaching, and motivating people to gain their support on fundamental long-term choices (Wood et al., 2010). The effectiveness of leaders varies depending on their leadership style, and their behavior can significantly impact the quality of the organization's outcome. Ultimately, leaders are responsible for promoting harmony, prosperity, strength, happiness, psychological satisfaction, and unity in the workplace.

The success of an organization heavily relies on how its leaders steer and cultivate its culture. The culture of an organization encompasses the shared principles, ideologies, attitudes, and actions of its members toward achieving common objectives. Consequently, leadership techniques employed by managers are crucial in molding organizational culture, hence important to assess their interconnectedness.

When it comes to Yenetta Code, an educational institution that teaches children coding throughout Addis Ababa in Ethiopia, the significance of both their leadership style and organizational culture cannot be overstated. Currently, Yenetta Code boasts 105 staff members, with nine individuals occupying senior management positions, thus underlining the paramount importance of their leadership style in shaping their overall organization's culture.

The study investigates how leadership styles affect the organizational culture of Yenetta Code. Precisely, the research evaluates the various leadership methods employed by Yenetta Code's top executives and their impact on the team. The investigation uncovered the governing elements behind adopting specific leadership techniques at Yenetta Code and how they impact organizational culture. The research project utilized quantitative techniques, with a descriptive and cross-sectional research design that will be interpreted through descriptive and inferential statistics.

1.1.1. Background of the Organization

Yenetta Code is an educational establishment that imparts coding education to children across Addis Ababa, Ethiopia. The organization comprises approximately 105 employees, wherein 9 hold senior management positions. Yenetta Code operates through 5 branches and periodically assigns qualified instructors and experts to schools and learning centers. The organization's goal is to equip young children with programming skills and empower them to become innovators of technology. Yenetta Code has the best instructors who are industry leaders and experts in their fields, teaching best practices to ensure industry-standard education.

The institution's blended approach allows learners to study independently while providing real-time interaction with instructors. The educational programs are designed to be a perfect blend of theory and practice, ensuring a holistic learning experience. Yenetta Code aims to become one of the most preferred programming learning centers in Ethiopia, with a vision to open five branches all across Ethiopia in the next ten years.

Yenetta Code's value proposition is centered on providing a child-friendly environment where children can collaborate on given tasks and work at their own pace, with the assistance of a qualified instructor. The institution embraces gamified learning techniques to bring educational experiences of unparalleled depth and scope. Yenetta Code provides children with the chance to

experience different technologies to which they are not normally exposed, such as AR, virtual reality, 3D printing, and more.

Overall, Yenetta Code is a unique leading educational institution in Ethiopia, providing learners with the necessary programming skills to succeed in the digital world, empowering them to become innovators of technologies, and providing a unique learning experience.

1.2. Statement of the Problem

1.2.1. Empirical Problem

The practical problem this research project addresses is the impact of leadership styles on organizational culture at Yenetta Code. As a budding education institution, the leadership style of Yenetta Code is crucial in shaping its organizational culture.

Although there is a significant body of literature highlighting the importance of organizational culture and leadership styles in the success of businesses and institutions, limited research exists on the effect of different leadership styles on the development and maintenance of an organization's culture. Therefore, this research project contributes to the existing body of knowledge by investigating the relationship between leadership styles and organizational culture at Yenetta Code.

The study's findings provide valuable insights for Yenetta Code and other educational institutions on developing and maintaining a positive organizational culture through effective leadership. The research also contributes to the existing literature on the relationship between leadership styles and organizational culture, particularly in the context of educational institutions.

As part of this research, informal preliminary interviews with senior managers and various members at Yenetta Code were conducted, focusing on the following aspects:

- The organization's current leadership styles and their impact on the organizational culture.
- The extent to which the organizational culture supports the company's strategic goals and objectives.
- The organization's openness to change and its capacity to adapt to new leadership styles.

1.2.2. Theoretical Problem

The research project tackles the problem of insufficient understanding regarding how different leadership styles impact the development and sustenance of organizational culture, particularly within Yenetta Code. Although prior research has indicated a connection between leadership styles and organizational culture, there is still a demand for further examination to appreciate the precise influence of different leadership styles on organizational culture in the context of Yenetta Code. This study intends to address this gap in understanding within Yenetta Code through the examination of the effect of several leadership styles on the organization's culture.

The research project draws on existing theoretical frameworks, such as the transformational, transactional, and laissez-faire leadership styles (Bass & Avolio, 1994), to provide insights into the impact of different leadership styles on organizational culture. The study also explores the factors that influence the adoption of specific leadership styles at Yenetta Code and how they impact organizational culture. The research provides valuable insights for Yenetta Code and other educational institutions on how to develop and maintain a positive organizational culture through effective leadership.

1.3. Research Questions

The study aims to answer the following research questions:

1. What does the overall organizational leadership style of Yenetta Code look like?
2. What are the dominant leadership styles adopted at Yenetta Code?
3. What impact does transactional leadership have on organizational culture at Yenetta?
4. What impact does transformational leadership have on organizational culture at Yenetta?
5. What impact does laissez-faire leadership have on organizational culture at Yenetta?

1.4. Objectives of the Study

1.4.1. General Objective of the Study

The general objective of this research project was to investigate the impact of leadership styles on organizational culture within the context of Yenetta Code. The study assesses the effectiveness of diverse leadership methods employed by the top executives of Yenetta Code and their consequential influence on team dynamics. Furthermore, the investigation endeavors to unravel the underlying factors that guide the implementation of particular leadership techniques at Yenetta Code and gauge their implications on organizational culture.

1.4.2. Specific Objective of the Study

In order to answer the research question posed this study set the following specific objectives:

- To assess the organizational culture at Yenetta Code.
- To determine the dominant leadership style at Yenetta Code.
- To examine the effect of transactional leadership style on organizational culture at Yenetta Code.
- To examine the effect between transformational leadership style on organizational culture at Yenetta Code.
- To examine the effect between laissez-faire leadership style on organizational culture at Yenetta Code.

1.5. Significance of the Study

This study provides relevant information for leaders and practitioners working within organizations, as well as future researchers who aim to investigate and understand the relationship between leadership styles and organizational culture.

One of the primary advantages of this study is that it can help Yenetta Code improve its leadership practices to achieve the desired cultural traits. By identifying which leadership styles work well for this organization, better attention can be given to the implementation of suitable leadership styles to create and maintain the ideal organizational culture.

Furthermore, this study provides an excellent opportunity for Yenetta Code to further research in this area. It may inspire other similar organizations to conduct studies of their own that explore the relationship between leadership styles and the development of organizational culture.

For future researchers who are interested in studying such related areas, this research provides a useful reference point. The study's findings may serve as valuable input for other investigations aiming to identify, examine, and clarify relationships between organizational cultures and leadership styles.

Finally, the study would also highlight among leaders how leadership styles can impact the organization, and provide guidelines on interacting, building culture, communicating, operating, and decision-making within the organization. Overall, this study on the effect of leadership styles on organizational culture could be beneficial to a diverse group of individuals, including organizational leaders, practitioners, academics, and future researchers.

1.6. Scope of the Study

The research study's topical scope is to examine the relationship between leadership styles and organizational culture at Yenetta Code, specifically in Addis Ababa. The study will focus on identifying and analyzing the various leadership styles that exist within the organization and their impact on the organizational culture.

Regarding leadership styles, the study will analyze different dimensions of leadership, such as transformational, transactional, and laissez-faire styles. The study aims to identify which leadership style(s) are most prevalent in Yenetta Code and how they impact the organization's culture.

In terms of measuring organizational culture, the study will use established theoretical frameworks and tools to assess various dimensions of organizational culture, such as employee engagement, communication patterns, management practices, and shared values and beliefs. The study will also conduct interviews and surveys with senior management staff and non-managerial staff members, including coding instructors and experts assigned to schools and learning centers, to gain a comprehensive understanding of the organizational culture at Yenetta Code.

1.6.1. Limitation of the Study

This research project has several limitations to consider when interpreting the findings. These limitations include:

1. **Limited Generalizability:** The study is limited to Yenetta Code, an educational institution that teaches children coding throughout Addis Ababa in Ethiopia. The findings of this study may not be generalizable to other educational institutions or organizations in the region.
2. **Cross-Sectional Design:** The use of a cross-sectional design limits the ability to establish causality between leadership style and organizational culture. While correlations may be identified, it is challenging to determine the direction of causality or whether other factors may be influencing the relationship. Longitudinal or experimental designs could provide more robust evidence of causality.

1.7. Definition of Terms

This research project will utilize specific operational terms and definitions to ensure clarity and consistency. These terms include:

- *Leadership*: The process of influencing and guiding individuals or groups toward achieving a common goal or vision (Northouse, 2018; Yukl, 2013). It involves the ability to inspire, motivate, and empower others to work towards a shared objective, while also providing direction, guidance, and support. Effective leadership is essential for the success of any organization, as it helps to create a positive work environment, foster innovation and creativity, and promote growth and development.
- *Leadership Styles*: The different approaches and techniques used by leaders to influence and guide their followers. In this study, the three main leadership styles that will be investigated are transformational, transactional, and laissez-faire.
- *Organizational Culture*: The shared values, beliefs, attitudes, and behaviors that characterize an organization and influence the way its members interact with each other and with external stakeholders.
- *Senior Management*: The individuals who hold executive-level positions in an organization and are responsible for making strategic decisions and overseeing the operations of the institution. In this study, senior management refers to the nine individuals who hold executive-level positions at Yenetta Code.
- *Transformational Leadership Style*: This leadership style emphasizes inspiring and motivating followers to achieve their full potential and work towards a common vision or goal.
- *Transactional Leadership Style*: This leadership style emphasizes setting clear goals and expectations, providing rewards and punishments based on performance, and maintaining a structured and organized work environment.
- *Laissez-faire Leadership Style*: This leadership style emphasizes delegating decision-making authority to subordinates and providing minimal guidance or direction.
- *Factors*: These are the internal and external elements that influence the adoption of different leadership styles and the development of organizational culture. In this study, factors may include organizational structure, employee characteristics, and external environment.

1.9. Organization of the Study

This research is organized into five chapters. Chapter One contains the background of the study, statement of the problem, research questions, research objectives, hypothesis of the study, significance of the study, scope of the study, and limitations of the study. Chapter Two presents a literature review of the existing knowledge about the area of the study. Chapter Three presents the methodology and research approach employed in the study, including research design, target population, instrumentation, and data collection and analysis. Chapter Four is all about data analysis and discussion of results. Finally, Chapter Five contains a summary, conclusions, and recommendations of the study.

