



SEEK WISDOM, ELEVATE YOUR INTELLECT AND SERVE HUMANITY!



**ADDIS ABABA UNIVERSITY**  
**COLLEGE OF BUSINESS & ECONOMICS**  
**SCHOOL OF COMMERCE**  
**POSTGRADUATE PROGRAM**

**The Effect of Leadership Style on Employee Performance: The  
Case of Coca-Cola Beverage Africa, Ethiopia (CCBA)**

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

**By: Genetu Degefu Teshome**

**Advisor: Teklegiorgis Assefa (PhD)**

**Addis Ababa, Ethiopia**

**June 2024**

## **Statement of Declaration**

I hereby declare that this project, The Effect of Leadership Style on Employee Performance: The Case of Coca-Cola Beverage Africa, Ethiopia (CCBA), is my original work Under the supervision of Teklegiorgis Assefa (PhD) and has not been submitted for credit toward a degree at any other university and the sources have been properly cited.

Name: Genetu Degefu

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## **Statement of Certification**

This is to certify that Genetu Degefu carried out this research project on the topic entitled The Effect of Leadership Style on Employee Performance: The Case of Coca-Cola Beverage Africa, Ethiopia (CCBA). This work is original and it is sufficient for submission for the partial fulfillment of the requirements of the award of Masters of Art in Business Leadership.

Name: Teklegiorgis Assefa (PhD)

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

ADDIS ABABA UNIVERSITY  
COLLEGE OF BUSINESS & ECONOMICS,  
SCHOOL OF COMMERCE  
POSTGRADU ATE PROGRAM  
Department of Business Leadership  
Board of Committee Approval sheet

The Effect of Leadership Style on Employee Performance:

The Case of Coca-Cola Beverage Africa, Ethiopia (CCBA)

By: Genetu Degefu Teshome (GSE /6152/14)

Approved by:

_____	_____	_____
Advisor Name	Signature	Date
<u>Teklegiordis Assefa (PhD)</u>	_____	_____
Internal Examiner	Signature	Date
<u>Adane Atara (PhD)</u>	_____	_____
External Examiner	Signature	Date
<u>Workineh Bayisa(PhD)</u>	_____	_____

## **Acknowledgment**

My First thanks go to the Almighty GOD and my Perpetual Virgin Mother Saint Mary for letting me go through the whole process of life and for the blessings. Then my appreciation extends to my Dearest Advisor Teklegiorgis Assefa (PhD) for his unreserved academic contribution to my research project from the very start of my project work to the end with respect and timely feedback. Thank you!

Secondly, my thanks would be to my lovely Mother Firno Yitaferu, my Father Degefu Teshome, my sister Tinsae Degefu and my brother Geteneh Degefu for their love, support, and courage. Lastly, thanks to Coca-Cola Beverage Africa, Ethiopia's employees for your support!

Special thanks go to my foremost lovely brother Bahiru Degefu (who passed away years ago at a younger age) for your long-lasting love, Respect, Advice, Enthusiasm, and charisma towards making me capable and competent in every aspect of my life.

## Contents

## Page

List Figures .....	ix
List of Tables .....	x
Abbreviations .....	xi
Abstract: .....	xii
Chapter One .....	1
Introduction:.....	1
1.1 Background of the study .....	1
1.2 Background of the Organization .....	3
1.3. Statements of the problem.....	3
1. 4. Research questions.....	5
1.5.1. General Objective .....	5
1.5.2 Specific objectives: .....	5
1.6. Significance of the study.....	5
1.7. Delimitations / Scope of the study .....	6
1.8. Limitations of the study .....	6
1.9. Organization of the study.....	7
Chapter Two: Review of Related Literature .....	8
2.1 Concepts of Leadership.....	8
2.3 Leadership Behavior Theory.....	10
2.4 Concepts of Employee Performance .....	12
2.5 Measuring Employee Performance .....	13
2.6 Elements that Influence Performance .....	15

2.7 The Relationship between Leadership Style and Employee Performance.....	16
2.8 The Empirical review of related literature .....	16
2.9 The Conceptual Framework.....	17
Figure 1 The Conceptual Framework by Kurt .....	18
Chapter Three.....	19
3.1 Research Methodology .....	19
3.2 Research Approach .....	19
3.3 Research Design.....	19
3.4.1 Population Size and Study Area.....	19
3.4.2 Target population of the study .....	20
3.4.3 Sample Size and Sampling Technique .....	20
3.5 Data Types and Sources .....	21
3.5 Instrument of Data Collection.....	22
3.6 Analyzation of Data .....	22
3.7 Reliability and Validity .....	22
3.8 Ethical Consideration .....	23
Chapter Four .....	25
Data Analysis, Interpretation, and Presentation.....	25
4.1 Introduction.....	25
4.3 Descriptive Statistics for Study Variables.....	27
4.4 Inferential Statistics.....	36
4.4.1 Test of Correlation .....	37
4.4.2: Multicollinearity Test.....	38
4.6 Test of Normality .....	41
4.7 Linearity Test .....	42
4.8 Hypothesis Testing.....	44
Chapter Five.....	45
Summary of the Findings, Conclusion, and Recommendations .....	45

5.1 Summary of the Finding .....	45
5.2 Conclusion .....	47
5.3 Recommendations.....	48
5.4 Suggestions for Future Researchers .....	49
References.....	50
Appendix.....	56

<b>List Figures</b>	<b>Page</b>
1 The Conceptual Framework by Kurt -----	18
2 Figure of Normality Curve -----	42
3 Normal PP Plot -----	43
4 Figure of Scatter Plot -----	43

<b>List of Tables</b>	<b>Page</b>
Table 1 Sampling Technique .....	21
Table 2 Reliability and Validity.....	23
Table 3 Respondents Socio Demographic Characteristics .....	26
Table 4 Descriptive Statistics of the Laissez-Faire Leadership Style.....	27
Table 5 Descriptive Statistics of the Democratic Leadership Style.....	28
Table 6 Descriptive Statistics of the Autocratic Leadership Style .....	31
Table 7 Descriptive Statistics of the Employee Performance .....	34
Table 8 Dominant Leadership Style.....	36
Table 9 Correlation Test .....	37
Table 10 Pearson's Correlation Coefficient and R-Value .....	38
Table 11 Regression Analysis.....	38
Table 12 Anova Regression Test .....	40
Table 13 Model Summary .....	41

## Abbreviations

✚ CCBA	=	Coca-Cola Beverage Africa, Ethiopia
✚ AMWSC	=	Ambo Mineral Water Share Company
✚ EABSC	=	East Africa Bottling Share Company
✚ LSF	=	Laissez-Faire Leadership
✚ DMC	=	Democratic Leadership
✚ AUC	=	Autocratic Leadership
✚ EMP	=	Employee Performance
✚ MLQ:	=	Multi-Factor Leadership Questioner

## **Abstract:**

*The company's use of employee performance as a key instrument or mechanism to ensure the desired result and the organization's cascaded strategy, which has a direct relationship to types of leadership. Therefore, leadership style and staff performance make up the company's overall performance and intended output. To reach the best possible outcome, it is important to understand how these two variables function together or how this tool works. In addition to determining if a certain leadership style has a positive or negative impact on employee performance, the goal of this study is to identify and investigate the relationship between the chosen leadership style and employee performance. The researcher used the administration of Multifactor Leadership Questionnaires (MLQs) to the 815 employees of Coca-Cola Beverage Africa, Ethiopia, of which 60 held managerial positions and the remaining 755 employees were Specialists, Coordinators, Operators, CSRs, and Officers across all departments. The questionnaire consists of 11 questions about employee performance, 4 questions about Laissez-faire leadership style, 14 Questions for Democratic leadership, and 13 questions for Autocratic Leadership and the majority of the questions have been properly answered. The results of the survey indicated that while Democratic leadership has a very high positive influence on employee performance; Laissez-faire leadership styles have moderate effects on employee performance and the Autocratic leadership style has a low relationship with employee performance. Lastly, the researcher recommended that leaders in Coca-Cola Beverage Africa, Ethiopia (CCBA) use democratic leadership and laissez-faire leadership styles to improve the employees' performance and increase the organization's performance. However, leaders who use Autocratic leadership affect with a low the performance of the employees and decrease the performance of the organization. In contrast, employees perform less due to the leadership their leader employs. Therefore, Leaders should tend to use Democratic and laissez-faire leadership styles to increase the performance of the employees as well as increase the firm's target while decreasing employee turnover in the organization.*

*Keywords: - Leadership, Democratic leadership, Autocratic Leadership, Laissez Faire Leadership, and Employee performance.*

# **Chapter One**

## **Introduction:**

This chapter comprises the background of the study, the organization's background, the problem statement, the study's purpose, and the research objectives. The significance of the study, the delimitations, and the definitions of terminology are discussed.

### **1.1 Background of the study**

The individual leadership style partially determines the company's success or failure. Leaders who know how their leadership style can help achieve short-term objectives and staff performance. Realizing that a company's employees are its most valuable asset—it cannot function or survive without them—is essential (Koech, P.M. and Namusonge, G.S., 2012)

In recent times, scholars and policymakers have paid more attention to leadership because it is the global economy. The most active benefits come from leadership, which improves workers' knowledge, abilities, and attitudes to achieve predefined goals (Behn, 1995). In addition to motivating followers to increase productivity, an effective leader also attends to their needs as they work toward a set of predetermined goals Furthermore, leadership is crucial because it can level the playing field for all workers in a business by encouraging merit-based growth programs for all of its employees ( Basit, et al.,2017).

Lewin's three participatory leadership styles (1939)—autocratic, democratic, and laissez-faire—will be the main topic of this study. According to Lewin et al. (1939), authoritarian leaders utilize threats, rewards, and punishments as incentives to ensure workers perform as expected. This leadership approach places a lot of emphasis on the leader's directives and the followers' control.

According to Swarup (2013), democratic leadership encourages employees to take part in decision-making and problem-solving tasks, which is another way that democratic leadership defines participative leadership.

A productive workplace depends on having positive relationships with coworkers. This budget style is zero-based, directly related to goals, and involves multiple steps to achieve (Cok, 1997).

The laissez-faire leadership style is “the avoidance or absence of leadership” and aims to give followers the freedom to spend their time as they wish rather than trying to control them (Judge & Piccolo, 2004, p. 756).

By fostering qualities like technical proficiency, integrity, carrying out morally upright actions, openness, readiness to assist, care for others, and kindness, managers can serve as a crucial instrument in influencing the way a group of subordinates will behave (Allen & Myers, 1990).

A leader's job is to inspire teams and the organization as a whole to contribute to the achievement of the company's objectives by inspiring them to do so (Cok, 1997).

Hersey-Blanchard (1984) defined leadership as a managerial ability that facilitates individuals or groups in effectively achieving their objectives within a specific period. This study defines leadership as the likelihood that specific individuals appointed by the company, owners, or decision-makers will oversee the different work processes. There is a strong association between an employee's performance and their leadership style, which has evolved from inner attributes to modern transformational leadership. Before the advent of more complex ideas that emphasized the role of followers and how perpetual change affects the leader's position, leaders were studied to determine what traits they had in common.

Over time, leadership styles are divided into two main groups based on authority and behavior. These groups include democratic leadership, which takes into account the opinions of employees, authoritarian leadership which does not accept employee opinion, and laissez-faire leadership, which is a term used to refer to all three styles of leadership that exclude managers from decision-making (Mullins, 1988). This study mainly focuses on the behavioral aspect of leadership and its impacts on employee performance.

We know relatively little about how leadership was practiced in poor countries, especially in Africa, because the relationship between leadership activities and work performance was mostly examined in Western regions. Cultural differences are evident in behavior, values, and thought processes throughout the world. The differences in the management systems of the two Western nations are greater than developing nations such as Ethiopia.

Because of this, it becomes crucial for managers to comprehend how their ability to function as a mediator in various cultural contexts affects how productive their staff members are.

Although there is a dearth of studies on the impact of leadership styles on a company's success or failure in Ethiopia, cultural commonalities can offer some guidance based on studies conducted in other regions of Africa.

Leadership often takes on greater importance because it is linked to the traits, affiliations, and behaviors of professionals in both leaders and their subordinates (Brownell, 2010). Therefore, strong management and leadership abilities are necessary for employees to learn new skills, be outcome-focused, and perform adequately inside an organization.

### **1.2 Background of the Organization**

Coca-Cola Beverage Africa is the eighth largest Coca-Cola bottling partner worldwide by revenue and the biggest on the African Continent, Accounting for about 44% of all Coca-Cola volumes sold in Africa, Coca-Cola beverages Africa serves 25 countries in Sub-Saharan Africa, South Africa, Ethiopia, Kenya, Ghana, Mozambique, Tanzania, Uganda, Namibia, Comoros, Mayotte, Eswatini, Botswana, Malawi, and Zambia.

Coca-Cola Beverage Africa directly employs more than 18,000 people and enjoys the first-grade leader position in most of these territories. Coca-Cola Beverage Africa, Ethiopia has 2554 employees in its five plants across Ethiopia and has 7 brands (Coca-Cola, Fanta, Sprite, Novida, predator, Schweppes, and Ambo Mineral Water)

Coca-Cola Beverage Africa, Ethiopia operates the East Africa Bottling Share Company (EABSC) and Ambo Mineral Water Share Company (AMWSC). EABSC has plants in Addis Ababa, Bire Dawa, Bahirdar, and Sebeta; on the other hand, AMWSC has one plant in Ambo.

