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ADDIS ABABA UNIVERSITY
COLLEGE OF SCHOOL OF COMMERCE
BUSINESS LEADERSHIP PROGRAM

**THE ROLE OF LEADERSHIP STYLE ON IMPLEMENTING
ORGANIZATIONAL CHANGE: THE CASE OF CBE**

A Final project Submitted to Addis Ababa University School of Commerce, in
Partial fulfilment of the Requirements for the Master's Degree in Business
Leadership program

By: Ataklti Abraha

Advisor: Wubshet Bekalu (PhD)

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Declaration

I, Ataklti Abraha, hereby declare that the final project entitled “the role of Leadership style on implementing organizational change, the case of CBE” is originated from my own effort. All sources and materials used for the study have been duly acknowledged. This study is offered for the partial fulfilment of the requirements for the Master’s degree in Business Leadership Program and has not been submitted for any degree in this University or any other University.

Name: Ataklti Abraha

Signature: _____

Date:

Letter of certification

This is to certify that this final project entitled as “The role of leadership style on implementing organizational change: the case of CBE”, is done by Ataklti Abraha, is an authentic work carried out by him under my supervision. This work is original in nature and it is sufficient for submission for the partial fulfilment for the requirements of the award of Masters of Art in Business Leadership.

Advisor’s Name: Wubshet Bekalu (PhD).

Signature: _____

Date: _____

Approved by Board of Examiners

Wubshet Bekalu (PhD) Signature: _____ Date: _____
Advisor

_____ Signature _____ Date _____
Internal Examiner

_____ Signature _____ Date _____
External Examiner

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Acronyms

CBE Commercial Bank of Ethiopia

SAAD South Addis Ababa District

BM Branch Manager

MBB Manager Branch Business

MBO Manager Branch Operation

MBC Manager Branch Control

CSM-service Customer Service Manager

CSM-sales Customer Sales Manager

PhD Doctor of Philosophy

EDRMS Electronic Data Management System

ANOVA – Analysis of variance

SPAA- Statistical Package for Social Science

SD- Strongly Disagree

D-Disagree

N-Neutral

A-Agree

SA-Strongly Agree

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Abstract

The research paper was aimed to determine the role of leadership style on implementing organizational change in the commercial bank of Ethiopia 20 SAAD branches, consisting 100 samples of management and subordinates, which were selected using random sampling technique. Questionnaires were distributed to 100 branch management and subordinates representing an average of 5 from each branch. Of the 100 respondents 81 respondents appropriately responded to the questionnaires. The data collected was analyzed based on the 81 responses using SPSS 20 software package. Descriptive statistics and explanatory approach was applied. All outputs of the study were presented using frequency, mean, correlation and linear regression analysis. The results showed that transactional leadership style was widely observed practice. The effectiveness of the organizational change implementation appeared to be at medium level. The relationship of the leadership styles and organizational change implementation has been found negative according the test made. The study recommended that the bank should use Kurt Lewin's three stage model (unfreezing, changing and refreezing) for effective change implementation process. Unfreezing is expected to solve employee readiness at initial stage. Refreezing is recommended to guarantee sustained change by accommodating transactional and transformational leadership styles for the change to be institutionalized and go beyond the short term. Additionally, participative and multidirectional communication, and creating awareness about the need for the change, reaching at common understanding at the very beginning is also recommended for successful change implementation process.

Key words: Leadership, leadership style, change, change implementation

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CHAPTER ONE

Introduction

This chapter is comprised of background of the study, background of the organization, statement of the problem, research questions, research objectives, significance of the study, scope of the study, limitation of the study, organization of the study and definition of the key terms. These all above mentioned issues are covered in this chapter.

1.1. Background of the Study

Leadership is the process of influencing others to understand and agree about what needs to be done and how to do it and the process of facilitating individual and collective efforts to accomplish shared objectives (Gary Yukl, 2013)

Leadership is an incredibly complex and varied topic, encompassing everything from interpersonal relationships to corporate strategy. (Murray Hiebert & Bruce Klatt, the Encyclopedia of Leadership 2001).

Leadership theory evolved in this direction over the course of the twentieth century. Leadership scholars moved from the “great man theory” (which implied that leaders were born, not made) in the early 1900s to a more comprehensive view of leadership that took into account the interactions between the task, the leader, and relationships with followers. Add to this the impact of the sociocultural dynamics at work within the organization and within the business environment before determining which leadership style(s) fits best. It is commonly thought today that enlightened leaders are participative, encouraging, and focused on the development of their people. However, there may well be circumstances where that set of leadership practices would not be the most appropriate. (Peter A. Topping, 2002).

Leadership is about vision, big picture views, and coping with change. Part of the reason leadership has become so important in recent years is that the business world has become more global, more competitive and more volatile. As a result, the old way of doing things just isn't sufficient. Doing what was done yesterday, or doing it five percent better, is no longer a formula for success. Major changes in organizational design, structure and leadership are becoming

essential for survival in this new environment. Thus coping with organizational change demands effective leadership (David I. Bertocci, 2009).

Organization scholars have been interested in determining how the approach used to implement change affects the success of the effort. It is likely that the outcome will depend in part on what is changed, how and when the change is implemented. (Gary Yukl,2013). The study is believed to assess the Role of the leadership style to implement change in CBE to bring success and competitive advantage.

According David R. Kolzow, The mainly mentioned leadership styles are charismatic leadership, transactional leadership, transformational leadership, servant leadership and situational leadership style. These leadership styles have their own distinctive features and means of application. This study is to be made to assess the role of leadership styles while implementing change in Commercial bank of Ethiopia.

1.2. Background of the Organization

The history of the Commercial Bank of Ethiopia (CBE) dates back to the establishment of the State Bank of Ethiopia in 1942.CBE was legally established as a share company in 1963. In 1974, CBE merged with the privately owned Addis Ababa Bank. Since then, it has been playing significant roles in the developments of the country. Currently CBE has more than 22 million account holders and the number of Mobile and Internet Banking users also reached more than 2.5 million as of June 30th 2019. Active ATM card holders reached more than 8 million. (CBE.portal)

Talking of change background in Commercial Bank of Ethiopia, in recent years some changes have been introduced in to the organization among these changes; external management succession plan were introduced 5 years ago which resulted in heavy resistance from the internal employees who claimed they deserved the position. This has led to further court cases among the bank and the claimant internal employees. The second change which raised a lot of complains was, the launching of the EDRMS in 2018, due to its consistent errors on evaluating employee performance.

1.3. Statement of the Problem

Nowadays, competition in the banking industry is becoming very stiff. As a result rapid change is needed to survive as well as to win over competitors in the industry. Leadership style also has a role on implement these changes in the intended way.

The bank has gone through considerable change resistance signs like; resistance during the implementation of the new banking structure and external management succession pool program. This kind of problems needs to be specified for effective future change implementation process.

Sheldon Levy (2011) has mentioned the main obstacles experienced during major organizational changes as; employee resistance, communication breakdown, insufficient time devoted to training, staff turnover during transition and cost exceeded budget. So, since there is little study done in the banks change implementation it's important to assess where the bank faces difficulty while implementing organizational change and the role of leadership style on implementing organizational change successfully.

Studies done at the global and regional level mostly has focused on change management practices. At a national level it is very rare even to find studies which are made on the role of leadership style in the banking industry. Having said this, the researcher has done his study focusing on the role of leadership style on implementing organizational change.

