



ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

SCHOOL OF COMMERCE

**THE EFFECT OF LEADERSHIP STYLE ON
ORGANIZATIONAL PERFORMANCE: The Case of National
Oil Ethiopia PLC. NOC**

BY

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June 2022

ADDIS ABABA, ETHIOPIA

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**The Effect of Leadership Style on Organizational Performance: The
Case of National Oil Ethiopia PLC. NOC**

**A Project Work submitted to Addis Ababa University School of Commerce in partial
fulfillment of the requirements for the degree of Masters of Arts in Business Leadership**

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June 2022
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STATEMENT OF DECLARATION

I, the undersigned, Ali Endrise hereby declare that this research project entitled, “The Effect of Leadership Style on Organizational Performance: The Case of National Oil Ethiopia PLC. NOC”, submitted by me with the follow up and support of my advisor, for the award of Master of Arts Degree in Business Leadership is my original work. All parties involved in support of this project are fully acknowledged and the project has not been presented for the award of any other degrees, diploma, fellowship or any other similar titles of any other university or institutions.

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STATEMENT OF CERTIFICATION

This is to certify that Ali Endrise carried out this research project work on the topic entitled “The Effect of Leadership Style on Organizational Performance: The Case of National Oil Ethiopia PLC., NOC.” under my supervision. This work is original in nature and it is sufficient for submission for the partial fulfillment for the award of Degree of Master of Arts in Business Leadership.

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**The Effect of Leadership Style on Organizational Performance: The
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ACKNOWLEDGMENT

In the name of Allah, the Most Gracious, the Most Merciful. All Praise be to Allah, Lord of the Universe. As always, am lucky to have such an understanding and supportive family counting from my mother on up to my kids these days.

I would like to express my gratitude to my advisor Dr. Seifu Mamo (PhD) for guiding me in such a way that made me understand, with proper hard work, commitment and detailed knowledge, the sky is the limit. I was lucky to have you as an advisor.

I would also like to thank, the employees including the leadership team at the head office of National Oil Ethiopia PLC. NOC for being cooperative and quick respondents particularly during my quantitative and qualitative data collection period which helped me in effectively utilizing the time I have for this project. Ermias B, Thanks.

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ACRONYMS

NOC -----National Oil Ethiopia PLC.

CEO -----Chief Executive Officer

LT -----Leadership Team

CEM-----Construction and Engineering Manager

HRM -----Human Resource Manager

SPSS -----Statistical Package for Social Sciences

CM ----- Commercial Manager

RBM -----Retail Business Manager

LM ----- Logistics Manager

IV ----- Independent Variables

DV----- Dependent Variables

ABSTRACT

*The main objective of the study is to investigate the effect of leadership style on organizational performance in the case of NOC. The study applied descriptive research design to identify and evaluate the relationship between leadership style and organizational performance. Both quantitative and qualitative research approaches were used to collect data through the utilization of a questionnaire in the form of Likert scale and open ended questions for an interview. A total of 165 questionnaires were distributed at head office NOC to respondents and 160 of them were collected back. The finding of the study revealed that participative, transformational and transactional leadership styles had strong influence on organizational performance while laissez-faire leadership style and autocratic leadership style had low role in influencing organizational performance. With Results from Pearson's Product Moment Correlation Coefficient, there existed positive significant correlation between organizational performance and transformative leadership, with the level of correlation ($R=.737^{**}$), Autocratic leadership ($R=.492^{**}$), transactional leadership ($R=.667^{**}$), laissez-faire leadership ($R=.369^{**}$), and participative leadership ($R=.392^{**}$) are all rising in popularity. Therefore based on the finding, the researcher recommends, the management of NOC to focus on encouraging self-management, initiate the ability to take the right risks, motivate employee to make difficult decisions by their own, share collective organizational consciousness. Furthermore the management of NOC should develop the qualities that elicit the desired performance from the team by motivating them externally, being practical, soften resistant to change by fair and reasonable reward, by also discouraging independent thinking, rewarding performers that are performance oriented.*

Keywords: Participative leadership style, autocratic leadership style, transformational leadership style, transactional leadership style, laissez-faire leadership style and organizational performance.

CHAPTER ONE

1. INTRODUCTION

Here in under Chapter 1, the research addresses the overall background of the topic, the research objectives, and the gaps it would fill. Moreover, this chapter outlines the background of the research, the problem statement, the profile of the company under consideration, research questions to address the problem in context, the aims or objectives of the study alongside its significance, scope, limitation, structure, and the meaning of keywords.

1.1 Background of the Study

The award-winning author, in his book, *Leadership*, describes leadership as one of the most observed but least understood phenomena in the world (James, 1978). The word leadership has been used to describe people and situations at various levels in contexts of history, military, politics and religion. Anthropological evidence suggests that, there are no known human societies without some form of leadership (Boehm, et al., 1999; 1997; 1974). An organization being a group of people who work together, with the purpose of achieving objectives, the concept of leadership and styles plays a vital role for its performance and achievement.

According to (Keys & Thomas, 2020), Leadership is the art of persuading and encouraging people to work energetically toward a common goal. Leadership may also be thought of as a method for people to bring out the best in themselves and others. The concept of leadership has developed over time, with current leadership styles borrowing one or more characteristics from their forefathers.

Various leadership styles had been recognized by scholars, According to (Van Ahmad F. Arham, 2018) an effective leadership style influences change and creates the impetus for transformation. Leadership is viewed as one of the fundamental drivers of organizational success for both now and the future. Therefore, the role of a leader and the leadership style being used is pivotal to organizational success and performance in the current climate.

According to (Abeh, 2016) organizations are being faced with competitive landscapes shaped by globalization, technology, economy and politics. The world of business is constantly faced with challenges by the external environment, demand for increased participation and competition.

(Basit, 2017) emphasized the need for a manager to find his/her leadership style, It asserted that leadership style is one of the most important factors that impact the performance of a given organization and that researchers who attempt to examine organizational performance should look into this construct. Moreover, leadership is known to play a critical role in causing changes necessary for effective management. Leaders must have an ability to transform organizations through their vision forth future and by clarifying their vision they can empower the employees to take responsibility for achieving that vision (Hirpa, 2020).

Organizational performance is measured for different levels of hierarchy and can be assessed for individuals, groups, and the entire organization as a whole. He also explained that, leadership is an influence relationship among leaders and followers who intend real changes and reflect their mutual purpose. Some scholars define leadership as an important weapon for organizations to achieve their goals.

According to 2021 (Chen, n.d.) A person's, a group of people's, or an object's performance can be defined as how well they do a task or activity. Performance can be conceptualized at several levels of study in organizational research. Indeed, with the correct leadership style, leadership directs the company and its members toward the attainment of goals, as well as ensuring that both the organization and its personnel succeed and grow economically. Yaseen (2016) Point out the relationship of leadership and organizational performance. He remarked that the role of leadership is critically important for an organization to achieve a high level of performance.

Nowadays, every organization needs a suitable leadership style matching the dynamic change in business environments that have become more customer focused. A leader's style and effectiveness ensure that organizational objectives will be attained as per the vision and missions of the company (Bakani, 2016).

(Megerssa, 2021) Recommended for the organization to use the autocratic leadership styles in clerical departments, the democratic leadership for brainstorming idea sessions, and the laissez-faire leadership for the Real Estate sector in the organization.

As most of the previous researches in the subject matter, the leadership styles considered were limited to only three. On this project, the researcher expanded the styles to five to have a better insight and output for the Ethiopian oil industry.

From most of the above empirical research findings, the researcher was able to identify that,

leaders should be concise and clear about their leadership style rather than inconsistent. Even when the leader is following two, three or four leadership styles at a time, it should be able to be assessed so that the decision for which style should be more used shall be clearly witnessed for better organizational performance. Accordingly, this research will investigate the effects of several leadership styles namely authoritarian leadership, participative leadership, laissez-faire leadership, transactional leadership and transformational leadership by taking the of NOC and how using all or some styles at the same time at different level of leadership in the organization will impact the performance of the organization at industry level and hence, having a constructive output for Ethiopian petroleum industry in general as the particular organization being considered is a major market share holder in Ethiopian oil and petroleum industry.

1.2 Profile of the Company

The organization the researcher used for this study is NOC, which is the first indigenous major oil marketer of petroleum products with a wide network of modern service stations strategically located across the country. NOC continuously strive to improve product and service offerings and expand business operations in Ethiopia and other countries in Africa.

Since its inception in April 2004, NOC has seen a steady increase in the selling of petroleum products in the country. The incredible successes of NOC over the last few years are a testament to the firm's enthusiasm and devotion, and they show that the organization is gathering traction for future expansion. NOC distributes Chevron-Caltex Lubricants, one of the world's leading lubricant brands, and has a significant market position in Ethiopia's oil industry, supplying over 100 different lubricant grades for industrial and automotive uses. In addition, NOC markets other Petroleum products such as Bitumen, LPG, Petcock and Chemicals. NOC business units are organized to deliver products & services in the most cost effective and efficient manner. In homes or businesses, on the highway or in air, NOC deliver solutions to keep customers going.

NOC attract, maintain and develop competent and capable professional leaders and experts with business acumen who continually strive to delight their customers. The company gives due attention to develop and maintain effective workforce who possess essential skills and competencies. Over 90% of its staff members are University Graduates in the fields of Business Management, Marketing, Accounting, and Civil, Mechanical and Petroleum Engineering. NOC maintain an

organizational structure that ensures accountability, innovation, creativity and risk-taking contributing to the attainment of overall company objectives.

And yet, the leadership style at various levels of NOC's structure from each member of the LT like that of CEM, CM and RBM sectors needs further research as it seems like those sections did not find a well-fitting leadership style yet. In other words, the very good performance of the organization is almost fully CEO driven.

As the oil industry is a very sensitive sector herein Ethiopia, the direct relation between leadership style and organizational performance in NOC is sometimes found a mystery and further research is frequently needed as often transactional leadership style solutions are not being the problem solvers for various business scenarios as it was seen over the past five years, the transformation style of leadership was giving a more better one. None the less, the autocratic leadership style was also found to be the ultimate solution on some of the tough situations where the company's leadership quality and style was tested the most. In all aspects, this research will try to fill the gap on previous researches where companies like NOC would have a wisely fitting in leadership style for the better organizational performance in all aspects by correlating and analyzing the relation between the dependent variable, in this case, organizational performance with that of the independent variables which are the autocratic, participative, laissez-faire, transformational and transactional leadership styles.

1.3 Statement of the Problem

Understanding of personal leadership style has been shown to be a key part of effective leadership practice. It has been a topic of interest for many decades as we have tried to understand, and replicate, what makes those considered to be 'great leaders' so successful.

According to Obiwuru, Okwu, Akpa, and Nwankwere (2011), one of the reasons for the link between leadership style and organizational success is that it needs innovation-driven competitiveness in today's concentrated and dynamic market, as well as the creative destruction of decreasing profit and competencies. Here, the researcher attempts to provide a quick overview of various leadership styles and their impact on organizational performance. Understanding the various leadership styles can help leaders become more effective by understanding how and why they do what they do, as well as identifying where and when they need to change their style. It is feasible to demonstrate how good leadership is not related to a single technique by studying how

our concept of leadership has changed. It's a mix of knowledge, attitudes, and actions centered on the task at hand as well as concern for the people doing it. The charismatic, and at the same time both transformational and transactional leadership style of NOCs' CEO, seems to be working well over the past 15 years as it can be seen, that the back bone for this very good organizational performance over the decade in NOC is the CEOs' leadership style.

Most studies have focused on organizational performance as a whole dependent variable and the leadership styles as independent variables considering the most common Lewin 3 leadership styles only by focusing mostly on the financial aspects.

Here under, the researcher will try to be more inclusive on the major existing leadership styles by focusing mainly on organizational success in all aspects of the performance that is sales, finance, achievement and contribution to the country development with this study investigating whether leadership styles as independent variables namely transactional, transformational, democratic, autocratic and laissez faire are related with organizational performance as a dependent variable with the specific case of NOC.

1.4 Research Questions

1. What is the effect of autocratic leadership style on performance in NOC?
2. What is the effect of participative leadership style on performance in NOC?
3. What is the effect of laissez-faire leadership style on performance in NOC?
4. What is the effect of transactional leadership style on performance in NOC?
5. What is the effect of transformational leadership style on performance in NOC?

