

MEKELLE UNIVERSITY



**POSTGRADUTE STUDIES
COLLEGE OF LAW AND GOVERNANCE
DEPARTMENT OF CIVICS AND ETHICAL STUDIES**

**THE IMPACT OF TRANSFORMATIONAL LEADERSHIP ON ORGANIZATIONAL
CULTURE AND EMPLOYEE ENGAGEMENT IN CHERCHER TOWN
ADMINISTRATION, TIGRAY REGION**

**A THESIS SUBMITTED TO DEPARTMENT OF CIVICS AND ETHICAL STUDIES IN
PARTIAL FULFILMENT OF THE REQUIRMENTS FOR THE AWARD MASTER OF
ARTS DEGREE IN CIVICS AND ETHICAL STUDIES.**

BY

SEID ENDRIS

ADVISOR:

GEBREHIWOT GEBRESLASIE

**AUGUST, 2025
MEKELLE, ETHIOPIA**

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CERTIFICATE

This is to certify that the research entitles The Role of Transformational Leadership on Organization Culture and Employee Engagement (Chercher town Administration). Submitted to Mekelle University for the award of the Degree of Master of Civic and Ethical Education and is a record of confide research work carried out by Mr. SEID ENDRIS under our guidance and supervision. Therefore, we hereby declare that no part of this thesis/research has been submitted to any other university or institutions.

Adviser's Name

Date

Signature

Date

Signature

Date

Signature

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First, I would like to thank the almighty Allah for the precious gift of life, wisdom and health that he awarded me during my study period. I extend my special thanks and sincere appreciation to my advisor Mr. **GEBREHIWOT GEBRESLASIE** for unreserved effort to equip me with the knowledge and skills of research methods.

List of Acronyms & Abbreviations

C.T	Critical thinking
I.C	Individualized consideration
I.I	Idealized influence
I.M	Inspirational motivation
I.S	Intellectual stimulation
O. C	Organizational culture
T.L	Transformational leadership

Contents

ACKNOWLEDGEMENT.....	i
List of Acronyms & Abbreviations	ii
ABSTRACT	viii
CHAPTER ONE: INTRODUCTION	1
1.1 Background of the Study	1
1.2 Statement of the Problem	2
1.3 Research Questions	4
1.4 Objectives of the Study	4
1.4.1 General Objective.....	4
1.4.2 Specific Objectives.....	4
1.5 Significance of the Study.....	5
1.6 Scope of the Study	5
1.7 Limitation of the Study.....	5
1.8 Organization of the Study.....	6
1.9 Definition of Terms	6
CHAPTER TWO.....	7
REVIEW OF RELATED LITERATURE.....	7
2.1 Introduction	7
2.2 Concept of Leadership	7
2.3 Leadership Theories	8
2.3.1 Trait Theories of Leadership	8
2.3.2 The Bradford Model: The Micro skills of Leadership	8
2.3.3 Transformational Leadership	9
2.3.3.1 Idealized Influence.....	10
2.3.3.2 Inspirational Motivation.....	11

2.3.3.3 Individualized Consideration.....	11
2.3.3.4 Intellectual Stimulation	12
2.4 Leadership Practices.....	13
2.5 Leadership and Related Issues	14
2.5.1 Leadership and Decision Making.....	14
2.5.2 Leadership and Communication.....	14
2.6 Theoretical Literature review on organizational culture.....	15
2.7 Organizational Performance and Indictors.....	16
2.8 Empirical Reviews	19
2.8.1 Relationship between leadership style and organizational culture.....	19
2.8.2 The Effect of Organizational Culture on Employee Performance	20
2.8 Conceptual Framework	20
CHAPTER THREE	22
RESEARCH DESIGN AND METHODOLOGY	22
3.1 Research Design and Approach.....	22
3.2 Population, Sample and Sampling Techniques	23
3.3 Sources and Instruments of Data Collection.....	24
3.4 Procedures of Data Collection	25
3.5 Methods of Data Analysis	25
3.5.1 Validity	27
3.5.2 Reliability	27
3.6 Ethical Consideration	27
Chapter Four.....	29
Results and Findings	29
4.1 Introduction	29
4.1.1 Response Rate	29
4.2 Demographics	30