1.4. Research Questions

1. What are the dominant styles of leadership in CBE
2. What is the level of effectiveness of change implementation in CBE
3. What is the relationship between the leadership style and change implementation in CBE
4. How does leadership style affect change implementation?

1.5. Research Objectives

1.5.1. General Research Objective

General objective of the study is to assess the role of leadership style on implementing Organizational change.

1.5.2. Specific Research Objective

- To determine the dominant leadership styles in CBE.
- To assess the level of change implementation effectiveness in CBE.
- To see the relationship between the leadership style and change implementation.
- To assess how the leadership style affect change implementation.

1.6. Significance of the Study

The study is believed to solve problems related with change implementation in commercial bank of Ethiopia. The researcher believes the bank will able to find out reasons for the failure and success of the change implementation and learn the best practice for future change implementation scenarios. Also, the findings are believed to be helpful as an input for future leadership practices for better success of the bank. Additionally, it might be usefully for future studies of the Bank as an input. The significance of the study, as an initiating work for further studies, to the field of leadership practice on implementing organizational change is also believed to have its own share as an input for the field of business leadership. This is also believed to contribute for the new business leadership program of school of commerce as an addition to the literatures done under the program.

1.7. Scope of the Study

The scope of the study is limited to the role of leadership styles in change implementation practices. Former studies related to leadership styles and change implementation was included while conducting the study. The study was also limited to twenty branches consisting of different level managers, of respective branches under south Addis Ababa district to collect the pertinent data needed to undertake the study.

1.8. Limitation of the Study

The study was constrained to collect data from all the branches under the district due to financial constraints and time inconvenience. This has affected the generalization of the study due to the limited numbers of samples used.

1.9. Definition of key Terms

Leadership- leadership is about aligning people with the vision, inspiring them, motivating them influencing and providing effective communication. (Darryl Plecas et al, 2018).

Leadership style- leadership style is a way of interacting with and influencing others. (Stephen J. Skripak, 2016)

Change implementation process- change implementation process is defined by Paula Alsher (2017) as a requirement for moving the practical application in to realities of the change management process.

1.10. Organization of the Study

The study is organized in to five chapters. The first chapter consists background of the study, background of the organization, statement of the problem, research objective, research questions, significance of the study, scope of the study, limitation of the study, organization of the study and definition of terms. The second chapter is literature review which covers literatures on different features of leadership styles, long existed theories and contemporary leadership practices. Literatures on reasons for change, challenges of change, process of change and frameworks of change is also included in this chapter. The third chapter deals with the research methodology which includes collection, analysis and interpretation of data. Data presentation and discussion is presented on chapter four. The final chapter contains conclusion and recommendations of the study.

CHAPTER TWO

Review of related Literature

Introduction

The literature review is designed to illustrate the different leadership style, discussed by the previous researchers and theorists. In this chapter, the researcher has reviewed the past literatures and has confined to develop his own contextual framework for the further study.

2.1. The concept of leadership

Leadership is the ability of an individual to influence, motivate, and enable others to contribute toward the effectiveness and success of the organization. Gary Yukl (2013). According to H. Mansaray (2019), leadership is a social influence process in which the leader seeks the voluntary participation of subordinates in an effort to reach organization goals'. Also according to Northouse, (2004), leadership is a process by which individual put influence on the group of individuals for the attainment of one common goal. John storey (2004) has described Leadership as the process by which individuals' effectiveness is increased, while at the same time maintaining, if not increasing, motivation, job-related satisfaction and other forms of psychological well-being.

These definitions has implied us leadership consists; influence, motivation, subordinates willingness and goal to be achieved mainly. Wasim Abbas and Imran Asghar, 2010, has explained The leadership of an organization as an ability of management to get and protect the company benefits by realizing employees need and company targets and bringing them together to work in a better environment to achieve the common goals. This definition presents leadership at organizational level.

2.2. Leadership styles

Wikipedia defines leadership style in a way that a leader's method of providing direction, implementing plans and motivating people. Leadership style is the manner and approach of providing direction, motivating people and achieving objectives. They are behavioural manifestations that leaders use when working with others. Nan jundeswaras wamy and Swamy (2014), define Leadership style is the relatively consistent pattern of behavior that characterizes a leader. According to James Manktelow (2011), the main leadership styles has mentioned as; transactional leadership transformational leadership and laissez-faire leadership style.

2.2.1. Transformational Leadership style

Transformational leadership style concentrates on the development of followers as well as their needs. Managers with transformational leadership style concentrate on the growth and development of value system of employees, their inspirational level and moralities with the preamble of their abilities. N. J. wamy and Swamy (2014). Transformational leadership can be defined as the process of influencing major changes in attitude, beliefs, and values of followers to point where the goals of an organization and the vision of the leader are internalized and followers achieve performances beyond expectations. Rui Gomes (2014).

Transformational leadership is defined as a leadership approach that causes change in individuals and social systems. In its ideal form, it creates valuable and positive change in the followers with the end goal of developing followers into leaders. Nancy Charlotte Roberts (2018).

Transformational leadership is a leadership style that seeks positive transformations “in those who follow” and that achieves desired changes through the “strategy and structure” of the organization (Geib & Swenson, 2013).

Elements of transformational leadership

There are four unique and integrating behavioural components or characteristics of transformational leadership namely; Idealized influence (II), Inspirational motivation (IM), Intellectual stimulation (IS) and Individual consideration (IC). They are also known as the four I's of transformational leadership. Gonfa, Arabian J Bus Mang Review (2019)

a. Idealized influence: According to J.L. Smikle (2010) the leader uses this skill to build confidence in themselves and the organization. This extends to building confidence in the organization's mission and vision.

A transformational leader's behaviour becomes a role model for employees through exemplary behaviour that installs pride and trust among followers. Because followers trust and respect the leader, they try to emulate this individual and personally adopt his or her ideals. David R. Kolzow (2014).

Idealized influence refers to leaders who act as solid role models for their followers due to their extraordinary capabilities and high doctrines of ethical conduct. Manjurul Hossain Reza (2019).

Under idealized influence behavior, transformational leaders are goal-oriented, and they encourage the completion of work based on a collective sense of beliefs, values, purpose, and mission (Agyemang. F.G, H. Boateng H. & Dzandu M.D (2017). The fundamental pointers of idealized influence are role-modelling, articulation and values-creation, providing sense of purpose, meaning, self-esteem, self-determination, emotional control and confidence in followers. (Zakeer A. K., & A. N. Irfanullah Khan 2016)

b. Inspirational motivation: According to Joanne L. Smikle (2010), Inspirational motivation involves identifying successes, promoting collaboration, demonstrating optimism, enthusiasm and energy.

Inspirational motivation dimension bring into line individual and organizational goals, thus making the achievement of organizational goals an attractive means of achieving personal goals. (M. Hossain Reza 2019)

Inspirational motivation prompts followers to behave in a manner deemed acceptable and appropriate. This element seeks to build enthusiasm by creating meaningful challenges, promoting workforce cohesion and continuing to inspire confidence. Inspirational motivation involves identifying successes, promoting collaboration, demonstrating optimism, enthusiasm and energy. Joanne L. Smikle (2010).

c. Intellectual stimulation: Intellectual stimulation is the ability to accept different perspectives and stimulate thinking (Yasir et al. 2016). Transformational leaders stimulate

their supporters, efforts to be innovative and creative by questioning expectations, reframing difficulties, and imminent new idea (M. Hossain Reza 2019).