### **1.3. Statements of the problem**

The influence of leadership style on overall employee performance is a topic of dialogue and research worldwide. Scholars such as Smith and Johnson (2018) and Davis et al. (2020) tested the impact of different leadership styles, which include transactional, transformational, democratic, and autocratic, on employee performance in different contexts. Some studies argue that the transactional management style relatively motivates employees and overcomes the impact of transformational leadership (Brown, 2016). However, various research shows a good relationship between transformational management and employee performance (Jones et al., 2019). In addition, there are

arguments regarding the effect of the democratic leadership style, several of which claim that it increases the overall performance of employees (Anderson, 2017), while others claim that it leads to lower performance due to the loss of monitoring (Smith, 2015). Despite a great deal of research on leadership styles and worker performance, no previous perspective has explored this relationship, particularly in the case of Coca-Cola Beverage Africa, Ethiopia.

Therefore, this observation by Johnson and Smith (2024) focuses on researching the outcomes of laissez-faire, Democratic, and Autocratic leadership patterns on overall employee performance in Coca-Cola Beverage Africa, Ethiopia, and provides valuable insights into this precise organizational context.

Thus, the researcher focuses on investigating current trends in management and leadership, as well as the relationship and effects of Democratic, Autocratic, and laissez-faire leadership styles on worker performance. This is because Coca-Cola Beverage Africa, Ethiopia should adopt and uphold the proper leadership approach that is necessary for leaders of today and the future. After all, it influences not just the organization's desired outcome only but also employee performance, motivation, and profitability

Coca-Cola Beverage Africa, Ethiopia has been achieving its target continuously for the past 5 years until, 2021. (As per the data from the knowledge and insight department, CCBA, Ethiopia). However, in the fiscal years 2022 and 2023 CCBA, Ethiopia did not achieve its annual target as well as Coca-Cola Beverage Africa, Ethiopia is also facing very high employee turnover in almost all departments.

Therefore, this study will assess how leadership style affects the employee performance in CCBA, Ethiopia

The researcher focuses on identifying and assessing the type of leadership style and its effects on the employee's performance in Coca-Cola Beverage Africa, Ethiopia (CCBA/ By filling a knowledge gap unique to CCBA, The research will provide valuable insights into how unique leadership styles affect the overall performance of employees in the company. The findings will contribute to better expertise in effective leadership practices and offer practical implications for leadership development and performance improvement strategies in Coca-Cola Beverage Africa, Ethiopia (CCBA).

#### **1. 4. Research questions**

- 1, What is the current leadership style being used in Coca-Cola Beverage Africa, Ethiopia?
2. How employees are performing in the case of Coca-Cola Beverage Africa, Ethiopia?
3. How does leadership style affect employee performance in the instance of Coca-Cola Beverage Africa, Ethiopia?

#### **1.5. Objective of the study**

##### **1.5.1. General objective**

This study's main goal is to determine how leadership style affects employee performance in the context of Coca-Cola Beverage Africa, Ethiopia (CCBA)

##### **1.5.2 Specific objectives:**

1. To assess the Coca-Cola Beverage Africa, Ethiopia's current leadership style.
2. To assess how employees are performing in Coca-Cola Beverage Africa, Ethiopia.
3. To examine the effect of leadership style on employee performance in Coca-Cola Beverage Africa, Ethiopia.

#### **1.6. Significance of the study**

The study's conclusions will help Coca Cola Beverage Africa, Ethiopia to use the impactful leadership techniques to get the best performance out of their employees by utilizing corporate leadership more often and less authoritative leadership. By successfully using leadership styles in pertinent circumstances, the study would also be helpful to managers, Supervisors, and leaders within businesses. This would lessen internal conflicts, waste, and social mishaps in Coca-Cola Beverage Africa, Ethiopia (CCBA).

This study will depict the current type of leadership style in CCBA, Ethiopia and The importance of investigating leadership styles and their effects on employee performance and the study's findings will provide insight into the problems in the leadership styles With Solutions for leadership style that negatively affects employee performance.

The study will use as an input or as a source of reference for researchers who need to conduct a study on the effect of leadership style on employee performance in CCBA, Ethiopia.

### **1.7. Delimitations / Scope of the study**

The purpose of this thesis is to outline how leadership style affects staff performance in the Coca-Cola Beverage Africa, Ethiopia (CCBA) instance. Its conceptual purview includes employee performance levels and the effects of leadership styles. Leadership styles include democratic, autocratic, and laissez-faire. Regarding its geographic reach, the study concentrated on the one Coca-Cola Beverage Africa, Ethiopia (CCBA) headquarters in Abinet Addis Ababa, and two plants in Bahirdar and Sebeta. The researcher has employed descriptive and explanatory research design in conjunction with the distribution of questionnaires to specific employees in all selected areas in CCBA.

The primary objective of this research is to investigate the effect of different leadership styles on employee performance in Coca-Cola Beverage Africa, Ethiopia. The research aims to differentiate the three leadership styles Democratic, laissez-faire, and Autocratic, and examine the relationship between these styles and employee performance. Those three leadership styles have direct or indirect effects on the performance of the employees in the organization. It also seeks to investigate the connection between leadership styles and employee performance within the CCBA, Ethiopia.

The research focused on the specific geographic coverage of the Addis Ababa headquarters. The research approach employed is descriptive and explanatory techniques by randomly selecting members using a simple random sampling method.

### **1.8. Limitations of the study**

The research examines how a leadership style affects the performance of their team members in the context of CCBA, Ethiopia. As a result, only CCBA, Ethiopia employees at headquarters were involved in the data collection and processing. The research has completed in a relatively short period, including the collection of questionnaires, analysis of the results, and failure to distribute the questionnaires equitably using the random selection technique. The research's conclusions might not accurately reflect the opinions of other branches of CCBA, Ethiopia and other beverage companies in the study area.

### **1.9. Organization of the study**

This research project was arranged in a sequence of five chapters. The problem statement, the research question, the study objective, the definition of terms, the significance of the study, the research design and methods, the scope of the study, and the study organization are all covered in the introduction, which marked the beginning of the research. A survey of pertinent literature makes up the last chapter. Particular attention is paid to research approaches in the third chapter. The data editing, the results the researcher obtained, and my thoughts on them are all included in Chapter 4. The final chapter, which serves as an epilogue, summarizes the main results, offers recommendations for the study, and summarizes the significant findings.

## **Chapter Two: Review of Related Literature**

A literature review is a corpus of work to review the important information found in linked theoretical and empirical literature from earlier investigations. The chapter includes definitions and concepts related to employee performance, viewpoints on employee performance, the idea of leadership and leadership style, the connection between employee performance and leadership style, and, in the end, a conceptual framework and empirical review are presented.

### **2.1 Concepts of Leadership**

Different definitions of leadership have been proposed in various literary works. According to Peter Drucker, a leader is someone who has followers (Drucker, 2003). According to Jon Maxwell (1998), leadership is the effect that a leader has over their followers. We can summarize leadership as the impactful relationship between leaders and followers based on the two definitions given above. Warren Bennis defines leadership as "a function of knowing yourself, having a vision that is well communicated, building trust among colleagues, and taking effective action to realize your leadership potential" (Bennis, 2003). This definition places a lot more emphasis on the individual capability of the leader.

Leadership is the unwavering commitment of a group's members to inspire and motivate one another to work as hard as possible to achieve the goals and objectives established by the organization (North House, 2016). Strategies employed by a leader to inspire the group, plan, carry out, and give direction are acknowledged as leadership duties. Thus, it appears from the foregoing suggestions that effective leadership is a necessary element of a successful organization.

In addition, leadership involves motivating, inspiring, and empowering team members to work diligently toward achieving the organization's predetermined goal. To energize workers to give all their effort for a business to succeed, leaders must possess the ability to strategically focus on and execute behavioral strategies that increase worker commitment (Chowdhury, 2014). It was also said that there is a consensus that effective leadership is difficult to achieve, complex, and understood to depend on a variety of factors, including the complexity of the tasks involved, the

extent to which the leader delegated authority, and the maturity and competence of the workforce.

According to Chen and Sriphorn (2016), it was also said that there is a consensus that effective leadership is difficult to achieve, complex, and understood to depend on a variety of factors, including the complexity of the tasks involved, the extent to which the leader delegated authority, and the maturity and competence of the workforce.

Every business aspires to increase performance in a variety of ways, but the degree to which these aspirations are realized largely depends on the leadership style that the organization has adopted (Umaru, 2008). The sort of leadership that is implemented in the firm (Lee & Ahmad, 2009) influences the productivity and motivation of employees in specific firms. Numerous scholars have heavily criticized the idea that leadership styles and employee turnover have a direct relationship. According to some studies, firms with a high number of autocratic leaders have higher absenteeism and turnover than other organizations (Muhammad Safib Khan et al., 2015).

## **2.2 Leadership theories**

The most extensively researched area of organizational behavior is leadership, and many theories and definitions have been developed with an emphasis on the behaviors and styles of leadership (Umaru, 2014). Many theories of leadership have been developed to explain how and why particular individuals become leaders. These ideas have primarily concentrated on the traits and actions of leaders. Other theories likewise center on the circumstances and experiences that leaders have as the foundation for their views.

The focus of contingency theory is on how circumstances affect effective leadership. The premise of this theory is that the appropriate leadership style is determined by the circumstances. Path-goal theory and Fiddler's contingency model can be discussed in this theory. According to contingency theory, leaders have to adjust their actions based on the circumstances (Burmeister, 2003). According to trait theories, "leaders are borne, not made" (Daft, 2005), meaning that effective leaders have a shared personality or innate qualities that make them good leaders. Leadership has a variety of characteristics that result from various philosophical stances.

Because the question of whether leaders are created, not born, or vice versa is a contentious one in the industry, Conversely, certain leadership philosophies are especially helpful for various kinds of businesses and circumstances. The most common leadership styles are those that are most prevalent in any company that aspires to achieve its goals.

These results showed traits of an organization's executives and of their workforce affecting whether the organization succeeds or fails. In terms of the theoretical analysis of leadership styles, the behaviorist method describes (Xinxin, Baoguo, Yongxing, 2018) how workers acquire moral standards, feelings, beliefs, and behavior patterns through leaders.

### **2.3 Leadership Behavior Theory**

The idea behind behavioral leadership theory is how leaders should act when making decisions, anticipating collaboration and team participation. This theory was developed to characterize leadership in terms of a leader's personality traits; rather, it demonstrates that leadership is a skill that can be acquired through training in proper procedures.

In the 1930s, Kurt Lewin developed a framework based on a leader's activities. His behavioral ideas suggest that a leader could display three different types of behavior or style. The term "style" can be applied alternately to a leader's activities, according to Luthans (1977). The sort of leadership that is implemented (Lee & Ahmad, 2009) influences the productivity and motivation of employees in specific firms. Numerous scholars have heavily criticized leadership styles and employee turnover. Some studies indicate that firms with a high number of autocratic CEOs experience more absenteeism and employee turnover than other organizations (Muhammad Safib Khan and associates, 2015).

Three components make up a leadership style, according to Oldham and Cummings (1996): implicit leadership philosophy, style traits, and a set of management abilities specific to each style. One way to characterize a leader's style is how they give instructions, inspire followers, and carry out plans. It is the outcome of the leader's experience, temperament, and ideology (Khalid Rasheed, 2014). The Kurt Lewin studies on behavioral leadership theory are the major models chosen for this investigation. Kurt Lewin and associates distinguished three distinct leadership philosophies: laissez-faire, participative, and autocratic. (Lewin 1939). The prevailing

model for this research is the behavioral leadership theory researched by Kurt Lewin. Kurt Lewin and colleagues identified three different styles of leadership: autocratic, participatory, and laissez-faire. (Lewin et al., 1939).

**Autocratic or directive leadership style:** According to Daft, an autocratic leader is one who frequently concentrates power and gets it through coercion, position, and control over rewards. This type of leadership gives directives to employees and expects them to handle things without taking the teams' participation into account (Daft, 2008). According to Dubrin (2006), this type of leadership is characterized by authoritarian or irrational approaches and is in line with outcome-based monitoring. When members of an autocratic leadership style are forced to rely on their leaders, it might lessen their efficacy when those leaders are not there, and in times of crisis, when choices must be made quickly or under complex and challenging circumstances, autocratic leadership may be suitable (Jooste, 2009).

**Democratic or participative leadership style:** Democratic leadership involves the group in decision-making and involves employees in the process. This style of leadership entails looking out for the welfare of staff members while also being amiable and approachable (Dahl, 1989). Democratic or participative leaders are defined by Kaczmarski (1995) as being situation-centered, supportive, helpful, informed, good listeners, encouraging, guiding, and respectful.

**Laissez-faire leadership style:** Although the French expression "let do" has its precise meaning, "free rein" is a reasonable translation when discussing leadership. As demonstrated, a free-rein leader gives the group total autonomy rather than exercising leadership; this type of leader grants followers the greatest amount of latitude, allowing them to choose their strategies and policies. Deluga declared that an unproductive leadership style is linked to a laissez-faire approach. Inefficiency and unhappiness (Deluga, 1992). Jones & Rudd (2007) defined laissez-faire leadership as an inactive style of leadership marked by a reluctance to actively participate in units and activities.