1.5 Objectives of the Study

1.5.1 General Objective of the Study

This study's primary goal is to examine the effects of leadership styles on organizational performance by taking the case of NOC.

1.5.2 Specific Objectives of the Study

1. To determine the relationship of autocratic leadership style on organizational performance in NOC.

2. To measure the relationship of participative leadership style on organizational performance in NOC.
3. To determine the relationship of laissez-faire leadership style on organizational performance in NOC.
4. To measure the relationship of transactional leadership style on organizational performance in NOC.
5. To investigate the relationship of transformational leadership style on organizational performance in NOC.

1.6 Research Hypothesis

H1: Transformational leadership styles have statically significance effect on organizational performance.

H2: Transactional leadership styles have statically significance effect on organizational performance.

H3: Laissez faire leadership styles have statically significance effect on organizational performance.

H4: Authoritarian leadership styles have statically significance effect on organizational performance.

H5: Participative leadership styles have statically significance effect on organizational performance.

1.7 Significance of the Study

This study will contribute firstly in helping forthcoming academics, educators, and academicians to fully understand the impact and influence of various leadership styles on organizations' performance and complementing the existing findings on the matter. In addition, it will offer NOC a set of recommendations to enhance the company. It will further support NOC in improving leadership initiatives taken up by its different managers in acquiring applicable leadership skills for successful organizational success ant in enhancing its LT team.

1.8 Scope of the Study

Conceptually this study is delimited to only five leadership styles. These are autocratic, participative, laissez-faire, transactional & transformational and their effects on organizational performance aspect through the case of NOC. Methodologically the study is demarcated only the use of Cross-sectional data and its approach comprises two approaches, quantitative approach to identify the relationship between leadership styles and organizational performance using both primary and secondary data. Geographically, the study focused on the Head Office of NOC.

1.9 Limitations of the Study

Basically the research is done by a student researcher who lacks full experts in research. None the less, the researcher tried to fill such gap by taking the constructive and expert based advice from his advisor and other experts on the area. As the nature of the questionnaire is one that is Likert scale its advantageous in ways of not being time-consuming however respondents tended to sometimes agree to the statement also known as acquiescence bias. Moreover, as the study solely focuses on only one company this limits the generalizability of its findings. In addition, in light of financial costs, the research focus was only on the Head Office of NOC. In order to handle this gaps open ended questions were articulated to capture the full idea of participants and the comments from the advisor were carefully digested.

1.10 Definition of Keywords

- **Leadership** is a tool necessary and critical to every company where employees will look up, learn, and thrive from their leaders that have their style of leading depending on their personality and situation they currently are in (Celestine Onyango, (2015).
- **Leadership style:** is a pattern of behavior that represents or reflects a leader. Leadership styles are a pattern that a leader uses to affect the conduct and direct his subordinates in encouraging them to achieve set forth goals ((Celestine Onyango, 2015).
- **Organizational Performance:** comprises the actual output or results of an organization as measured against its intended outputs (or goals and objectives).
- **Autocratic leadership:** is a leadership style characterized by individual control over all

decisions and little input from group members.

- **Transformational leadership:** is defined as a leadership approach that causes change in individuals and social systems. ZakeerA et al, (2016).
- **A Transactional leadership:** is someone who values order and structure. Leaders require rules and regulations to complete objectives on time or move people and supplies in an organized way Nongo, S (2015)
- **Participative leadership:** is a management style in which managers invite their whole team into most decision-making processes. Mohammed, and Wang, J (2018)
- **Laissez-Faire leadership:** don't micromanage or get too involved, it doesn't give too much instruction or guidance. Instead, laissez-faire leaders let their employees use their creativity, resources and experience to help them meet their goals. Ukaidi (2016)

1.11 Organization of the Study

This paper is divided into five sections. The first section looks at the background of the research, the profile of the company, the study's general and specific objectives, research questions, significance of the study, the scope of the study, limitations of the research, and definition of keywords. The second part of this study presents the theoretical framework, review of related literature, conceptual framework, and the hypotheses drawn from the empirical reviews. The third section of this research details the study's research approach that is what research methods, sampling procedures, and overall methodology were used. The fourth part consists of a full detailed analysis of the study variables presented in table format. The last section will finalize the study by presenting an overview of the findings, the conclusion made, recommendations to take, and the scope for further research.

CHAPTER TWO

2. REVIEW OF RELATED LITERATURES

2.1 Theoretical related literatures review

2.1.1 Definition of Leadership

According to (Ahmad, 2018) explanation as many people have attempted to define leadership, there are many distinct definitions. The attainment of a goal through the guidance of human associates is referred to as leadership. A leader is someone who can successfully direct his human subordinates to attain specific goals.

(Lynch, 2016) The attempt to control or coordinate specified tasks for members of a group is defined as leadership. He also stated that leadership is the process of organizing and influencing a group of individuals to attain a common goal. "When a person mobilizes institutional, political, psychological, and other resources to inspire, engage, and satisfy the objects of followers, this is called leadership."

(Irfanullh, 2016) Stated that one of the most observed and least understood phenomena on the planet is leadership. He also stated that leadership is exercised by a person who has specific tasks and task-oriented viewpoints, as well as serving as a critical function in interactions with other leaders, followers, and situations.

(Patterson, 2015) Have pointed out that leadership originated at the beginning of civilization. Different definitions of leadership exist; however, one aspect that has usually been found in all definitions of leadership is that it has to do with the capability of an individual to influence the actions of other individuals, who can be portrayed as followers.

(Ebrahim, 2018) Leadership was conceptualized from the standpoint of personality, implying that "leadership is a blend of distinctive features or attributes that an individual possesses." These characteristics enable that person to persuade others to complete duties. Other definitions of leadership include actions or behaviors taken by leaders to effect change in a group.

The researcher (Moges, 2015) claimed that leaders, despite their position within the organizational management, could affect organizational performance positively or negatively, depending on their styles of leading. If organizations have to achieve goals, leaders must find opportunities to fulfill

the goals. They also noted leadership is necessary for organizational success in the present and future. The purpose creates the need to understand and develop leadership competent of pushing the organization and its employees to the highest potential.

From an organizational perspective, (Chen & Sriphon, 2021) believed that leading is a technique for motivating and persuading others to work hard in order to achieve and support corporate objectives., while Hersey (2001) believed that leadership influences individuals' behavior based on both individuals' and organizational goals. He also characterized leadership as the capacity of a person to impact the conduct of a gathering to accomplish organizational objectives.

As indicated by (Irfanullh, 2016) the traits of leaders, the attributes of subordinates, and the organizational environment are the three factors that determine the type of leadership style. This environment includes authority structures, a hierarchical workplace, and work force management. They also mention authoritarian, bureaucratic, free enterprise, attractive, law-based participative, situational, transactional, and transformational leadership as examples of different leadership styles. They also claim that no leader can agree that a particular leadership style will result in the best sort of hierarchical behavior.

For diverse situations, different styles were required, and every leader was supposed to know when to use a given methodology. Because a leader may have the information and talents to respond effectively in one situation but not in another, no leadership style is perfect for every situation.

2.2 Types of Leadership Style

2.2.1 Autocratic Leadership Style

According to (Akor, 2014) an autocratic leader is someone who is aware of his position and has little faith in his subordinates. The autocratic leadership style is defined as one that relies heavily on direct command of followers to achieve goals; it closely monitors and evaluates individual performance.

(Dyczkowska & Dyczkowski, n.d.) (2018) also explain Autocratic leadership is defined as leadership in which the leader makes decisions on their own. This leadership style is characterized by stringent regulations, control mechanisms, and the maintenance of professional ties with followers. When there is a time limit, unskilled new followers, or workers expected to follow,

autocratic leadership can be effective.

According to (Abeh, 2016) A system of methods by which a person is guided by his or her own expertise, interests, and goals is known as authoritative leadership style. It is used to address current concerns and assumes a significant educational gap between a board and its employees, as well as workers' material motive.

The passivity of performers, fawning, servility, and self-isolation that come with forceful leadership styles are unavoidable. The amount of information that can be exchanged is limited. Individuals conceal their flaws and data gaps during the workflow. People falsify the true condition of affairs, resulting in a reduction in the quality of action. A narrow circle of suspicion and mutual dissatisfaction forms under authoritarian leadership.

Douglas McGregor's idea of "X" and "Y" provides a theoretical foundation for authoritative type. Because he or she speaks to laborers in incredulity, the first identifies a type of boss who uses directive tactics. This concept is based on the idea that employees are inert resources who exist just to carry out the boss's orders. The second allows wage employees a certain amount of freedom and independence, which is important for them to express their own creativity. (Aboshaiqah, 2015).

A visionary personality is suited to people who prefer to solve most problems on their own, without taking into account the opinions of others. Such tops, on the whole, vividly illustrate the company's future possibilities and precisely indicate how to get there. However, their categorical exuberance could stifle a team's activity.

The chief proceeds from the fact that he or she, unlike staff, has a great understanding and competence. The authoritative or autocratic leader is distinguished by a high level of consciousness, self-control, foresight, and ability to quickly resolve conflicts. However, the head of high qualification will aspire to shift a main burden of responsibility and actively intervene in all processes. Akin long-term aspirations may lead to overstretching of forces and creation of the syndrome of micro-management (Muenjohn & McMurray, 2016).

Laborers develop the practice of contacting their supervisor on a regular basis, demanding advice or directions. People strive to avoid being held accountable by wanting to be led. Most

importantly, they desire safety. Orders from above are seen either indifferently or with unfavorable concerns by employees. They are sometimes pleased with the boss's mistakes, seeing them as further validation of their hostile feelings against him or her. (Basit, 2017).

2.2.2 Participative Leadership Style

According to (Hassan, 2017) participative leadership style, it is a style including employees or subordinates in the decision-making process but with the leader making the final decision after communication with the group.

According to (Sriphon, 2021) explaining the participatory leader's role in decision-making aids both him and his team in sharing their investment in the outcome. While the leader has final authority on decisions, participative leadership traits involve team members exchanging their views and opinions among themselves. This fosters a sense of belonging to the group and encourages creativity.

(Jony, et al., 2019) According to the author, leaders that use this leadership style keep their followers informed about everything that influences their job and allow them to participate in decision-making. The participatory leader devises strategies to assist employees in setting goals and assessing their performance, as well as encouraging subordinates to grow and learn. When utilized with highly talented or experienced followers, especially when implementing operational changes or addressing individual or group difficulties, participatory leadership is most effective.

According to (Amin, 2019), more time is required for the process. Because it enables subordinates to share ideas and supports organizational learning, participative leadership makes a significant contribution to organizational and individual innovation and creativity. This leadership style is thought to empower and reward subordinates rather than punishing poor performance in order to push their subordinates to achieve their goals.

2.2.3 Laissez-Faire Leadership Style

According to (Mwombeki, 2017) the term reflects the depiction of a laissez-faire leader as one who avoids involvement when important issues arrive, is absent when needed, avoids making decisions, and delays responding to urgent questions.

In addition to the above (Nongo, 2015) a laissez-faire leader takes no accountability, defers

choices, and makes no effort to understand and meet the requirements of his or her followers. Because there is no mutual exchange or relationship between followers and leaders, this is a passive leadership style. This leadership style is defined by a general or aggregate inability to accept oversight responsibilities. Furthermore, it demonstrates a non-value-based leadership style in which there is no on-time and swift decision-making, action is delayed, administrative tasks are completely ignored, and power is exploited. This is a leader that is cruel to the success of his or her supporters at work. Administration shirking or non-attendance is well-known.

As per (Zakeer, 2016) laissez-faire In light of the majority of queries concerning leadership style, leadership style is simply the absence of actual leadership and is a latent and ineffective style.

As a result, laissez-faire is widely regarded as the most ineffective and inert government structure. This leader will abdicate the majority of his responsibilities and will not use his authority to oversee the group. Similarly, a laissez-faire leader demonstrates passive indifference, which is the ability to be moved by others for subordinates and the project. For example, the laissez-faire leaders are unconcerned about the wants and concerns of their supporters.