4.2.1 Gender of the Respondents	30
4.2.2 Age Bracket of the Respondents	30
4.2.3 Respondents' Highest Level of Education	31
4.2.4 Respondents' Length of service.....	32
4.2.5 Descriptive Analysis.....	33
4.3 Overall Performance	43
4.3.1 Inferential Statistics.....	44
4.3.1.1 Correlation Analysis	44
4.4 Regression Assumptions Tests.....	45
4.4.1 Normality Test.....	45
4.4.2 Linearity Test	46
4.4.3 Multicollinearity Test	48
4.5 Regressing transformational leadership on organizational performance	49
CHAPTER FIVE	53
SUMMARY, CONCLUSIONS AND RECOMMENDATIONS	53
5.1 Summary of major findings	53
5.2 Conclusion.....	54
5.3 Recommendations.....	55
5.4 Recommendation for Further Studies.....	56
REFERENCE	57
APPENDIX I.....	59
APPENDIX II	60
QUESTIONNAIRE	60
APENDIX II.....	65

ABSTRACT

This study investigated the impact of leadership style on organizational culture and the employee engagement in chercher town administration bureau on the selected sectors. A mixed approach was adopted, with primary data collected through questionnaires distributed at chercher town administration bureau on the selected sectors. Data analysis was conducted using Statistical Package for Social Sciences (SPSS), employing descriptive statistics like mean and standard deviation, as well as inferential statistics such as correlation and mediation analysis. The findings reveal that influence of leadership style on organizational culture, indicating a preference for transformational leadership at the town administration. The study findings indicate that there is a moderate positive correlation between leadership style and organizational culture, as well as between leadership style and employee engagement.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Transformational leadership has become one of the main topics in leadership studies over the past few decades. This approach has attracted the attention of researchers and practitioners because of its ability to inspire and motivate employees, which can ultimately improve overall organizational performance. In this context, transformational leadership is not only about achieving organizational goals, but also about creating a positive work environment and supporting the personal and professional development of employees (Bojovic & Jovanovic, 2020). Transformational leadership is defined as a leadership style that involves a strong influence on followers through vision, inspiration, intellectual stimulation, and individualized consideration (Gonfa, 2019). Transformational leaders are considered capable of raising the enthusiasm and motivation of their followers through communicating a clear and attractive vision, as well as by showing concern and support for individual needs. The strong vision of a transformational leader helps in aligning individual goals with organizational goals, thereby creating a sense of ownership and responsibility among employees (Afsar et al., 2020).

In an increasingly complex and dynamic business environment, transformational leadership is considered one of the most effective approaches in facing these challenges. Transformational leaders have the ability to change organizational culture and motivate employees to contribute optimally to achieving organizational goals. By providing inspiration and motivation, transformational leaders not only improve individual employee performance, but also optimize the performance of teams and the organization as a whole.

Transformational leaders who are able to communicate their vision clearly and provide the support their employees need tend to create a more productive and innovative work environment. Additionally, employees who feel valued and motivated by their leaders are more likely to demonstrate higher performance and be committed to their work.

Employee motivation is one of the key elements in transformational leadership (Haryadi, Sunarsi, Erlangga, Nurjaya, & Hamsinah, 2022). Transformational leaders encourage employees to reach their maximum potential through an inspiring and supportive approach. By providing meaningful challenges and opportunities for growth, transformational leaders create a work environment that

stimulates intrinsic motivation. This intrinsic motivation, which originates from within the individual, is proven to be more long-lasting and stronger than extrinsic motivation based on external rewards or punishment. (Bass, B. M. (1985))

One of the important characteristics of a transformational leader is the ability to communicate effectively (Jensen, Moynihan, & Salomonsen, 2018). Clear and inspiring communication is the primary tool used by transformational leaders to convey the organization's vision and goals to employees. Through effective communication, leaders can build trust and strong relationships with employees, which ultimately increases employee motivation and commitment to the organization. Open and transparent communication also helps in overcoming obstacles and creates a collaborative work environment (Yukl, G. A. (2010)).

Transformational leadership also involves intellectual stimulation, where the leader encourages employees to think critically and creatively (Shafi, Lei, Song, Sarker, & others, 2020). Transformational leaders invite employees to question assumptions, explore new ideas, and seek innovative solutions to the problems they face. This intellectual stimulation not only improves employees' skills and knowledge, but also encourages them to continue learning and developing. Thus, transformational leaders play an important role in the personal and professional development of employees, which ultimately has a positive impact on organizational performance.