Hassan Elsan Mansaray (2019) also puts Intellectual stimulation as an element where leaders stimulate the employees to ask questions and to solve old problems in new ways.

The leader promotes their followers' innovation and creativity by questioning established assumptions, reframing extant problems, and approaching old problems in new ways. In this way, the leader encourages creativity and does not use public criticism to respond to individual followers' mistakes Rui Gomes (2014).

a. Individualized consideration: Individualized consideration compresses with the transformational leadership behaviors of leaders who use this style of leadership show consideration for their followers' needs and are prepared to encourage the development of appropriate work place behavior (Manjurul Hossain Reza,2019).Individualized consideration is the degree to which a leader pays personal attention and encourages employees (Bass, 1985; Bass, 1990). Agyemang, F. G., et. al (2017).

b.

Individualized consideration recognizes differences among people in their strengths and weaknesses, likes and Dislikes (Md. Kamrul Hassan, 2019). These above mentioned elements of transformational leadership style were also being studied by (Dr.A.C. Kimeto and Prof.G.K. Chandaria, 2018) in the case of Commercial Banks of Kenya towards their role in triggering the commitment in bank. These all elements of transformational leadership style has been resulted in positive way towards the commitment in the Commercial Banks of Kenya.

2.2.2. Transactional leadership style

According to Gary Yukl (2013), Transactional leadership occurs when one person takes the initiative in making contact with others for the purpose of an exchange of something valued. It motivates followers by appealing to their self-interest and exchanging benefits. Transactional Behaviors are described by; contingent reward, active management by exception and passive management by exception. Transactional leadership relies more about "trades" between the leader and follower by which followers are compensated for meeting specific goals or performance criteria Nan jundes waras wamy T. S. and Swamy D. R, (2014).

The three transactional leadership factors are: contingent reward, active management by exception and passive management by exception. (Bandar Abutayeh et. al. 2016) Contingent reward is an exchange process between leader and followers in which effort by followers is exchanged for specified reward. Leaders with the active form of management by exception watch followers closely for mistakes then take corrective action. Leaders with the passive form of management by exception intervene only after standards haven't been met, (Majid Megheirkouni, 2018).

2.2.3. Laissez-faire leadership style

Gary Yukl (2013), defines laissez-faire leadership as passive indifference about the task and subordinates (e.g., ignoring problems, ignoring subordinate needs).

Laissez-faire leaders provide basic but minimal information and resources. Understanding of job requirements, policies, and procedures are generally exchanged from employee to employee. Gavriletea M.D. and Dean C.W. (2014). Laissez faire leadership style is a 'hands-off' management approach. It is exhibited when leaders totally leave managerial activities to their subordinates. In relation to change process, laissez-faire leaders try to avoid change and when change finally occurs they eschew their responsibilities. Such leaders are found to be away physically and emotionally from their followers. This kind of leadership style cannot bring expected positive result of handling change. Akintola Ismaila Akinbode, (2018).

2.3. The concepts of change

Change is an alteration of a company's strategy, organization or culture as a result of change in its environment, structure, technology or people. Prof. Dr. Olaf Passenheim,(2010).

2.3.1. Change management

We can define change management as when the organization decide to alter the present mode of business activities into a new one style or model to cope with rapid changes of the business world, but keep in mind the profit maximization factor, Muhammad Hashim (2013).

2.3.2 Reasons for change

According to Prof. Dr. Olaf Passenheim (2010), a complex structure like an organization is derived by external and internal factors in regard to the need for change. There are number of external forces that create the explicit need for change: market situation, technology, government laws and regulations and economics. On the other side, corporate strategy, work force, technology, equipment and employee attitude are deemed to be internal reasons.

2.3.3 Making change less threatening

A study by (Wustari L.H. et. al, 2015), has mentioned that leadership cannot have a positive impact on the readiness and commitment to change people's reaction to change by itself only. Furthermore, it also showed that the job satisfaction act as a mediator between change leadership and individual readiness for commitment to change. The leadership traits that are capable of fulfilling the satisfaction of the subordinates are believed to help make ready the subordinates for further change and lessen threat. While there are different forms of change management, one approach to implementing change that has been noted with consistency is to make the need for change understood and, thus, making change less threatening. This involves a six-step process:

1. Identify the need for change;
2. Identify the parties affected;
3. Communicate the need for change;
4. Solicit comments;
5. Develop the plan for change; and
6. Monitor the change and adjust as required. (David I. Bertocci, 2009)

In the context of Ethiopian commercial banking sector, Getahun M. and Aynalem B. (2016) in their study have discussed points to check to reduce possible resistance to change in the industry.

The issues to check have been listed as;

- If the motive is Non-profit to the extent it controls the organizational power it is not the time to initiate the change.

- If the performance pressures triggering the change is not significantly perceived, formal initiation should be preceded by creating awareness.
- If there is no competitive pressure to trigger the change, it's not the time to initiate the change until the owner of the change accept the organizational change as their agenda
- If the reason for initiating the change is not aligned to the interest of the stakeholders, implementing the change will suffer from lack of commitment.

2.4. Models of change

2.4.1. Lewin's model of organizational change

Lewin's model provides a general framework for understanding organizational change. He viewed this change process as consisting of the following three steps, which are;

Step1. Unfreezing. This step usually involves reducing those forces maintaining the organization's behavior at its present level. Unfreezing is sometimes accomplished through a process of "psychological disconfirmation." By introducing information that shows discrepancies between behaviors desired by organization members and those behaviors currently exhibited, members can be motivated to engage in change activities.

Step2. Moving. This step shifts the behavior of the organization, department, or individual to a new level. It involves intervening in the system to develop new behaviors, values, and attitudes through changes in organizational structures and processes.

Step.3. Refreezing. This step stabilizes the organization at a new state of equilibrium. It is frequently accomplished through the use of supporting mechanisms that reinforce the new organizational state, such as organizational culture, rewards, and structures.

2.4.2. Kotters 8 step model

The following are the eight stages that's are suggested by Kotter during change process.

1. Establishing sense of urgency
2. Forming a guiding coalition of stakeholders
3. Creating a vision
4. Communicating the vision
5. Empowering people to act
6. Planning and implementing quick wins
7. Consolidate improvements and make further change
8. Institutionalizing the change

2.4.3. ADKAR model to change

The Prosci ADKAR model was created in 1998 by Prosci Jeff Hiatt to guide individual and organizational change. ADKAR model drives powerful results by supporting individual changes to achieve organizational success. The model offers a structured approach to insure that the individual experiencing change moves through the five phases necessary to make overall change successful. (PROSCI INC.)

According to Sarah Walu Onya (2018), the acronym ADKAR five steps must be achieved by individuals in order for change to be successful:

Awareness of the need for change

Desire to support the change

Knowledge of how to change

Ability to demonstrate new skills and behaviors

Reinforcement to make then change

2.5. Change implementation

Paula Alsher in her article, implementing a new change management process (2017), discussed Change implementation requires change management process which is moving to the realities of implementing the practical application.

An article, in journal of Oncology practice (2010) has presented the following points on how to implement change;

- 1. Communicate** to implement the change communicating who what where why and how of the change.
- 2. Foster a team culture** in the organizations.
- 3. Identify and empower champions** that can lead their peers in that effort
- 4. Provide feedback and positive reinforcement** following the effort of individual to make a difference.