According to (Mohammed & Wang, 2018) The none-leadership dimension of transformational theory can be described as a laissez-faire approach in which leaders avoid getting engaged when major difficulties and concerns develop in the firm. Furthermore, they do not take urgent action to address those difficulties. In order to enhance the organization, the laissez-faire leader will withdraw from leadership and provide little help for subordinates.

This is the sort of leadership that, according to studies, results in the lowest levels of productivity among group members. Employees are delegated responsibility and decision-making in the laissez-faire leadership style. When a problem emerges, this type of leadership style allows the leaders to intervene only when necessary. Because its employees are expected to be seasoned experts, this leadership style does not exert any influence over them.

2.2.4 Transactional leadership

According to (Lynch, 2016) to get the task done, transactional leadership styles involve "transactions" between a leader and his or her followers, such as rewards, penalties, and other trades. The leader establishes clear objectives, and team members understand how they will be rewarded for their cooperation. This "give and take" leadership style is more concerned with

efficiently following established routines and procedures than with implementing significant organizational changes.

According to (Irfanullh, 2016) Transaction literally means "exchange" therefore, transactional leadership deals with the exchange between leader and followers. They also expressed that transactional leadership is a trade amongst followers and leaders coveted results by satisfying the leader's advantage and followers' desires, which includes guarantees or responsibilities inserted by appreciation and trust.

According to (Favour, 2016). Likewise characterizes transactional authority as leader inclination towards distinguishing proof of employees' needs and desires and obviously shows the approaches to satisfy these requirements in return for execution of employees. He also reported that viable leaders suit the interests of their subordinates by giving contingent incentives, respect and guarantees for the individuals who promisingly succeeded in satisfying the duties of the leaders or the organization.

According to (Dugue, 2015) Transactional leadership depends on speculative backing and subordinates are inspired through acknowledgment or else rectified through discipline because of this trade relationship, the normal execution accomplishment drives towards devotee's advancement As it were, transactional leaders urge supporters to perform as per the leader's desire and get prizes and advancement. Encouraging the supporters to be acquainted with employment commitments and perceived goals to accomplish evaluated level of execution is a vital part of transactional leadership style.

According to (Mohammed & Wang, 2018) Transactional leaders focus on leadership-follower interactions and include task fulfillment and assignment, as well as rewards and punishments as outcomes. This leadership style is based on the organization's bureaucratic authority and authenticity. It emphasizes work rules, assignments, and achieving certain goals. It focuses on project completion and worker consistency, and it relies on authoritative rewards and disciplines to influence staff performance.

2.2.5 Transformational Leadership

In transformational leadership styles, the leader inspires his or her followers with a vision and then encourages and empowers them to achieve it. The leader also serves as a role model for the vision. According to (Bakani, 2016) transformational leadership this is a leadership style that motivates

employees by engaging higher goals and good values which can move employees to perform past desires and change both people and organizations. Transformational leadership impacts both the smaller scale (individual) and full scale level (for instance, make change) of a foundation by changing employees from their "regular selves" to "better selves", by speaking to their higher request inborn requirements, bypassing vision of fleeting objectives, and getting to be inspired by hierarchical objectives instead of self-interests.

According to (Igbaekemen, 2015) there are four dimensions of transformational leadership namely idealized influence, individualized consideration, intellectual stimulation and inspirational motivation.

- Idealized influence: This behavior elicits strong emotions from followers, as well as visible confirmation of and imitation of the leader, who serves as a solid role model. Furthermore, followers serve as role models and act morally, with the purpose of being trusted to make the best decision.
- Individualized consideration: This conduct incorporates the provision of support, encouragement training, assignment, counsel and input for use in the adherents' self-awareness.
- Intellectual stimulation: This behavior draws attention to concerns and causes supporters to reconsider their positions. They are thus empowered to be original and creative, challenging both their own and their leaders' convictions and traits, as well as those of the corporation as a whole. Furthermore, they are encouraged to take intellectual risks and investigate presumptions.
- Inspirational motivation: This conduct incorporates the advancement and correspondence of an engaging vision, utilizing images and pictures to center the endeavors of subordinates and displaying practices that are esteemed proper.

According to (Iqbal, et al., 2015) perceived that transformational leadership created through consolidating quality, behavioral, and possibility approaches.

A research done by (Wong & Giessner, 2018) revealed that transformational leaders urge devotees to look past own self-interest. Likewise, the transformational leader endeavors to accomplish hierarchical objectives, set clear objectives, and span for exclusive standards. He also asserts that

transformational leadership has more in the same manner as transactional leadership than laissez-faire leadership. Employees can without much of a stretch share their insight among them when organization utilized transformational leadership style.

(Zareem, et al., 2015) Wrap up that transformational leader have high enthusiastic knowledge and they rise as pioneer amid gathering cohesiveness, it additionally inspires the resolve, inspiration, and ethics of their adherents. It additionally concentrates on more touchy side of authoritative communications like vision, society, values, improvement, cooperation, and administration.

2.3 Theories of Leadership Style

Several philosophers have expressed their opinions on what kind of organizational leadership styles should be used and how they should be used over time. They all contributed to the development and enrichment of leadership philosophy, and they sparked many people's interest in their concept. Several theories arose and gained traction as a result of their dominant assumption and explanation, only to be rejected and, as a result of their scarcity, to pave the door for the formation of another theory. There are various leadership style theories, and we'll go over the most important ones here.

2.3.1. Great Men Theory

The scholar and researchers began to study on leaders late ninth and early twentieth century focusing on the great leaders raised in history: Moses, Jesus, Mohammed (PBUH), Abraham Lincoln, Winston Churchill and the like. The belief of the great man theory was that the great leaders raises when there is a great need and according to the theory leaders born with innate, unexplainable talents that make them super performer, more than average people. The theory affirms that the great leaders are heroes who shaped the world by their personal charisma, intelligence, wisdom or use of political skill (Aboshaiqah, 2015).

2.3.2. Behavioral Theory

Leaders, according to behavioral theory, are not born but created. The study of leadership focuses on the actions of the leaders rather than their personalities. It went into great detail on theory X and theory Y, two dimensional properties that are diametrically opposed. Theory X assumes that average people dislike work and taking responsibility, and are not motivated to achieve their goals, so coercive, authoritarian, dictatorial leadership is required; on the other hand, Theory Y assumes

that average people are self-motivated, self-controlled, and willing to take responsibility, so coaching, consulting, and participative leadership styles are required.

The leaders' strategy is influenced by their views about human nature, according to behavioral theory. However, the hypothesis overlooked a contextual aspect that can influence a leader's effectiveness and failed to show a causal relationship between two distinct dimensions of leadership quality. Both personality and behavioral theories oversimplified the factors that influence effective leadership.

2.3.5. Situational Theory

The failure of contingency theory to produce consistent results and unambiguous measurement instruments prompted academics to look for an alternative. Situational theory was developed by Paul Hersey and Kenneth Blanchard (1967, 1993) as a leadership theory model to fill in some holes in previous research. In comparison to contingency theory, situational theory presupposes more flexibility in leadership style for diverse situations. The level of maturity of subordinates as a determinant of leader behavior is introduced in the Hersey/Blanchard model. This demonstrates that, as the maturity of subordinates grows, the leadership style must evolve from authoritarian to democratic.

2.4 The Concept of Organizational Performance and its Dimensions

(Abey, 2016) Noted that performance is one indicator of an organization's success and that it may be defined in a variety of ways. They also have pointed out that the measures for organizational performance depend on the purpose for measuring it and which questions were raised in measuring it and so the definition changes as the purpose or the use of it changes. Organizational performance becomes an important factor

2.4.1 Dimensions of Organizational Performance

According to (Akor, 2014) organizational performance measures can be divided into four perspectives, namely; customer perspective, financial perspective, internal business perspective, and innovation and learning perspective. Figure 1 below shows the four different measures of organizational performance developed by Kaplan & Norton (1992) which is known as the Balanced Scorecard (BSC) as cited by (Hirpa, 2020).

- ✓ Financial Perspective: Financial performance measurement is the most traditional and

widely utilized tool for assessing an organization's performance. Profitability, the firm's market value, return on assets, investment and equity, liquidity, and numerous other ratios are among the financial measurements. Survival was determined by cash flow, success was determined by quarterly sales, and prosperity was determined by growing market share and return on equity.

- ✓ **Internal Business Perspective:** This viewpoint focuses on finding the aspects that have a significant impact on customer satisfaction, including cycle time, quality, and personnel abilities, to name a few. Its goal is to identify and enhance essential internal business processes that will give the company a competitive advantage and increase customer satisfaction. The internal business perspective argues that the organization must be efficient and effective at what it does in order to satisfy customers and earn a profit. As a result, the metrics in this perspective are focused on the goal of producing products and providing services that are efficient and effective in meeting customer satisfaction. Overall, businesses should concentrate on themselves by defining and quantifying the competencies they need to improve and excel at.
- ✓ **Innovation and Learning Perspective:** A company's ability to innovate and learn improves its operational efficiency, which leads to expansion and increased shareholder value. The ability of a corporation to innovate, improve, and learn product launch is inextricably related to its ideals. A corporation must be able to launch new products or services and create more value for customers in order to raise revenues, market share, and be a part of a new market. In the knowledge economy, innovation has become a critical component. The speed of transactions, IT usage, training and development, new product and service development, and strategic alliance and collaboration are just a few examples of how this innovation and learning viewpoint can be quantified.

2.5 Performance and Leadership

According to (Sebastian, 2017) the success of an organization is reliant on the leader's ability to optimize human resources. A good leader understands the importance of employees in achieving the goals of the organization, and that motivating these employees is of paramount importance in achieving these goals. To have an effective organization the people within the organization need to be inspired to invest themselves in the organization's mission- the employees need to be

stimulated so that they can be effective; hence effective organizations require effective leadership.

(Boehm, et al., 1999; 1997; 1974).indicate that organizational performance will suffer in direct proportion to the neglect of this. Ultimately it is the individual employee who either performs, or fails to perform, a task. In order for an organization to perform, an individual must set aside his personal goals, at least in part, to strive for the collective goals of the organization.

(Celestine & Onyango, 2015) Indicates that the need of firms to flourish in the world of escalating competitiveness, of technological advances, of altering government regulations and of changing employee attitudes, requires an advanced level of leadership more than ever before. His views further demonstrate the importance of leadership in the business arena.

According to (Mwombeki, 2017) in the modern business environment much research has proved that leaders make a difference in their subordinates' performance, and also make a difference as to whether their organizations succeed or fail.

(Nongo, 2015) Argues for the ever-increasing importance of leadership in organizations, because of significant shifts in the business environments, such as the change in competitive intensity and the need for more participation of the total workforce.

2.6 Empirical Review of the Study

(Dube, 2019) Examined the effects of leadership style on organizational performance at Addis Ababa Police Commission. The focus was on three major leadership styles Autocratic, Democratic and Laissez-faire leadership style. The result of the regression analysis indicated that effective kind of leadership style has a positive relationship with organizational performance that shows organizational performance is predicted and explained by the three type of leadership style. The researcher suggested that since the effect of leadership style has a significant effect on organizational performance, it is recommended that Addis Ababa Police Commission management should provide various training programs to the leaders of Addis Ababa Police Commission in order to create a higher level of organizational performance

(Iqbal, et al., 2015) Research on the impact of leadership styles on organization performance results indicates that autocratic leaders are to be held accountable for describing activities, policies, and guidelines of the company. These leaders expect their subordinates to trail those same tracks since they don't believe in them. It concluded that autocratic leadership style had a

negative relationship with organizational performance.

(Ali, 2016) Researched the influence of leadership styles on organizational performance and concluded that the autocratic leadership style has a negative relationship and was the least effective as it might demotivate employees and reduce productivity and performance.

(Amin, 2019) Research studying the impact of leadership styles on organizational performance in a Nigerian private company concluded that autocratic leadership was significant and had a negative relationship with organizational performance. He stated that the autocratic leadership style can be used in situations where the deadline is tight and when employees aren't well-skilled to direct themselves in contributing to the goals of the organization.

(Ahmad, 2018) Studied the impact of leadership styles on organizational performance and state that participative leadership is significant and positively connected to organizational performance.