Transformational leaders are also known for their attention to the needs and aspirations of individual employees (Murphy, Anderson, & others, 2020). Through a personal approach and deep attention, transformational leaders are able to create strong and supportive relationships with employees. This individualized consideration helps employees feel valued and recognized, which in turn increases their motivation and loyalty to the organization. Transformational leaders who are able to provide emotional and intellectual support to employees tend to create a positive and productive work environment.

1.2 Statement of the Problem

In today's dynamic business environment, an organization's success is increasingly tied to its ability to foster a vibrant culture and maintain a motivated, engaged workforce. The relationship between leadership style and organizational performance has been a subject of growing interest,

with a general consensus in academic literature that effective leadership is a prerequisite for achieving organizational goals, ensuring customer satisfaction, and improving employee job satisfaction (Zada and Adnan, 2014; John et al., 2019). While some leaders may not fully recognize the influence of their leadership style on employee performance (Bharathin, 2004), a robust body of research confirms this vital connection.

Organizational performance, often measured by profitability and growth, is fundamentally influenced by both tangible resources and, more critically, by a leader's ability to inspire and guide their team. A leadership style that promotes customer and employee job satisfaction is directly linked to an organization's competitive advantage (Zada and Adnan, 2014).

Among various leadership approaches, transformational leadership has been widely studied for its ability to motivate employees to exceed expectations. It achieves this by inspiring them with a clear vision, providing meaningful challenges, and building strong, trusting relationships. Studies have shown a significant positive relationship between transformational leadership and job satisfaction, particularly among customer-facing employees in multinational companies (Thomsen, 2014). However, other studies, particularly in the context of small-scale enterprises, have found that transactional leadership may be more effective in certain stages of organizational growth (Andy et al., 2011). These findings highlight that the optimal leadership style is not universal and can depend on the organizational context.

Despite the global body of research, there is a significant empirical gap concerning the impact of leadership styles on organizational culture and employee engagement within Ethiopian organizations. Most Ethiopian organizations lack clearly defined and evaluated leadership styles, and there is a scarcity of localized research to guide leaders in improving their skills (Koech & Namusonge, 2012; Aragaw & Gajendran, 2016). While some studies have been conducted in the country, they often lack a specific focus on the combined effects of leadership on organizational culture as measured by both customer satisfaction and employee engagement, which are key drivers of private sector success (Ayene, 2016).

This study aims to bridge this gap by investigating the effects of transformational leadership on organizational culture and employee engagement within the Chercher Town Administration in

Tigray. By focusing on this specific context, the research provide a unique insight into how transformational leadership influences operational performance, specifically through its effects on customer satisfaction and employee job satisfaction.

1.3 Research Questions

The research questions of the study are as follows;

1. How influence organizational culture by Transformational leadership in the Chercher town administration bureau selected sectors
2. Are there relationships between Transformational leadership and organizational culture?
3. How was the culture of the organization as perceived by the employees in the leadership?

1.4 Objectives of the Study

1.4.1 General Objective

The general objective of the study was to assess the effect of transformational leadership styles on organization culture and employee engagement in the case of chercher town administration bureau selected sectors.

1.4.2 Specific Objectives

The study was the following specific objectives:

1. To investigate impact of Transformational leadership on organizational culture and employee engagement
2. To determine the relationship between leadership style and organization culture in governmental organization.
3. To examine the culture of the organization as perceived by the employees

1.5 Significance of the Study

The study would be significant for the following reasons:- The findings would help the leaders in the organization to answer the question of how to enhance organizational culture through effective transformational leadership practices. The leaders will observe the link and the possible gap that exist between organizational culture and transformational leadership practice of the enterprise. The research act as reference to further research conducted in relation with leadership and organizational culture and employee engagement.

1.6 Scope of the Study

The scope of this study is focused on chercher town administration bureau selected sectors. The research conducted by considering information starting from 2016 to 2017 e.c. The study focused to assess the overall situation of leadership practices in particular on the transformational leadership style. When analyzing this study leadership includes the decision making and communication tasks whereas transformational leadership includes the four I's that is idealized influence, inspirational motivation, intellectual inspiration and individual consideration.