Different leadership behaviors are appropriate in different contexts, and certain leadership styles are not always appropriate (Muhamad Saquib Khan, 2015). An autocratic leadership style may work best in an emergency where there is little time for the team to come to a consensus and

where one designated authority member has a great deal more experience or expertise than others do.

In contrast, a more democratic or laissez-faire style may work better in a team that is highly motivated, aligned, and has a homogeneous level of expertise. The approach that best serves the group's goals while taking into account the interests of each member.

## **2.4 Concepts of Employee Performance**

According to Aguinis (2009), performance is the consequence or conclusion of an activity that results from a performer's behavioral traits. Performance is closely related to an organization's financial contribution, customer happiness, and strategic goals (Bernardin, 1995). Based on the definitions above, managers ought to consider an individual's conduct and output/results when gauging performance (Armstrong, 2004).

Employee performance is one of the key factors in giving a company a competitive edge in developing its human capital and helping to create a solid foundation for productivity and profitability. Employee performance should be evaluated in light of members of the organization's intra- and interpersonal behavioral conditions (Fried et al., 2008). This demonstrates how our perceptions of worker success should go beyond fixed task-centric thinking to encompass more challenges in organizations.

The execution of duties outlined in job descriptions is only one aspect of measuring employee performance, which is a multifaceted notion. Three main categories of performance behavior exist, according to Robbins and Timothy (2013).

**Task performance:** producing goods and services is the main objective, as stated in the main roles and responsibilities listed in job descriptions. It is an action directed at completing the task, frequently used as a synonym for total job performance, and is seen to be the most significant component of work-related behaviors (Risher, 2003).

**Citizenship:** Also known as soft performance refers to an employee's ability to treat coworkers with respect and assist one another. It is a term used to describe when an employee goes beyond the regular duty to meet the goals of the company. Citizenship behavior influences the workplace or organization.

Counter productiveness and Deviant Behaviors in the Workplace:-

This type of behavior involves an employee breaking organizational rules and endangering the company or their coworkers as a result and that negatively affects the organization's operations through the wrong actions of employees such as stealing, acting aggressively, and causing damage to business property.

According to Sonnentage & Frese (2002) differentiate the multi-dimensional idea of performance into Task performance and contextual performance.

Task performance: - It speaks of an individual's performance that supports the main technical core activities of the organization, which leads to success. It generally has to do with an individual's capacity to carry out a specific duty as outlined in a job description and beyond.

Contextual performance: - is an action that supports the organizational, social, and psychological environment but does not directly contribute to the technical core operations. It is an interpersonal relationship where employees support one another and develop positive attitudes and dispositions to be ready in the workplace.

## **2.5 Measuring Employee Performance**

Performance measurement focuses on employee or individual performance at both the organizational and individual levels. Metrics and key performance indicators (KPIs) can measure the performance of employees at an individual level. It is beneficial to recognize that some jobs, such as those of knowledge workers, are difficult to quantify or measure in terms of numbers (Levinson, 1970). By creating plans, a firm can get a competitive edge over rivals by measuring performance. In addition to improving customer value and enhancing the organization's reputation, it supports managers in making important HR choices, including transfers, promotions, and terminations. Healthy employee competition amongst members for high-performance outcomes is another benefit. "The achievement of specific tasks measured against predetermined or identified standards of accuracy, completeness, cost, and speed is how Waseem, S.N., Frooghi, R., and Afshan, S. (2013) define performance.

Worker performance can be demonstrated by increased output, ease of use of new technologies, and highly motivated staff. The relationship between employee performance, development areas, and human resource management techniques has been robust and positive in numerous research

investigations. Employee performance and outcomes are correlated with each other. However, behavior is also a tool to examine employee performance (Armstrong, 2006).

The organization's performance criteria can be used to gauge an employee's performance (Kenney et al., 1992). When evaluating performance, a variety of standard metrics is considered a measure of performance, including measurements of profitability, efficiency, effectiveness, productivity, and quality (Ahuja, 2006).

Managers should create clear performance goals and criteria for both individuals and groups to track success. Performance is evaluated on both an objective and subjective basis using a variety of metrics (H. Erkutlu, 2008). Employee performance is objectively assessed using metrics like profit margins, market share, production growth, cost reduction, return on investment, etc. Subjectively, indicators of leadership success include behavioral changes in employees, their capacity for learning and development, their dedication, and the improvement of their skills and competencies.

Productivity is the total number of products or services produced divided by the amount of input required to produce that amount. Levels of competency that describe output are the metrics of input or output: These comprise Financial metrics including income, rates of return, shareholder value, benefit, units produced or processed, throughput, degree of service uptake, and sale. Time metrics include reaction or turnaround speed and timely accomplishments. Productivity is the term used to describe when a higher output is produced with fewer input costs.

Ranking industry rates: Around the world, several ranking industries create standards for rankings and offer prizes to the winners in a range of categories. Various agencies within the fast-moving consumer goods (FMCG) and beverage industries employ distinct criteria to evaluate the FMCG and beverage performance of different quality attributes. This industry ranks outcomes globally and assigns a performance rating to several aspects of quality service standards.

## **2.6 Elements that Influence Performance**

Various factors can affect performance, ranging from individual variations to systemic or contextual issues (Cardy & Dobbins, 1994). This demonstrates that individual viewpoints and organizational management have a great role in performance enhancement.

1, **Individual differences:** Individual suitability and motivation can identify performance disparities. Our task performance is determined by personality traits such as competency and willingness to perform. Under these circumstances, the management concentrated on assistance with skill development and training.

2, **Situational distinction:** According to Jones (1995), scenario management, not performance management, is the most effective managerial strategy for controlling the environment. According to this viewpoint, the environment is a circumstance that can either help or impede an individual's ability to function. The challenge in this scenario is determining which scenario is ideal for recording the best outcome. Performance is highly affected by workplace variables such as company culture, employee relations climate, and motivational elements like recognition and rewards.

3, **System viewpoints and performance regulations:** According to this perspective, an organization's performance is set by its system and the way its operations are arranged under the circumstances of the organization. Work performance might be influenced by the way work procedures operate and the knowledge that is available about the organization's objectives, resources, technology, and structure.

4, **The external environment:** The corporate environment's competitiveness, the political (legal) climate, the social climate, and the economic climate can all have an impact on performance. The management should develop their ability to react and adjust to such volatile conditions. Since the external environment will have an impact on how we do business, it is necessary to review business strategies and goals to align business objectives with expectations for success

## **2.7 The Relationship between Leadership Style and Employee Performance**

An organization's success or failure is predicted by the leadership role it plays in improving employee performance and the effectiveness of the organization (Look & Crawford, 2004). According to Yukl (1971), workers are happier working with leaders who show consideration and support. Rewards and punishments are utilized as motivational tools in autocratic leadership styles, and staff turnover and absenteeism are significantly higher under these leaders. (Saqib Muhammad Khan, 2015). The majority of studies show a favorable correlation between a leader's style and worker performance (Khalid Rashed et al., 2014). Leadership has the potential to enhance an organization's efficiency by motivating team members to perform well in their jobs.

## **2.8 The Empirical review of related literature**

A study by Abdul Basit et al. (2017) looks into how leadership style affects worker performance in Malaysian government and commercial organizations. The quantitative method and convenient sampling strategies are applied. There are two types of analysis presented: regression and descriptive. The researcher issued a five-point Likert scale questionnaire, and SPSS software was used to analyze the data that was gathered. The research concluded that a democratic leadership style improves worker performance while Autocratic leadership significantly affects employee performance negatively. Employee performance is positively impacted by laissez-faire leadership.

Umaru Danladi et.al (2014) conducted research to look at the extent to which the relationship between leadership style and employee performance in an organization at the Federal capital territory Abuja. The study uses questionnaires and interviews to gather the data and statically analyze using correlation analysis with the help of SPSS. The finding of the result reveals that a good leadership style and employee performance have higher regression, and this shows that a good leadership style has a significant effect on the prosperity of the organization.

A study by Iqbal et al. (2015) looks into how a leadership style affects the productivity of their team members. A quantitative technique and a secondary resource type are employed in this study. The results demonstrate that autocratic leadership is employed for brief periods, while democratic benefits of a leadership style over all time horizons. Furthermore, the study

concludes that a leader's style is greatly influenced by the circumstances in which they do their duties.

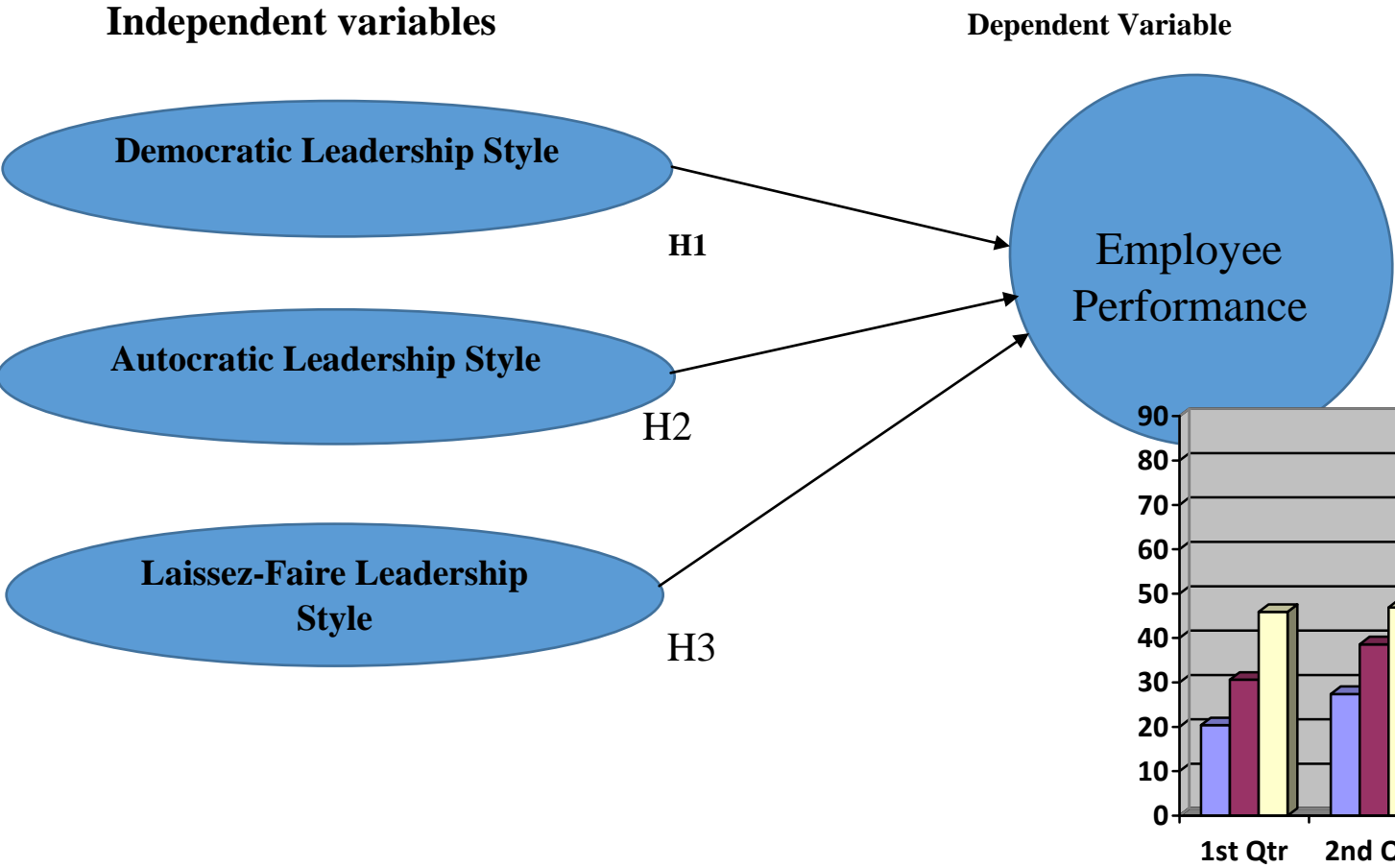
In the banking industry of Pakistan, Muhammad Asrar-Ul-Haq et al. (2016) studied the effect of a leader's style on the performance of their subordinates. About 224 full-time workers from different banks are taken in the study's non-random deliberate sampling sample. The method and survey are disseminated to collect data. To test the hypothesis during the study, inferential statistics and SPSS are used. The study's conclusions show that employee performance and transformational leadership style are positively correlated, but Laissez-faire leadership style and employee performance are negatively correlated. In addition, the study demonstrates that a leader's behavior contributes to high staff turnover in the banking industry and these issues can be resolved by cultivating strong leaders in the banking industry of Pakistan.

## **2.9 The Conceptual Framework**

According to Leshem and Trafford (2007), the conceptual framework provides readers with a theoretical explanation of the study's intended investigation and helps them understand the goal of the research in its specific form. The results of several studies published in books are the foundation for the conceptual framework. According to Miles and Huberman (2014), a conceptual framework is a written or visual product that explains the subject under study through a graph or narrative.