(Velui, 2017) investigated a study on the effect of styles of leadership on organizational performance to examine two Nigerian universities' leadership styles and found that laissez-faire had a negative relationship with organizational performance compared to the style of participative leadership which had a positive impact. In addition, he stated that this technique is suited when employees understand their responsibilities well and have strong analytical skills, as well as when leaders have a high degree of trust in the staff and do not blame each other for errors in any situation. Research made on the influence of leadership style on organizational performance in Ghana concluded that laissez-faire and autocratic leadership style have a negative and significant relationship with organizational performance. In addition, they also concluded that each leadership style is suited to attain a set of specific goals in different circumstances or situations (Aboshaiqah, 2015).

(Dube, 2019) Has investigated the effects of leadership style on organizational performance in the case of Ethiopian Banks. The main objective of the study was to investigate the effect of both transactional and transformational leadership styles on banks performance in the Ethiopian context. Transformational leadership behaviors relevant in the study were idealized influence, inspirational motivation, intellectual stimulation and individual consideration and Transactional leadership behaviors considered relevant were constructive/contingent reward management by exception active (MEA) and management by exception passive (MEP). The result showed that both transformational and transactional leadership styles had significant positive effect on the performance of banks in Ethiopian context. The study concluded that both transformational and

transactional leadership styles were more appropriate in inducing performance in banks and, therefore, recommended to practice the combination of both transformational and transactional leadership styles according to the work situation.

The research study done by (Ahmad, 2018) had attempted to identify the impact of leadership style on the organizational performance in case of Malaysian Small and Medium Scale Enterprise (SMSE). The study tested a casual modeling, examining the various relationships among leadership behaviors organizational performance and based on the test, the result of the study revealed that the behavior that associated with transactional leadership seem to have more impact on organizational performance than transformational leadership. The transactional leadership, which focuses on providing direction and motivates employees in the way of instituting goals by clarifying and task requirements, has seen a significant leadership behavior to promote organizational growth in the study.

2.7 Conceptual Framework

Based on the above theoretical and empirical literature review the following conceptual framework is developed. In this study, the five leadership styles (autocratic, participative, laissez-faire, transactional and transformational) were independent variables and organizational performance is dependent variable.

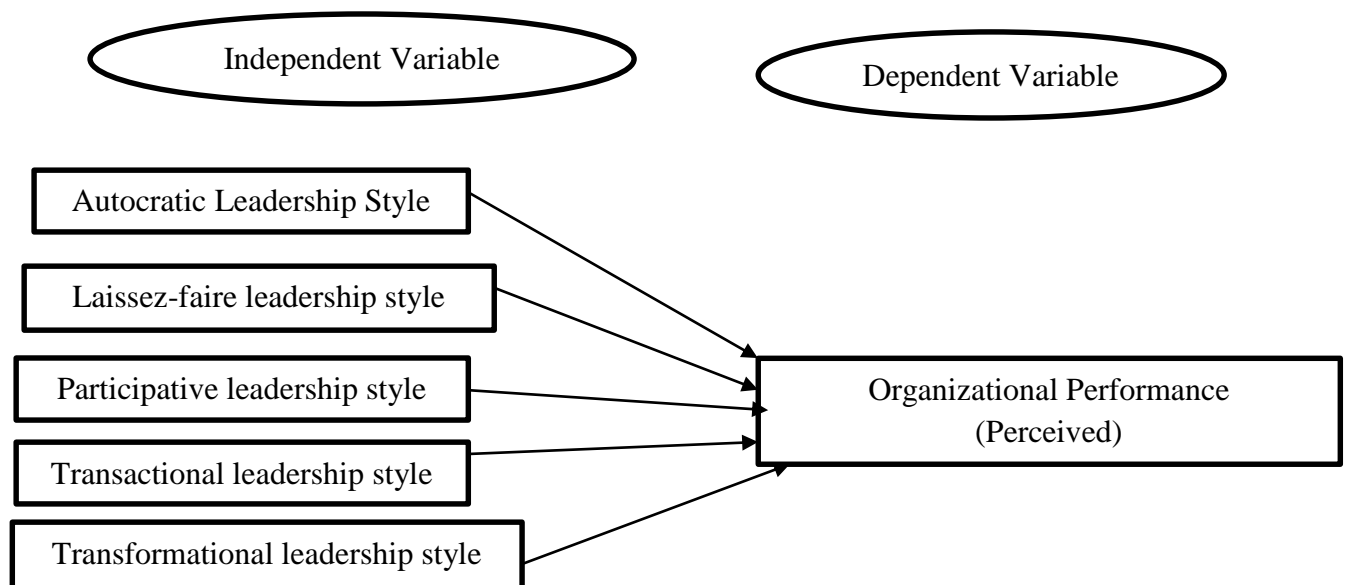


Figure 1/2.1 Conceptual Framework

Source: Developed for the Study, 2022

CHAPTER THREE

3. RESEARCH METHODOLOGY

This chapter constitutes the study's overall procedure employed to gather and analyze the data used in the research study. This includes discussions on the research approach, research design, methods, sampling procedures, and research instruments.

3.1 Research Design

A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. The function of research design is to provide for the collection of relevant evidence with minimal expenditure of effort, time and money (Khotari, 2004).

In this research, descriptive explanatory research design is used. This design was employed to realize objectives of the study due to their appropriateness because explanatory research is conducted for a problem that was not well researched before and demands priorities generates operational definitions and provides a better-researched model. It is actually a type of research design that focuses on explaining the aspects of the study in a detailed manner.

3.2 Research Approach & Descriptive of IV & DV

The researcher tried to investigate the effect of leadership style on organizational performance in the case of NOC. To address such objectives the study employed mixed research approach with more of quantitative. Mixed research approach gives the study more concise because the quantitative information will be supported by the qualitative explanation (Khotari, 2004).

The study has five independent variables namely: transactional leadership, transformative leadership and laissez-faire as independent variables and organizational performance is the dependent variable. Leadership practices are operationalized by using Multifactor Leadership Questionnaire (MLQ) survey instrument. Transformational, transactional, laissez-faire, autocratic and participative leadership style, are captured by six items, each.

Transformational leadership style is one of the independent variables used in this study. The variable is operationalized by items that asks questions whether the leader spend time to teaching and coaching employee and to think about old problems in new ways.

Autocratic leadership style is one of the independent variables used in this study. The variable is operationalized by items that asks questions whether employees need to be supervised closely or not and is it fair to say most employees in general population are lazy.

Democratic leadership style is one of the independent variables used in this study. The variable is operationalized by items that asks questions whether the leader provide guidance without pressure and employees wanting to be part of a decision making process.

Transactional leadership is another independent variable that is measured by asking questions as to whether the leader maintains definite standards of performance, and makes clear what one can expect to receive when performance goals are achieved.

Lassie-faire leadership is the last independent variables that is measured by items capturing attributes like the extent to which the leader give employee a freedom in doing tasks, has minimum supervision and lets alone the employees to solve problems by themselves.

Organizational Performance is the dependent variable, it refers to the performance of an organization compared against its objectives and goals (Chen & Sriphon, 2021). Performance is a multidimensional construct and therefore multiple measures of performance should be used. There are subjective and objective items to measure performance as performance entails what happened to many attributes be it growth, sales, profitability, customer retention, customer acquisition, quality and others. Both subjective and objective measures have been used by previous research. Objectives measures are pretty much common and were used in most of performance measures. Subjective measure, though not as common as Objective measures, have been used in plenty of studies. Subjective perceptual measures of performance has been undertaken by many researchers that were published in well-known journals.

3.3 Target Population, Sample Frame, and Sample Size

3.3.1 Population of the Study

(Khotari, 2004) Defines population as a large group of subject with common characteristics (“N” represent the size of the population) from where sample is obtained.

The study populations were managers and employees of NOC. Thus, according to the HRM data (2022) the target populations considered for this study are 280 staff members.

The total number of the participants of the study was used to calculate the sample size with the

use of the below equation by Kothari (2004):

$$n = N \div \{1 + [N \times e^2]\}$$

This formula entails (n) as the sample size, (N) as the target population in this study which is 280, (e) as the standard error in this study is five percent and 1 held constant. With this the sample size will be detailed as:

$$n = 280 \div [1 + (280 \times (5\%)^2)] = 165, \text{ approximately}$$

Henceforth, this study was conducted at NOC. Head Office with 165 as a sample size of respondents excluding cleaners and security guards.

3.3.2 Sampling Method and Sampling Procedure

In order to select the sample systematical sampling was applied. The system established by Applying $N/n = 280/165 = 1.69$ Approximately 2 but the research will manipulate purposely.

3.4. Type and Source of Data

For accomplishing the research work and research objectives both primary and secondary data were collected.

3.4.1. Primary Source of Data

The primary data were collected from those employees of NOC through questionnaire and interview.

3.4.2. Secondary Source of Data

In addition to the primary data secondary data, policy directives, NOC and journals were used.

3.5. Data Collection Instruments

To accomplish the research objective both primary and secondary data were used collected. In order to obtain reliable and sufficient information structured questionnaires were used as a data collection instrument. All the necessary data for this study collected from the respondents through self-administered questionnaire, interview and document analysis.

3.5.1. Questionnaire

The researcher obtained primary data from employees of NOC with questionnaires developed in close, open ended form and also the 5 likert scale (namely agree, strongly agree, neutral, strongly disagree and disagree) were used. Under the closed ended questionnaire, the respondents can only

answer from a given alternative which limit them from further explanation of their feeling regarding to the title of the study, even if it is easier and quicker for the research to analyses it. That is why the researcher developed these questionnaire in an open ended from which give the respondents freedom to express their opinion or attitude towards their job freely without any limitation.

3.5.2. Interview

The researcher also used a face to face interview with the office managers and employees who have dedication over the performance of the organization with semi structured interview format. The semi- structured interview method of data collection gives an opportunity to clarify any issues rose by the respondents and to know more than what is written.

3.6 Document Analysis

The researcher employed document analysis to extract relevant and supportive Secondary data from the revenue office report, policy directives of NOC and journal articles.

3.7. Validity and Reliability of Research Instruments

Cronbach’s alpha reliability coefficient was used to calculate and estimate the reliability of the data. Regarding validity the researcher will consult the advisor about the validity of the questionnaires.

Table 1/ 3.1 Cronbach’s Alpha Reliability Coefficient

Reliability			
No	Description	Cronbach's Alpha	No of Items
1	Autocratic Leadership Style	.782	14
2	Transformational Leadership Style	.797	7
3	Transactional Leadership Style	.890	9
4	Participative Leadership Style	.794	8
5	Laissez-Faire Leadership Style	.894	7

Source: Survey Result, 2022

Cronbach's alpha reliability result of this study is 0.916. Using rule of thumb of Kothari C. R., (2004) alpha values were described as excellent (0.93–0.94), strong (0.91–0.93), reliable (0.84–0.90), robust (0.81), fairly high (0.76–0.95), high (0.73–0.95), good (0.71–0.91), relatively high (0.70–0.77), slightly low (0.68), reasonable (0.67–0.87), adequate (0.64–0.85), moderate (0.61–0.65), satisfactory (0.58–0.97), acceptable (0.45–0.98), sufficient (0.45–0.96), not satisfactory (0.4–0.55) and low (0.11). Therefore, the Cronbach's alpha value of the study is strong category. So the researcher accepts the validity and reliability of the questionnaires.

3.8. Data Analysis Techniques

Data from questionnaires were summarized, edited, coded, tabulated and analyzed. Editing is done to improve the quality of data for coding. The data collected using the structured questionnaire were coded and analyzed using Statistical Package for Social Sciences (SPSS) 26 version software. The researcher used both qualitative and quantitative data analysis techniques. Finally the data were processed and analyzed. To analyze the data descriptive statistics (frequency, percentage, mean and standard deviation) method were made based on the results of the tables and figures. Inferential analysis was conducted the liner regression and bivariate correlation.

3.9 Model Specification

To examine the effect of leadership style on organizational performance the following linear regression model is developed. Variables are carefully selected in review of literature which needs to be specified. As a rule of thumb, the higher R² value in liner regressions implies more likely that the important variables included in the model. Liner Regression techniques will be employed to analyze the straight-line relationships among two or more variables and estimates the β 's in the equation.