Chapter Two: Literature Review

2.1. Introduction

The relationship between leadership styles and organizational culture has been a topic of substantial interest and investigation within the field of organizational behavior. Effective leadership plays a crucial role in shaping and influencing the culture of an organization, which in turn impacts various aspects of organizational performance and employee behavior. Understanding the complex interplay between leadership styles and organizational culture is vital for organizations seeking to foster a positive and thriving work environment.

This chapter presents a comprehensive literature review focused on exploring the effect of leadership styles on organizational culture. By synthesizing and analyzing a wide range of scholarly research, this review aims to provide an in-depth understanding of the key concepts, theories, and empirical evidence in this field. The findings and insights from this review will contribute to the existing body of knowledge and offer practical implications for leaders and organizations seeking to optimize their leadership practices and cultivate a desired organizational culture.

The chapter begins with an overview of the theoretical foundations underlying leadership styles and organizational culture. It delves into prominent leadership theories such as transformational, transactional, and laissez-faire leadership, as well as the various dimensions and types of organizational culture. By examining these theoretical frameworks, we gain a conceptual understanding of the mechanisms through which leadership styles influence organizational culture.

Subsequently, the literature review explores empirical studies that have investigated the relationship between leadership styles and organizational culture. It examines the methodologies employed, the key variables measured, and the research findings. Special attention is given to studies that have demonstrated the impact of leadership styles on specific dimensions of organizational culture, such as innovation, employee engagement, and ethical climate.

In conclusion, this literature review chapter serves as a foundation for the subsequent chapters of this research paper. It provides a comprehensive synthesis of the existing knowledge, offering insights into the influence of leadership styles on organizational culture. By examining both theoretical and empirical research, this review contributes to the advancement of our

understanding in this domain and provides practical implications for leaders and organizations striving to enhance their leadership practices and shape a positive organizational culture.

2.2. Theoretical Review

2.2.1. Concept of Leadership

Leadership is a complex process that involves the ability of a leader to influence and inspire voluntary participation from subordinates to achieve organizational goals. Leadership is a process of giving purpose (meaningful direction) to the collective effort and causing the willing effort to be expended to achieve a purpose (Jacobs & Jaques, 1990). It can be defined as a social influence process in which one person guides and directs the activities of individuals or a group toward goal attainment in specific situations. This relational concept encompasses both the influencing agent and the individuals being influenced (Bhatti et al., 2012).

However, the definition of leadership varies among scholars, who approach it from different perspectives such as behaviors, traits, role relationships, influence, or communication patterns (Yukl, 2006). Despite the lack of consensus, leadership has been an inherent part of human interactions throughout history and is present in all cultures, regardless of their economic or social structures.

According to Northouse (2007), leadership can be described as a process in which an individual, known as the leader, influences a group of individuals to work together towards a shared goal. In this sense, leadership entails the leader's ability to organize and direct their followers toward achieving a common objective.

2.2.2. Leadership Styles

Leadership styles refer to the different approaches that leaders use to influence their followers. There are several different types of leadership styles, including transformational, transactional, autocratic, democratic, and laissez-faire. Transformational leadership is characterized by leaders who inspire and motivate their followers to achieve their full potential. Transactional leadership is characterized by leaders who use rewards and punishments to motivate their followers. Autocratic leadership is characterized by leaders who make decisions without input from their followers. Democratic leadership is characterized by leaders who involve their followers in the

decision-making process. Laissez-faire leadership is characterized by leaders who provide little guidance or direction to their followers.

Leadership styles are an important aspect of organizational behavior and have been the subject of extensive research. According to Bass and Riggio (2006), leadership styles refer to the different approaches that leaders use to influence their followers. There are several different types of leadership styles, including transformational, transactional, autocratic, democratic, and laissez-faire.

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Transformational leadership is characterized by leaders who inspire and motivate their followers to achieve their full potential (Bass & Riggio, 2006). Transformational leaders are known for their ability to create a vision for the organization and inspire their followers to work towards that vision. They are also known for their ability to empower their followers and provide them with the support and resources they need to succeed. James MacGregor Burns (1978) first introduced the concept of transforming leadership in his descriptive research on political leaders, but this term is also used in organizational psychology. According to Burns, transforming leadership is a process in which "leaders and followers help each other to advance to a higher level of morale and motivation". Burns (1978) delved into the complex realm of management and leadership, highlighting the nuances in their characteristics and behaviors. His conceptual framework introduced two distinct leadership approaches: "transforming leadership" and

"transactional leadership." The transforming approach, as outlined by Burns, engenders profound change in individuals and organizations. It entails reshaping perspectives, values, and even the expectations and aspirations of employees. Unlike the transactional approach, which relies on a reciprocal "give and take" dynamic, transforming leadership draws upon the leader's personality, traits, and capacity to effect change through personal example, articulation of an inspiring vision, and the setting of challenging goals. Transforming leaders serve as moral exemplars, committed to improving their teams, organizations, and communities. Burns posited that transforming and transactional leadership styles were mutually exclusive. Transactional leaders typically operate within the existing organizational culture, without actively seeking cultural change. Conversely, transformational leaders possess the potential to instigate shifts in organizational culture (Burns, 1978).

Transactional leadership, on the other hand, is characterized by leaders who use rewards and punishments to motivate their followers (Bass & Riggio, 2006). Transactional leaders are focused on achieving specific goals and objectives and use a system of rewards and punishments to ensure that their followers meet those goals.

According to Winkler (2010), transactional leadership is characterized by a contractual relationship between the leader and subordinates, which is based on individual benefits. This leadership style is known for employing a combination of rewards and punishments to accomplish organizational goals, often referred to as the carrot-and-stick approach (Bass, 1997). In this context, employees are rewarded for task completion and strive to meet the leader's expectations to avoid negative consequences (Aarons, 2006). Avolio and Bass (2004) identified three key elements of transactional leadership: contingent reward, active management by exception, and passive management by exception.

Contingent reward involves the leader setting objectives and performance expectations for their followers, utilizing rewards and promotions as incentives to motivate them to achieve desired outcomes (Akram, Lei, Hussain, Haider, & Akram, 2016). Active management by exception refers to the leader's ongoing monitoring of tasks, identifying and resolving problems, and reinforcing procedures (Gill, 2012). This indicates that the leader remains vigilant in overseeing the activities of their followers. On the other hand, passive management by exception is evident when leaders adopt a more reactive approach, responding to problems only when they arise.

These leaders address issues as they emerge rather than proactively seeking them out (Yahaya & Ebrahim, 2016).

Laissez-faire leadership is characterized by “the avoidance or absence of leadership” (Judge & Piccolo, 2004, p. 756). It is characterized by leaders who provide little guidance or direction to their followers (Goleman, 2000). Laissez-faire leaders are known for their hands-off approach and their willingness to delegate responsibility to their followers. Leaders who adopt the laissez-faire style refrain from exerting direct influence on their followers, instead granting them autonomy to manage their time and pursue work-related goals in their preferred manner. In this leadership approach, subordinates are empowered to independently establish their work objectives without the direct influence of the leader. Despite the leader's minimal intervention, followers may still perceive the leader as a vital resource. Laissez-faire leaders, although they avoid actively influencing their followers, bear responsibility for their followers' actions and progress. Consequently, followers may rely on the leader as a supportive presence, offering a safety net that allows them to take risks within their work roles. This aspect of the leader is seen by followers as a valuable asset, fostering their interests and creativity, and expanding their self-concept to include the leader.

Bass and Avolio (2004) proposed the Full Range Leadership (FRL) model, which encompasses nine leadership factors. These factors include idealized influence (behavior), idealized influence (attributed), individualized consideration, inspirational motivation, intellectual stimulation, management-by-exception (active), contingent reward, management-by-exception (passive), and laissez-faire. Theoretically, these nine factors can be categorized into three main types of leadership: transformational leadership, transactional leadership, and dimension (Bass & Avolio, 2004b). Transformational leadership incorporates the elements of idealized influence (behavior), idealized influence (attributed), individualized consideration, intellectual stimulation, and inspirational motivation. This type of leadership focuses on inspiring and motivating followers to achieve higher levels of performance and personal growth. Transactional leadership encompasses laissez-faire leadership, management-by-exception (active), contingent reward, and management-by-exception (passive). Transactional leaders rely on rewards, punishments, and the active or passive monitoring of followers' performance to maintain compliance and achieve organizational goals. Lastly, the dimension concept refers to an additional dimension discussed

by Bass and Avolio (2004b) within the FRL model, which is not specifically categorized under transformational or transactional leadership.

In conclusion, leadership styles are an important aspect of organizational behavior and have a significant impact on organizational performance. Transformational and democratic leadership styles have been found to be associated with positive outcomes such as higher motivation, job satisfaction, and better organizational culture. In contrast, autocratic and laissez-faire leadership styles have been found to be associated with negative outcomes such as low levels of employee morale and job satisfaction. Transactional leadership styles have been found to be associated with a more bureaucratic organizational culture, characterized by strict adherence to rules and procedures. By understanding the different types of leadership styles and their impact on organizational behavior, organizations can create a positive work environment that promotes employee engagement and productivity.

2.2.3. Leadership Theories

Trait Theory

Early theorists initially believed that certain physical traits and personality characteristics distinguished born leaders from non-leaders. Trait theories, however, did not address whether leadership traits were innate or acquired. Jenkins identified two types of traits: emergent traits, which heavily relied on heredity, such as height, intelligence, attractiveness, and self-confidence, and effectiveness traits that were based on experience or learning, including charisma, as essential elements of leadership (Ekvall & Arvonen, 1991).

Max Weber described charisma as a potent force capable of bringing about radical change, inspiring followers to wholeheartedly devote themselves to leaders perceived as possessing almost magical and superhuman qualities. The early emphasis on intellectual, physical, and personality traits that differentiated leaders from non-leaders set the stage for subsequent research indicating that the differences between followers and leaders were relatively minor (Burns, 2003). The failure to identify a set of universally shared traits among effective leaders led to the decline in the popularity of trait theory, as the inherent component remained elusive. In the late 1940s, scholars examined the traits of both military and non-military leaders and shed light on the importance of specific traits developing at particular times.

Behavioural Leadership Theory

Behavioral leadership theories originated in the 1930s through the work of Kurt Lewin, a prominent figure in social psychology, conducted at the University of Iowa. These theories challenge the notion of the Great Man theory by asserting that leaders are not inherently born but rather made (Sethuraman and Suresh, 2014). Behavioral theories shift the focus from innate qualities to the actions and behaviors exhibited by leaders. They propose that individuals can develop into exceptional leaders through training and observation (Amanchukwu et al., 2015).