This conceptual framework uses leadership styles as independent factors and employee performance as the dependent variable. Kurt Lewin's notion of a leader's behavior or style serves as the foundation for the study when constructing this conceptual framework (Kurt Lewins, 1939). Kurt Lewin's behavior theory states that a leader's behavior or style influences how well their team members work and apply their capacity to give appropriate instructions in a variety of settings. According to this view, there are three different kinds of leadership styles: laissez-faire, democratic, and autocratic. The study looked into the impact of a leader's style on the performance of their team members.

**Figure 1 The Conceptual Framework by Kurt**



## **Chapter Three**

### **3.1 Research Methodology**

The study aimed to examine the effect of leadership style on employee performance in the case of Coca-Cola Beverage Africa, Ethiopia / CCBA/. The research design and methodology employed in the study are explained in this chapter. This chapter also covers the population and sample size, the research strategy, the data kinds, and sources, and the data gathering and the tool utilized in the data analysis has been discussed.

### **3.2 Research Approach**

This study looks at how leadership styles affect the performance of the employees so a quantitative research approach was used to conduct this research.

### **3.3 Research Design**

This study used an explanatory and descriptive research design. There is a focus on the connection between the causes and effects of variables in this kind of study. Consequently, the goal of the study was to examine how different leadership philosophies—autocratic, democratic, and laissez-faire—affect workers' performance at Coca-Cola Beverage Africa, Ethiopia. In keeping with this, a detailed five-point Likert scale description of the respondent's reactions is used properly.

#### **3.4.1 Population Size and Study Area**

The permanent staff of Coca-Cola Beverage Africa, Ethiopia made up the entire research population. According to data from human resource management, as of April 30, 2024, there are 2,283 total employees across Ethiopia; the researcher's focus area is in the Addis Ababa plant / the headquarters / with a total number of employees of 815. One Managing director, 7 Directors, 40 Managers in various departments, and Ninety percent of the overall workforce comprises 728 non-managerial employees / Specialists, Coordinators, Officers, and Machin operators in different departments.

### 3.4.2 Target population of the study

The study's target demographics were Coca-Cola Beverage Africa, Ethiopia's staff, including managers and specialists across several departments. However, non-permanent workers are not included in this research and the sampling group due to time and resource constraints.

As per the information from the human resource department of CCBA, Ethiopia, 142 of the employees are hired in less than a period of one year, and 20 employees are on marital and sick leave. This study excluded those permanent employees who have worked for less than a year because they were unfamiliar with the real leadership style, and the system of the organization.

### 3.4.3 Sample Size and Sampling Technique

This study employs both probability sampling techniques and simple random sampling methods. Acharya (2013) states that every individual has an equal chance to be selected for the population sample under a simple random sampling technique. Simple random sampling is often used in surveys and quantitative research designs (Rahi, 2017).

A defined strategy for selecting a sample from a certain population is called sampling (Kotari 2004). Sampling is a technique used to manage and simplify the population to make it representative of the entire population.

The Constraints of time and resources are avoided by carefully choosing sprinkling samples. To achieve this, the researcher used a suitable sample size to obtain excellent data represented in the formula.

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

Where n= Sample size

N=population size e= level of precision or acceptable sampling error (0.05)

$$n = \frac{695}{1 + 695(0.05)^2}$$

n=254 is the sample size.

254 employees were included in the research. The sample size that was obtained also corresponded to each study group in the following way:

**Table 1 Sampling Technique (Simple Random Sampling)**

Department	No of Employees	Proportion in percentage	Proportion of Sample Size
Commercial	200	28.34 %	72
Procurement	25	3.5%	9
Manufacturing	230	32.7	83
Finance	52	7.5	19
Human Resource	30	4.33	11
Logistics	150	21.27	54
Public Affairs and Communication (PAC)	4	1.18	3
IT Service	4	1.18	3
Total	695	100 %	254

Source of data: the researcher's survey - May 2024

### **3.5 Data Types and Sources**

Relevant data is gathered for this investigation from primary and secondary sources. The primary data are collected via a questionnaire, from the Coca-Cola Beverage Africa, Ethiopia headquarters employees serving as the primary sources of information and reviewing documents from books, magazines, and other relevant sources that are relevant to this study is considered as the secondary data.

### **3.5 Instrument of Data Collection**

The purpose of the questionnaire is to collect information from permanent employees of Coca-Cola Beverage Africa, Ethiopia, including the management team. It is self-managed, really straightforward, and simple to comprehend. The research questionnaire has been tailored from other studies, including the Multifactor leadership questionnaire (MLQ) developed in 1997 by Bass and Avolio. The researcher modified performance-related questions to align with the specific research objective of the study.

There are two sections in the questionnaire. The initial section focused on the respondents' general information including age, sex, educational background, and length of service in Coca-Cola Beverage Africa / CCBA, Ethiopia as well as their demographic features.

MLQ research questions made up the second section.

A five-point Likert scale is used to administer the 48-question items. On each topic, respondents are asked to select how much they agree or disagree with the statement. 1 = "strongly disagree," 2 = "disagree," 3 = "neutral," 4 = "agree," and 5 = "strongly agree." The factors of democratic leadership, authoritarian leadership, laissez-faire leadership, and employee performance served as the foundation for the questionnaire's construction.

### **3.6 Analyzation of Data**

By using SPSS, the quantitative raw data have been examined, and presented in tables using the descriptive statistics technique, and mean and standard deviations will be utilized to create summary computations. The multiple linear regression method is employed by the researcher to evaluate the impact of leadership styles on employees' performance at Coca-Cola Beverage Africa, Ethiopia (CCBA)

### **3.7 Reliability and Validity**

Consistency is the definition of reliability (Kothari, 2004). Correlating each questionnaire question's response with those of the other questions in the questionnaire is necessary to assess the reliability of internal consistency. Cronbach's alpha was employed by the researcher to assess the questionnaire's reliability. The ability of the questionnaire to measure what it is supposed to measure is referred to as internal validity. Professionals with expertise in the field checked the tools to guarantee the study's validity. While validity refers to how well an instrument measures

what it is designed to assess, reliability is primarily concerned with the consistency of measures. (Bell and Bryman, 2003)

**Table 2 Reliability and Validity**

Reliability Statistics			
NO	Variables	Cronbach's Alpha	No of Item
1	Laissez Faire Leadership Style	.632	4
2	Democratic Leadership Style	.886	14
3	Autocratic Leadership Style	.853	13
4	Employee Performance	.906	11
Average		.81925	42

Source: researcher's survey May 2024

The Cronbach's alpha findings should be expressed as a number between 0 and 1, the higher the internal consistency of the scale's items, the closer the Cronbach's alpha Coefficient is to 1.0. George and Mallery (2003) presented the following guidelines;

- >= 9 Excellent,
- >=8 Good,
- >=7 Acceptable
- >=6 Questionable,
- >=5 Poor and
- <=5 Unacceptable.

Thus, the result shown above in the table is 0.81925 indicating the Acceptable reliability of the research.

### **3.8 Ethical Consideration**

The investigation has been conducted with ethical responsibility in mind. This entails utilizing the appropriate citation style, giving respondents information for the study's purposes, and keeping the researcher's use of the material strictly confidential. After receiving approval from management, the researcher contacted the respondents and surveyed them to handle the electronic word of the questionnaires that were sent to the respondents.

Following a suitable amount of time, the respondents' questionnaires are gathered and organized from the Google sheet and the responses have been saved for data analysis, conclusion, and recommendations.

## **Chapter Four**

### **Data Analysis, Interpretation and Presentation**

#### **4.1 Introduction**

In this chapter, the researcher endeavored to scrutinize and assess the impact of leadership style on Employees' performance, using Coca-Cola Beverage Africa, Ethiopia as a case study, and 254 Google sheets sent to CCBA, Ethiopia permanent staff through their Telegram and Gmail Account, 194 of them have filled out and completed the questionnaire properly.

The rest of the respondents especially the logistics and manufacturing team did not respond to the questionnaire due to the lack of a smart mobile device as most of them are using non-smart phones.

The researcher was ready to arrange a printout questionnaire to include non-smartphone users in the study but it was difficult to get everyone in person, as there are three shifts in CCBA, Ethiopia. Therefore, those employees who have smartphones have been included in this study. Respondents who have correctly filled out and deemed usable are accepted for additional analysis. The researcher used the SPSS data analyzer program to analyze the data. Frequencies and percentages in the demographic study. The mean and standard deviation of the dependent and independent variables are investigated using descriptive analysis. The degree to which the chosen leadership style affected the dependent variable (employee performance) is explained using regression analysis.

#### **4.2 Socio-Demographic Characteristics of Respondents**

The following table presents and analyzes the study demographic variables' frequencies and percentages. The respondents' demographic details are displayed in Table 3.

The majority of respondents in the survey were male employees, as evidenced by 116 (59.8%) male respondents and 78 (40.2%) female respondents. Most individuals who responded were 18 to 30 years old or 100 (46.4%). The table indicates that 76 (39.2%) respondents were under 31-40, and 28 (14.4 %) were 41-50. When it came to the employees' educational backgrounds, the majority of respondents—136 (70.1%)—were first-degree holders, followed by masters holders 29 (14.9%). This suggests that most of the staff members at Coca-Cola Beverage Africa, Ethiopia are degree-holders.

Work experience respondents, 83 (42.8%) have 2-5 years of experience followed by 6-10 years of respondents 69(35.6%) and the majority of respondents 91(46.9) earned a Monthly income of up to 20000. Followed by respondents 41(21.1 %) with a monthly salary of above 50001 and Position respondents 80 (41.2) are Officers and or CSRs /Company Sales Representatives followed by respondents 36 (18.6) are managers (Table 3)

**Table 3 Respondents Socio Demographic Characteristics**

Items	Category	Frequency	Percentage
Sex of the respondent	Male	116	59.8
	Female	78	40.2
Age	18-30	90	46.4
	31-40	76	39.2
	41-50	28	14.4
Level of Education	High school	6	3.1
	Diploma	23	11.9
	First degree	136	70.1
	Masters	29	14.9
Work experience	2-5 Years	83	42.8
	6-10 Years	69	35.6
	11-15 Years	37	19.1
	Above 15 Years	5	2.6
Monthly Income	Up to -20000	91	46.9
	20001-35000	30	15.5
	35001 -50000	32	16.5
	Above 50001	41	21.1
Current Position	Officer/ CSR	80	41.2
	Coordinator	13	6.7
	Specialist	32	16.5
	Manager	36	18.6
	Operator	19	9.8
	Others*	14	7.2

\*= Finance, Planner, Team Leader, Technical Assistant, Manufacturing and Unit Manager  
Source of data: Own survey May 2024.

### 4.3 Descriptive Statistics for Study Variables

This section presents the results of the descriptive analysis based on the respondent's responses regarding the Five-point Likert scales used to display the behaviors of their leaders.

The SPSS findings are shown in the mean and standard deviation for comparison.

In light of the respondents' overall perceptions of how leadership style affects the employee's performance, the researcher has incorporated the measures listed in the following tables, which are complemented by frequency tables and percentages and summarized analysis and interpretation. Ratings of agree and strongly agree are grouped as agreement, and ratings of disagree and strongly disagree are grouped as disagreement, to make understanding the data easier.

**Table 4 Descriptive Statistics of the Laissez-Faire Leadership Style**

N O	Item	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	SD
		No. %	No. %	No. %	No. %	No. %		
1	My leader avoids getting involved when important issues arise	78 40.2 %	43 22.2 %	22 11.3%	25 12.9%	26 13.4 %	2.37	1.453
2	My leader is absent when needed	91 46.9 %	39 20.1%	18 9.3%	34 17.5%	12 6.2 %	2.16	1.343
3	My leader considers me as having different needs, abilities, and aspirations from others	17 8.8%	15 7.7%	46 23.7 %	79 40.7%	37 19.1%	3.53	1.148
4	My leader emphasizes the importance of having a collective sense of mission.	7 3.6 %	7 3.6 %	33 17 %	83 42.8%	64 33%	3.98	.987
Total Mean and SD for Laissez-faire Leadership Style							3.5869	.68019),

Source of data: The researcher survey May 2024.

As Table 4 illustrates. Respondents were asked four questions to help them identify the impacts of a laissez-faire leadership style; the leader's propensity to stay out of the way when significant difficulties come up is considered a critical indicator. Out Of those surveyed, 26.3% of respondents agreed on the absenteeism of their leader while 62.4 % of respondents disagreed with the absence of their leaders with a mean score value of 2.37 (SD=1.453), the rest 17 % of the respondents were neutral to be affected by their leaders. 55.8 % of the respondents agreed with the reaction to a leader's propensity to emphasize the importance of having a collective sense of mission while 7.2 % of the respondents disagreed, and 17 % of the respondents were neutral.

The Laissez-faire variable's overall mean score is 3.5869. (SD is equal to .68019). This demonstrates how a laissez-faire leadership style moderately affects employees' performance.