Thus, the data collection for the study relayed on the sampling method which considers the managerial and non-managerial stuffs of the enterprise. Questionnaire and interviews are used as primary sources. The study has also used secondary data sources as well.

1.7 Limitation of the Study

The study is restricted only to selected bureau because of time and economic limitations. Due to resource constraints, the study did not include all governmental sectors located on Chercher town. Since the research is done in the selected sectors only it is understandable that this may have its own limitations on the findings of the study. While collecting the questionnaires distributed to sample respondents it was noticed that some of the questionnaires were not collected.

1.8 Organization of the Study

The study consists of five chapters. The first Chapter gives full information about the background of the study and the organization, statement of the problem, objectives of the study, significance of the study and the observed limitations and scope of the study are presented. In the next chapter, chapter two shows the review of related literatures. The third Chapter focuses on presenting the overall research designs and methodology used. Chapter four comprises of the data analysis of this research and the closing chapter which is devoted to summary the findings of the study with conclusions and recommendations.

1.9 Definition of Terms

The meaning of terms that used for the intended research case they hold and most frequently in this particular context below:

Leadership: - people who are in control or the ability of an individual or organization to guide other individuals, teams or entire organization.

Organizational culture:-refers to the shared values, beliefs, and behaviors that characterize a specific organization. It is the "personality" of a company, shaping how employees interact with each other, the organization, and its stakeholders. It acts as a guiding set of principles, influencing everything from daily operations to strategic decision-making.

Manager: - administrator of an organization.

Management: - the administration of an organization conducting activities of setting the strategy and coordinating the efforts of its employees to accomplish its objectives through the application of available resources, such as financial, natural, technological and human resources.

Transformational leadership: - means creation of significant change for both followers and the organization, transformational leader inspires subordinates and motivates them to transcend their personal interests in favor of the organization.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 Introduction

This chapter mainly devoted to review relevant literatures relating to the effect of transformational leadership styles and that of organizational culture. The body of the literature was reviewed using the following themes: Leadership Concept, Leadership Theories, and Leadership Styles, organizational performance and indicators, empirical studies related to issues and Conceptual framework of the Study.

2.2 Concept of Leadership

Even though Leadership definition and concept are being modified and differ from different scholars, this study focuses on the most definitions that are on influential situation/part of leadership practices to achieve organizational objectives. To start with definition of leadership that “leading is influencing people so that they will contribute to organizational and group goal” According to Yulk,G. (2013:7) leadership is the process of influencing others to understand and agree about what needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives Furthermore, in this book Yulk earlier edition defines leadership which supports the above definition that is “leadership is the process by which a person exerts influence over other people and inspires, motivates, and directs their activities to help achieve groups or organizations”.

According to Gill R.(2011:9) “leadership is showing the way and helping or inducing others to pursue it, this entails envisioning a desirable future, promoting a clear purpose or mission, supportive values and intelligent strategies, and empowering and engaging all those concerned.” The purpose of leadership is to create a supportive environment where people can thrive, grow, and live in peace with one another; and to create communities and shared responsibility on person or organization matters and welfare is respected and supported

2.3 Leadership Theories

2.3.1 Trait Theories of Leadership

Leadership in trait studies is mostly psychological in approach. According to Guillén M. F. (2010) from the sociologist point of view it is characterized often focusing on power and dominance rather than interaction with peoples. The sociological approach is to analyze the characteristics of leaders that result from their position in society: social class, education, gender and religious, ethnic and kinship network. The problem appears to social elite theory is that it deals with position strata and its associated dominance and control rather than with the analysis of the personalities and behavior of leaders”

According to Yulk G. (2013:12) “... attributes of leaders such as personality, motives, values, and skills. Underlying this approach was the assumption that some peoples are natural leaders, endowed with certain traits not possessed by other peoples.” In the book it is stated that the recent trait theory is based on different research designs made progress and reach to how leaders“ attributes are related to leadership behavior and effectiveness.