According to this theory, effective leaders employ three key skills to influence their followers: technical, human, and conceptual. A successful leader sets goals, motivates employees to achieve those goals, engages in effective interaction and communication, and fosters team spirit. However, it is important to note that the relevance and effectiveness of certain behaviors may vary depending on the context and time, rendering them either pertinent or incongruous (Sethuraman and Suresh, 2014).

Contingency Theories (Situational)

Contingency theories propose that no single leadership style is universally applicable, as the effectiveness of a leadership style depends on various factors such as the situation, the characteristics of the followers, and other variables. These theories suggest that there isn't a one-size-fits-all approach to leadership because the diverse internal and external dimensions of the environment necessitate leaders to adapt to specific situations. As organizations evolve, not only do the dynamics and environment change but also the employees within the organization.

Contingency theory, a subset of behavioral theory, argues that there isn't a single best way to lead or organize and that a leadership style effective in one circumstance may not work in another (Greenleaf, 1977). While contingency theorists believed that the leader was at the heart of the leader-subordinate relationship, situational theorists argued that subordinates played a crucial role in shaping this relationship.

Although situational leadership primarily focuses on the leader, it acknowledges the importance of group dynamics. Modern theories of group dynamics and leadership have emerged from studies examining the relationships between groups and their leaders. Situational leadership theory suggests that leadership style should be tailored to the maturity level of the subordinates (Bass, 1997). Introduced in 1969, the situational leadership model posits that there is no single

best way to lead. To be effective, leaders must adapt to the situation and alternate their leadership style between task-oriented and relationship-oriented approaches.

2.2.4. Organizational Culture

Organizational culture is an important aspect of organizational behavior and has been the subject of extensive research. According to Denison (1990), organizational culture refers to the shared values, beliefs, and practices that shape the behavior of individuals within an organization. Organizational culture can be influenced by a variety of factors, including leadership styles, organizational structure, and external factors such as industry norms and societal values.

According to Edgar Schein, organizational culture is a model based on the assumptions that group members learn to solve problems in adapting to the external environment and its internal development and works so well that it is recognized as a valid method and thought to the new members to use them in solving the organizational problems. James Percy believes that organization members have shared values, beliefs, specific language, codes, and other thinking and behavioral patterns, and in short, he defines organizational culture as "a model of the common goals of organization members" (Ramanido, 2011).

The term "organizational culture" refers to the organization's fundamental values, core assumptions, expectations, shared memories, and definitions. It refers to the dominant ideology in people's minds. It expresses employee similarity, preparing unwritten rules, and mental instructions in the organization, and increasing the social system's stability (Daneshfard and Shahabinia, 2011). Organizational culture is a set of organizational value systems and shared beliefs of the organization members. It is said that the organization's culture is formed by the structure goals and tasks of the organization, atmosphere, values, and personal beliefs, considering that the mentioned factors affect the organization's performance (Delavar, 2011). Organizational culture refers to a system of shared inferences among the members of an organization, and it separates the organizations from each other.

Leadership styles have been found to have a significant impact on organizational culture. Transformational leadership has been found to be positively associated with a strong organizational culture, characterized by high levels of employee engagement, commitment, and satisfaction (Bass & Riggio, 2006). In contrast, autocratic leadership has been found to be

associated with a negative organizational culture, characterized by low levels of employee morale and job satisfaction (Goleman, 2000).

Organizational structure is another factor that can influence organizational culture. According to Schein (2010), the structure of an organization can have a significant impact on its culture. For example, a hierarchical organizational structure may be associated with a more formal and bureaucratic culture, while a flat organizational structure may be associated with a more informal and collaborative culture.

External factors such as industry norms and societal values can also influence organizational culture. According to Denison (1990), external factors can shape the values and beliefs of individuals within an organization and influence the way they behave. For example, an organization operating in a highly competitive industry may have a culture that values innovation and risk-taking, while an organization operating in a more stable industry may have a culture that values stability and predictability.

In conclusion, organizational culture is an important aspect of organizational behavior and can be influenced by a variety of factors, including leadership styles, organizational structure, and external factors such as industry norms and societal values. By understanding the factors that influence organizational culture, organizations can create a positive work environment that promotes employee engagement and productivity.

2.3. Empirical Review

Research has shown that leadership styles can have a significant impact on organizational culture. A study conducted by Denison (1990) found that leadership styles have significant impacts on organizational culture. The study demonstrated how different leadership styles could enhance or harm organizational culture. The relationship between leadership styles and organizational culture has been a topic of interest for researchers and practitioners for many years. Transformational leadership has been found to be positively associated with a strong organizational culture, characterized by high levels of employee engagement, commitment, and satisfaction (Bass & Riggio, 2006). Transactional leadership has been found to be associated with a more bureaucratic organizational culture, characterized by strict adherence to rules and procedures (Bass & Riggio, 2006). Autocratic leadership has been found to be associated with a negative organizational culture, characterized by low levels of employee morale and job

satisfaction (Goleman, 2000). Democratic leadership has been found to be associated with a positive organizational culture, characterized by high levels of employee participation and collaboration (Bass & Riggio, 2006). Laissez-faire leadership has been found to be associated with a weak organizational culture, characterized by low levels of employee motivation and productivity (Goleman, 2000).

The review has found that transformational and democratic leadership styles are associated with positive organizational cultures, characterized by high levels of employee engagement, commitment, and satisfaction. In contrast, autocratic and laissez-faire leadership styles are associated with negative organizational cultures, characterized by low levels of employee morale and job satisfaction. Transactional leadership styles have been found to be associated with a more bureaucratic organizational culture, characterized by strict adherence to rules and procedures.

Overall, effective blending of leadership styles can contribute toward a positive organizational culture by creating an environment where employees feel challenged, supported, and valued. More research on this topic is needed to identify the optimal combination of leadership styles for maximum effectiveness under differing circumstances.

While numerous sources in literature (Bass and Avolio, 1993; Nicholls, 1988; Quick, 1992; Schein, 1992; Simms, 1997) suggest a connection between leadership and culture, empirical studies examining this relationship and its impact on performance are relatively scarce. An exception is Hennessey's study on organizational change within the U.S. federal civil service. The study concluded that leadership significantly contributed to cultivating an organizational culture that facilitated the successful execution of specific government reforms. Hennessey further posited that the most effective leaders are those who nurture, endorse and maintain organizational cultures that enable the kind of management reform envisioned by "reinventing government", leading to enhanced effectiveness and efficiency (1998: 523).

Schein (1992) highlights the intricate relationship between leadership and organizational culture, particularly in the context of an organization's life cycle. The founder of an organization, driven by their personal values and beliefs, establishes a culture that mirrors these principles. This process allows the founder to mold the organization's cultural characteristics. Yet, as the organization evolves, its established culture begins to influence the leader, shaping their actions

and leadership style. This dynamic process is a continuous cycle where the leader is both the creator and product of the organizational culture.

Bass and Avolio (1993) echo Schein's (1992) perspective, emphasizing the reciprocal relationship between leadership and culture. They suggest that leaders shape their organization's culture, which in turn influences them. Bass (1985) further explores this relationship by studying how different leadership styles impact culture. He posits that transactional leaders typically work within the existing cultural framework, while transformational leaders often strive to modify the organizational culture to align with their vision. Brown (1992) adds to this discourse by noting that effective leaders should possess the ability to adapt aspects of their culture to enhance organizational performance.

In conclusion, this literature review has provided a comprehensive overview of the effect of leadership styles on organizational culture. The review has highlighted the importance of organizational culture for employee engagement and productivity, and the significant impact that leadership styles can have on shaping organizational culture. The review has identified several different types of leadership styles, including transformational, transactional, autocratic, democratic, and laissez-faire, and has examined their impact on organizational culture. The findings of this literature review have several implications for organizations, including the need to adopt a leadership style that is aligned with the desired organizational culture. Organizations should also consider the impact of external factors such as industry norms and societal values on their organizational culture. By taking a proactive approach to shaping their organizational culture, organizations can create a positive work environment that promotes employee engagement and productivity.

It is important to note that the specific findings of this literature review may vary depending on the context and the specific organization. Further research is needed to explore the relationship between leadership styles and organizational culture in different contexts and to identify the most effective leadership styles for promoting a positive organizational culture.

2.4. Conceptual Framework

The conceptual framework for this research project is based on the premise that leadership styles have a significant impact on organizational culture. The framework will be used to guide the

research process and provide a structure for analyzing the data collected. The framework consists of two main components: leadership styles, and organizational culture.

The first component of the framework is leadership styles. This component is the independent variable. The reason for this is that leadership style is the variable that is being manipulated or changed in order to observe its effect on organizational culture. The different leadership styles, such as transformational, transactional, and laissez-faire, are being investigated to determine how they impact the shared values, beliefs, attitudes, and behaviors that characterize Yenetta Code.

The second component of the framework is organizational culture. This component is the dependent variable. It is the variable that is being measured or observed to determine the effect of the independent variable. It will focus on the shared values, beliefs, attitudes, and behaviors that characterize Yenetta Code and influence the way its members interact with each other and with external stakeholders. The framework will explore how organizational culture is shaped by leadership styles.

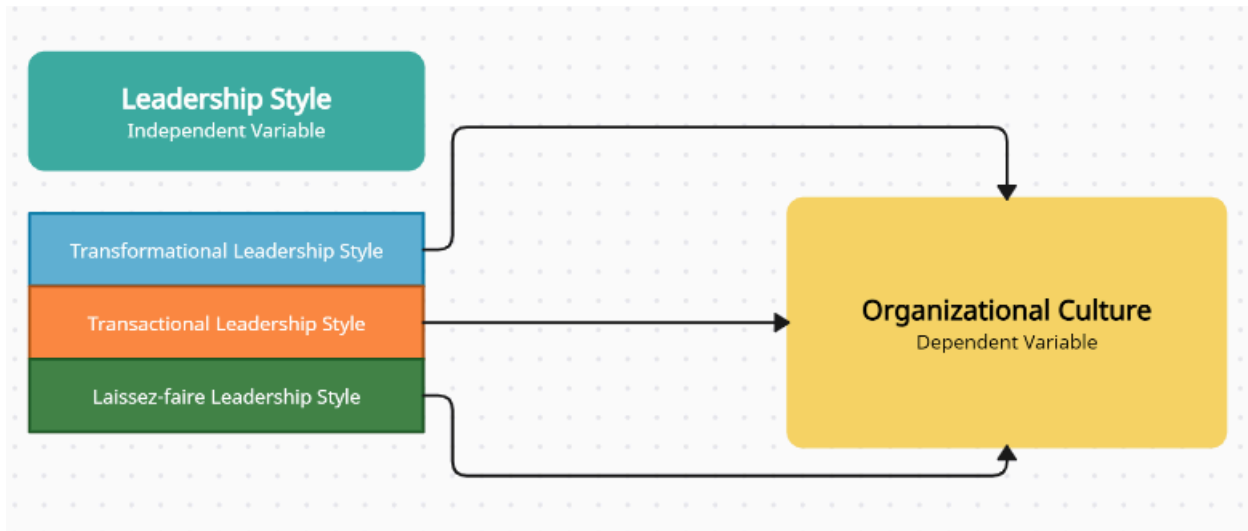


Figure 1: Conceptual framework of the study

The conceptual framework will be used to guide the research process and provide a structure for analyzing the data collected. The framework will be used to develop research questions, design the research methodology, and analyze the data collected. By using this framework, the research project will provide a comprehensive understanding of the effect of leadership styles on organizational culture at Yenetta Code.