**Table 5 Descriptive Statistics of the Democratic Leadership Style**

N O	Item	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	SD
		No. %	No. %	No. %	No. %	No. %		
1	<i>My leaders re-examine critical assumptions to question whether they are appropriate or not</i>	5 2.6%	15 7.7%	33 17%	86 44.3%	55 28.4	3.88	.993
2	<i>My leaders talk about the most important values and beliefs</i>	6 3.1%	8 4.1%	26 13.4%	88 45.4%	66 34%	4.03	.960
3	<i>My leaders Seek different perspectives when solving problems</i>	5 2.6%	12 6.2%	28 14.4%	84 43.3%	65 33.5%	3.99	.982
4	<i>My leaders Instill pride in me for being associated with him/her</i>	6 3.1%	12 6.2%	48 24.7%	80 41.2%	48 24.7%	3.78	.989
5	<i>My leaders specify the importance of having a strong sense of purpose</i>	2 1.0%	14 7.2%	34 17.5%	92 47.4%	52 26.8%	3.92	.907
6	<i>My leaders Spend time teaching and coaching me</i>	9 4.6%	12 6.2%	41 21.1%	74 38.1%	58 29.9%	3.82	1.73
7	<i>My leaders make it clear what one can expect to receive when performance goals are Achieved</i>	4 2.1%	16 8.2%	31 16%	88 45.4%	55 28.4	3.90	.976
8	<i>My leaders treat me as an individual rather than just as a member of a group</i>	16 8.2%	28 14.4%	33 17%	77 39.7%	40 20.6%	3.50	1.206
9	<i>My leaders consider the moral and ethical consequences of decisions</i>	6 3.1%	22 11.3%	27 13.9%	80 41.2%	59 30.4	3.85	1.076
10	<i>My leaders keep track of all mistakes</i>	6 3.1%	32 16.55	56 28.9%	70 36.1%	30 15.5%	3.44	1.038
11	<i>My leaders direct my attention toward failures to meet standards</i>	19 9.8%	28 14.4%	39 20.1%	79 40.7%	29 14.9%	3.37	1.189
12	<i>My leaders get me to look at problems from many different angles</i>	6 3.1%	14 7.2%	34 17.5%	88 45.4%	52 26.8%	3.86	.997
13	<i>My leaders suggest new ways of looking at how to complete assignments</i>	6 3.1%	15 7.7%	33 17%	87 44.8%	53 27.3	3.86	1.008
14	<i>My leaders delay responding to urgent Questions</i>	35 18%	29 14.9%	28 14.4%	69 35.6%	33 17%	3.19	1.372
Total Mean and SD for Democratic Leadership Style							<b>3.7403</b>	<b>.68742</b>

Source of data: The researcher survey May 2024.

Table 5 illustrates the Democratic leadership style variable; the sample respondents were asked fourteen questions. One important indicator to look out for is the leader's propensity to *talk about the most important values and beliefs*. Out of the data examined, 79.4% agreed, while 7.2 % did not agree. This suggests that most respondents, with a mean score of 4.03 (SD=.960), are in agreement with one another about the Democratic leadership style of their leaders.

71.6 % of the respondents agreed to talk about the most important values and beliefs while 14.6 % of the respondents did not agree, 76.8 % of the respondents agreed that leaders Seek different perspectives when solving problems with their team, while 8.8 of the respondents did not agree. 65.9 % of the respondents to the leaders Instill pride in me for being associated with him/her agreed and 9.3% of the respondents did not agree.

74.2 % of the respondents agreed that the leaders specify the importance of having a strong sense of purpose within their team while 8.2 % of the respondents did not agree, which indicates that the democratic leadership style has a direct and high effect on the performance of the employees. The respondents agreed that the leader Spent time teaching and coaching them (Mean = 3.832, SD 1.73). In the meantime, leaders direct the attention toward failures to meet standards, and leaders suggest new ways of looking at how to complete assignments (Mean = 3.37, SD 1.189). (Mean = 3.86, SD1.008).

The respondents did not agree with 10.9 % out of the total respondents, however, the point is that the leader Spent time teaching and coaching the team and was encouraged to have personal and group sessions in teaching and coaching with their leader.

In summary, the variable's mean score amount is 3.7403 (SD=.68742), indicating Democratic leadership style strongly affects employee performance.

**Table 6 Descriptive Statistics of the Autocratic Leadership Style**

N O	Item	Strong ly Disagr ee	Disagr ee	Neutral	Agree	Strong ly Agree	Mean	SD
		No. %	No. %	No. %	No. %	No. %		
		No. %	No. %	No. %	No. %	No. %	3.70	1.065
1	<i>My leaders Provide me with assistance in exchange for my efforts</i>	8 4.1%	21 10.8%	37 19.1%	84 43.3%	44 22.7	3.11	1.297
2	<i>My leaders fail to interfere until problems become serious</i>	32 16.5%	31 16%	41 21.1%	64 33%	26 13.4%	3.42	1.197
3	<i>My leaders focus attention on irregularities, mistakes, exceptions, and deviations from standards</i>	16 8.2%	27 13.9%	44 22.7%	73 37.6%	34 17.5%	3.42	1.173
4	<i>My leaders wait for things to go wrong before taking action</i>	42 21.6%	30 15.5%	34 17.5%	65 33.5%	23 1.9%	2.98	1.356
5	<i>My leaders talk enthusiastically about what needs to be accomplished</i>	5 2.6%	13 6.7%	41 21.1%	81 41.8%	54 27.8%	3.86	.987
6	<i>My leaders show that he/she is a firm believer</i>	7 3.6%	11 5.7%	43 22.2%	82 42.3%	51 26.3%	3.82	1.004
7	<i>My leaders go beyond self-interest for the good of the group</i>	12 6.2%	16 8.2%	35 18%	80 41.2%	51 26.3%	3.73	1.1125
8	<i>My leaders demonstrate that problems must become chronic before taking action</i>	27 13.9%	33 17%	28 14.4%	68 35.1%	36 18.6%	3.31	1.381
9	<i>My leaders act in ways that build my respect</i>	6 3.1%	17 8.8%	38 19.6%	75 38.7%	58 29.9%	3.84	1.050
10	<i>My leaders concentrate his/her full attention on dealing with mistakes complaints, and failures</i>	15 7.7%	32 16.5%	41 21.1%	76 39.2%	30 15.5 %	3.38	1.160
11	<i>My leaders display a sense of power and confidence</i>	2 1.0 %	19 9.8%	38 19.6%	77 39.7%	56 28.9%	3.86	.983
12	<i>My leaders articulate a compelling vision of the future</i>	3 1.5%	18 9.3%	44 22.7%	80 41.2%	49 25.3%	3.79	.976
13	<i>My leaders avoid making decisions.</i>	41 21.1%	37 19.1%	31 16.5%	56 28.9%	28 14.4%	2.96	1.382
Total Mean and SD for Autocratic Leadership Style							3.0115	.80127

Source of data: The researcher survey May 2024.

Table 6 illustrates the thirteen questions designed to gauge the leaders' use of power and degree of support to his / her team. Concerning the preceding table, the consensus of leaders Provide me with assistance in exchange for my efforts under the variable Autocratic leadership style is 65.8% of respondents agreed, and 14.9% disagreed, with a mean score of 3.11 (SD=1.065), indicating that a directed (Autocratic) leaders are assisting their team in exchange for my efforts. 46.4% of the total respondents agreed that the leaders fail to interfere until problems become serious. In comparison, 32.5 % of the total respondents disagreed, revealing that the leaders do not interfere until serious problems have arisen which hurts the performance of the employees. However, they also interface at some points as the figure indicates.

Regarding the leader's focus attention on irregularities, mistakes, exceptions, and deviations from standards, 55.1% of the respondents agreed, and 22.1 % of the respondents disagreed with the value of a mean of 3.42 and standard deviation (SD ) = 1.173. This implies that the leaders fail to interfere until problems become serious and moderately affect the effort of the employees.

Leaders wait for things to go wrong before taking action agreed to 35.4 % of respondents while 37.1 % of the respondents disagreed, indicating that the majority of leaders don't wait for things to go wrong before taking action but at some level, some leaders are there who are waiting for things to wrong before taking action which affects the employee performance.

35.4 % of the respondents agreed that the leaders talked enthusiastically about what needs to be accomplished while 37.1 of the respondents disagreed with a value of Mean = 2.98 SD= 13.56 which means the leaders don't communicate with their team about what to be achieved so that it negatively affects the employee performance.

67.5 % of the respondents agreed that the leaders go beyond self-interest for the good of the group and 14.4 % disagreed with a value of Mean = 3.73 and SD = 1.1125, revealing that most of the leaders are thriving beyond their self-interests for the well-being of the team to help positively influence the performance of the employees in the organization. However, it also negatively affects the performance of the employees as 14.4% of the respondents disagreed.

57.3 % of the respondents agreed and 30.9 % of the respondents disagreed that leaders demonstrate problems must become chronic before taking action with a value of Mean = 3.31 and SD = 1.381, which reveals that the leaders are seriously taking action before the problem,

revealing that it has a direct and positive impact on the performance of the employees. However, some leaders do not take action before the problem happens which affects the performance of the employees.

The tendency of leaders to act in ways that build the respect of the team is very high as per the respondents' reaction to the questionnaire 68.9 % agreed and 11.9 % disagreed with a value of Mean = 3.84 and SD = 1.050. It reveals that leaders have respect for the team, which has a positive impact on the employees' performance.

The leaders display a sense of power and confidence agreed by 68.8 % of the respondents while 10.8% of the respondents did not agree with a Mean = 3.86 and SD=. 983. Revealing that the leaders have power and confidence, which has an impact on the employees' performance, however, some leaders with no power and confidence, which negatively affects the performance of the employees. Finally, 43.3% of the respondents agreed that leaders avoid making decisions, and 40.2% did not agree. This illustrates that leaders who make decisions positively affect the employees while leaders who do not negatively affect the employees' performance.

In summary, the total variable's mean score is 3.0115 SD = .80127), indicating that the Autocratic leadership style has a Very low effect on employee performance.

**Table 7 Descriptive Statistics of Employee Performance**

N O	Item	Strongly Disagree	Disagre e	Neutral	Agree	Strongl y Disagre e	Mean	SD
		No. %	No. %	No. %	No. %	No. %		
1	My leaders discuss specific terms Responsible for achieving performance targets	4 2.1%	18 9.3%	29 14.9%	81 41.85	62 32%	3.92	1.012
2	My leaders Express satisfaction when I meet the expectation	5 2.6%	14 7.2%	30 15.5%	85 43.8%	60 30.9%	3.93	.993
3	My leader recognize my performance	2 1.0%	17 8.8%	40 20.6%	73 37.6%	62 32%	3.91	.983
4	My leaders reward me for exceeding my performance	14 7.2%	17 8.8%	32 16.5%	81 40.8%	50 25.8%	3.70	1.158
5	I do my job independently (without waiting for specific instructions from my supervisor)	6 3.1%	13 6.7%	25 12.9%	84 43.3%	66 34%	3.98	1.010
6	I always try to reach the company's expected target for performance	2 1.0%	5 2.6%	20 10.3%	78 40.2%	89 45.9%	4.27	.829
7	My leaders evaluate the performance fairly	3 1.5%	14 7.2%	38 19.6%	79 40.7%	60 30.9%	3.92	.965
8	My leaders give me appropriate feedback	6 3.1%	13 6.7%	31 16%	75 38.7%	69 35.5%	3.97	1.033
9	I have the ability and willingness to work in collaboration with others	2 1.0%	6 3.1%	21 10.8%	73 37.6%	92 47.4%	4.27	.853
10	I am comfortable approaching my leaders.	8 4.1%	13 6.7%	25 12.9%	72 37.1%	76 39.2%	4.01	1.080
11	I perform well in my overall job by carrying out tasks as expected	3 1.5%	8 4.1%	12 6.2%	76 39.2%	95 49%	4.30	.878
Total Mean and SD for Employee Performance							<b>2.3711</b>	<b>1.45267</b>

Source of data: The researcher survey May 2024.

Measuring performance serves two purposes for businesses: it informs decision-makers about how well the company is doing and helps it to improve. Enhancing an organization's performance is the ultimate goal of putting a performance assessment system in place to better serve all stakeholders, including its owners, workers, and clients (Vuong, T.D.N. and Nguyen,

L.T., 2022). Approximately Eleven questions were asked to verify their perceptions of their performance. To this end, the capacity to complete tasks according to expectations is considered a critical performance metric. With 5.6% of respondents disagree, 88.2 % agree, and the mean value is 4.30 (SD=.878).

Regarding Employee performance, Table 4.5's results include participant feedback on how the leaders discuss specific terms responsible for achieving performance targets that were 73.8% agreed, 11.4 % of the respondents did not agree with a mean value of 3.92, and SD is 1.012. This reveals that leaders openly discuss with their team to achieve the expected target.

Respondents' reaction to leaders Express satisfaction when they meet the expectations agreed to 74.7 %, and 8.8% of the respondents did not agree with a mean value of 3.93 and SD=.993. Illustrating that the leaders express their satisfaction to the employees, which positively affects the performance of the employees.

The respondents' reaction to Leaders rewarding me for exceeding my performance 66.6 % agreed and 16 % disagreed with a value of mean = 3.70 and SD = 1.158. Revealing that when employees exceed the expected performance, they get rewards from their leaders as motivation, which affects the performance of the employees positively.