2.6. Empirical review of studies

2.6.1. Laissez faire leadership style and change implementation

According to Muhammad Yasir et. al. (2016) the top management, while going through the change phase, needs to avoid the laissez-faire leadership style, and focus more on the transformational leadership behavior with a complementing role of transactional leadership behavior to the extent of rewarding employees' efforts for successfully managing the change phase.

H₀: Laissez faire leadership style is negatively related to successful change implementation

2.6.2. Transactional leadership style and change implementation

Transactional leadership is suggested to have positive influence in giving incentives and rewards about goals. Transactional leaders can support in controlling and monitoring the work. (Nikolaos Loulas, 2014). As described here, transactional leadership is believed to be final result oriented.

Steven H. A. et. al. (2015), in their study, have summarized that varying degrees of transactional, transformational and change-oriented leadership are the key to successfully implement sustainable organizational change. Transactional leadership actively reinforces positive behavior through contingent reward, maintaining control over ongoing performance output, acting as organizational support over the short and medium term. Transformational leadership, on the other hand, establishes a foundation for successful organizational change, by setting up a predisposition for adoption in the form of organizational readiness – the transformational mindset acts as the basis for long term, organizational growth. Finally, to effectively and successfully implement transformation, change oriented leadership must provide the interface between transformational leadership and the application of transactional leadership within the context of a change process.

H1: Transaction leadership style is related to successful change implementation process.

2.6.3. Transformational leadership and change management

According to a study conducted by (Anni Mäkitalo, 2017) in the context of Finland's banking industry, transformational leadership got the highest rate of favored practice in the (80%) of response. The employees viewed transformational features the most truthful for their situation. The role of transformational leadership style for further strategic actions is believed to be helpful accordingly.

Thus, managers in organizations involved in change should focus on providing vision and a sense of mission for change, giving personal attention to their followers and gaining their respect and trust.

In the study by Atif Al Qura'an (2016), there are hypothesis claiming there is a positive impact of transformational leadership dimensions (idealized influence, inspirational motivation, intellectual stimulation, individualized consideration and empowerment) on structural, technological and people change. The results have shown that transformational leadership dimensions are affecting organizational change management at the structural , technological and people level at Jordan Ahli Bank from the branches managers perspective , also the results have shown that the transformational leadership dimensions (idealized influence , inspirational motivation ,

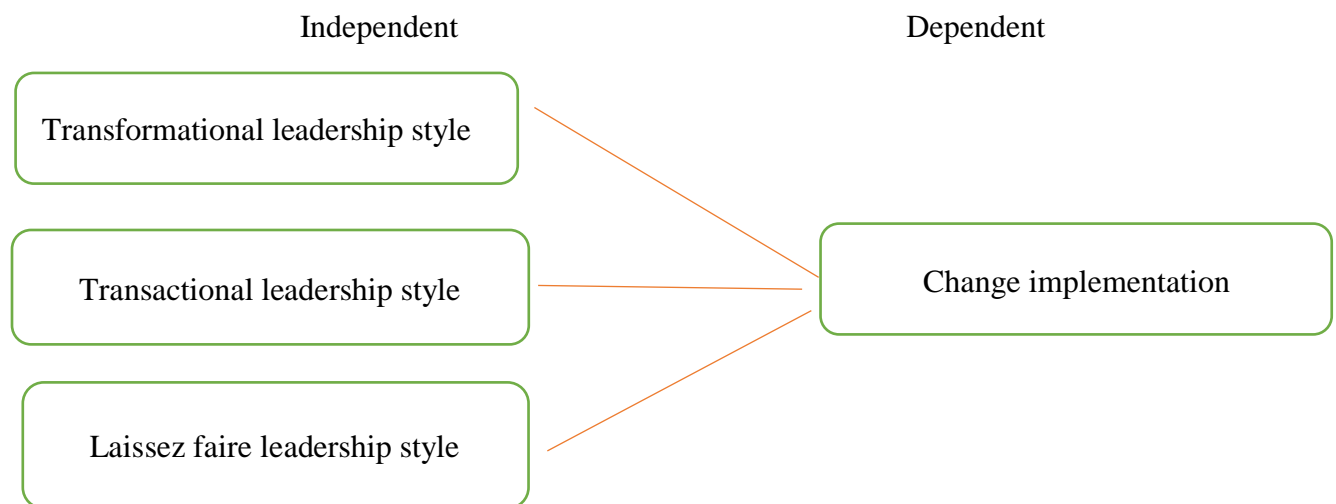
intellectual stimulation , individualized consideration and empowerment) are applied in a high level at the branches managers of Jordan Ahli Bank.

H2: Transformational leadership style is positively related to successful change implementation process.

2.7. Conceptual model

The conceptual model shows the independent and dependent variables. The independent variables are transformational leadership, transactional leadership and laissez faire leadership styles while the dependent variable is change implementation.

Figure1: Conceptual framework



CHAPTER THREE

Introduction

This chapter contains major components of the methodology which are categorized as; research design and approach, study variables, study area and target population, sampling method and sample size, data collection, data analysis, reliability, validity and ethical consideration. Research methodology is a systematic way to solve a problem. It is a science of studying how research is to be carried out. Essentially, the procedures by which researchers go about their work of describing, explaining and predicting phenomena are called research methodology. S. Rajasekar, P. Philominathan, V. Chinnathambi (2013).

This is a set of systematic technique used in research. This simply means a guide to research and how it is conducted. It describes and analysis methods, throws more light on their limitations and resources, clarify their pre- suppositions and consequences, relating their potentialities to the twilight zone at the frontiers of knowledge. (Chinelo Igwenagu 2016).

3.1. Research design and approach

The researcher has opted to use explanatory research design to explain the link between the role of the leadership style and change implementation. The study has also used quantitative research approach for the sake of diminishing the occurrence of biasedness.

3.2. Study variables

The relationship of the variables is categorized as dependent and independent variables. Dependent variable of the study is change implementation while the independent variable are the three leadership styles which are; transactional leadership style, transformational leadership style and laissez faire leadership style.

3.3. Study area and target population

The study was conducted on branches which are found under southern Addis Ababa district of the commercial bank of Ethiopia. The population of the study is limited to twenty branches which containing total of one hundred respondents of commercial bank of Ethiopia (CBE) which are found in southern Addis Ababa district.

The target population of the study are the branch managers and their subordinates working in branches which are namely Hanna Mariam branch, Hanna sefera branch, Hanna tena tabiya branch, 58 mazoriya branch, kotari Condominium branch, Adey Ababa branch, Saris Abo branch, Abo mazoriya branch, Nifas Silk branch, Saris branch, Saris Addis Sefer branch, Lebu branch, Lebu Varnero branch, Ertu Lebu branch, Furi branch, Lafto branch, Jemu branch, Mekanisa branch, Gofa Mazoriya branch and Kadisco branch.

3.4. Sampling method and sample size

Average of five management and subordinates member were taken as a sample from each branch who are assigned as BM, MBS, MBO, MBC, CSM- sales and CSM- service positions of the branches. Designed questionnaires were distributed to one hundred respondents who were branch managers and their subordinates working in the branch.