The model is modified based on the research variables that described in the conceptual framework in chapter two. To examine the effect of leadership style on organizational performance the researcher develops the following model.

$$OP = B_0 + B_1 LS + \epsilon \text{-----} 1$$

$$OP = \beta_0 + \beta_1 AL + \beta_2 TFOR + \beta_3 TAC + \beta_4 LF + \beta_5 Par + \epsilon \text{} 2$$

OP= Organizational Performance (Dependent Variable)

AL = Authoritative Leadership Style

TFOR = Transformational Leadership

TAC = Transactional Leadership

LF = Laissez-Faire Leadership

LS=Leadership Style

Par= Participative leadership

B₀, B₁, B₂, B₃, B₄, B₅, = All are unknown Intercepts

ε=error term or the residual

3.10 Ethical Consideration

During data collection, respondents were informed as to why the data would be collected. They were informed about the objectives and methods of the study. The privacy of respondent will be kept safe. Moreover, respondents expected to provide their response voluntarily. Finally, any work of scholar would acknowledge at reference part.

CHAPTER FOUR

4. DATA PRESENTATION ANALYSIS AND INTERPRETATION

4.1 Introduction

After the data collected by the collection tools, the data analysis and interpretation step were crucial for any research. Therefore this chapter presents and analyses the data collected from the participants. The findings about the relationships and effects of leadership style with organizational performance relevant statistical analysis to answer the research questions will also be presented and analyzed.

The questionnaire was distributed to the 165 respondents of which 160 responses were collected. It implies that the response rate was 96.9%. For the data analysis the statistical software version 26.0 was used to input the collected data and to find out the output information. In this chapter demography of respondents, descriptive analysis, inferential analysis such as diagnosis of data, correlation and regression of data, will be conducted.

4.2 Characteristics of Respondents

Regarding demographic characteristics of respondent's gender, age, educational level and experience or how long that they have been in the organization will be discussed

4.2.1 Gender

The study involved sex distribution of respondents in order to answer the questionnaires provided as shown on the following figure 4.1.

The following figure portrays that respondents of male and female answered the questionnaires distributed. Out of 160 respondents 51% were male while 49 % were females. This indicates that the proportions of respondents with regard to sex were balanced. This implies that the whole population of NOC. Employees has the chance to be represented in every matter.

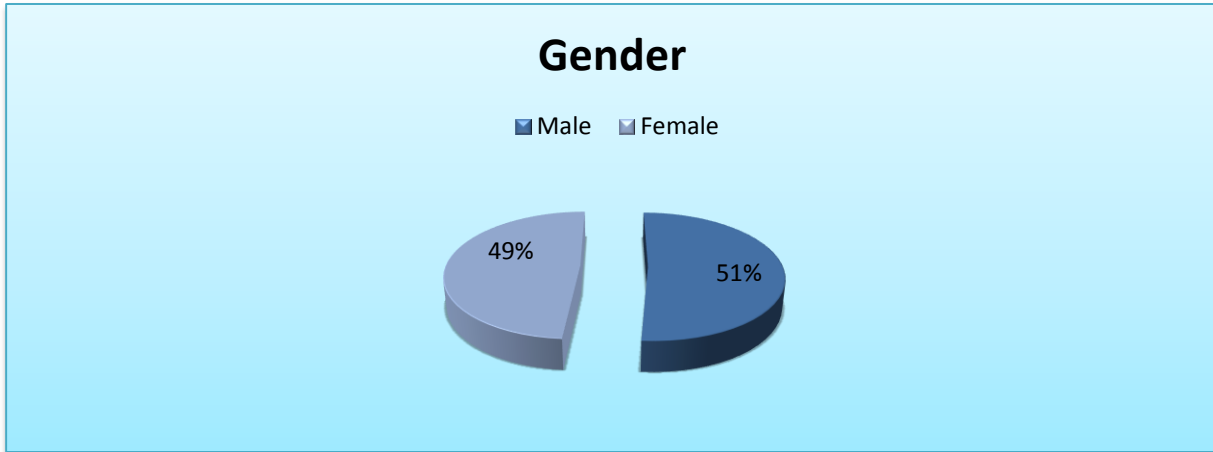


Figure 2/4.1 Gender Distribution of Respondents

Source: Researcher Survey, 2022

4.2.2 Age

In this study, age of the respondents was considered as demographic factor of the study. The study explains the effect of leadership style on organizational performances in NOC. When we look at the age group of respondents, the number of employees under the age of 25 becomes 13 respondents, between 25-35 years becomes 98 respondents, between 36-50 years becomes 35 respondents and above 50 years becomes 14 respondents. This indicates that all working age groups were represented

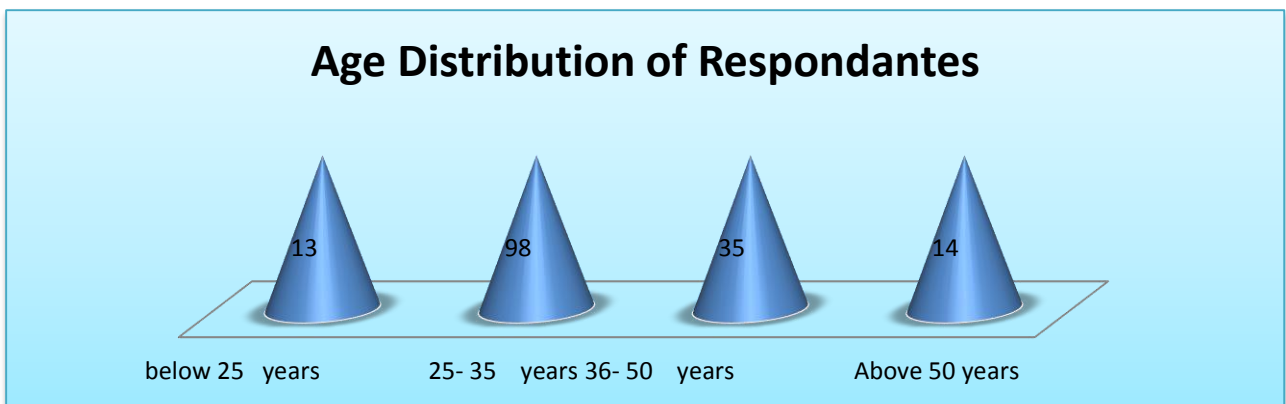


Figure 3/4.2 Age Distribution of Respondents

Source: Researcher Survey, 2022

4.2.3 Education Level

Regarding the educational qualification majority of respondents (76%) were first degree holder and 20% of the respondents were master or second degree holder. From this it is possible to infer that 96% of respondents were aware about the study are that is leadership style and its impact on organizational performance. Furthermore to this the researcher believed that the concept of leadership style and its impact were easily understandable to the participant.

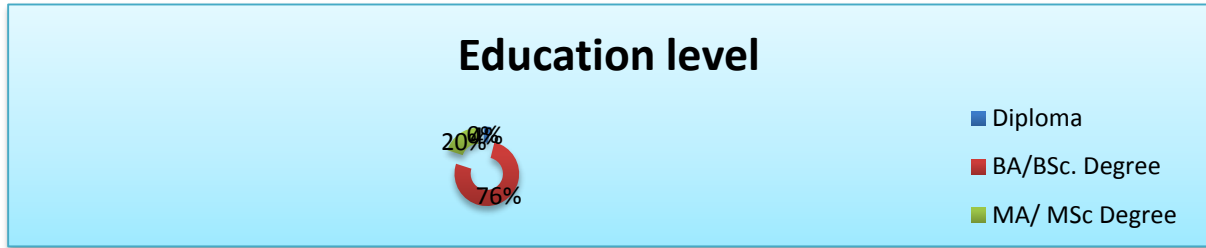


Figure 4/4.3 Educational Level

Source: Researcher Survey, 2022

4.2.4 Experience

In addition to the above demographic characteristics, the study also assessed the experience of respondents. Regarding the experience majority of employees (n=113) were served from 5 up to ten years followed by service year of 2 up 5 years (n=25) and above ten years which is accounts 20 respondents. The last groups of the respondents are employees below two years of experience. As the majority of the employees worked for more than three years, the information obtained from the respondents can be trusted to conduct meaningful analysis. The existence of senior employees helps the researcher that the finding would be reliable.

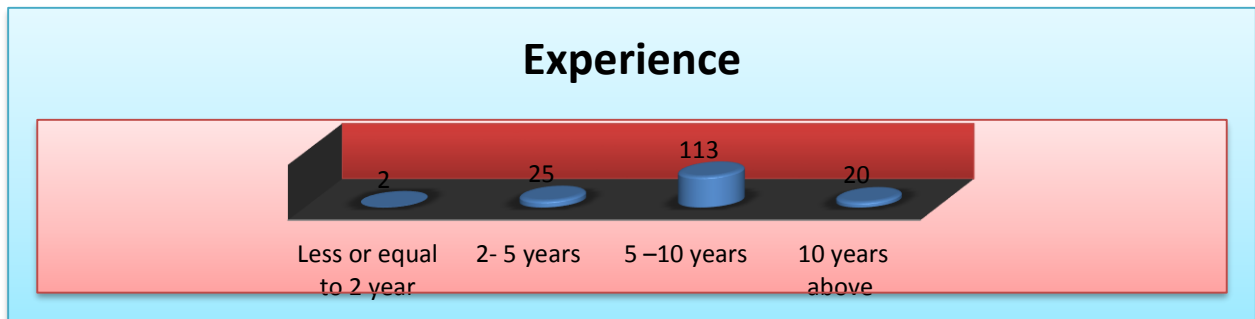


Figure 5/4.4 Work Experience of Employees

Source: Researcher Survey, 2022

4.3 Descriptive Statistics

In this section, the collected data was entered and reported using SPSS. Frequency and percentage of level of agreement of the respondents with regard to questions asked in each of the leadership style mean and standard deviation is analyzed and presented.

4.3.1 Transformational Leadership Style

Table 2/4.1 Mean and Standard Deviation of Transformational Leadership Style

	N		Mean	Std. Deviation
	Valid	Missing		
My leaders make others feel good to be around them	160	0	3.5438	1.19141
Leaders Express their idea with a few simple words what we could and should Provide in the company.	160	0	3.4063	.89931
leaders Enable employees to think about old problems in new ways	160	0	3.4125	1.06628
All team members are given opportunities to attend relevant trainings and conferences in the company	160	0	3.8313	1.23991
leader Spend time to teaching and coaching employee	160	0	3.5563	1.27258
Leader gives complete freedom in decision making and problem solving to employees	160	0	4.0625	.96275
grand mean			3.6354	1.10537

Source: Researcher Survey, 2022

The mean score of transformational Leadership Style (mean= 3.63, SD=.1.1). This aggregate mean showed that on average employees of NOC perceived that transformational leadership has an influence on the performance of the organization.

A study done by Sadia A., (2018) revealed that organizational innovation has mediated significant impact on organizational performance. The research found that transformational leadership and organizational performance has strong relationship.

From an open ended question employees revealed that those leaders who have transformational style were manifest in retaining employees more often than other forms of leadership, seek to meet the demands of personal motives, they were willing to change, improve, and expand over time, incorporating a new vision into their current situation, do more than work toward a final goal or vision. They also work toward achieving higher levels of efficiency for themselves and for their followers, forced into a position where they must be an excellent communicator, boost morale and change the environment, build a strong community within their base of followers at all times and focus on the completion of tasks without seeing why they are important.

Bilal El Toufaily(2017) explained Nowadays, managers have to face the complexity of the technological and informational environment, social change, increasing entrepreneurial activity, accelerating technological developments and a more educated and skilled workforce. Leadership has become a critical element in the success of an organization. Transformational leaders generate a greater involvement in the work of subordinates. This involvement results in higher efficiency and satisfaction leading to managerial and organizational performance. He also asserts that in theory, transformational leadership is positively correlated with a variety of organizational outcomes.

From an open ended question participants showed that in NOC transformational leadership style were rare for the last decade. Most leaders, though they have not clear leadership style, they dominantly showed other leadership styles and had adverse effect on the performance of the company.