2.5. Hypothesis of the Study

Based on the research questions and research problem, the following hypothesis is proposed for this study:

H1: The transformational leadership style positively affects organizational culture.

H2: The transactional leadership style positively affects organizational culture.

H3: The laissez-faire leadership style negatively affects organizational culture.

Chapter Three: Research Methodology

3.1. Research Design and Approach

The purpose of this study is to investigate the relationship between leadership styles and organizational culture at Yenetta Code in Addis Ababa, Ethiopia. The research aims to examine how different leadership styles impact the workplace environment and the impact it has on employees and their performance. This research project will utilize a mixed-methods approach, combining both quantitative and qualitative techniques. The research design will be descriptive and cross-sectional in nature. The study will collect data at a single point in time, and the data collected will be used to describe the relationship between leadership styles and organizational culture at Yenetta Code.

3.2. Population

3.2.1. Target Population

The target population for this research project is all employees of Yenetta Code. This includes instructors, experts, mid-level managers, non-managerial personnel, and senior managers. The total population of Yenetta Code is approximately 105 employees.

3.3. Data Type, Collection, and Analysis

3.3.1. Data Type

Both primary and secondary data will be necessary to analyze the research questions. Primary data will consist of information gathered through questionnaires. The secondary data will be obtained from published material on organizational culture and leadership styles as well as internal documents provided by the organization.

For primary data, a survey questionnaire to collect quantitative data will be designed to collect data on leadership styles and organizational culture. Secondary data will be obtained from published material on organizational culture and leadership styles. This will provide a theoretical framework for the study and help contextualize the findings.

3.3.2. Data Collection

In order to obtain quantitative data, the survey questionnaire will be designed to collect data on leadership styles and organizational culture and will be distributed to employees of Yenetta Code. This includes instructors, experts, mid-level managers, non-managerial personnel, and senior managers.

The survey questionnaire is designed to be concise and straightforward. The survey was distributed electronically to all employees, saving time and resources. Additionally, the survey was designed to be anonymous, which encouraged employees to provide honest and candid responses. The survey was also designed to include 5-point Likert scale questions. The questionnaire is comprised of the multifactor leadership questionnaire and the Denison organizational culture survey.

Overall, this data collection provides a comprehensive understanding of the effect of leadership styles on organizational culture at Yenetta Code.

3.3.3. Method of Data Analysis

After the data was collected through a structured questionnaire, computation, and analysis was conducted by using SPSS (Statistic Package for Social Science) version 23 software. Descriptive statistics was used to measure the central tendency using mean scores, percentages, and frequencies and presented in tables and charts. Regression analysis was used to establish the relationship between the study variables.

3.3.4. Data Presentation

The results are presented in a narrative format, supported by collected data, responses from informal interviews, and relevant literature.

3.4. Ethical Considerations

All participants provided informed consent, and their confidentiality and anonymity were maintained throughout the study. Any potential conflicts of interest were disclosed, and the research was conducted in accordance with the ethical guidelines of the relevant institutional review board.

Chapter Four: Data Analysis and Interpretation

4.1. Introduction

This chapter aims to assess the impact of leadership styles (i.e., Transformational, Transactional, and Laissez-faire) on the organizational culture at Yenetta Code through data analysis and interpretations. The survey was designed using Likert Scale ratings to gauge respondents' opinions, and the collected data was analyzed using IBM SPSS Version 23. The findings are presented in the following sections.

4.2. Response Rate

Out of the 105 questionnaires distributed to the sampled respondents, a remarkable 92 valid questionnaires were received and utilized for further analysis, accounting for a 87.62% response rate. Notably, there were no missing data or unanswered questions among the 92 respondents.

4.3. Demographic Characteristics of the Respondents

The demographic profiles of the respondents were examined using descriptive statistics and frequencies. The analysis provides a concise overview of the personal and job-related attributes of the respondents, including gender, age, educational status, job category, and work experiences at Yenetta Code.

Table 1: Demographic characteristics of the study participants

General Profile	Category	Frequency	Percent
Gender	Female	29	31.5
	Male	63	68.5
Total		92	100
Age	21-30	75	81.5
	31-40	15	16.3
	41-50	2	2.2
Total		92	100
Educational Status	Bachelors Degree	81	88.0
	Diploma	7	7.6

	Masters Degree	4	4.3
Total		92	100
Job Category	Finance Staff	6	6.5
	HR Staff	8	8.7
	Instructor/Trainer	34	37.0
	Managerial Staff	10	10.9
	Marketing Staff	9	9.8
	Support Staff	25	27.2
Total		92	100
Work Experience	1 - 2 years	36	39.1
	3 - 4 years	21	22.8
	6 months - 1 year	28	30.4
	Less than 6 months	7	7.6
Total		92	100

The provided table presents the general profile of the participants in the study. It includes information on gender, age, educational status, job category, and work experience.

Regarding gender, out of the 92 participants, 29 (31.5%) were female, while 63 (68.5%) were male. In terms of age, most participants fell within the 21-30 age range, with 75 (81.5%) individuals. There were 15 (16.3%) participants in the 31-40 age range and only 2 (2.2%) participants in the 41-50 age range. Regarding educational status, 81 (88.0%) participants held a Bachelor's degree, 7 (7.6%) had a Diploma, and 4 (4.3%) had a Master's degree.

In terms of job category, the highest number of participants, 34 (37.0%), were Instructors/Trainers. Other job categories included Support Staff (25 participants, 27.2%), HR Staff (8 participants, 8.7%), Managerial Staff (10 participants, 10.9%), Marketing Staff (9 participants, 9.8%), and Finance Staff (6 participants, 6.5%). Concerning work experience, the highest number of participants, 36 (39.1%), had 1-2 years of experience. There were 21 (22.8%)

participants with 3-4 years of experience, 28 (30.4%) with 6 months - 1 year of experience, and 7 (7.6%) participants with less than 6 months of experience.

This general profile provides an overview of the characteristics of the study participants, which is important for understanding the demographics and backgrounds of the individuals involved in the research. The information can be used to assess the sample's representativeness and contextualize the findings within specific demographic groups or categories.

4.4. Reliability Statistics

Cronbach's Alpha coefficient is a measure of the internal consistency and reliability of a scale or questionnaire. It assesses the extent to which the items in a set are correlated and measures the same underlying construct. The coefficient ranges from 0 to 1, where a value closer to 1 indicates higher internal consistency (Johnson, E. (2013)).

In the given context, the Cronbach's Alpha coefficient is reported to be 0.998. This suggests an extremely high level of internal consistency, indicating that the 92 items in the data set are highly correlated and reliably measure the construct being assessed.

4.5. Descriptive Statistics of Independent Variables

4.5.1. Descriptive Statistics of Transformational Leadership Predictors

Table 2: Transformational leadership analysis result

S. No	Transformational Leadership Predictors	Mean	Standard Deviation	Frequency of Response			Valid N
					Frequency	Percent	
1	Communicates a clear vision of the future	3.78	0.415	Neutral	20	21.7	92
				Agree	72	78.3	
2	Individualized support and encouragement	3.90	0.333	Neutral	10	10.9	92
				Agree	81	88.0	
				Strongly Agree	1	1.1	
3	Stimulates others to surpass their personal targets	3.74	0.466	Neutral	25	27.2	92
				Agree	66	71.7	
				Strongly Agree	1	1.1	
4	Demonstrates exemplary character for their followers	3.97	0.313	Neutral	6	6.5	92
				Agree	83	90.2	
				Strongly Agree	3	3.3	
5	Encourages creative thinking	3.83		Neutral	18	19.6	92

	and problem-solving		0.435	Agree	72	78.3	
				Strongly Agree	2	2.2	
6	Shows confidence in the ability of followers to achieve goals	4.09	0.352	Neutral	2	2.2	92
				Agree	80	87.0	
				Strongly Agree	10	10.9	
7	Nurtures a feeling of importance and significance in job responsibilities	3.78	0.415	Neutral	20	21.7	92
				Agree	72	78.3	
8	Provides opportunities for personal and professional growth	3.90	0.333	Neutral	10	10.9	92
				Agree	81	88.0	
				Strongly Agree	1	1.1	
9	Creates a positive and enthusiastic work environment	3.93	0.289	Neutral	7	7.6	92
				Agree	84	91.3	
				Strongly Agree	1	1.1	
10	Challenges followers to take on new responsibilities and roles	3.71	0.481	Neutral	28	30.4	92
				Agree	63	68.5	
				Strongly Agree	1	1.1	
11	Builds strong relationships with followers	3.90	0.299	Neutral	9	9.8	92

				Agree	83	90.2	
12	Provides constructive feedback and acknowledgment for commendable work performance	3.72	0.453	Neutral	26	28.3	92
				Agree	66	71.7	
Total		3.8542	0.13053				92

Among the transformational leadership predictors examined, the highest mean was observed for the predictor "Shows confidence in the ability of followers to achieve goals" with a mean of 4.09. The majority of respondents agreed with this predictor, with 87.0% agreeing and 10.9% strongly agreeing. This finding suggests that leaders who demonstrate confidence in their followers' abilities to achieve goals are perceived positively by their subordinates. The high mean score indicates the importance of this leadership behavior in cultivating a supportive and empowering work environment. These results contribute to the understanding of transformational leadership and its impact on organizational outcomes.