3.5. Data collection

Both primary and secondary data was collected to undertake the study. Primary data was collected from selected twenty branches of south Addis Ababa district sample of CBE management and subordinate staffs through questionnaire. Secondary data was collected through books and journals for most of the issues.

3.6. Data analysis

The data collected from participated respondents, by the means of questionnaire, was summarized, checked for any errors and omissions, coded, tabulated qualitatively and quantitatively. The demographic features of the respondents were presented using descriptive

statistics to make the analysis more meaningful, clear and easy to interpret. The dominant leadership style and the effectiveness of the change also has been presented in descriptive way. Statistical Package for Social Sciences (SPSS Version 20) was used to analyse the study statistically. Regression model has been also used to analyse the presented data.

3.7. Reliability and validity analysis

Reliability refers to consistency in its findings when used repeatedly and validity in the broader sense refers to the ability of a research instrument to demonstrate that it is finding out what you designed it to. Ranjit Kumar (2011).

Table: 1 Cronbach's Alpha (reliability test)

Itemes	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
Laissez faire leadership style indicators	0.871	0.905	5
Transformational leadership style indictors	0.952	0.958	6
Transactional leadership indicators	0.945	0.949	5
Change implementtion Process Indicators	0.980	0.982	9

Cronbach's alpha values range from 0.87 to 0.98, as seen in table: 1 When the value of the alpha coefficient is greater than 0.7, the result for each subscale utilized in the study has shown adequate internal consistency or reliability, and is therefore trustworthy to measure.

3.8. Ethical consideration

While undertaking the study the researcher considered ethical issues regarding privacy and confidentiality of the participants by clearly stating the usage of the responses would be only for research purposes and would be held confidential.

CHAPTER FOUR

Data Analysis, Results and Discussion

Introduction

This chapter involves data analysis, results and discussions of findings. The study has been carried to assess the role of leadership style on implementing Organizational change at Commercial Bank of Ethiopia (CBE), particularly focusing on selected south Addis Ababa district branches. A total of 100 questionnaires were prepared and distributed to respondents. From the distributed 100 questionnaires 81, which accounts about 81 percent, were able to be collected and qualified for farther process for the study. The data collected from respondents through self-administered questionnaire was summarized, checked for any errors and omissions, coded, tabulated and analyzed qualitatively and quantitatively. Descriptive results, using frequency tables and percent were presented for qualitative variables, and numerical results such as means and standard deviations for the Likert-scale variables were presented. These descriptive results help to identify the dominant styles of leadership and indicate the level of effectiveness of change implementation in CBE. The relationship between the leadership style and change implementation is analyzed using simple linear regression. The study was also statistically analysed using the Statistical Package for Social Sciences (SPSS Version 20).

4.1. Descriptive Data Analysis

4.1.1 Summary Statistics for qualitative Variables

Demographic data usually represents the selected characteristics of the respondents or study participants. Sex, age compositions and level of education of the respondents in CBE is presented in Table 1.

Table 1: Demographic data (Gender, Age group, and Level of Education) of the Respondents

Respondents Characteristics	Categories	Frequency	Percent
Gender	F	34	42.0
	M	47	58.0
Age	20 to 30 years	3	3.7
	31 to 40 years	46	56.8
	41 to 50 years	25	30.9
	51 to 60 years	7	8.6
Level of Education	BA	28	34.6
	MA	53	65.4
Total		81	100

Gender composition shows that out of the total respondents, 47 (58%) are males and 34 (42%) are females. The age distribution of the respondents indicate that the majority of the respondents are in the age of 31 to 40 (56.8%) followed by the ages from 41 to 50 (30.9%). Regarding the level of education, the majority of the participants of the study are MA degree holders which accounts about 65.4% and the remaining 34.6% are BA degree holders (See Table 1).

Table 2: Reliability Statistics Leadership Style Indicators

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.975	0.978	16

Cronbach's alpha measures the reliability of research tools among the indicators in the Likert scales analysis. For this study the Alpha coefficient for the overall scale calculated as a reliability indicator is 0.975. The values of Cronbach's alpha more than 0.7 is good and thus alpha value in this study is far more than 0.7 and, therefore it had very good reliability of the questionnaires for the Leadership Style Indicators (See Table 2).

Table 3: Reliability Statistics change process

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.980	0.982	9

For this study the Alpha coefficient for the overall scale calculated as a reliability indicator is 0.982. The values of Cronbach's alpha more than 0.7 is good and thus, the alpha value in this study is far more than 0.7 and which indicates very good reliability for the questionnaires for Level of effectiveness of change process (See Table 3).

Table 4: Summary of styles of leadership and Level of effectiveness of change process in CBE

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Leadership Style Indicators	81	1.375	4.563	3.13657	.796177
Change Process Indicators	81	1.222	5.000	3.50892	1.005673
Valid N (listwise)	81				

The overall summary statistics of Leadership Style Indicators and change implementation Process Indicators is presented in Table 4. The average level of agreement on leadership styles is 3.13 with standard deviations of 0.796. This result implies that there is little agreement on opinions regarding the leadership styles indicators which shows the indicators of laissez faire leadership, nearly medium agreement on transformational leadership indicators and great extent of agreement on the indicators of transactional leadership indicators. Similarly the average change implementation Process Indicators is about 3.51 with standard deviation of 1.0. This result reveals that the workers encountered the change implementation process to very great extent.

Table 5: Summary of Leadership Style Indicators

Indicators (Items)	Mean	Std. Deviation	Level of agreement	Rank
The management is physically distant from its subordinates	1.17	0.380	low	16
The management is passive.	1.41	0.628	low	15
Enough information and resources are provided for subordinates in the bank.	3.89	0.822	high	5
The management ignores any problems and subordinates.	2.75	1.189	medium	11
The bank management ideally influences its subordinates.	2.64	1.052	medium	12
The top management disseminates collective sense of purpose, value and mission.	3.79	0.932	high	7

The bank management consider individual development of subordinates.	3.60	1.169	high	8
The management is able to inspire subordinates.	3.16	1.123	medium	10
The bank gives big emphasis in subordinate career development.	3.81	0.989	high	6
The top management allow subordinates to participate in decision making process.	3.26	1.160	medium	9
The top management wages punishment on subordinates for not achieving its target.	4.05	0.907	high	3
The management provides reward to subordinates in exchange for achieving their target.	4.05	0.835	high	3
Commercial bank of Ethiopia follows specific leadership style.	4.06	1.029	high	2
The bank management apply laissez faire leadership style.	1.89	0.474	low	14
The bank management apply transactional leadership style.	4.14	0.720	high	1
The bank management apply transformational leadership style.	2.51	1.050	medium	13
Overall Statistics	3.137	0.960	medium	

The summaries of leadership styles indicators are given Table 5. According to the results, the overall level of agreements in various practices in the Bank has the average of 3.1 with the highest mean being 4.1, and lowest 1.2, and their standard deviation were 0.72 and 0.38 accordingly. The overall level of agreement is medium from the respondents' perspectives. There are high level of practices in transaction leadership application, following specific leadership style, the applying punishments on failure to target achievement and rewards on target achievement. Moreover, the managements are working closely and actively with their subordinates which is not among the aspects of laissez faire leadership style.