As per the survey in Table 4.5, Most of the respondents have agreed that they have the ability and willingness to work in collaboration with others and always try to reach the company's expected target for performance (86.1 % & 3.6 % ) Agreed & Disagreed respectively with a mean value of 4.27and SD .829. It reveals that employees are motivated and revitalized to perform a task and align with other work or teams without the order of the leader.

The respondents' reactions to leaders evaluating my performance fairly and giving me appropriate feedback are 71.6 % agreed and 8.7 % disagreed with a Mean = 3.97 and SD = 1.033. This survey reveals that leaders are evaluating their team's performance fairly and giving them appropriate feedback, which has a great impact on the performance of the employees so that employees can perform well to achieve the organization's goal.

Finally, the overall mean score of 2.3711 with a standard deviation of 1.45267 indicated that respondents had a medium and positive opinion of Employee performance. The survey indicates that although there is always space for growth if more effort is put in, attempts to manage changes, perform well in their overall job by carrying out tasks as expected, have the ability and

willingness to collaborate with others and do their jobs independently affect how they see their performance.

**Table 8 Dominant Leadership Style**

No	Leadership Type	Mean	Standard Deviation
1	Laissez Faire	3.5869	.68019
2	Democratic	<b>3.7403</b>	<b>.68742</b>
3	Autocratic	<b>3.0116</b>	<b>.80127</b>

Source of data: The researcher survey May 2024.

Rodriguez (2012) found that executives who follow laissez-faire leadership are less successful in inspiring their staff than those who use Democratic leadership. CCBA, Ethiopia's predominant leadership style is the Democratic leadership style with a mean value of 3.7403, SD .68742 as shown in the above table.

#### **4.4 Inferential statistics**

Inferential statistics included regression analysis of the gathered data, correlational test, and regression model test to fulfill the study's objectives. The correlational test aimed to determine the alignment and strength of the association between the variables. The fitting of the gathered data to the designated model has been tested using assumption tests for multiple linear regression models. Multivariate tests for linearity, homoscedasticity, multi-collinearity, and normalcy were included. The ultimate result of the data analysis was multiple linear regression analysis, which included references to the model summary, ANOVA test, and beta coefficient.

#### 4.4.1 Test of Correlation

First, Pearson correlation analysis was used to ascertain the association between employee performance and leadership styles. In this study, employee performance served as the dependent variable, and the three characteristics of leadership styles are considered as an independent factor.

Field (2005) proposed a set of guidelines that state that a relationship between b/n variables is weak if is between 0.10 and 0.29, moderate if it is between 0.30 and 0.49, and strong if it is 0.5 or above.

**Table 9 Correlation Test**

		<b>Correlations</b>			
		IV1	IV2	IV3	DV
IV1	Pearson Correlation	1	.615**	.471**	.531**
	Sig. (2-tailed)		.000	.000	.000
	N	194	194	194	194
IV2	Pearson Correlation	.615**	1	.425**	.517**
	Sig. (2-tailed)	.000		.000	.000
	N	194	194	194	194
IV3	Pearson Correlation	.471**	.425**	1	.433**
	Sig. (2-tailed)	.000	.000		.000
	N	194	194	194	194
DV	Pearson Correlation	.531**	.517**	.433**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	194	194	194	194

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

- IV1 =Independent Variable 1/ LSF
- IV2 = Independent Variable 2/ DMC
- IV3 = Independent Variable 3/ AUC
- DV = Independent Variable (Employee Performance)

Table 9's conclusion demonstrates that all two leadership style aspects showed positive relationships with employee performance. In contrast, the Autocratic leadership style related moderately in particular, Laissez-Faire Leadership ( $r = .531 < .001$ ) and Democratic Leadership ( $r = .517 < .001$ ) possessed, overall, the strongest bond. Nonetheless, there was a moderate correlation between Autocratic Leadership and employee performance. This suggests that raising staff performance involves aligning or improving the leadership style, especially the democratic and laissez-faire leadership styles. In other words, a positive correlation coefficient indicates a

direct association between the variables by suggesting that improvements in leadership style would also increase employee performance in Coca-Cola Beverage Africa Ethiopia.

**Table 10 Pearson's Correlation Coefficient and R-Value**

**Guidelines for Pearson's Correlation Coefficient and R-value**

When the relationship between the two variables gets stronger, Pearson's correlation coefficient, r, approaches either +1 or -1, depending on whether the relationship is positive or negative (Laerd statistics Friedman Test in SPSS).

Strength of Association	Coefficient, r	
	Positive	Negative
Weak	.1 to .3	-0.1 to -0.3
Medium	.3 to .5	-0.3 to -0.5
Strong	.5 to 1.0	-0.3 to -0.5

Source: Statistics from Laerd

**Table 11 Regression Analysis**

**4.4.2: Multicollinearity Test**

Model	Unstandardized Coefficients		Standardized Coefficient	t	Sig	95.0 % Confident Interval for B	
	B	Std.Error	Beta			Lower Bound	Upper Bound
1 (Constant )	.752	.212		3.555	.000	.335	1.170
IV1	.409	.112	.279	3.647	.000	.188	.630
IV2	.590	.082	.464	4.543	.000	.129	.752
IV3	.216	.076	.189	2.830	.005	.066	.367

DV: Dependent Variable = Employee Performance  
 IV1: Independent Variable 1 = Laissez-faire Leadership Style  
 IV2: Independent Variable 2 = Democratic Leadership Style  
 IV3: Independent Variable 3 = Autocratic Leadership Style

Source of data: The researcher survey May 2024.

As Table, 11 reveals above the Autocratic Leadership style relation has a negative significance at some point that has a negative relation to employee performance with a unit of decrement of.216, as the significance section shows. In the case of Laisse's fair leadership, a unit improvement would result in.409 improvements in employee performance, while a unit improvement in the Democratic Leadership style would lead to about 290 increases in employee performance.

**Coefficients<sup>a</sup>**

Model		Collinearity Statistics	
		Tolerance	VIF
1	IV1	.568	1.759
	IV2	.598	1.671
	IV3	.748	1.336

a. Dependent Variable: DV

M Nardino (2017) states that the linear regression Variance Inflation Factors (VIF) gives an indicator of how much the multi-collinearity amplifies the variances in the regression estimates. When the VIF value is more than 10.0, multi-collinearity is present. After conducting analyses of the data obtained from the linearity, normalcy, and multi-collinearity tests.

The investigator has concluded that there are no data problems in the multiple regression assumptions.

**Table 12 Anova Regression Test**

Model	Sum Of Squares	df	Mean Square	F	Sig
1 Regression	66.988	3	22.329	36.660	.000 <b>b</b>
Residual	115.727	190	.6009		
Total	182.712	193			
a. Dependent Variable: Employee Performance					
b. Independent Variables, leadership Styles					

Source of data: The researcher survey May 2024.

Significant independent variables are considered an important predictor of the dependent variable if the absolute t-value of the regression coefficient associated with that independent

The t-variable is greater than the absolute critical t-value. In this study, the significance value is 000, which is less than 0.05, meaning that the model is statistically significant regarding the performance of employees with leadership styles (Mugenda, 2013).

The degree to which the total regression model fits the data well by the F-ratio in the ANOVA table. The ANOVA findings in the above table show that F is 36.660. With a p-value of 0.000, suggesting that value-based leadership has a significant impact on workers' performance. From a statistical standpoint, the model's overall significance and acceptance are displayed in the ANOVA table. The model is significant since the F statistics significance value is less than  $p < 0.05$ , or 000. This suggests that the variance the model explains is not the result of random variation.

This test analyzes the variance and determines how significant the interaction between the variables is. The null hypothesis ( $H_0$ ) asserts that no meaningful difference exists between the assessed variables.

**Table 13 Model Summary**

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.605 <sup>a</sup>	.367	.357	.78044	.367	36.660	3	190	.000

a. Predictors: (Constant), IV3, IV2, IV1

b. Dependent Variable: DV

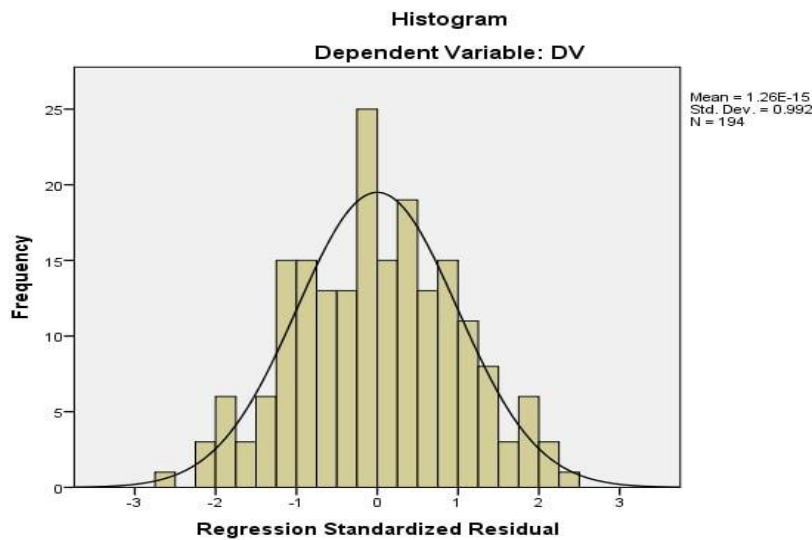
The regression model shows numerous correlation coefficients (R-value) between the dependent variable (employee performance) and the independent variables (laissez-faire, Democratic, and Autocratic leadership styles).

R- Square is the proportion of the dependent variable's variation that can be fully or partially explained by the independent variables. The value of R Square (R Square), as seen in the preceding table, is 0.367, or 36.7%. Value 36.7% shows that laissez-faire, Democratic, and Autocratic leadership styles are the independent variables that determine a significant and moderate positive relation between the variables of employee performance, while other leadership styles and variables not included in the study had an impact on the remaining 63.3 %.

#### **4.6 Test of Normality**

The investigator to confirm that the data were normal used the histogram approach. The residuals (disturbance or errors) have a normal distribution, as shown by the bell-shaped histogram that developed. The residuals must have a normal distribution around the expected dependent variable score. Motivation, the dependent variable, is regularly distributed for each value of the independent variables (laissez-faire, Democratic, and Autocratic leadership style), as the figure below illustrates.

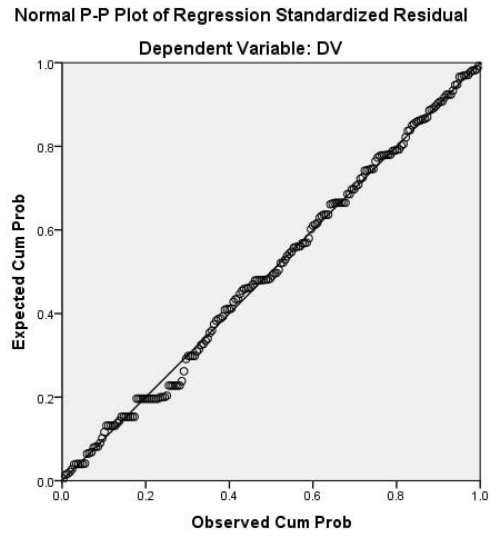
## 2Figure of Normality Curve



### 4.7 Linearity Test

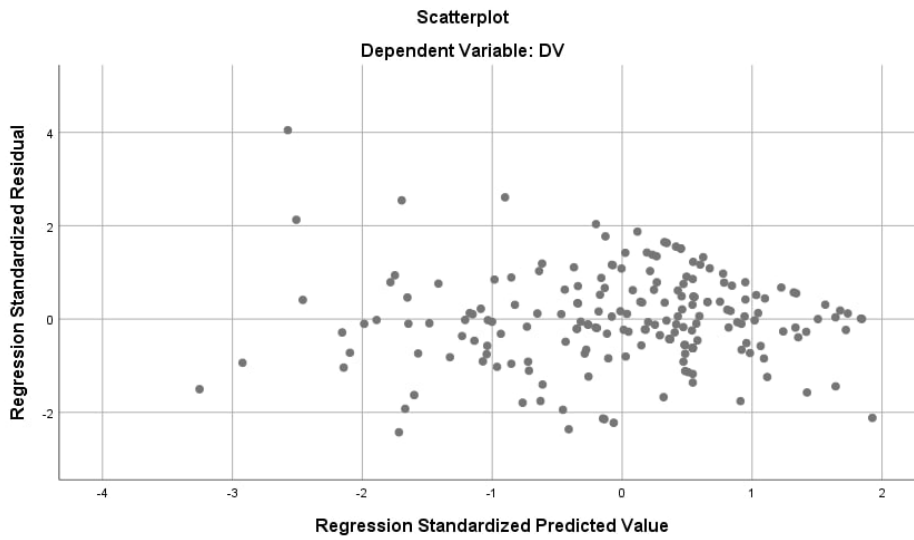
The degree to which changes in the independent variables are correlated with variations in the dependent variable is called linearity. Regression residuals were plotted using SPSS software to examine whether there is a linear relationship between the dependent variable (employee Performance) and the independent variables (Laissez-Faire, Democratic, and Autocratic leadership styles). The residuals and the predicted scores of the dependent variable should have a linear relationship if linearity is present. The following image shows that changes in the independent variables are mostly responsible for the correlation that exists between the dependent and independent variables. As a result, the data examined for this study have no problems with linearity, and the residuals follow a straight line.