4.3.2 Autocratic Leadership style

Table 3/4.2 Mean standard deviation of autocratic leadership

	N		Mean	Std. Deviation
	Valid	Missing		
Employees need to be supervised closely, or they are not likely to do their work.	160	0	2.2500	1.35517
It is fair to say that most employees in the general population are lazy	160	0	2.5063	.90420
As a rule, employees must be given rewards or punishments in order to motivate them to achieve organizational objectives.	160	0	2.6063	1.22909
Most employees feel insecure about their work and need direction.	160	0	3.0438	1.49778
The leader is the chief judge of the achievements of the members of the group.	160	0	2.2938	1.16337
Effective leaders give orders and clarify procedures.	160	0	2.7525	.83160
grand mean			2.5754	1.16353

Source: Researcher Survey, 2022

The mean score of autocratic Leadership in NOC come up with 2.57 with standard deviation=.1.16. This implied that participants were not perceived that autocratic leadership had an impact organizational performance.

In the open ended question participants showed Autocratic leadership is most common behavior of NOC. They also point outs those leaders in the company showed that control over all decisions and little input from group tem members, make choices based on their own in sting and judgments, control over a group.

A study done by Kalu Dolly (2018) remarked the impact of autocratic leadership style on job performance of subordinates in academic libraries in Port Harcourt, Rivers State, Nigeria. Her study revealed that autocratic leadership style tends to develop dependent and uncreative subordinates who are afraid to take up responsibility. She also asserts autocratic leadership

style, however, shows a significant negative impact on employee performance. This style of leadership tended to have work groups that were less productive and subordinates showed a high degree of dissatisfaction on the job. She concluded that autocratic leaders tend to limit the performance of subordinates.

Furthermore, In the open ended question participants showed that those leaders who are common in NOC showed that leaders were rely on specific rules, policies, and procedures to govern all processes within the company, they were not offer a sense of professional ownership to the employee all creativity were originated from leaders that adversely affect employees engagement and involvement, creates a system of dependence and creates a lack of trust.

A study done by Joseph chukwusa(2018) explains autocratic leadership style as obstacle to success in academic libraries and other institutions were it is practiced. He also remakes leaders in institutions of higher education have been observed to be exhibiting autocratic leadership style and good work attitude is not exhibited by staff. Leaders have been for the most part ignoring staff by following outmoded set of principles about them for the reason that it adhered to Theory X when actually most staff could be closer to the Theory Y set of principles. He concluded that autocratic leadership style prevents the use of creative ideas to problem solving.

4.3.3 Transactional Leadership Style

Table 4/ 4.2 Mean standard deviation of Transactional leadership

	N		Mean	Std. Deviation
	Valid	Missing		
My leader maintains definite standards of performance.	160	0	3.2250	.89688
My leader makes clear what one can expect to receive when performance goals are achieved	160	0	2.4063	.80327
My leader is effective in meeting organizational requirements	160	0	3.8313	1.23991
my supervisor clearly clarify the responsibility for achieving targets	160	0	2.8813	1.14030
As long as things are working I do not try to change things	160	0	3.1350	.78686
I provide recognition rewords when others reach their goals	160	0	2.9875	.46225
grand mean			3.0777	.88825

Source: Researcher Survey, 2022

The perceived mean score of transactional leader in NOC come with mean value of 3.07 and standard deviation .88. This implied on average employees were perceived that transaction leadership style in their organization had a modest influence on the performance of their organization.

In the open ended question employees explained that though transactional leader were rare in their office they showed a unique character such as emphasizing results (the amount of sales in the company and revenue generated), stays within the existing structure of the company and measures success according to the company system of rewards and penalties, set the standards for officers and do performance reviews and set goals and give specific direction about what they demand from the employee and how they will be rewarded for their efforts. Furthermore majority of participants perceived that transactional leadership style were modest to impact the performance of their office. As reason they point out that the leaders focused only routine activities.

A study done by Sirajul Haq (2017) explained Leadership in the organization is considered as vital factor in the success of failure of organization. It is describes as the combination of traits, skills and behavior adopted by the leaders to lead the employees in the organization. It further helps the organization to achieve organizational goals and make ensure that employees are being provided needed resources to get the job done. The organizational performance of any organization is very much dependent upon the Leadership of the organization. The leadership style is driving force for enhancing the performance of the organization because the leader is key decision making, determining, acquiring and deployment of resource in the organization in a proper manner.

In NOC participants showed that transactional leaders in their company were eliminated individuality the work process, limits the amount of innovation that is achievable in the office level rather wait a direction from CEO or bored, they tend to creates more followers than leaders and established follower chain which is mean of rewarding and punishment in the company, even at the customer (distribution agents).

Syed(2017) examines the role of transactional leadership in creating the organizational creativity through knowledge sharing behavior between employees and leaders. His study explores the contingent reward as for knowledge sharing for organizational creativity in organization. His

results showed that transactional leadership and knowledge sharing have positive relationship with creativity.

4.3.4 Laissez-Faire Leadership

Table 5/4.2 Mean standard deviation of Laissez-Faire leadership

	N		Mean	Std. Deviation
	Valid	Missing		
In complex situations, leaders were let subordinates to work out problems on their own.	160	0	2.2000	1.33082
Leaders require staying out of the way that subordinates were doing their work.	160	0	2.5938	1.13435
As a rule, leaders should allow subordinates to appraise their own work.	160	0	2.5938	.87089
Leaders delay responding to urgent questions.	160	0	2.4875	1.17622
Leaders avoid him/her from getting involved when important issues arise.	160	0	2.3563	1.22010
Leader waits for things to go wrong before taking action.	160	0	2.7313	.95035
Grand mean			2.4938	1.11379

Source: Researcher Survey, 2022

The perceived mean score of Laissez-Faire Leadership style towards organizational performance in NOC come with 2.4 and SD= 1.1. This implied that employees were not perceived laissez fair leadership had an impact on the performance their office.

From the open ended question employees showed that, though permeate laissez fair leaders were rare in NOC, those few leaders who perceived as laissez-Faire Leadership depicts they were hands-off and allow employees to make the decisions, they provide very little guidance to the employee, they gave relatively complete freedom for employee to make hard and complexes decisions, they tried to simply provide the tools and resources needed. There lower employee were expected to solve problems on his/her own. In addition to this employees were revealed that such leadership was not acceptable in their company. As a reason they point out that since the rule and regulation

of company in general were strict employees were need immediate support. Furthermore, letting employee to decide their own encourages corruption and rent seeking which adversely affect the performance of the organization.

A study one by Mohammed Al-Malki, (2018) explored the ways to achieve superior job performance and cooperation among employees. His conceptual review suggests that leadership styles have an influence on role conflict and role ambiguity, which in turn impact job performance and cooperation. His finding suggested that role conflict and role ambiguity have a negative influence on increasing job performance. Laissez-faire leadership impact on role ambiguity and role conflict is found insignificant.

In NOC participants were revealed the role of their immediate leader as they downplay there legally given role to the employee, they reduced the cohesiveness of the group and they changed how accountability is assigned within the office.

4.3.5 Participative leadership

Table 6/4.2 Mean standard deviation of Participative leadership

	N		Mean	Std. Deviation
	Valid	Missing		
Employees want to be a part of the decision-making process.	160	0	3.8563	1.14840
Providing guidance without pressure is the key to being a good leader.	160	0	4.0563	1.17760
Most workers prefer supportive communication from their leaders	160	0	4.3625	.77287
Leaders need to help subordinates accept responsibility for completing their work.	160	0	4.1188	1.14030
It is the leader’s job to help subordinates find their “passion.	160	0	3.9650	1.21097
People are basically competent and if given a task will do a good job.	160	0	3.7775	1.09107
Grand mean			4.0227	1.09020

Source: Researcher Survey, 2022

The mean score of participative is 4.0 this high means indicated that Employees want to be a part of the decision-making process and they Provide guidance without pressure is the key to being a good leader. Most workers prefer supportive communication from their leaders. Leaders need to help subordinates accept responsibility for completing their work. It is the leader's job to help subordinates find their "passion. People are basically competent and if given a task will do a good job.

4.4 Inferential analysis

Inferential analysis is type of analysis that used a random sample of data taken from a population to make inferences about the population. Inferential statistics are valuable when examination of each member of an entire population is not convenient or possible (Kothari, 2004).

4.4.1 Diagnostics of Assumptions in Regression

Before conducting a regression analysis, the basic assumptions concerning the original data must be made. This is a mandatory prerequisite in explaining the relationships between dependent and explanatory variables. Five major assumptions have to be checked and proved to be met reasonably well. In this study these important least square assumptions were checked and explained as below.

4.4.2 Testing the Skewness and Kurtosis of the Data

Skewness is a measure of symmetry, or more precisely, the lack of symmetry. A distribution, or data set, is symmetric if it looks the same to the left and right of the center point. Kurtosis is a measure of whether the data are heavy-tailed or light-tailed relative to a normal distribution. That is, data sets with high kurtosis tend to have heavy tails, or outliers. Data sets with low kurtosis tend to have light tails, or lack of outliers. A uniform distribution would be the extreme case (Kothari, 2004)

Table 7/4.3 Skewness and Kurtosis

		Statistics				
		Transforma tional Leadership	Laissez– fair Leadership	Transaction al Leadership	Participative Leadership Style	Autocratic leadership style
N	Valid	160	160	160	160	160
	Missing	0	0	0	0	0
Skewness		-.865	.832	-.286	-.841	.173
Std. Error of Skewness		.192	.192	.192	.192	.192
Kurtosis		1.174	.323	-.012	.476	-.084
Std. Error of Kurtosis		.381	.381	.381	.381	.381

Source: Researcher Survey, 2022

The values within the range of +1.96 and -1.96 are the said to be acceptable. Beyond these limits can be called skewed data (Hair, 2010) and Bryne (2010) argued that data is considered to be normal if Skewness is between - 2 to +2 and Kurtosis is between - 7 to +7. From rule of the thumb the researcher’s data is normally distributed.

4.4.3 Normality Test

Normality test is a statistical process used to determine if a sample or any group of data fits a standard normal distribution. A normality test can be performed mathematically or graphically.

Normality tests are used to determine if a data set is well-modeled by a normal distribution and to compute how likely it is for a random variable underlying the data set to be normally distributed. The tests are a form of model selection, and can be interpreted several ways, depending on one's interpretations of probability:

Multiple regressions assume that variables have normal distributions (Darlington, 1968). This implies that errors are normally distributed, and that a plot of the values of the residuals will approximate a normal curve (Keith, 2006). This assumption can be tested by looking at the P-P

plot for the model together with above histogram of the standardized residuals. The closer the dots lie to the diagonal line, the closer to normal the residuals are distributed.

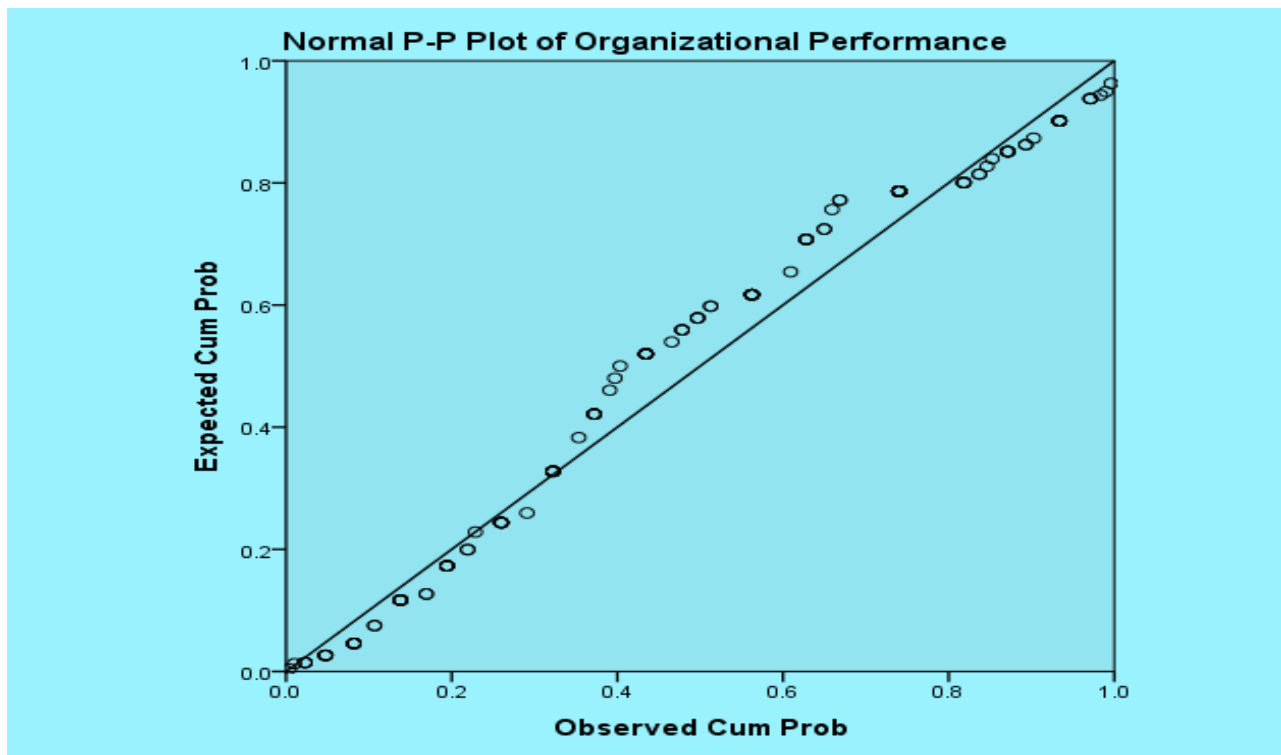


Figure 6/4.6 Normality Test

Source: Researcher Survey, 2022

In the above figure data distribution looks normal and in the P-P plots also the dots are reasonably closer to the normal line. The combination of both inspections support that the residuals are normally distributed

4.4.4 Multicollinearity Test

Multicollinearity means a state of very high inter-correlation or inter-associations among the independent variables. It is therefore a type of disturbance in the data, and if present in the data the statistical inferences made about the data may not be reliable.