Table 6: Summary of Change Process Indicators

Indicators (Items)	Mean	Std. Deviation	extent change process indicators	Rank
To what extent does the bank hold discussions with subordinates about the considered change?	2.90	1.271	Moderate	9
The bank create enough agreement on the necessity of the change?	3.04	1.269	Moderate	8
To what extent does the bank dedicate resources that are necessary to the change?	3.88	0.927	Great extent	3
How satisfactory is the change follow up by the management?	3.56	1.118	Great extent	4
Timely assessments about the change is made	4.12	0.857	Great extent	2
To what extent does the management provided feedback about the change?	3.65	1.131	Great extent	5
How extent are efforts made to institutionalize change in the bank?	2.73	1.204	Moderate	10
To what extent do you believe the change implementation of CBE is effective?	3.47	1.026	Moderate	7
To what extent do you think leadership style and change implementation are related.	4.23	0.841	Great extent	1
Overall Statistics	3.509	0.283	Great extent	6

Table 6 describes the results generated for **change process indicators** in which the mean is 3.51 with standard deviations of 0.283, and the highest mean being 4.23 and lowest 2.73, and their standard deviations were 0.841 and 1.2 accordingly. The overall extent of practices is great from the respondents' perspectives. Specially, the respondents think leadership style and change implementation are related in great extent. Making timely assessment about the change and the dedication of resources to the change is very great. However, the bank lacks the effort towards institutionalizing the changes due to frequent changes and also makes little discussion about the changes considered which complies specifically with transactional leadership trends.

4.2 Regression and Correlation Analysis

4.2.1 Regression Analysis

4.2.1.1 Assumptions Diagnostics

As mentioned in the methodology part of this study, as far as the assumptions of classical linear regression model hold true, the coefficient estimators of both α (constant term) and β (independent variables) that are determined by ordinary least square (OLS) will have a number of desirable properties, and usually known as Best Linear Unbiased Estimators (BLUE). Hence, the following section discusses results of the diagnostic tests such as linearity, normality heteroscedasticity, autocorrelation and multicollinearity etc. that ensure whether the data satisfies the basic assumptions of classical linear regression model or not. We employ plots and some descriptive values to complete the model diagnostics.

Normality test is the test that assures whether the errors are normally distributed or not. From the Normal PP- plot below, the residuals points follow the straight dashed line on the plot which indicates the residuals are normally distributed. Besides, the same plot also shows that the assumption of linear relationship between the dependent and independent variables. (See Figure 2).

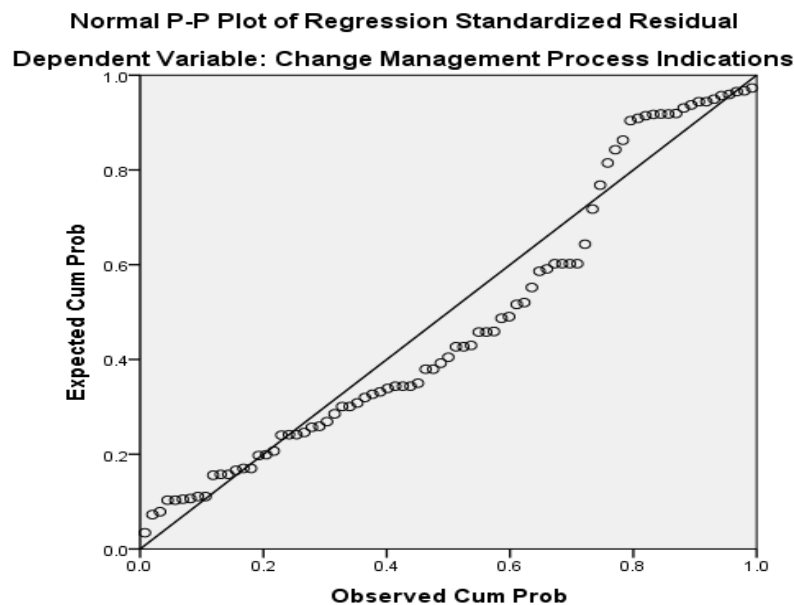


Figure 2: Normal PP- Plots

i) **Heteroscedasticity** test is very important because if the model consists of heteroscedasticity problem, the OLS estimators are no longer BEST and error variances are incorrect, therefore the hypothesis testing, standard error and confident level will be invalid. In order to check the assumption of homoscedasticity, a scatterplot of standardized predicted value (ZPRED) on the x-axis and the standardized residuals on the y-axis (ZRESID) is generated.

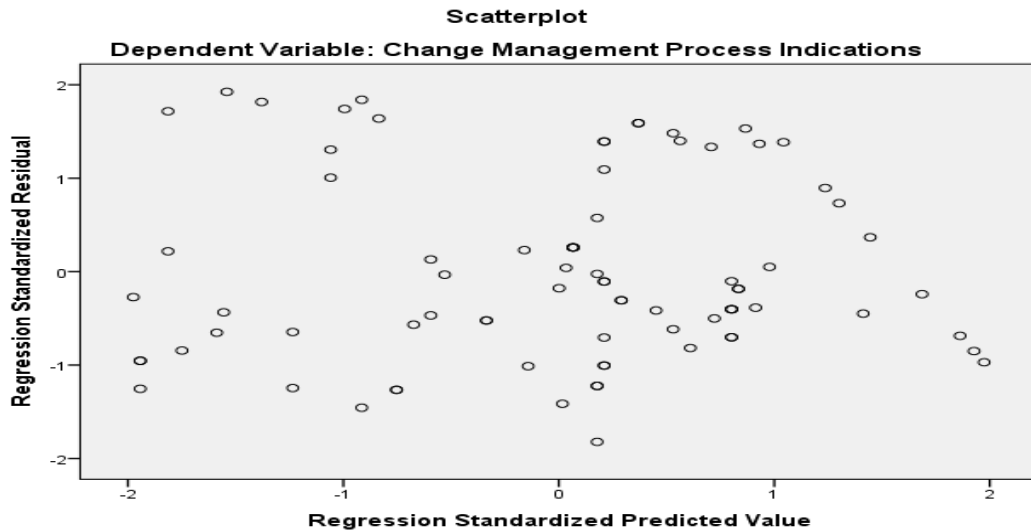


Figure 3: Scatter plots

The scatter plot does not have an obvious pattern, there are points (randomly) equally distributed above and below zero on the X-axis, and to the left and right of zero on the Y-axis. Therefore, it can be concluded that there is no evidence for the presence of heteroscedasticity.

ii) **Multicollinearity** will occur if some or all of the independent variables are highly correlated with one another. It shows the regression model has difficulty in explaining which independent variables are affecting the dependent variable. Therefore, we need to tests for the multicollinearity using VIF (variance inflation factor).

Variables	VIF
Laissez faire leadership style indicators	8.918
Transformational leadership style indicators	15.659
Transactional leadership indicators	7.684

Table 7 : Multicollinearity Test

The VIF results are less than 10 except for Transformational leadership style indicators which require some corrections (See Table 7).

iii) Autocorrelations test: The Durbin Watson error autocorrelation test, D-W statistic ranges from from 0 to 4 and as a rule of thumb, the test statistic value in the range of 1.5 to 2.5 are relatively normal. In this case, DW statistics which equal to 2.590 suggests for some autocorrelation but not that much affecting the results.

4.2.1.2 Regression Results

The assessment of the relationship between the leadership styles and change process has been determined. The leadership style has been categorized in to three components namely; Laissez faire leadership style indicators, Transformational leadership style indicators and Transactional leadership indicators. These three indicators are considered as independent variables and the change implementation as dependent variable. The results are displayed as follows.