### 3 Normal PP Plot



DV: Employee Performance

### 4 Figure of Scatter Plot



## 4.8 Hypothesis Testing

A type of statistical inference known as hypothesis testing makes use of sample data to conclude a population's parameter or probability distribution. Initially, a rough assumption regarding the parameter or distribution is used.

H<sub>0</sub> stands for the null hypothesis, which is the premise. Statistical analysts measure and examine a random sample of the population under study to test a hypothesis. Every analyst tests the alternative hypothesis and the null hypothesis using a random sample of the population.

First hypothesis: null given the correlation coefficient found in Table 4.6.3 H<sub>μ1</sub>, hypothesis HO1—"Leadership styles have no effect with that of employee performance of CCBA, Ethiopia"—is rejected. Even though, "leadership style has an effect with that of employee performance of CCBA, Ethiopia." There is a substantial association even whether it is negative or positive in terms of the style.

Hypotheses 2: According to the discussion of Pearson's correlation in Table 4.6, which displays an R-value of 0.433 with a 1% significance level (level of confidence 0.01) (2-tailed), the null hypothesis, HO2, "Autocratic leadership styles have negative effects towards employee performance of CBA, Ethiopia," is rejected. This rise or decrease's very small beta value should be disregarded.

Values in Table 4.6 accept and support Hypothesis 3 H<sub>μ3</sub>: "Laissez-faire leadership styles have positive effects towards employee performance of CCBA, Ethiopia". This leadership style's beta (β) value is 0.531, indicating that the dependent variable will grow by the beta coefficient value with a significant level of 1% (level of confidence 0.01) (2-tailed) for every unit increase in the independent variable.

Hypotheses 4: The correlation coefficient in Table 4.6 indicates an R-value of 0.517 with a 1% significance level (level of significance of 0.05), as explained in Pearson's, supporting the rejection of Null Hypothesis 4 (HO4), which states that "Democratic leadership styles have negative effects towards employee performance of CCBA, Ethiopia." Hypothesis 4 H<sub>p</sub>: "The Democratic leadership styles have positive effects towards employee performance of CCBA, Ethiopia." This leadership style's beta (β) value is 0.290, indicating that the dependent variable will grow by the beta coefficient value with a significant level of 1% (level of confidence 0.01) (2-tailed) for every unit increase in the independent variable.

## **Chapter Five**

### **Summary of the Findings, Conclusion, and Recommendations**

The study attempts to analyze the three leadership styles covered in the earlier chapters and their relationship with the performance of employees in the case of Coca-Cola Beverage Africa, Ethiopia. As everyone is aware, the primary goal of this study is to investigate and determine the relationship between the three types of leadership styles: Democratic, Autocratic, and laissez-faire and their impacts on employees' performance in CCBA, Ethiopia

The study aims to identify the leadership style that has a major impact on employees' performance in Cola Beverage Africa, Ethiopia in the headquarters (Addis Ababa plant) and evaluate the impact of autocratic, democratic, and laissez-faire leadership styles on employee performance. The MLQ questionnaire has been used and responded to effectively, and the findings of the research will be used for future research.

### **5.1 Summary of the Finding**

It has been possible to measure employee performance, ascertain the relationship between leadership style and employee performance, and investigate the degree of the relationship in light of the various leadership styles (Democratic, Autocratic, and Laissez-faire) with employee performance by analyzing the leadership style of Coca-Cola Beverage Africa, Ethiopia.

The prevalent leadership style and employee perceptions of their managers as leaders within the organization have been understood.

The proportion was clarified using descriptive analysis to examine the respondents' demographic details. As part of the study's objectives is to distinguish between the types of leaders that employees believe their leaders are in the organization by assessing their leader's characteristics, the mean and standard deviation were utilized to determine the kind of leaders Coca-Cola Beverage Arica —Ethiopia has from the perspective of the employee's performance.

The mean and standard deviation were used to gauge the degree of performance among the employee performance. Correlation analysis and inferential statistical analysis are utilized to demonstrate the relationship between the three leadership philosophies (independent variables) with the study's dependent variable (employee performance).

According to the demographic background, 194 (76.4 %) of the 254 filled out the questionnaires were valid, correctly completed, and utilized as a sample population for this investigation. Age, educational background, and work experience are used in this study to represent the respondents' demographics. Among the 194 respondents, men are 59.8%, while Female respondents are the remaining 40.2%.

Regarding the respondents' educational status, the majority of the respondents (70.1%) held a First degree; the second respondents were Master's holders (14.9%) while the third and fourth-level respondents were Diploma holders (11.9 %) and the least respondents were High School completed (3.1%) in the sample population.

The research also examined the work experience of the respondents; 42.8% of the respondents have worked for Two to Five years, 35.6 % have worked for Six to Ten years and 19.1% of the respondents have worked for Eleven- to Fifteen years, and the least respondents (2.6%) have worked for above sixteen years in the organization.

The majority of the respondents 46.6 % were in the age range of 18 to 30 followed by 39.2 % in the age range of 31 to 40 while 14.4 % of the respondents were in the age range of 40 to 50 years old in the sample population.

The study's dependent variable is employees' performance, while the independent factors are democratic, autocratic, and laissez-faire leadership styles. Given the independent factors, the Democratic leadership style had the highest mean score of 3.7403 (SD=.68742), according to the descriptive statistics of the mean score value.

The research's strongest association is found between the Democratic leadership style and employees' performance. The performance, which is ( $r=0.517$ ,  $n=194$ ,  $p=0.000$ ), suggests that these two variables have a statistically significant positive relationship.

The laissez-faire Faire Leadership style has a moderate relationship with employee performance with a mean score of 3.5869. (SD is equal to .68019). ( $r=0.531$ ,  $n=194$ ,  $p=0.000$ ), suggesting that these two variables have a statistically significant positive relationship while Autocratic leadership very low relationship with employee performance.

The acceptability of the model is demonstrated by the regression ANOVA. Since the p-value of =0.000 is less than 5%, the model is correct in explaining the majority of the variation between the dependent and independent variables.

## **5.2 Conclusion**

The major findings from the data analysis are summarized in the following conclusions. The descriptive analysis is performed to assess the result using mean and standard deviation. The result obtained from the analysis demonstrates that democratic leadership style had the highest mean score and standard deviation showing that respondents had an agreement about their leader exercising the Democratic leadership style in CCBA, Ethiopia.

In terms of leadership style, CCBA, Ethiopia, which employs laissez-faire leadership, is more driven than those who use the Autocratic leadership style. Therefore, employees in CCBA, Ethiopia who use the laissez-faire leadership style are more motivated; nevertheless, the Beverage Industry utilizes a laissez-faire leadership style that aims to be moderate in other leadership characteristics and strives to enhance management through exceptional traits. Regarding the Democratic way of leadership, there is a low incidence of turnover and a high level of motivation to execute behavior. At the same time, Laissez-Faire Leadership has a moderate incidence and motivation with a small no. of turnover. However, in autocratic Leadership, there is a very high incidence, turnover, and no motivation.

Based on the research findings, we can place democratic Leadership at the top of the list of leadership philosophies that are advantageous to increase the performance of the employees.

Although laissez-faire leadership style has a positive relationship with employee performance, this relationship is not as significant as it may be, suggesting that other leadership styles are more effective in raising employee motivational levels. Thus, the Beverage industry must concentrate on and implement practices that are good for their employees' performance so that the industry's performance can increase at the same level.

As a result, the study's findings point to the conclusion that employee performance and leadership style have a substantial link, however, the nature of that association varies depending on the leadership style.

A huge positive correlation has been revealed between Laissez-faire and Democratic Leadership styles as the CCBA, Ethiopia employees are motivating and performing better. In contrast, the Autocratic leadership style slowly correlates with employees' performance.

### **5.3 Recommendations**

A leader's specific behavior used to inspire followers to meet the goals of the company is the leadership style Alexander (2002). The organization can accomplish its aims and objectives when the appropriate leadership style is applied, taking into account the context and surroundings.

Leaders should take into account the scenario and surroundings when deciding which leadership style is suitable for given the circumstances, as certain leadership styles have a big impact on workers' performance.

The researcher offers suggestions for those entity leaders in light of these research findings.

- ❖ Strengthen the supervisory development programs (SPD) and managerial training that enables them to take advantage of the best times and methods for utilizing the Democratic Leadership style to improve employee performance.  
Even though Autocratic leadership is correlated positively with employee performance; It's better to employ Democratic leadership to get employees motivated so that they can perform well
- ❖ Additionally, it is crucial to recognize that employee performance is the only component that the firm needs to achieve its target, thus striving to acknowledge and recognize the benefits of Democratic leadership to make it very successfully implemented by leaders in the organization.
- ❖ Arranging regular Leadership development sessions for supervisors, managers, and leaders to improve their level of leadership and people management skills to increase employee performance.

## **5.4 Suggestions for future researchers**

The present investigation revealed the impact of leadership styles on employee performance at Coca-Cola Beverage Africa, Ethiopia, and the researcher recommended the subsequent titles for additional study in the future.

- ❖ Although leadership styles contributed to the high level of employee performance, other factors could also influence employee performance. Future studies should concentrate on more variables (such as different leadership styles and other characteristics of leaders' conduct) that could potentially have an impact on employee performance in addition to a limited number of leadership styles.
- ❖ The study recommends that an investigation of the cause-and-effect between various leadership styles and employee performance should be conducted using another research methodology.
- ❖ To evaluate the impact of leadership style on employee performance, the researcher suggests conducting additional research in the target area and using a sample size that is representative of the beverage industry.
- ❖ To determine the impact of leadership styles on employee performance by alternative approaches and data gathering tools, such as interviews and a review of progressive years of performance updates, which this study did not cover.

## References

- Aguinis, H., 2012. The best and the rest: Revisiting the norm of normality of individual performance. *Personnel Psychology*, 65(1).
- Antonopoulou, H., Halkiopoulos, C., Barlow, O. and Beligiannis, G.N., 2020. Leadership types and digital leadership in higher education: Behavioural data analysis from the University of Patras in Greece. *International Journal of Learning, Teaching and Educational Research*, 19(4), pp.110-129.
- Armstrong, D.M., 2004. *Truth and truthmakers*. Cambridge University Press.
- AS, U. and Oche, M.O., 2014. Paradigm shift to strengthen public health programming: A case for a unified public health leadership approach.
- Austin, Z. and Sutton, J., 2014. Qualitative research: Getting started. *The Canadian Journal of Hospital Pharmacy*, 67(6), p.436.
- Avolio, B.J. and Bass, B.M., 2004. Multifactor leadership questionnaire (TM). *Mind Garden, Inc. Menlo Park, CA*.
- Basit, A., Sebastian, V. and Hassan, Z., 2017. Impact of leadership style on employee performance (A Case study on a private organization in Malaysia). *International Journal of Accounting & Business Management*, 5(2), pp.112-130.
- Basit, A., Sebastian, V. and Hassan, Z., 2017. Impact of leadership style on employee performance (A Case study on a private organization in Malaysia). *International Journal of Accounting & Business Management*, 5(2), pp.112-130.
- Bass, B.M. and Avolio, B.J., 1990. The implications of transactional and transformational leadership for individual, team, and organizational development. *Research in organizational change and development*, 4(1), pp.231-272.

Beauty, M., and Aigbogun, O., 2022. Effects of Leadership Styles on Employee Performance: A Case Study of Turnall Holdings LTD., Harare. *International Journal of Academic Research in Business and Social Sciences*, 12(1), pp.289-305.

Bell, E., Bryman, A. and Harley, B., 2022. *Business research methods*. Oxford University Press.

Blencowe, B.J., Ahmad, S. and Lee, L.J., 2009. Current-generation high-throughput sequencing: deepening insights into mammalian transcriptomes. *Genes & development*, 23(12), pp.1379-1386.

Brownell, J., 2010. Leadership in the service of hospitality. *Cornell Hospitality Quarterly*, 51(3), pp.363-378.

Cardy, R.L. and Dobbins, G., 1994. Performance appraisal: Alternative perspectives. (*No Title*).

Chen, X., Self, J.Z., House, L. and North, C., 2016, March. Be the data: A new approach for immersive analytics. In *2016 Workshop on Immersive Analytics (IA)* (pp. 32-37). IEEE.

Chowdhury, M.F., 2014. Interpretivism in aiding our understanding of the contemporary social world. *Open Journal of Philosophy*, 2014.

Chua, J., Basit, A. and Hassan, Z., 2018. Leadership style and its impact on employee performance. *International Journal of Accounting & Business Management*, 6(1), pp.80-94.

Cok, I., Bilgili, A., Özdemir, M., Özbek, H., Bilgili, N.A.İ.L.E. and Burgaz, S.E.M.A., 1997. Organochlorine pesticide residues in human breast milk from agricultural regions of Turkey, 1995–1996. *Bulletin of Environmental Contamination and Toxicology*, 59, pp.577-582.

Daft, R.L. and Lane, P.G., 2008. The leadership experience.

Field, A. P. (2005). Is the meta-analysis of correlation coefficients accurate when population correlations vary? *Psychological methods*, 10(4), 444.

Freiherr von Fircks, E., 2024. Culture and leadership: A Lewinian perspective of organizational problem solving. *Human Arenas*, 7(1), pp.1-14.