4.5.2. Descriptive Statistics of Transactional Leadership Predictors

Table 3: Transactional leadership analysis result

S. No	Transactional Leadership Predictors	Mean	Standard Deviation	Frequency of Response			Valid N
					Frequency	Percent	
1	Clearly defines expectations and goals	4.66	0.475	Agree	31	33.7	92
				Strongly Agree	61	66.3	
2	Creates clear incentives for meeting expectations and achieving objectives	4.60	0.493	Agree	37	40.2	92
				Strongly Agree	55	59.8	
3	Regularly monitors progress toward goal	4.68	0.467	Agree	29	31.5	92
				Strongly Agree	63	68.5	
4	Holds team members responsible for meeting expectations and achieving objectives	4.65	0.479	Agree	32	34.8	92
				Strongly Agree	60	65.2	
5	Corrects performance deficiencies in a timely manner	4.57	0.498	Agree	40	43.5	92
				Strongly Agree	52	56.5	

6	Uses incentives to motivate followers to improve their performance	4.59	0.495	Agree	38	41.3	92
				Strongly Agree	54	58.7	
7	Offers resources and assistance to aid team members in reaching their goals	4.51	0.503	Agree	45	48.9	92
				Strongly Agree	47	51.1	
8	Maintains consistency and predictability in managing followers	4.47	0.502	Agree	49	53.3	92
				Strongly Agree	43	46.7	
Total		4.5910	0.16377				92

The transactional leadership predictors were analyzed, and the predictor with the highest mean value was "Regularly monitors progress toward goal" with a mean score of 4.68. A significant majority of respondents agreed (31.5%) or strongly agreed (68.5%) with this predictor. This finding indicates that consistent monitoring of progress toward goals is perceived as a crucial aspect of effective transactional leadership.

Other predictors that received high mean scores include "Clearly defines expectations and goals" (mean = 4.66) and "Holds team members responsible for meeting expectations and achieving objectives" (mean = 4.65). These predictors also garnered agreement or strong agreement from a majority of participants, emphasizing the importance of setting clear expectations, defining goals, and holding team members accountable in transactional leadership.

Additional predictors such as "Creates clear incentives for meeting expectations and achieving objectives," "Corrects performance deficiencies in a timely manner," and "Uses incentives to motivate followers to improve their performance" demonstrated high mean scores, indicating their relevance in transactional leadership practices.

These findings contribute to the understanding of transactional leadership behaviors and their impact on organizational outcomes. Leaders who consistently monitor progress, define expectations and goals, hold team members accountable, and provide incentives can effectively motivate and manage their teams. These results have implications for leadership development and organizational success.

4.5.3. Descriptive Statistics of Laissez-Faire Leadership Predictors

Table 4: Laissez-Faire Leadership analysis result

S. No	Laissez-Faire Leadership Predictors	Mean	Standard Deviation	Frequency of Response			Valid N
					Frequency	Percent	
1	Refrains from making decisions	1.40	0.515	Strongly Disagree	56	60.9	92
				Disagree	35	38.0	
				Neutral	1	1.1	
2	Refrains from providing direction or guidance	1.28	0.453	Strongly Disagree	66	71.7	92
				Disagree	26	28.3	

3	Avoids intervening when problems arise	1.32	0.467	Strongly Disagree	63	68.5	92
				Disagree	29	31.5	
4	Rarely monitors performance or provides feedback	1.20	0.399	Strongly Disagree	74	80.4	92
				Disagree	18	19.6	
5	Let subordinates work autonomously with scarce oversight	1.16	0.371	Strongly Disagree	77	83.7	92
				Disagree	15	16.3	
6	Fails to provide the necessary resources or support	1.21	0.407	Strongly Disagree	73	79.3	92
				Disagree	19	20.7	
7	Tolerates inadequate performance without a timely response	1.18	0.390	Strongly Disagree	75	81.5	92
				Disagree	17	18.5	
8	Avoids addressing disagreements or concerns among members	1.23	0.422	Strongly Disagree	71	77.2	92
				Disagree	21	22.8	
Total		1.2473	0.13865				92

The analysis of the laissez-faire leadership predictors revealed that all predictors received extremely low mean scores, indicating strong disagreement with laissez-faire leadership behaviors. The predictor with the highest mean score was "Refrains from making decisions" with a mean of 1.40. The majority of respondents strongly disagreed (60.9%) or disagreed (38.0%) with this predictor. This finding suggests that leaders who avoid making decisions are perceived negatively by their subordinates.

Other predictors such as "Refrains from providing direction or guidance," "Avoids intervening when problems arise," and "Rarely monitors performance or provides feedback" received similarly low mean scores. Participants expressed strong disagreement with these behaviors, indicating a negative perception of leaders who exhibit laissez-faire tendencies.

The results indicate a clear preference for leaders who are involved, provide guidance, monitor performance, and offer support. Laissez-faire leadership, characterized by a lack of direction, intervention, and support, was strongly disapproved by the participants.

These findings contribute to the understanding of the negative impact of laissez-faire leadership on organizational outcomes. Leaders who refrain from making decisions, fail to provide guidance and support, and neglect monitoring performance are likely to hinder team productivity and satisfaction. These results have implications for leadership development and the importance of active and engaged leadership styles.

4.6. Descriptive Statistics of Dependent Variable

4.6.1. Descriptive Statistics of Involvement-Related Culture

Table 5: Involvement-related organizational culture analysis result

S. No	Involvement	Mean	Standard Deviation	Frequency of Response			Valid N
					Frequency	Percent	
1	Most employees are highly involved in their work.	4.37	0.485	Agree	58	63.0	92
				Strongly Agree	34	37.0	
2	Decisions are usually made at the level where the best information is available.	4.36	0.482	Agree	59	64.1	92
				Strongly Agree	33	35.9	
3	Information is widely shared so that everyone can get the information he or she needs when it's needed.	4.35	0.501	Neutral	1	1.1	92
				Agree	58	63.0	
				Strongly Agree	33	35.9	
4	Everyone believes that he or she can have a positive impact.	4.39	0.491	Agree	56	60.9	92
				Strongly Agree	36	39.1	
5	Business planning is ongoing and involves everyone in the process to some degree.	4.35	0.501	Neutral	1	1.1	92
				Agree	58	63.0	
				Strongly Agree	33	35.9	

6	Cooperation across different parts of the organization is actively encouraged.	4.30	0.486	Neutral	1	1.1	92
				Agree	62	67.4	
				Strongly Agree	29	31.5	
7	People work like they are part of a team.	4.39	0.513	Neutral	1	1.1	92
				Agree	54	58.7	
				Strongly Agree	37	40.2	
8	Teamwork is used to get work done, rather than hierarchy.	4.28	0.476	Neutral	1	1.1	92
				Agree	64	69.6	
				Strongly Agree	27	29.3	
9	Teams are our primary building blocks.	4.33	0.494	Neutral	1	1.1	92
				Agree	60	65.2	
				Strongly Agree	31	33.7	
10	Work is organized so that each person can see the relationship between his or her job and the goals of the organization.	4.26	0.466	Neutral	1	1.1	92
				Agree	66	71.7	
				Strongly Agree	25	27.2	
11	Authority is delegated so that people can act on their own.	4.20	0.399	Agree	74	80.4	92
				Strongly Agree	18	19.6	

12	The "bench strength" (capability of people) is constantly improving.	4.36	0.482	Agree	59	64.1	92
				Strongly Agree	33	35.9	
13	There is continuous investment in the skills of employees.	4.35	0.501	Neutral	1	1.1	92
				Agree	58	63.0	
				Strongly Agree	33	35.9	
14	The capabilities of people are viewed as an important source of competitive advantage.	4.36	0.505	Neutral	1	1.1	92
				Agree	57	62.0	
				Strongly Agree	34	37.0	
15	Problems often arise because we do not have the skills necessary to do the job.	1.30	0.463	Strongly Disagree	64	69.6	92
				Disagree	28	30.4	
Total		4.1297	0.13814				92

The descriptive statistics of involvement-related culture at Yenetta Code indicate positive perceptions among employees. The highest mean score was achieved by the statement "Most employees are highly involved in their work" with a mean of 4.37. A majority of respondents agreed (63.0%) or strongly agreed (37.0%) with this statement, indicating a high level of employee engagement at Yenetta.

Other statements that received high mean scores and positive responses include "Decisions are usually made at the level where the best information is available," "Everyone believes that he or she can have a positive impact," and "The 'bench strength' (capability of

people) is constantly improving." These statements highlight the importance of employee involvement, empowerment, and continuous improvement in the involvement-related culture at Yenetta Code.

Additionally, statements related to teamwork, cooperation, and skill development also received favorable responses, suggesting that Yenetta fosters a culture that values collaboration, information sharing, and investment in employee skills. However, it is worth noting that the statement "Problems often arise because we do not have the skills necessary to do the job" received a significantly low mean score of 1.30, with a majority of respondents strongly disagreeing (69.6%) or disagreeing (30.4%) with this statement. This indicates that employees generally believe they possess the necessary skills to perform their jobs effectively.

The results suggest a positive involvement-related culture at Yenetta Code, characterized by high employee involvement, empowerment, teamwork, and continuous improvement. These findings align with the importance of fostering a positive organizational culture to enhance employee satisfaction, productivity, and overall organizational performance.

4.6.2. Descriptive Statistics of Consistency-Related Culture

Table 6: Consistency-related organizational culture analysis result

S. No	Consistency	Mean	Standard Deviation	Frequency of Response			Valid N
					Frequency	Percent	
1	The leaders and managers "practice what they preach."	4.37	0.485	Agree	58	63.0	92
				Strongly Agree	34	37.0	
2	There is a characteristic management style and a distinct set of management practices.	4.28	0.476	Neutral	1	1.1	92
				Agree	64	69.6	
				Strongly Agree	27	29.3	
3	There is a clear and consistent set of values that governs the way we do business.	4.35	0.479	Agree	60	65.2	92
				Strongly Agree	32	34.8	
4	Ignoring core values will get you in trouble.	4.24	0.454	Neutral	1	1.1	92
				Agree	68	73.9	
				Strongly Agree	23	25.0	
5	There is an ethical code that guides our behavior and tells us right from wrong.	4.58	0.497	Agree	39	42.4	92
				Strongly Agree	53	57.6	
6	When disagreements occur,	4.34	0.498	Neutral	1	1.1	92

	we work hard to achieve "win-win" solutions.			Agree	59	64.1	
				Strongly Agree	32	34.8	
7	There is a "strong" culture.	4.40	0.493	Agree	55	59.8	92
				Strongly Agree	37	40.2	
8	It is easy to reach a consensus, even on difficult issues.	4.17	0.409	Neutral	1	1.1	92
				Agree	74	80.4	
				Strongly Agree	17	18.5	
9	We often have trouble reaching an agreement on key issues.	1.41	0.495	Strongly Disagree	54	58.7	92
				Disagree	38	41.3	
10	There is a clear agreement about the right way and the wrong way to do things.	4.33	0.471	Agree	62	67.4	92
				Strongly Agree	30	32.6	
11	Our approach to doing business is very consistent and predictable.	4.36	0.482	Agree	59	64.1	92
				Strongly Agree	33	35.9	
12	People from different parts of the organization share a common perspective.	4.37	0.507	Neutral	1	1.1	92
				Agree	56	60.9	
				Strongly Agree	35	38.0	
13	It is easy to coordinate	4.34	0.475	Agree	61	66.3	92

	projects across different parts of the organization.			Strongly Agree	31	33.7	
14	Working with someone from another part of this organization is like working with someone from a different organization.	1.29	0.481	Strongly Disagree	66	71.7	92
				Disagree	25	27.2	
				Neutral	1	1.1	
15	There is a good alignment of goals across levels.	4.40	0.493	Agree	55	59.8	92
				Strongly Agree	37	40.2	
Total		3.949	0.12028				92

The analysis of consistency within the organizational culture at Yenetta revealed positive perceptions among employees. The statement with the highest mean score was "There is an ethical code that guides our behavior and tells us right from wrong" with a mean of 4.58. A majority of respondents agreed (42.4%) or strongly agreed (57.6%) with this statement, indicating a strong presence of ethical values and behavior guidance within the organization.