Table 8: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	-0.932 ^a	0.869	0.864	0.37077
a. Predictors: (Constant), Leadership Style Indicators (Laissez faire, Transformational and Transactional)				

The adjusted coefficient of determination, $R^2 = 0.864$ shows that about 86 percent of change implementation process is explained by leadership styles indicators such as Laissez faire, Transformational and Transactional (See Table 8).

Table 9: ANOVA Table

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	70.325	3	23.442	170.521	0.000 ^b
	Residual	10.585	77	0.137		
	Total	80.910	80			
a. Dependent Variable: Change Process Indications						
b. Predictors: (Constant), Leadership Style Indicators (Laissez faire, Transformational and Transactional)						

The regression model fits the adequately well ($F(3, 77) = 170.521, p < 0.0001$), which implies the model is a good fit (See Table 9).

Table 10: Parameter Estimates (Coefficients)

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Pearson's Correlation
	B	Std. Error	Beta			
(Constant)	7.001	0.173		40.389	0.000	
Laissez faire leadership style indicators	-0.756	0.202	-0.461	-3.747	0.000	-0.917
Transformational leadership style indicators	-0.373	0.171	-0.356	-2.183	0.032	-0.918
Transactional leadership indicators	-0.151	0.127	-0.137	-1.197	0.235	-0.874

a. Dependent Variable: Change process Indications

Table 10 shows the parameter estimates of the regression of leadership style indicators on change process. Clearly, there is highly significant effect of Laissez faire and Transformational leadership styles on change implementation process with $t = -3.747$, $p < 0.0001$ and $t = -2.183$, $p = 0.032$ respectively at 5% level of significance. However, Transactional leadership style has no significant effect on change implementation process ($t = -1.197$, $p = 0.235$). On the other hand, Pearson's correlation coefficient of Laissez faire and change implementation process is -0.917, Pearson's correlation coefficient Transformational leadership and change implementation process is -0.918 and Pearson's correlation coefficient Transactional leadership and change implementation process is -0.874 which indicate a strong negative relationship. The fitted model is given as;

Change implementation Process Indications = 7-0.756* Laissez faire Leadership Style-0.373*Transformational Leadership Style-0.151*Transactional Leadership Style, where the value 7 is the intercept and -0.756, -0.373 and -0.151 are coefficients of the Laissez faire, Transformational and Transactional Leadership Styles, respectively. This implies that Laissez faire leadership style declines the change implementation process practices by a factor of 0.756, Transformational on the other hand declines the change implementation process practices by a factor of 0.373.

4.2.1 Correlation Analysis

On the other hand, Pearson's correlation coefficients of change implementation process and Laissez faire, Transformational leadership and Transactional leadership are generated along with its significance levels (Table 11).

Table 11: Correlation Results

		Change implementation Process Indications	Laissez faire leadership style indicators	Transformational leadership style indicators	Transactional leadership indicators
Change implementation Process Indications	Pearson Correlation	1	-0.917**	-0.918**	-0.874**
	Sig. (2-tailed)		.000	.000	.000
	N	81	81	81	81
**. Correlation is significant at the 0.01 level (2-tailed).					

At 1% level of significance, change implementation process is highly significantly related with laissez faire leadership style ($r = -0.917$, $p < 0.0001$). The change implementation process is also highly significantly related with transformational leadership style ($r = -0.918$, $p < 0.0001$). Similarly, change implementation process is highly significantly related with transactional leadership ($r = -0.874$, $p < 0.0001$). The values of Pearson correlation coefficient indicate that there is a strong negative relationship between change implementation process and laissez faire leadership style, transformational leadership style and transactional leadership.

4.2. Hypothesis testing

4.2.1. Laissez faire leadership style indicators

According to table 11 Pearson's correlation coefficient of Laissez faire and change implementation process is -0.917. This indicates the relationship between laissez faire leadership style and organizational change implementation process is strongly negative. So, laissez faire

leadership style and successful organizational change implementation process are not positively related.

4.2.2. Transformational leadership style indicators

Pearson's correlation coefficient on Transformational leadership and change implementation process is -0.918 and this shows there is strong negative relationship between transformational leadership style and successful organizational change implementation process.

4.2.3. Transactional leadership style indicators

Table 11 also shows Pearson's correlation coefficient of Transactional leadership and change implementation process is -0.874 which indicate negative relationship between transactional leadership indicators and successful organizational change implementation process.

4.3. Summary Result of Hypothesis testing

Table 12: Summary Result of Hypothesis testing result

Hypothesis	
H0: Laissez faire leadership style is negatively related to successful change implementation	Accepted
H1: Transaction leadership style is positively related to successful change implementation.	Not supported
H2: Transformational leadership style is positively related to successful change implementation.	Not supported

4.3.1. Summary

The chapter has discussed the data that is gathered from the respondents covering three categories which are; personal background, leadership styles indicator part and the change implementation process part. These three parts has provided the study important elements and discussions of the findings were analysed. In the study Pearson correlation coefficient and linear regression were used to check the relationship between variables. As per the finding, transformational leadership style is negatively related to the organizational change implementation. Laissez faire leadership style is also negatively related to organizational change implementation. Thirdly, transactional leadership style is found negatively related to organizational change implantation too.

CHAPTER FIVE

Summary, Conclusion and Recommendations

5.1. Summary

Objective of the study was to assess the role of leadership style on implementing organizational change in the south Addis Ababa district branches by assessing the leadership style and change implementation indicators experienced in the bank. Assessing the effectiveness of change implementation process, determining relationship between leadership style and change implementation process and how the leadership style affect the change implementation was also the objectives of this study.

Five point Likert scales were used for measuring and defining the descriptive statistics result. Accordingly, based on the percentage analysis result most of the respondents were strongly agreed that transactional leadership style indicated were broadly seen in the banks practice. 1.3 was the mean value for the laissez faire indicators. The grand mean for transformational leadership style is 3.4 which indicate respondents were agreed about the presence of the indicators. The grand total mean for transactional leadership indicators was found to be 4.1 which show higher level of agreements by the respondents.

The result of correlation coefficient indicated that laissez faire, transformational and transactional leadership styles are negatively related to the successful organizational change implementation process.

5.2. Conclusion

The finding shows that transactional leadership style was applied in the organizations change process and the effectiveness of the organizational change implementation process was concluded as a moderate. As it is revealed in the study, laissez faire leadership style is totally practiced in a very low occasions. Next to transactional leadership style it was asserted that transformational leadership style was also indicated in the leadership practice of the organization.

Finally we can see that the three leadership styles were negatively correlated to the successful organizational change implementation in the bank. The institutionalization of the change in the banks' process has been mentioned as weak. Following this, the effectiveness of the change process has been deemed to be not more than moderate.

5.3. Recommendation

Based on the above findings, to get most out of the organizational change implementation process, the researcher recommends the following points. Among the mentioned theories of change the researcher recommends the Commercial bank of Ethiopia to use the Kurt Lewin's three stage model of change consisting: unfreezing, moving (changing) and refreezing.

First, the bank should create enough awareness and agreement on the change to be practiced by bank. This effort of creating common understanding grants the process unlimited and honest contribution. This can be reached by applying the first stage of kurt Lewin's model. As a leadership style transactional leadership has been mentioned as dominantly practiced. As mentioned in the literature part, this type of leadership is comprised of reward and punishments. So, this might bring success in to a single transaction of a short term job but to institutionalize (which can be realized by the third stage of Kurt Lewin's change implementation process, refreezing the change.) the change, the bank should accompany the process with elements of transformational leadership practices.