Fried, H.O., Lovell, C.K. and Schmidt, S.S. eds., 2008. *The measurement of productive efficiency and productivity growth*. Oxford University Press.

- Friston, K., Brown, H.R., Siemerikus, J. and Stephan, K.E., 2016. The disconnection hypothesis (2016). *Schizophrenia Research*, 176(2-3), pp.83-94
- Fromm, E. and Anderson, L.A., 2017. *The sane society*. Routledge
- Iqbal, S.M.J., Long, C.S., Fei, G.C. and Bukhari, S.M.L.A.B.I.S., 2015. The moderating effect of top management support on the relationship between transformational leadership and project success. *Pakistan Journal of Commerce and Social Sciences (PJCSS)*, 9(2), pp.540-567.
- Jooste, C. and Fourie, B., 2009. The role of strategic leadership in effective strategy implementation: Perceptions of South African strategic leaders. *Southern African Business Review*, 13(3).
- Kellner, M., 2015. Heresy and the nature of faith in Medieval Jewish philosophy. In *Menachem Kellner: Jewish Universalism* (pp. 35-51). Brill.
- Khan, M., Zaheer, Z., Samyia, S.A., Imtiaz, N. and Ansari, S.A., 2024. Development and Validation of Organizational Citizenship Behaviour Scale. *JOURNAL OF THE INDIAN ACADEMY OF APPLIED PSYCHOLOGY*, p.55.
- Khan, M.S., Khan, I., Qureshi, Q.A., Ismail, H.M., Rauf, H., Latif, A. and Tahir, M., 2015. The styles of leadership: A critical review. *Public Policy and Administration Research*, 5(3), pp.87-92.
- Khan, M.S., Khan, I., Qureshi, Q.A., Ismail, H.M., Rauf, H., Latif, A. and Tahir, M., 2015. The styles of leadership: A critical review. *Public Policy and Administration Research*, 5(3), pp.87-92.
- Koech, P.M. and Namusonge, G.S., 2012. The effect of leadership styles on organizational performance at state corporations in Kenya. *International journal of business and commerce*, 2(1), pp.1-12.
- Kotari, C.R., 2004. *Research Methodology, Methods, and Techniques*. Second edition. *New Age International Publishers. New Delhi*.
- Kothari, T.P. and Pingle, S., 2019. Shared Identity: Development and Validation of a Scale. *SCMS Journal of Indian Management*

- Leshem, S., 2007. Thinking about conceptual frameworks in a research community of practice: A case of a doctoral program. *Innovations in Education and Teaching International*, 44(3), pp.287-299.
- Lewin, K., Lippitt, R. and White, R.K., 1939. Patterns of aggressive behavior in experimentally created “social climates”. *The Journal of Social Psychology*, 10(2), pp.269-299.
- Lewin, Kurt, Ronald Lippitt, and Ralph K. White. "Patterns of aggressive behavior in experimentally created “social climates”." *The Journal of Social Psychology* 10, no. 2 (1939): 269-299.
- Lu, X., Xie, B. and Guo, Y., 2018. The trickle-down of work engagement from leader to follower: The roles of optimism and self-efficacy. *Journal of Business Research*, 84, pp.186-195.
- Lussier, R.N. and Achua, C.F., 2022. *Leadership: Theory, application, & skill development*. Sage Publications.
- Malik, S.H., 2013. Relationship between leader behaviors and employees' job satisfaction: A path-goal approach. *Pakistan Journal of Commerce and Social Sciences (PJCSS)*, 7(1), pp.209-222.
- Maxwell, J. C.(1998).The 21 irrefutable laws of leadership. Nashville: Thomas Nelson Publishers.
- Memon, K.R., 2014. Effects of leadership styles on employee performance: Integrating the mediating role of culture, gender and moderating role of communication. *International Journal of Management Sciences and Business Research*.
- Myers, A.C., Udem, B.J. and Weinreich, D.A.N.I.E.L., 1990. Electrophysiological properties of neurons in guinea pig bronchial parasympathetic ganglia. *American Journal of Physiology-Lung Cellular and Molecular Physiology*, 259(6), pp.L403-L409.
- Ndayisaba, O. and Mulyungi, P., 2018. Effect of Resources Management on Project Success Implementation. A Case of Strengthening Livelihoods in Rural Rwanda Project. *International Journal of Research in Management, Economics and Commerce*, 8(5), pp.32-41.

Ndayisaba, O., & Mulyungi, P. (2018). Effect of Resources Management on Project Success Implementation. A Case of Strengthening Livelihoods in Rural Rwanda Project. *International Journal of Research in Management, Economics and Commerce*, 8(5), 32-41.

Northouse, P.G., 1999. *Leadership: Theory and practice* (p. xxiii). Sage.

Nshimirimana, J. and Kwizera, E., 2023. Leadership Styles and its effect on Performance of Commission Nationale Indépendante des droits de l'Homme. *British Journal of Multidisciplinary and Advanced Studies*, 4(2), pp.31-39. In addition to motivating followers to increase productivity, an effective leader also attends to their needs as they work toward a set of predetermined goals

Oldham, G.R. and Cummings, A., 1996. Employee creativity: Personal and contextual factors at work. *Academy of Management Journal*, 39(3), pp.607-634.

Olivoto, T., de Souza, V.Q., Nardino, M., Carvalho, I.R., Ferrari, M., de Pelegrin, A.J., Szareski, V.J. and Schmidt, D., 2017. Multicollinearity in path analysis: a simple method to reduce its effects. *Agronomy Journal*, 109(1), pp.131-142.

Peter Drucker (2003). *The Leader of the Future: New Visions, Strategies and Practices for the Next Era*.

Robbins, S., Judge, T.A., Millett, B. and Boyle, M., 2013. *Organizational behavior*. Pearson Higher Education AU.

Roby-Brami, A., Jacobs, S., Bennis, N. and Levin, M.F., 2003. Hand orientation for grasping and arm joint rotation patterns in healthy subjects and hemiparetic stroke patients. *Brain Research*, 969(1-2), pp.217-229.

Slawinski, N., 2007. Strategic leadership. *Cases in leadership CA*. New York: Sage Publications.

Tong, S.Y., Lye, D.C., Yahav, D., Sud, A., Robinson, J.O., Nelson, J., Archuleta, S., Roberts, M.A., Cass, A., Paterson, D.L. and Foo, H., 2020. Effect of vancomycin or daptomycin with vs without an antistaphylococcal  $\beta$ -lactam on mortality, bacteremia, relapse, or treatment failure in patients with MRSA bacteremia: a randomized clinical trial. *Jama*, 323(6), pp.527-537.

UMARU, U.D., THE ROLE OF LEADERSHIP IN THE DEVELOPMENT OF NORTHERN REGION OF NIGERIA.

Voo, A.N.C., Lee, U.H.M.S., Ismail, A., Yazid, Z. and Ahmad, N.N., 2023. Person-Oriented Leadership Enhancing Employee Outcomes. *IPN JOURNAL OF RESEARCH AND PRACTICE IN PUBLIC SECTOR ACCOUNTING AND MANAGEMENT*, 8(1), pp.103-120.

Vuong, T.D.N. and Nguyen, L.T., 2022. The key strategies for measuring employee performance in companies: a systematic review. *Sustainability*, 14(21), p.14017.

Waseem, S.N., Frooghi, R. and Afshan, S., 2013. Impact of human resource management practices on teachers' performance: A mediating role of monitoring practices. *Journal of Education and Social Sciences*, 1(2), pp.31-55.

Wheeler, L., 2008. Kurt Lewin. *Social and personality psychology compass*, 2(4), pp.1638-1650.

Win, K.M. and Priyashantha, K.G., 2016. *The impact of leadership styles on employee performance: Analysis of the intervening effect of employee retention to the relationship of leadership styles and employee performance* (Master's thesis, Win, KM (Author)).

Yusuf, M.O., Muhammed, U.D. and Kazeem, A.O., 2014. Management of leadership style: An approach to organizational performance and effectiveness in Nigeria. *International Journal of Humanities Social Sciences and Education*, 1(2), pp.17-29

# Appendix

## The Researcher questionnaire

Addis Ababa University School of Commerce

Department of Business Leadership, Graduate class

Questionnaire for the effect of Leadership style on employee

Performance: the case of Coca-Cola Beverage Africa, Ethiopia (Addis  
Ababa Plant)

Dear Respondent,

My name is Genetu Degefu and I am enrolled in the Master of Business Leadership program at Addis Ababa University School of Commerce as a graduate student.

As part of my master's program in business leadership, I am conducting research for the partial fulfillment of my Master of Arts in Business Leadership on "The Effect of Leadership Style on Employee Performance in the Case of Coca-Cola Beverage Africa Ethiopia (Addis Ababa Plant)".

I am kindly requesting you allow me to take 15 minutes of your precious time to fill out the questionnaire, and I want to assure you that your response is completely confidential, and will be used exclusively for my academic purposes.

Thank you very much for your kind support

Sincerely yours

Genetu Degefu

0912084004

[genetufirnodgefu21@gmail.com](mailto:genetufirnodgefu21@gmail.com)

# General information of the respondent

Please place “√” of your choice in the box

## 1. Gender

Female

Male

## 2. Age

18-30

31-40

41-50

Above 50

## 3. Level of Education

High school

Diploma /level 3 or 4

First Degree

Masters & above

## 4. How long have you worked in Coca-Cola Beverage Africa, Ethiopia?

2-5 years

6-10 years

11-15 years

Above 16 years

## 5. Monthly income in Birr

Up to 20,000

20001-35,000

35,001-50,000

Above 50,001

6, Current position

- Officer
- Coordinator
- Specialist
- Managerial
- Electrical Specialis
- Controller
- Unit Leader
- Production Manager

Please kindly read the question carefully and place  ”√ “ on your choice of answer in the given box

Questionnaires for Democratic Leadership Style

N	Item	Stron gly Disag ree	Disagree	Neutral	Agree	Strongly Agree
1	<i>My leaders re-examine critical assumptions to question whether they are appropriate or not</i>					
2	<i>My leaders talk about the most important values and beliefs</i>					
3	<i>My leaders Seek different perspectives when solving problems</i>					
4	<i>My leaders Instill pride in me for being associated with him/her</i>					
5	<i>My leaders specify the importance of having a strong sense of purpose</i>					

6	<i>My leaders Spend time teaching and coaching me</i>					
7	<i>My leaders make it clear what one can expect to receive when performance goals are Achieved</i>					
8	<i>My leaders treat me as an individual rather than just as a member of a group</i>					
9	<i>My leaders consider the moral and ethical consequences of decisions</i>					
10	<i>My leaders keep track of all mistakes</i>					
11	<i>My leaders direct my attention toward failures to meet standards</i>					
12	<i>My leaders get me to look at problems from many different angles</i>					
13	<i>My leaders suggest new ways of looking at how to complete assignments</i>					
14	<i>My leaders delay responding to urgent Questions</i>					

### Laissez-faire Leadership Style

NO	Item	Strongly	Disagree	Neutral	Agree	Strongly Agree
----	------	----------	----------	---------	-------	----------------

		Disagree				
1	My leader avoids getting involved when important issues arise					
2	My leader is absent when needed					
3	My leader considers me as having different needs, abilities, and aspirations from others					
4	My leader emphasizes the importance of having a collective sense of mission.					

### Questionnaires for Autocratic Leadership Style

N O	Item	Strong ly Disagr ee	Disagr ee	Neutral	Agree	Strong ly Agree
1	<i>My leaders Provide me with assistance in exchange for my efforts</i>					
2	<i>My leaders fail to interfere until problems become serious</i>					
3	<i>My leaders focus attention on irregularities, mistakes, exceptions, and deviations from standards</i>					
4	<i>My leaders wait for things to go wrong before taking action</i>					
5	<i>My leaders talk enthusiastically about what needs to be accomplished</i>					
6	<i>My leaders show that he/she is a firm believer</i>					
7	<i>My leaders go beyond self-interest for the good of the group</i>					

8	<i>My leaders demonstrate that problems must become chronic before taking action</i>					
9	<i>My leaders act in ways that build my respect</i>					
10	<i>My leaders concentrate his/her full attention on dealing with mistakes complaints, and failures</i>					
11	<i>My leaders display a sense of power and confidence</i>					
12	<i>My leaders articulate a compelling vision of the future</i>					
13	<i>My leaders avoid making decisions.</i>					

### Questionnaires to measure employee performance

N O	Item	Strongly Disagree	Disagree	Neutral	Agree	Strongly Disagree
1	My leaders discuss specific terms Responsible for achieving performance targets					
2	My leaders Express satisfaction when I meet the expectation					
3	My leader recognize my performance					
4	My leaders reward me for exceeding my performance					
5	I do my job independently (without waiting for specific instructions from my supervisor)					
6	I always try to reach the company's expected target for performance					

7	My leaders evaluate the performance fairly					
8	My leaders give me appropriate feedback					
9	I have the ability and willingness to work in collaboration with others					
10	I am comfortable approaching my leaders.					
11	I perform well in my overall job by carrying out tasks as expected					

Would you like to add anything about your leader's behavior and its impacts on employee performance that you have observed so far in Coca-Cola Beverage Africa Ethiopia?

---



---



---

Thank you so much!