Other statements that received high mean scores and positive responses include "The leaders and managers 'practice what they preach'," "There is a clear and consistent set of values that governs the way we do business," and "Our approach to doing business is very consistent and predictable." These statements highlight the importance of consistency, integrity, and adherence to core values in the organizational culture at Yenetta Code.

Additionally, statements related to teamwork, cooperation, and agreement on key issues also received favorable responses, suggesting that Yenetta Code fosters a culture that encourages collaboration, win-win solutions, and goal alignment across different levels of the organization.

However, it is worth noting that the statement "Working with someone from another part of this organization is like working with someone from a different organization" received a significantly low mean score of 1.29, with a majority of respondents strongly disagreeing (71.7%) or disagreeing (27.2%) with this statement. This indicates that employees generally perceive a high level of alignment and shared perspective across different parts of the organization.

The results suggest a positive organizational culture at Yenetta Code, characterized by consistency, ethical behavior, shared values, and goal alignment. These findings align with the importance of fostering a consistent and values-driven culture to promote employee trust, engagement, and organizational success.

4.6.3. Descriptive Statistics of Adaptability-Related Culture

Table 7: Adaptability-related organizational culture analysis result

S. No	Adaptability	Mean	Standard Deviation	Frequency of Response			Valid N
					Frequency	Percent	
1	The way things are done is very flexible and easy to change.	4.24	0.500	Neutral	3	3.3	92
				Agree	64	69.6	
				Strongly Agree	25	27.2	
2	We respond well to	4.40	0.493	Agree	55	59.8	92

	competitors and other changes in the business environment.			Strongly Agree	37	40.2	
3	New and improved ways to do work are continually adopted.	4.33	0.494	Neutral	1	1.1	92
				Agree	60	65.2	
				Strongly Agree	31	33.7	
4	Attempts to create change usually meet with resistance.	1.26	0.442	Strongly Disagree	68	73.9	92
				Disagree	24	26.1	
5	Different parts of the organization often cooperate to create change.	4.45	0.521	Neutral	1	1.1	92
				Agree	49	53.3	
				Strongly Agree	42	45.7	
6	Customer comments and recommendations often lead to changes.	4.21	0.407	Agree	73	79.3	92
				Strongly Agree	19	20.7	
7	Customer input directly influences our decisions.	4.26	0.466	Neutral	1	1.1	92
				Agree	66	71.7	
				Strongly Agree	25	27.2	
8	All members have a deep understanding of customer	4.46	0.501	Agree	50	54.3	92
				Strongly Agree	42	45.7	

	wants and needs.						
9	The interests of the customer often get ignored in our decisions.	1.09	0.283	Strongly Disagree	84	91.3	92
				Disagree	8	8.7	
10	We encourage direct contact with customers by our people.	4.40	0.515	Neutral	1	1.1	92
				Agree	53	57.6	
				Strongly Agree	38	41.3	
11	We view failure as an opportunity for learning and improvement.	4.42	0.519	Neutral	1	1.1	92
				Agree	51	55.4	
				Strongly Agree	40	43.5	
12	Innovation and risk-taking are encouraged and rewarded.	4.23	0.422	Agree	71	77.2	92
				Strongly Agree	21	22.8	
13	Lots of things "fall between the cracks".	1.15	0.361	Strongly Disagree	78	84.8	92
				Disagree	14	15.2	
14	Learning is an important objective in our day-to-day work.	4.47	0.523	Neutral	1	1.1	92
				Agree	47	51.1	
				Strongly Agree	44	47.8	
15	We ensure that "the	4.27	0.471	Neutral	1	1.1	92

	right-hand knows what the left-hand is doing."			Agree	65	70.7	
				Strongly Agree	26	28.3	
Total		3.7087	0.12568				92

The analysis of adaptability within the organizational culture at Yenetta Code indicates positive perceptions among employees. The statement with the highest mean score was "We view failure as an opportunity for learning and improvement" with a mean of 4.42. A majority of respondents agreed (55.4%) or strongly agreed (43.5%) with this statement, suggesting that Yenetta Code encourages a culture of learning from mistakes and fostering continuous improvement.

Other statements that received high mean scores and positive responses include "Different parts of the organization often cooperate to create change," "Customer comments and recommendations often lead to changes," and "All members have a deep understanding of customer wants and needs." These statements highlight the organization's adaptability, responsiveness to customer feedback, and the importance placed on customer-centricity.

Additionally, statements related to innovation, risk-taking, and creating a learning environment also received favorable responses, indicating that Yeneta Code encourages a culture that embraces innovation, rewards risk-taking, and values continuous learning.

It is worth noting that statements related to resistance to change, ignoring customer interests, and potential gaps in coordination received significantly low mean scores. This suggests that employees perceive a positive culture of adaptability at Yenetta Code, with minimal resistance to change and a focus on customer needs.

The results suggest a positive organizational culture at Yenetta Code, characterized by adaptability, responsiveness to customer feedback, a focus on learning and improvement, and encouragement of innovation and risk-taking. These findings align with the importance of fostering an adaptable and customer-centric culture to thrive in a dynamic business environment.

4.6.4. Descriptive Statistics of Mission-Related Culture

Table 8: Mission-related organizational culture analysis result

S. No	Mission	Mean	Standard Deviation	Frequency of Response			Valid N
					Frequency	Percent	
1	There is a long-term purpose and direction.	4.35	0.479	Agree	60	65.2	92
				Strongly Agree	32	34.8	
2	Our strategy leads other organizations to change the way they compete in the industry.	4.30	0.508	Neutral	2	2.2	92
				Agree	60	65.2	
				Strongly Agree	30	32.6	
3	There is a clear mission that gives meaning and direction to our work.	4.40	0.515	Neutral	1	1.1	92
				Agree	53	57.6	
				Strongly Agree	38	41.3	
4	There is a clear strategy for the future.	4.25	0.460	Neutral	1	1.1	92
				Agree	67	72.8	
				Strongly Agree	24	26.1	
5	Our strategic direction is unclear to me.	1.21	0.407	Strongly Disagree	73	79.3	92
				Disagree	19	20.7	

6	There is widespread agreement about goals.	4.33	0.516	Neutral	2	2.2	92
				Agree	58	63.0	
				Strongly Agree	32	34.8	
7	Leaders set goals that are ambitious, but realistic.	4.29	0.458	Agree	65	70.7	92
				Strongly Agree	27	29.3	
8	The leadership has "gone on record" about the objectives we are trying to meet.	4.29	0.458	Agree	65	70.7	92
				Strongly Agree	27	29.3	
9	We continuously track our progress against our stated goals.	4.47	0.523	Neutral	1	1.1	92
				Agree	47	51.1	
				Strongly Agree	44	47.8	
10	People understand what needs to be done for us to succeed in the long run.	4.34	0.475	Agree	61	66.3	92
				Strongly Agree	31	33.7	
11	We have a shared vision of what the organization will be like in the future.	4.32	0.467	Agree	63	68.5	92
				Strongly Agree	29	31.5	
12	Leaders have a long-term viewpoint.	4.29	0.458	Agree	65	70.07	92
				Strongly Agree	27	29.3	

13	Short-term thinking often compromises our long-term vision.	1.13	0.339	Strongly Disagree	80	87.0	92
				Disagree	12	13.0	
14	Our vision creates excitement and motivation for our employees.	4.43	0.520	Neutral	1	1.1	92
				Agree	50	54.3	
				Strongly Agree	41	44.6	
15	We are able to meet short-term demands without compromising our long-term vision.	4.34	0.475	Agree	61	66.3	92
				Strongly Agree	31	33.7	
Total		3.9159	0.13402				92

The analysis of the mission within the organizational culture at Yenetta Code indicates positive perceptions among employees. The statement with the highest mean score was "There is a clear mission that gives meaning and direction to our work" with a mean of 4.40. A majority of respondents agreed (57.6%) or strongly agreed (41.3%) with this statement, suggesting that Yenetta Code has a well-defined mission that provides employees with a sense of purpose and guidance.

Other statements that received high mean scores and positive responses include "There is a long-term purpose and direction," "People understand what needs to be done for us to succeed in the long run," and "We have a shared vision of what the organization will be like in the future." These statements highlight the organization's focus on long-term goals, clarity of strategic direction, and the presence of a shared vision among employees.

Additionally, statements related to goal agreement, ambitious but realistic goal setting, and tracking progress against goals also received favorable responses, indicating that Yenetta Code promotes goal alignment, sets challenging yet attainable goals, and emphasizes tracking progress toward those goals.

It is worth noting that statements related to the strategic impact on other organizations and the excitement and motivation generated by the vision received neutral mean scores. This suggests that while Yenetta Code may have a clear mission and vision, there might be room for improvement in terms of creating a strategic impact and fostering excitement among employees.

The results suggest a positive organizational culture at Yenetta Code, characterized by a clear mission, long-term focus, goal alignment, and a shared vision of the future. These findings align with the importance of having a strong mission and vision to provide employees with a sense of purpose, direction, and motivation in their work.

4.7. Correlation Analysis and Normality Test

Correlation was measured using Spearman's rho coefficient to assess the strength and direction of the relationship between variables. Spearman's rho is a non-parametric measure that is suitable for analyzing ordinal or ranked data (Likert scale). The coefficient ranges from -1 to +1, where a positive value indicates a positive correlation, a negative value indicates a negative correlation, and values close to zero indicate weak or no correlation.