Multicollinearity generally occurs when there are high correlations between two or more predictor variables. In other words, one predictor variable can be used to predict the other. This creates redundant information (Kothari, 2004)

Strong relationship between explanatory variables is a problem of multicollinearity and not acceptable for ordinary list square regression analyses.

Table 8/4.4 Multicollinearity Test

Coefficients^a			
Model		Collinearity Statistics	
		Tolerance	VIF
1	Transformational Leadership	.836	1.975
	Laissez-fair Leadership	.943	1.842
	Transactional Leadership	.801	4.974
	Participative Leadership Style	.952	2.050
	Autocratic leadership style	.835	2.299
a. Dependent Variable: Organizational Performance			

Source: Researcher Survey, 2022

Variance-inflation factor (VIF) has also been checked and values are found smaller, which supports that multicollinearity is not a problem. In this study all VIF were less than 10 got acceptances as per (Hair, 2010). Moreover, tolerance statistics in regression analysis helps to detect co-linearity problem. Tolerance value runs from 0 to 1 and values closer to 1 indicates no multicollinearity problem (Keith, 2006). In this study all the tolerances are above 0.8 and, therefore, the amount of variation in that construct is not explained by other predictors. All the two tests indicated that there is no multicollinearity problem.

4.4.5 Homoscedasticity Test

Homoscedasticity means that the variance around the regression line is the same for all values of the predictor variable (X). The plot shows a violation of this assumption. For the lower values on the X-axis, the points are all very near the regression line. For the higher values on the X-axis, there is much more variability around the regression line

This assumption requires even distribution of residual terms or homogeneity of error terms throughout the data. Homoscedasticity can be checked by visual examination of a plot of the standardized residuals by the regression standardized predicted value (Osborn & Waters, 2002). If the error terms are distributed randomly with no certain pattern then the problem is not detrimental

for analyses. The following Figures below shows that the standardized residuals in this research are distributed evenly indicating heteroscedasticity are not a serious problem for this data.

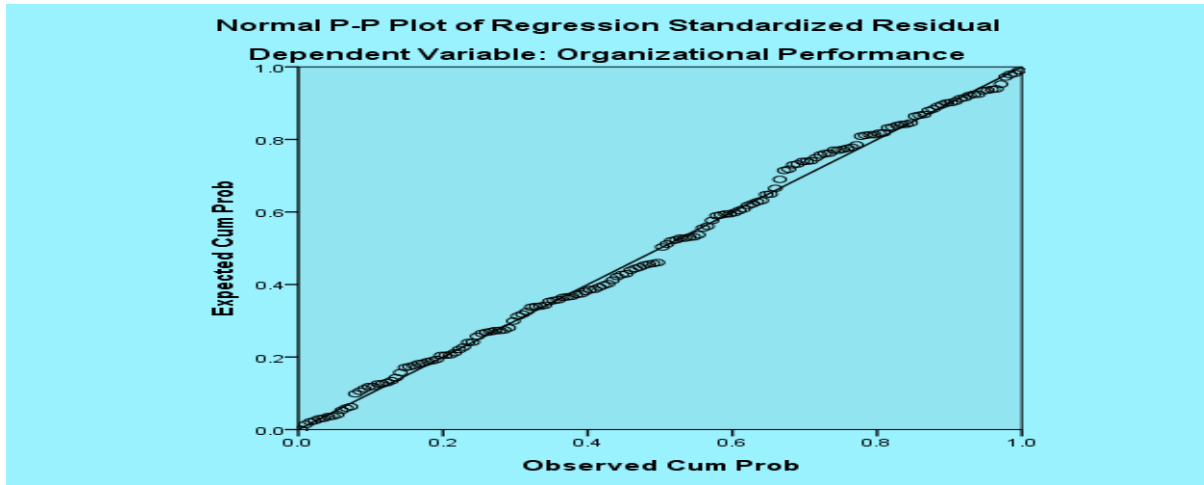


Figure 7/4.7 Data Distribution of Dependent Variable

Source: Researcher Survey, 2022

4.4.6 Autocorrelation Test

Autocorrelation is a mathematical representation of the degree of similarity between a given time series and a lagged version of itself over successive time intervals. It is the same as calculating the correlation between two different time series, except autocorrelation uses the same time series twice: once in its original form and once lagged one or more time periods (Kothari, 2004)

Autocorrelation or independence of errors refers to the assumption that errors are independent of one another, implying that subjects are responding independently (Stevens, 2009). Durbin-Watson statistic can be used to test the assumption that our residuals are independent (or uncorrelated). This statistic can vary from 0 to 4. For this assumption to be met, the DW value needs to be close to 2. Values below 1 and above 3 are problematic and causes for concern.

Table 9/4.5 Autocorrelation Test

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.898 ^a	.806	.800	.30061	1.254

a. Predictors: (Constant), Autocratic leadership style, Participative Leadership Style , Laissez-fair Leadership, Transformational Leadership, Transactional Leadership
b. Dependent Variable: Organizational Performance

Source: Researcher Survey, 2022

4.5 Correlation Analysis

Correlation analysis was applied to test the “interdependency” of the variables. In this section, the direction and degree of the strength of the relationship among the variables were determined. The Pearson’s Product Movement Correlation Coefficient was computed to determine the relationships between Laissez-Faire, transformational leadership, autocratic leadership, transactional leaders and organizational performance.

Correlation analysis is useful way of exploiting relation (association) among variables. The value of the coefficient (r) ranges from -1 up to +1. The value of coefficient of correlation (r) indicates both the strength and direction of the relationship. If $r = -1$ there is perfectly negative correlation between the variable. If $r = 0$ there is no relationship between the variable and if $r = +1$ there is perfectly positive relationship between the variables. For values of r between + and 0 or between 0 and -1, different scholars have proposed different interpretation with slight difference.

For this study decision rule given by Bartz (1999) was used to describe the strength of association among the variables as follows.

Table 10/4.6 correlation coefficient

Measure of Association	Descriptive Adjectives
>0.00 to 0.20; <-0.00 to -0.20	Very weak or very low
>0.20 to 0.40; <-0.20 to -0.40	Weak or low
>0.40 to 0.60; <-0.40 to -0.60	Moderate
>0.60 to 0.80; <-0.60 to -0.80	Strong or High
>0.80 to 1.0; <-0.80 to -1.0	Very high or Very Strong

Source: Bartz (1999)

Table 11/4.7 Correlation Result

		Correlations					
		Transformational	Laissez-fair	Transactional	Participative	Autocratic	Organizational
Transformational	Pearson Correlation	1	.554**	.811**	-.124	.597**	.737**
	Sig. (2-tailed)		.000	.000	.117	.000	.000
	N	160	160	160	160	160	160
Laissez-fair	Pearson Correlation	.554**	1	.676**	-.045	.512**	.369**
	Sig. (2-tailed)	.000		.000	.576	.000	.000
	N	160	160	160	160	160	160
Transactional	Pearson Correlation	.811**	.676**	1	-.056	.743**	.667**
	Sig. (2-tailed)	.000	.000		.483	.000	.000
	N	160	160	160	160	160	160
Participative	Pearson Correlation	-.124	-.045	-.056	1	.068	.392**
	Sig. (2-tailed)	.117	.576	.483		.391	.000
	N	160	160	160	160	160	160
Autocratic	Pearson Correlation	.597**	.512**	.743**	.068	1	.492**
	Sig. (2-tailed)	.000	.000	.000	.391		.000
	N	160	160	160	160	160	160

Organizational Performance	Pearson Correlation	.737**	.369**	.667**	.392**	.492**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	160	160	160	160	160	160

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

Source: Researcher Survey, 2022

The above table showed the correlation between dependent variable organizational performance and independent variables, laissez-faire, transformational leadership, and autocratic leadership, transactional and participative leaders.

As clearly indicated, all independent variables have positive correlate with the dependent variable, organizational performance with significant level of 0.01. The magnitude of correlation between independent variables and the dependent variable for transformational leadership (R=.737**). This shows the variable strongly or highly relate with the dependent variable. Autocratic leadership(R=.492**), transactional Leaders(R=.667**), laissez-Faire(R=.369**) and participative leadership style coms up(r= .392**). Though all independent variables have a positive significant relationship with organizational performance, transformational leadership and transactional leaders have a strong relationship with organizational performance

4.6 Regression Analysis Results

In this section the researcher used multiple regression analysis to absorb the relationship between the dependent variable and independent variables. Further, regression analysis helps the researcher to understand how typical value of the dependent variable changes when any one of the independent variable is varied, while other independent variables are held fixed.

Table 12/4.8 Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.898 ^a	.806	.800	.30061
a. Predictors: (Constant), Autocratic leadership style, Participative Leadership Style , Laissez-fair Leadership, Transformational Leadership, Transactional Leadership				
b. Dependent Variable: Organizational Performance				

Source: Researcher Survey, 2022

The regression model considers organizational performance as dependent variable and laissez-faire, transformational leadership, autocratic leadership and transactional leaders, Participative Leadership Style as independent variables.

The linear combination of those factors is significantly related to organizational performance ($R^2=.806$). This means that, 80.6 percent of the variance in the dependent variable; organizational performance can be explained by the independent variables, Participative Leadership Style laissez-faire, transformational leadership, autocratic leadership and transactional leaders. Although, the remaining 20 percent of the change is explained by other factors which are not included in this study model both the R-squared and the Adjusted R-squared values in this study are found to be sufficient enough to infer that the fitted regression line is very close to all of the data points taken together (has more explanatory power). R-Squared greater than 20% is still large enough for reliable conclusions for such data.

Table 13/4.9 ANOVA

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	57.802	5	11.560	127.925	.000 ^b
	Residual	13.917	154	.090		
	Total	71.719	159			
a. Dependent Variable: Organizational Performance						
b. Predictors: (Constant), Autocratic leadership style, Participative Leadership Style , Laissez-fair Leadership, Transformational Leadership, Transactional Leadership						

Source: Researcher Survey, 2022

The ANOVA (Analysis of Variance) table provides the result of test of significance for R and R². Accordingly, it shows the F value of 127.9 is significant at 0.01 (P value that a correspondent to F statistic is significant). Thus, Participative Leadership Style which states the independent variables, laissez-faire, transformational leadership, autocratic leadership; transactional leaders significantly explain the variance in organizational performance in NOC.

Table 14/4.10 Regression Coefficients

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.995	.206		-4.825	.000
	Transformational	.617	.055	.687	11.224	.000
	Laissez-fair Leadership	-.123	.039	-.151	-3.135	.002
	Transactional Leadership	.337	.081	.328	4.139	.000
	Participative Leadership	.526	.039	.497	13.663	.000
	Autocratic leadership style	-.115	.052	-.118	-2.196	.030
a. Dependent Variable: Organizational Performance						

Source: Researcher Survey, 2022

Under Beta coefficient table, standardized Beta coefficient and unstandardized beta coefficient values are used to predict the relative importance of each independent variable and to formulate the linear regression equation respectively.