The transactional leadership style is not participative and the study has shown that the subordinates are somehow ignored. Solving this by creating multidirectional communication channel and feedback is also believed to have a great role on institutionalizing the change for complete success.

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Appendix I.
Addis Ababa University
School of Commerce

Department of Business Leadership

Questionnaire for branch management and subordinates of Commercial Bank of Ethiopia

The main purpose of this questionnaire is to address questions for the research on “**the role of leadership style on organizational change implementation the case of CBE**”. So, I kindly request your time and honest cooperation by answering the questions. The information gathered will only be used for research purpose.

Section I: Personal information of respondent

1. Name of the respondent (optional): _____
2. Gender: Male [] Female []
3. Age:
 - 25 – 30 years []
 - 31 – 40 years []
 - 41 – 50 years []
 - Over 50 years []
4. Level of Education:
 - First University degree []
 - Post graduate degree/diploma []
 - Others specify _____
6. How long have you been in your current position?
 - Less than 5 years []
 - 5 – 7 years []
 - 8 – 10 years []
 - Above 10 years []

Section II: leadership style indicators

To what degree is your agreement to the following practices in your bank management leadership? Rate on a 5 – point scale, where

- 1 = strongly agree
- 2 = agree
- 3 = neutral
- 4 = disagree
- 5 = strongly disagree

Leadership style indicators	1	2	3	4	5
The management is physically distant from its subordinates.					
The management is passive.					
Enough information and resources are provided for subordinates in the bank.					
The management ignores any problems and subordinates.					
The bank management ideally influences its subordinates.					
The top management disseminates collective sense of purpose, value and mission.					
The bank management consider individual development of subordinates.					
The management is able to inspire subordinates.					
The bank gives big emphasis in subordinate career development.					
The top management allow subordinates to participate in decision making process.					
The top management wages punishment on subordinates for not achieving its target.					
The management provides reward to subordinates in exchange for achieving their target.					
Commercial bank of Ethiopia follows specific leadership style.					
The bank management apply laissez faire leadership style.					
The bank management apply transactional leadership style.					
The bank management apply transformational leadership style.					

Section III: change process indications

To what extent do you encounter each of the following change implementation? Rate on a 5 – point scale, where

- 1 = Not at all
- 2 = little extent
- 3 = Moderate extent
- 4 = Great extent
- 5 = Very great extent

Change process indicators					
To what extent does the bank hold discussions with subordinates about the considered change?					
The bank create enough agreement on the necessity of the change?					
To what extent does the bank dedicate resources that are necessary to the change?					
How satisfactory is the change follow up by the management?					
Timely assessments about the change was made					
To what extent does the management provided feedback about the change?					
How hard are efforts made to institutionalize the change?					
To what extent is the change implementation of CBE effective?					
To what extent are leadership style and change implementation related.					

Appendix II

Gender, Age group, and Level of Education of the Respondents			
Respondents Characteristics	Categories	Frequency	Percent
Gender	F	34	42.0
	M	47	58.0
Age	20 to 30 years	3	3.7
	31 to 40 years	46	56.8
	41 to 50 years	25	30.9
	51 to 60 years	7	8.6
Level of Education	BA	28	34.6
	MA	53	65.4
Total		81	100

Reliability Statistics Leadership Style Indicators		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.975	0.978	16

Summary of styles of leadership and Level of effectiveness of change implementation in CBE					
Variables	N	Minimum	Maximum	Mean	Std. Deviation
Leadership Style Indicators	81	1.375	4.563	3.13657	.796177
Change Process Indicators	81	1.222	5.000	3.50892	1.005673
Valid N (listwise)	81				

Summary of Leadership Style Indicators				
Indicators (Items)	Mean	Std. Deviation	Level of agreement	Rank
The management is physically distant from its subordinates	1.17	0.380	low	16
The management is passive.	1.41	0.628	low	15
Enough information and resources are provided for subordinates in the bank.	3.89	0.822	high	5
The management ignores any problems and subordinates.	2.75	1.189	medium	11

The bank management ideally influences its subordinates.	2.64	1.052	medium	12
The top management disseminates collective sense of purpose, value and mission.	3.79	0.932	high	7
The bank management consider individual development of subordinates.	3.60	1.169	high	8
The management is able to inspire subordinates.	3.16	1.123	medium	10
The bank gives big emphasis in subordinate career development.	3.81	0.989	high	6
The top management allow subordinates to participate in decision making process.	3.26	1.160	medium	9
The top management wages punishment on subordinates for not achieving its target.	4.05	0.907	high	3
The management provides reward to subordinates in exchange for achieving their target.	4.05	0.835	high	3
Commercial bank of Ethiopia follows specific leadership style.	4.06	1.029	high	2
The bank management apply laissez faire leadership style.	1.89	0.474	low	14
The bank management apply transactional leadership style.	4.14	0.720	high	1
The bank management apply transformational leadership style.	2.51	1.050	medium	13
Overall Statistics	3.137	0.960	medium	

Summary of change implementation Process Indicators				
Indicators (Items)	Mean	Std. Deviation	extent change implementation indicators	Rank
To what extent does the bank hold discussions with subordinates about the considered change?	2.90	1.271	Moderate	9
The bank create enough agreement on the necessity of the change?	3.04	1.269	Moderate	8
To what extent does the bank dedicate resources that are necessary to the change?	3.88	0.927	Great extent	3
How satisfactory is the change follow up by the management?	3.56	1.118	Great extent	4
Timely assessments about the change is made	4.12	0.857	Great extent	2

To what extent does the management provided feedback about the change?	3.65	1.131	Great extent	5
How extent are efforts made to institutionalize change in the bank?	2.73	1.204	Moderate	10
To what extent do you believe the change implementation of CBE is effective?	3.47	1.026	Moderate	7
To what extent do you think leadership style and change implementation are related.	4.23	0.841	Great extent	1
Overall Statistics	3.509	0.283	Great extent	6

Regression and correlation				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	-0.932 ^a	0.869	0.864	0.37077
a. Predictors: (Constant), Leadership Style Indicators (Laissez faire, Transformational and Transactional)				

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	70.325	3	23.442	170.521	0.000 ^b
	Residual	10.585	77	0.137		
	Total	80.910	80			
a. Dependent Variable: Change Process Indications						
b. Predictors: (Constant), Leadership Style Indicators (Laissez faire, Transformational and Transactional)						

Parameter Estimates (Coefficients)						
Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Pearson's Correlation
	B	Std. Error	Beta			
(Constant)	7.001	0.173		40.389	0.000	
Laissez faire leadership style indicators	-0.756	0.202	-0.461	-3.747	0.000	-0.917
Transformational leadership style indicators	-0.373	0.171	-0.356	-2.183	0.032	-0.918
Transactional leadership indicators	-0.151	0.127	-0.137	-1.197	0.235	-0.874
a. Dependent Variable: Change Process Indications						

Summary Result of Hypothesis testing result	
Hypothesis	
H1: Transformational leadership style is positively related to successful change implementation.	Not supported
H2: Transaction leadership style is positively related to successful change implementation.	Not supported
H3: Laissez faire leadership style is negatively related to successful change implementation	Accepted