Table 9: Correlation coefficients

			Correlations			
			Transformational Leadership	Transactional Leadership	Laissez Faire Leadership	Organizational Culture
Spearman's rho	Transformational Leadership	Correlation Coefficient	1.000	.605**	-.009	.494**
		Sig. (2-tailed)	.	.000	.931	.000
		N	92	92	92	92
	Transactional Leadership	Correlation Coefficient	.605**	1.000	.005	.631**
		Sig. (2-tailed)	.000	.	.964	.000
		N	92	92	92	92
	Laissez Faire Leadership	Correlation Coefficient	-.009	.005	1.000	-.071
		Sig. (2-tailed)	.931	.964	.	.503
		N	92	92	92	92
	Organizational Culture	Correlation Coefficient	.494**	.631**	-.071	1.000
		Sig. (2-tailed)	.000	.000	.503	.
		N	92	92	92	92

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

The correlation table provides information about the relationships between the variables Transformational Leadership, Transactional Leadership, Laissez-faire Leadership, and Organizational Culture.

As shown in Table 9 there is a significant positive correlation between Transformational Leadership and Organizational Culture ($\rho = 0.494^{**}$, $p < 0.01$). This suggests that higher levels of Transformational Leadership are associated with a more positive Organizational Culture. There is also a significant positive correlation between Transactional Leadership and Organizational Culture ($\rho = 0.631^{**}$, $p < 0.01$). This suggests that higher levels of Transactional Leadership are associated with a more positive Organizational Culture. There is a weak and non-significant negative correlation between Laissez-faire Leadership and Organizational Culture ($\rho = -0.071$, $p > 0.05$). The correlation is close to zero, indicating no substantial relationship between these two variables (Al-Hawari et.al (2019)). These results indicate that both Transformational Leadership and Transactional Leadership are positively correlated with Organizational Culture, suggesting that higher levels of these leadership styles are associated with a more positive organizational culture. However, there is a negative substantial relationship between laissez-faire Leadership and Organizational Culture in the analysis.

The normality test was conducted to assess whether the data set follows a normal distribution and to determine the likelihood of the underlying random variable being normally distributed. The test examines the shape of the histogram, which should resemble a bell-shaped curve if the residuals are evenly distributed. In Figure 2, the histogram displayed a well-defined bell-shaped structure, indicating that the data closely adheres to a normal distribution. This suggests that both the underlying random variable and the residuals can be considered normally distributed.

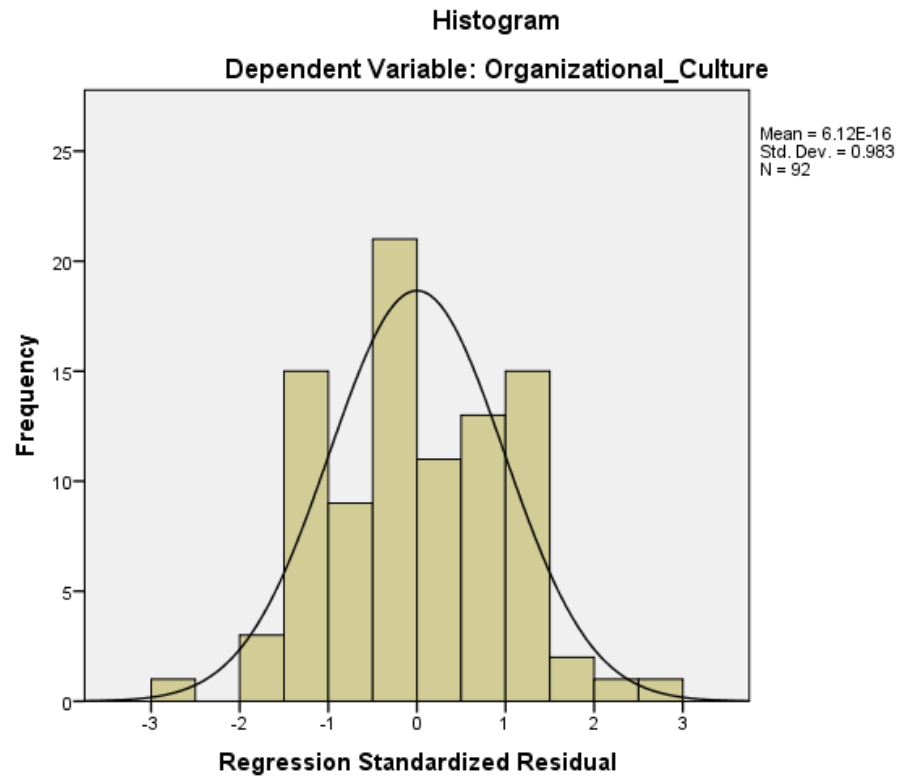


Figure 2: Normality analysis using histogram

4.8. Regression Analysis

Table 10: Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.939 ^a	.882	.878	.42672	2.263

-
- a. Predictors: (Constant), Laissez Fair Leadership, Transactional Leadership, Transformational Leadership
 - b. Dependent Variable: Organizational Culture

The regression model summary indicates a strong relationship between the predictors (Laissez-faire Leadership, Transactional Leadership, and Transformational Leadership) and the dependent variable (Organizational Culture). The Adjusted R Square value of 0.878 suggests that approximately 87.8% of the variation in the Organizational Culture can be explained by the predictors included in the model. This indicates a high degree of explanatory power and suggests that the model is a good fit for the data. The Durbin-Watson coefficient of 2.263 suggests that there is no significant autocorrelation present in the model's residuals. This means that the assumption of independence of observations is likely met, enhancing the reliability of the regression results.

These findings suggest that the combination of Laissez-faire Leadership, Transactional Leadership, and Transformational Leadership significantly influences the Organizational Culture. The high Adjusted R Square value and absence of autocorrelation indicate the robustness of the model. These results provide valuable insights into the relationship between leadership styles and organizational culture, contributing to the understanding of effective leadership practices within the studied context.

Table 11: ANOVA table

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	120.207	3	40.069	220.054	.000 ^b
	Residual	16.024	88	.182		
	Total	136.230	91			

- a. Dependent Variable: Organizational Culture
- b. Predictors: (Constant), Laissez Faire Leadership, Transactional Leadership, Transformational Leadership

The ANOVA table presents the results of the analysis of variance for the regression model predicting the dependent variable Organizational Culture using the predictors Laissez-faire Leadership, Transactional Leadership, and Transformational Leadership.

The model shows that the regression is highly significant, as indicated by the p-value of .000. This suggests that the predictors collectively have a significant impact on explaining the variability in the Organizational Culture. The model's regression sum of squares was 136.230, indicating the amount of variation in the dependent variable explained by the predictors. The model has 3 degrees of freedom (df) associated with the predictors.

Based on these results, it can be concluded that the predictors (Laissez-faire Leadership, Transactional Leadership, and Transformational Leadership) collectively have a significant impact on the Organizational Culture. The high F-value and low p-value suggest that the model is statistically significant and reliable. These findings contribute to a deeper understanding of the relationships between leadership styles and organizational culture within the context of the thesis.

Table 12: Coefficients of linear regression model

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
	B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
(Constant)	.120	.188		.636	.526	-.255	.494		
Transformational Leadership	.531	.071	.531	7.486	.000	.390	.672	.266	3.763
Transactional Leadership	.447	.071	.444	6.260	.000	.305	.589	.266	3.761
Laissez Faire Leadership	-.013	.089	-.005	-.145	.885	-.189	.163	.998	1.002

a. Dependent Variable: Organizational Culture

Table 12 presents the coefficients for a linear regression model with the dependent variable Organizational Culture and three independent variables: Transformational Leadership, Transactional Leadership, and Laissez-faire Leadership. The coefficients provide information about the strength and direction of the relationships between the independent variables and the dependent variable.

The constant coefficient represents the intercept of the regression equation. In this case, the constant is 0.120, indicating the expected value of the dependent variable when all independent variables are zero. The coefficient for Transformational Leadership is 0.531, indicating that a one-unit increase in Transformational Leadership is associated with a 0.531-unit increase in Organizational Culture. This coefficient is statistically significant ($t = 7.486, p < 0.001$), indicating a strong positive relationship between Transformational Leadership and Organizational Culture. The coefficient for Transactional Leadership is 0.447, suggesting that a one-unit increase in Transactional Leadership is associated with a 0.447-unit increase in Organizational Culture. This coefficient is also statistically significant ($t = 6.260, p < 0.001$), indicating a strong positive relationship between Transactional Leadership and Organizational Culture. The coefficient for Laissez-faire Leadership is -0.013, indicating that a one-unit increase in Laissez-faire Leadership is associated with a small decrease of -0.013 units in Organizational Culture. However, this coefficient is not statistically significant ($t =$

-0.145, $p = 0.885$), suggesting that there is no strong relationship observed between Laissez-faire Leadership and Organizational Culture at Yenetta Code.

The collinearity statistics (Tolerance and VIF) provide information about multicollinearity among the independent variables. In this case, all variables have high Tolerance values (close to 1) and low VIF values (around 3-4), indicating no severe multicollinearity issues. In summary, the regression analysis suggests that both Transformational Leadership and Transactional Leadership have significant positive effects on Organizational Culture. However, Laissez-faire Leadership does not have a significant impact on Organizational Culture in this model at Yenetta Code.

Chapter Five: Summary of Findings, Conclusion, and Recommendations

5.1. Summary of Findings

The study participants' profile reveals that the majority were male (68.5%) and in the 21-30 age range (81.5%). Most had a Bachelor's degree (88.0%) and were Instructors/Trainers (37.0%). The participants had varying levels of work experience, with 1-2 years being the most common (39.1%).

The data set exhibited high internal consistency and reliability (Cronbach's Alpha = 0.998). There were significant positive correlations between Transformational Leadership and Organizational Culture, as well as between Transactional Leadership and Organizational Culture. However, there was no strong substantial relationship between Laissez-faire Leadership and Organizational Culture at Yenetta Code.

The data followed a normal distribution, indicating the underlying random variable and residuals were normally distributed. The regression analysis showed that the combined influence of Laissez-faire Leadership, Transactional Leadership, and Transformational Leadership significantly affected Organizational Culture (adjusted R-squared = 0.878). The model was statistically significant, and there was no significant autocorrelation.

The ANOVA table confirmed the overall significance of the regression model in explaining the variability in Organizational Culture. Transformational Leadership and Transactional Leadership had significant positive effects on Organizational Culture, while laissez-faire Leadership did not have a significant impact and had small negative effects. There were no severe multicollinearity issues among the independent variables.