Based on the standardized beta coefficient values, it can be shown that leadership styles laissez-faire, transformational leadership, participative leadership, autocratic leadership; transactional leaders found to be significant predictors of organizational performance in NOC.

The linear multiple regression formula for the dependent variable, organizational performance and independent variables participative leadership, laissez-faire, transformational leadership, autocratic leadership; transactional leaders took the form of:

$$OP = \beta_0 + \beta_1 AL + \beta_2 TFOR + \beta_3 TAC + \beta_4 LF + \beta_5 Part + \epsilon \dots\dots\dots 1$$

$$Op = -.995 - .118AL + .687TFOR + .328TAC - .151LF + .497Part \dots\dots\dots 2$$

The implication of the above formula can be stated as, setting all other predictor variables to zero,

- For every unit increase in the value of autocratic leadership in NOC the value of organizational performance will decrease by 11.8%.
- For every unit increase in the value of the transformational leadership NOC, the value of organizational performance will increase by 68.7%.
- For every unit increase in the value of transactional leadership NOC, the value of organizational performance will increase by 32.8%.
- For every unit increase in the value of laissez-faire leadership style in NOC, the value of organizational performance will decrease by 15.1%.
- For every unit decrease in the value of Participative leadership style in NOC, the value of organizational performance will increase by 49.7%.

4.7 Hypothesis Testing

H1: Transformational leadership styles have statically significance effect on organizational performance.

There is positive and significant relationship between Transformational leadership and organizational performance. The $P < 0.05$ and the Value of Beta value .687 which shows that

68.7% variance in organizational performance is determined due to transformational leadership. Thus transformational leadership has positive and significant relation with organizational performance. Therefore H1 is supported

H1: Transactional leadership styles have statically significance effect on organizational performance.

There is positive and significant relationship between Transactional leadership and organizational performance. The $P < 0.05$ and the Value of Beta value.328 which shows that 32.8% variance in organizational performance is determined due to Transactional leadership. Thus Transactional leadership has positive and significant relation with organizational performance. Therefore H2 is supported

H3: Laissez faire leadership styles have statically significance effect on organizational performance.

There is not positive and significant relationship between Laissez faire and organizational performance. $P < 0.05$ and the Value of Beta value .151. Therefore H3 is rejected

H4: Authoritarian leadership styles have statically significance effect on organizational performance.

There is positive and significant relationship between Authoritarian leadership and organizational performance. The $P < 0.05$ and the Value of Beta value.118 which shows that 11.8% variance in organizational performance is determined due to Authoritarian leadership. Thus Authoritarian leadership has not positive and but significant relation with organizational performance. Therefore H4 is rejected

H5: There is positive and significant relationship between participative and organizational performance.

The $P < 0.05$ and the Value of Beta value.118 which shows that 49.7% variance in organizational performance is determined due to participative. Thus participative leadership has positive and significant relation with organizational performance. Therefore H5 is rejected

Table 15/4.11 Summary of Hypothesis

No	Hypothesis	Remark
1	Transformational leadership styles have statically significance effect on organizational performance.	Accepted
2	Transactional leadership styles have statically significance effect on organizational performance.	Accepted
3	Laissez faire leadership styles have statically significance effect on organizational performance.	Rejected
4	Authoritarian leadership styles have statically significance effect on organizational performance.	Rejected
5	Participative leadership style has positive and significant impact on organization performance	Accepted

CHAPTER FIVE

5. CONCLUSION AND RECOMMENDATION

5.1 Conclusion

This research aimed to investigate the effect leadership style organizational performance in NOC. The study collected a data based on the questionnaire. The questionnaire was distributed to 165 respondents of which 160 responses were collected. It implies that the response rate was 96.9. For the data analysis the statistical software version 26.0 was used and demography characteristics of respondents were analyzed. Descriptive statistics includes frequencies, percentages, means, and standard deviations and from inferential analysis the diagnosis of data test including correlation, regression and hypothesis testing were conducted.

Regarding demographic characteristics of respondent's gender, age, educational level and experience or how long that they have been in the organization were discussed. Out of 160 respondents 51% were male while 49 % were females. Regarding the When we look at the age group of respondents, the number of employees under the age of 25 becomes 13 respondents, between 25-35 years becomes 98 respondents, between 36-50 years becomes 35 respondents and above 50 years becomes 14 respondents while their educational qualification majority of respondents (76%) were first degree holder and 20% of the respondents were master or second degree holder. Regarding the experience majority of employees(n=113) were served from 5 up to ten years followed by service year of 2 up 5 years (n=25) and above ten years which is accounts 20 respondents.

The mean score of transformational Leadership Style (mean= 3.63, SD=.1.1). This aggregate mean showed that on average employees of NOC perceived that transformational leadership has an influence on the performance of the organization. Those leaders who have transformational style were manifest in retaining employees more often than other forms of leadership, seek to meet the demands of personal motives, they were willing to change, improve, and expand over time, incorporating a new vision into their current situation, do more than work toward a final goal or vision. In NOC transformational leadership styles were rare for the last decade. Most leaders, though they have not clear leadership style.

The mean score of autocratic Leadership in NOC come up with 2.57 with standard deviation=.1.16. This implied that participants were not perceived that autocratic leadership had an impact organizational performance. Autocratic leadership is most common behavior of NOC those leaders in the company showed that control over all decisions and little input from group tem members, make choices based on their own in sting and judgments, control over a group. Those leaders who are common in NOC showed that leaders were rely on specific rules, policies, and procedures to govern all processes within the company; they were not offer a sense of professional ownership

The perceived mean score of transactional leader in NOC come with mean value of 3.07 and standard devotion .88. This implied on average employees were perceived that transaction leadership style in their organization had a modest influence on the performance of their organization. Though transactional leader were rare in their company they showed a unique character such as emphasizing results (the amount of sales in the company and revenue generated), stays within the existing structure of the company

The perceived mean score of Laissez-Faire Leadership style towards organizational performance in NOC come with 2.4 and SD= 1.1. This implied that employees were not perceived laissez fair leadership had an impact on the performance their office. though permeate laissez fair leaders were rare in NOC, those few leaders who perceived as laissez-Faire Leadership depicts they were hands-off and allow employees to make the decisions, they provide very little guidance to the employee, they gave relatively complete freedom for employee to make hard and complexes decisions, they tried to simply provide the tools and resources needed.

The mean score of participative is 4.0. This high means indicted that Employees want to be a part of the decision-making process and they Provide guidance without pressure is the key to being a good leader.

All independent variables have positive correlate with the dependent variable, organizational performance with significant level of 0.01. The magnitude of correlation between independent variables and the dependent variable for transformational leadership ($R=.737^{**}$). Autocratic leadership($R=.492^{**}$), transactional Leaders($R=.667^{**}$), laissez-Faire($R=.369^{**}$) and participative leadership style coms up($r= .392^{**}$). Though all independent variables have a positive

significant relationship with organizational performance, transformational leadership and transactional leaders have a strong relationship with organizational performance

The linear combination of those factors is significantly related to organizational performance ($R^2=.806$). This means that, 80.6 percent of the variance in the dependent variable; organizational performance can be explained by the independent variables

5.2 Recommendation

Based on the major findings and the conclusions made, the following recommendations were forwarded

Since the perceived of leadership style that have a positive influence on organizational performance is found to be transformational leadership style, therefore, the management of NOC need to focus on keep their ego in check, encourage self-management, initiate the ability to take the right risks, motivate employee to make difficult decisions by their own, share collective organizational consciousness, being inspirational and entertain new ideas and enhance office adaptability.

The second leadership style which chosen by employees were found is transactional leadership style. Therefore the management of NOC should develop the qualities eliciting the desired performance from the team by motivating them externally, being practical, soften resistant to change be fair and reasonable reward, discourage independent thinking, rewards performance and be directive towards the goal.

Autocratic leadership was perceived as adversely affect employee performance in NOC, therefore the management should avoid lack of involvement from the employee in the decision making process which leads to employees not assuming ownership of their work, contributing to low morale, lack of commitment, and manifesting in high turnover, absenteeism, and work stoppage.

Regarding lassie fair employee were perceived as the worst for organizational performance. Therefore management should avoid being passivity in any activity of the office. On the other hand management should motivate followers, recognize the efforts of team members, and make attempts at involvement with employees.

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Appendixes

Questionnaire



ADDIS ABABA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
SCHOOL OF COMMERCE
Questionnaire for NOC Employees

Dear Respondents!

The main objective of this questionnaire is to gather your opinion regarding *The Effect of Leadership Style on Organizational Performance in your company*. The data and opinion gathered will be used for partial fulfillment of the requirement for master's degree in Masters of Arts in Business Leadership at Addis Ababa University, College of Business and Economics, School of Commerce. Your faithful and quick response will make the research fruitful. The information you provide will be kept confidential. Thank you in advance for your collaboration. If you have problems in completing this form, please do not hesitate to contact in the following address.

Ali Endrise

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Email: endrisenebyu@gmail.com

NO	Questions about Each Leadership Style	SDA	DA	M	A	SA
	Transformational Leadership					
1	My leaders make others feel good to be around them					
2	Leaders Express their idea with a few simple words what we could and should Provide in the company.					
3	leaders Enable employees to think about old problems in new ways					
4	All team members are given opportunities to attend relevant trainings and conferences in the company					
5	leader Spend time to teaching and coaching employee					
6	Leader gives complete freedom in decision making and problem solving to employees					
	Laissez-fair Leadership					
1	In complex situations, leaders were let subordinates to work out problems on their own.					
2	Leaders requires to stay out of the way that subordinates were do their work.					
3	As a rule, leaders should allow subordinates to appraise their own work.					
4	Leaders delay responding to urgent questions.					
5	Leaders avoid him/her from getting involved when important issues arise.					
6	Leader waits for things to go wrong before taking action.					
	Transactional Leadership					
1	My leader maintains definite standards of performance.					
2	My leader makes clear what one can expect to receive when performance goals are achieved					
3	My leader is effective in meeting organizational requirements					
4	my supervisor clearly clarify the responsibility for achieving targets					
5	As long as things are working I do not try to change things					

6	I provide recognition rewards when others reach their goals					
	Participative Leadership Style					
1	Employees want to be a part of the decision-making process.					
2	Providing guidance without pressure is the key to being a good leader.					
3	Most workers prefer supportive communication from their leaders					
4	Leaders need to help subordinates accept responsibility for completing their work.					
5	It is the leader’s job to help subordinates find their “passion.					
6	People are basically competent and if given a task will do a good job.					
	Autocratic leadership style					
1	Employees need to be supervised closely, or they are not likely to do their work.					
2	It is fair to say that most employees in the general population are lazy					
3	As a rule, employees must be given rewards or punishments in order to motivate them to achieve organizational objectives.					
4	Most employees feel insecure about their work and need direction.					
5	The leader is the chief judge of the achievements of the members of the group.					
6	Effective leaders give orders and clarify procedures.					
	Organizational Performance					
1	Work environment conducive for the organization Operations					
2	Customers complain is solved as per the standard					
3	Employees are satisfied in the overall activity of the Company					
4	The company collects revenue as planned					
5	in the company service were delivered as per the standard					
6	Overall, the company is at good performance					

Part Three: Open ended questions

1. What type of leadership style do believe is good for the company performance in NOC?
Why and how?

Thank you in Advance!

Interview with LT



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SCHOOL OF COMMERCE

Checklist for key Informant Interview

Key Informant Interview number _____

The Researcher signature _____

Name of supervisor _____ sign _____

Date of Interview _____

Interview started at ____: ____ hrs.

Interview finished at ____: ____ hrs. (Fill at the end)

Checklist for key informant interview for NOC LT.

1. How do you see the leadership style in NOC Employees?
2. How do you evaluate the performance of NOC Employees?
3. Do you think any relationship between organizational performance and leadership style
4. What type of leadership style do you think good for the better performance of the company? How and why?
5. In your opinion what type leadership do you think that is bad for the performance of the company? How and why?