5.2. Conclusion

Based on the comprehensive analysis conducted in this research study, it is evident that leadership style significantly influences organizational culture at Yenetta Code. The findings provide valuable insights into the dynamic interplay between leadership behaviors and the prevailing cultural norms within the organization.

First and foremost, the study revealed that both Transformational Leadership and Transactional Leadership exerted a significant positive impact on Organizational Culture. Leaders who exhibit

transformational qualities, such as inspiration, intellectual stimulation, and individualized consideration, fostered a culture characterized by innovation, collaboration, and employee empowerment. Similarly, leaders employing transactional strategies, such as contingent rewards and management by exception, contributed to a culture focused on performance, goal attainment, and accountability.

Conversely, laissez-faire Leadership did not demonstrate a substantial relationship with Organizational Culture and exhibited small negative effects. This suggests that a passive or hands-off leadership approach may fail to effectively shape or influence the cultural dynamics within the organization.

Moreover, the demographic profile of the study participants provides context for understanding the composition of the workforce at Yenetta Code. The predominance of male participants, primarily within the 21-30 age range and holding Bachelor's degrees, underscores the need for targeted leadership development initiatives to promote diversity and inclusivity within the organization.

The robustness of the data set, as indicated by high internal consistency and reliability, lends credibility to the study's findings. Furthermore, the regression analysis demonstrated the combined influence of different leadership styles on Organizational Culture, with a high degree of explanatory power. This underscores the importance of adopting a multifaceted approach to leadership that integrates various styles to achieve optimal organizational outcomes.

In conclusion, this research contributes to a deeper understanding of effective leadership practices and their impact on organizational culture. By recognizing the significance of transformational and transactional leadership behaviors, organizations like Yenetta Code can cultivate a positive and conducive work environment conducive to employee engagement, productivity, and overall success.

5.3. Recommendation

Given the significant positive correlation between transformational leadership and organizational culture, Yenetta should prioritize the development and promotion of transformational leaders. These leaders inspire and motivate employees through a shared vision, fostering a culture of

innovation, collaboration, and continuous improvement. One way to promote transformational leadership is through implementing a 360-degree feedback system where leaders receive feedback from their peers, subordinates, and supervisors on their leadership behaviors. This feedback can help leaders identify areas for improvement and reinforce transformational leadership practices.

As transactional leadership also demonstrated a significant positive effect on organizational culture, Yenetta should provide training and support to cultivate transactional leadership skills among managers and supervisors. This leadership style, characterized by clear expectations, rewards, and accountability, can contribute to a culture of productivity and performance. Some of the training that might be beneficial when it comes to cultivating transactional leadership are communication skills training, conflict resolution training, and performance management workshops.

Organizations like Yenetta should invest in comprehensive leadership development programs aimed at enhancing leadership competencies across all levels. These programs should emphasize the importance of aligning leadership behaviors with organizational values and goals to foster a positive and cohesive culture.

Another way to foster positive impact is to continuously assess leadership effectiveness and its impact on organizational culture through surveys, performance reviews, and feedback mechanisms. This ongoing evaluation will enable organizations to identify areas for improvement and make necessary adjustments to leadership practices.

Given the demographic profile of the study participants, with a majority being male and in the 21-30 age range, Yenetta should also prioritize diversity and inclusion efforts in leadership development initiatives. By promoting diversity in leadership roles, organizations can leverage a wide range of perspectives and experiences to enrich organizational culture.

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7. Appendix

Questionnaire

Addis Ababa University School of Commerce

This questionnaire is mainly conducted for the partial fulfillment of a Master's degree in Business Leadership Addis Ababa University School of Commerce carried on the title "The Effect of Leadership Styles on Organizational Culture: A Case of Yenetta Code" The information you provide is used ONLY for academic purpose. Your honest and thoughtful response is crucial the for validity and soundness of the result. All information you provide is confidential and anonymous. Thank you in advance for your cooperation.

Part I: General Profile

Please put a (√) mark in the box that best describes you.

- 1) Gender
 - Male
 - Female
- 2) Age
 - 21-30
 - 31-40
 - 41-50
 - 51+
- 3) Educational Status
 - TVET
 - Diploma
 - Bachelors Degree
 - Masters Degree
 - Ph.D.
- 4) Job Category
 - Managerial Staff
 - Instructor/Trainer
 - Support Staff
 - Marketing Staff
 - HR Staff
 - Finance Staff
- 5) Duration of Employment at Yenetta Code
 - Less than 6 months
 - 6 months - 1 year
 - 1 - 2 years
 - 3 - 4 years

Part II: Leadership Style at Yenetta Code

Please indicate the degree of your agreement/disagreement with the following statements associated with the leadership style Yenetta Code. Please put a (√) sign on the alternative choice that best describes your view using the Five Point Likert Scale shown under.

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

Items		1	2	3	4	5
Transformational Leadership						
1.	My supervisor communicates a clear vision of the future					
2.	My supervisor provides individualized support and encouragement					
3.	My supervisor stimulates others to surpass their personal targets					
4.	My supervisor demonstrates exemplary character for their followers					
5.	My supervisor encourages creative thinking and problem-solving					
6.	My supervisor shows confidence in the ability of followers to achieve goals					
7.	My supervisor nurtures a feeling of importance and significance in job responsibilities					
8.	My supervisor provides opportunities for personal and professional growth					
9.	My supervisor creates a positive and enthusiastic work environment					
10.	My supervisor challenges followers to take on new responsibilities and roles					
11.	My supervisor builds strong relationships with followers					

12.	My supervisor provides constructive feedback and acknowledgment for commendable work performance					
Transactional Leadership						
13.	My supervisor clearly defines expectations and goals					
14.	My supervisor creates clear incentives for meeting expectations and achieving objectives					
15.	My supervisor regularly monitors progress towards goal					
16.	My supervisor holds team members responsible for meeting expectations and achieving objectives					
17.	My supervisor corrects performance deficiencies in a timely manner					
18.	My supervisor uses incentives to motivate followers to improve their performance					
19.	My supervisor offers resources and assistance to aid team members in reaching their goals					
20.	My supervisor maintains consistency and predictability in managing followers					
Laissez-Faire Leadership						
21.	My supervisor refrains from making decisions					
22.	My supervisor refrains from providing direction or guidance					
23.	My supervisor avoids intervening when problems arise					
24.	My supervisor rarely monitors performance or provides feedback					
25.	My supervisor lets subordinates work autonomously with scarce oversight					
26.	My supervisor fails to provide the necessary resources or support					

27.	My supervisor tolerates inadequate performance without a timely response					
28.	My supervisor avoids addressing disagreements or concerns among members					

Part III: Organizational Culture at Yenetta Code

Please indicate the degree of your agreement/disagreement with the following statements associated with the leadership style of Yenetta Code. Please put a (√) sign on the alternative choice that best describes your view using the Five Point Likert Scale shown under.

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

No.	Cultural Trait Scales	Indices	Items	1	2	3	4	5
1.		Empowerment	Most employees are highly involved in their work.					
2.			Decisions are usually made at the level where the best information is available.					
3.			Information is widely shared so that everyone can get the information he or she needs when it's needed.					
4.			Everyone believes that he or she can have a positive impact.					
5.			Business planning is ongoing and involves everyone in the process to some degree.					
6.			Cooperation across different parts of the organization is actively encouraged.					

7.	Involvement	Team Orientation	People work like they are part of a team.					
8.			Teamwork is used to get work done, rather than hierarchy.					
9.			Teams are our primary building blocks.					
10.			Work is organized so that each person can see the relationship between his or her job and the goals of the organization.					
11.		Capability Development	Authority is delegated so that people can act on their own.					
12.			The "bench strength" (capability of people) is constantly improving.					
13.			There is continuous investment in the skills of employees.					
14.			The capabilities of people are viewed as an important source of competitive advantage.					
15.			Problems often arise because we do not have the skills necessary to do the job.					
16.		Core Values	The leaders and managers "practice what they preach."					
17.	There is a characteristic management style and a distinct set of management practices.							
18.	There is a clear and consistent set of values that governs the way we do business.							
19.	Ignoring core values will get you in trouble.							

20.	Consistency		There is an ethical code that guides our behavior and tells us right from wrong.					
21.		Agreement	When disagreements occur, we work hard to achieve "win-win" solutions.					
22.			There is a "strong" culture.					
23.			It is easy to reach a consensus, even on difficult issues.					
24.			We often have trouble reaching an agreement on key issues.					
25.			There is a clear agreement about the right way and the wrong way to do things.					
26.		Coordination and Integration	Our approach to doing business is very consistent and predictable.					
27.			People from different parts of the organization share a common perspective.					
28.			It is easy to coordinate projects across different parts of the organization.					
29.			Working with someone from another part of this organization is like working with someone from a different organization.					
30.	There is a good alignment of goals across levels.							
31.			The way things are done is very flexible and easy to change.					
32.			We respond well to competitors and other changes in the business environment.					

33.	Adaptability	Creating Change	New and improved ways to do work are continually adopted.					
34.			Attempts to create change usually meet with resistance.					
35.			Different parts of the organization often cooperate to create change.					
36.		Customer Focus	Customer comments and recommendations often lead to changes.					
37.			Customer input directly influences our decisions.					
38.			All members have a deep understanding of customer wants and needs.					
39.			The interests of the customer often get ignored in our decisions.					
40.			We encourage direct contact with customers by our people.					
41.		Organizational Learning	We view failure as an opportunity for learning and improvement.					
42.			Innovation and risk-taking are encouraged and rewarded.					
43.			Lots of things "fall between the cracks".					
44.			Learning is an important objective in our day-to-day work.					
45.			We ensure that "the right-hand knows what the left-hand is doing."					

46.	Mission	Strategic Direction and Intent	There is a long-term purpose and direction.					
47.			Our strategy leads other organizations to change the way they compete in the industry.					
48.			There is a clear mission that gives meaning and direction to our work.					
49.			There is a clear strategy for the future.					
50.			Our strategic direction is unclear to me.					
51.		Goals and Objectives	There is widespread agreement about goals.					
52.			Leaders set goals that are ambitious, but realistic.					
53.			The leadership has "gone on record" about the objectives we are trying to meet.					
54.			We continuously track our progress against our stated goals.					
55.			People understand what needs to be done for us to succeed in the long run.					
56.		Vision	We have a shared vision of what the organization will be like in the future.					
57.			Leaders have a long-term viewpoint.					
58.			Short-term thinking often compromises our long-term vision.					
59.			Our vision creates excitement and motivation for our employees.					
60.			We are able to meet short-term demands without					

			compromising our long-term vision.					
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