This theory focused on identifying the traits that differentiated leaders from non-leaders and on “what” an effective leader is, not “how” to effectively lead. We can summarize as there is no clear answer regarding what traits has a relation with leadership. Leaders are born not made

2.3.2 The Bradford Model: The Micro skills of Leadership

the leadership model was developed by Rogle gill and his colleagues that was focus on the interpersonal micro skills of effective leadership behavior. Where the core skill of leadership, accordingly were comprise of the perception of others thoughts and feelings through their behaviors, appropriate questioning, making judgments from the answers, and responding appropriately both language. It was initially used in training managers in performance appraisal but was later extended to leadership development more generally. The model is criticized by it narrowness in its coverage of the behavioral domain of leadership since it is highly focused on behaviors at the „micro“ level.

This leadership style has some relation with that of behavioral leadership style since they are focusing on the behavioral traits of leader. Likewise behavioral leadership was emerged in the early twentieth century fostered the development of a more focused search for the basis of leaders. Researchers developed personality tests and compared the results against those perceived to be leaders. Looked at leader behaviors in an attempt to determine what successful leaders do, not how they look to others, began to look at leaders in context. That is, in context of the organization they work in, by identifying behaviors leaders exhibit that increase the effectiveness of the company.

2.3.3 Transformational Leadership

Transformational leadership is one of the leadership theories that commonly exist and practiced leadership styles form the newly emerged theories. Different researchers and authors put the main assumptions of the theory in different manners and perspectives as it is presented in the below paragraphs.

According to Yulk, G. (2013:323) “Transformational leadership probably involves internalization, because inspirational motivation includes efforts to line the task to followers” values and deals with behavior such as articulating an inspirational vision.” According to Gill, R. (2011:82) “Transforming or transformational leadership occurs when both leader and followers raise each other’s motivation and sense of higher purpose.” Furthermore, in the book it states that this leadership style follower leaders are doing tasks more than „transact“ with subordinates or followers, and this is what makes a significant difference to peoples’ motivations and development, they achieve „performance beyond expectations“ in their subordinates or follower. In addition to this they make a positive impact on empowerment, motivation and morality Gill R. (2011: 83). From these definition focused on the motivational and inspirational part of this leadership style relating it with performance.

According to Bernard M. Bass and Ronald E. Riggio (2006) shows that transformational leaders be likely to have a more satisfied and committed followers ; it rise relationship; inspire followers to stand for the common goal, challenges them to be creative in hectic situation through coaching ,mentoring and others. Moreover, transformational leaders stimulate followers to realize the important meaning of the tasks they are responsible for, motivate their high level needs for growth and development, establish a climate of mutual

trust, exert their employees to look beyond their own self-interests for the good of the group, and achieve performance beyond expectation.

This leader they do more than transact with subordinates and makes positive impact on empowerment, motivation and morality. and also according to Rehman (2012) transformational leadership involves motivating others to move towards their own self-interests for the achieving the goals of the group and the organization and adopt new ways to success. Transformational leadership is related to emotions, values, standards and long-term goals“ as it was described by Karadag, D. (2015)

Transformational leadership is more specifically has five dimension or Key characteristics are individualizations, motivating, inspirational, provide intellectual challenges and ideal influence are considered to promote vision. This is further supported by Rogles gill page 90 that as the four “I” and other authors ideas are also included supporting this idea.

2.3.3.1 Idealized Influence

Charisma or idealized influence is the degree to which the leader behaves in admirable ways that cause followers to identify with the leader, charismatic leaders display conviction, take stands, and appeal to followers on an emotional level and inspiring to followers. Further it refers to character of leaders who have standards of moral and ethical conduct, who are held in high personal regard, and who engender loyalty from followers.

In addition, “Leaders with Idealized Influence demonstrate heightened concerns and cognizance of followers' needs and generate a sense of shared risk-taking” Jung (2008). The actions of this kind of leader are taken as behavioral influence and act as a role model for their followers. In addition they strictly follow strong ethical and moral values. This type of leadership is inspirational in nature, self-confidence can secure great accomplishments, and they are endowed with a constructive sense of self-determination.

Therefore, Transformational leaders providing sense of purpose, meaning, self-esteem, self-determination, emotional control and confidence in followers.

2.3.3.2 Inspirational Motivation

“Inspirational motivation targets at the principle of organizational existence, instead of personality of the leader” Bass & Avolio (2004). Intellectual stimulation is the degree to which the leader challenges assumption, takes risks, and solicits follower’s ideas. Leaders with this trait stimulate and encourage creativity in their followers.” Piperopoulos G. P. (2015). This characteristic of leadership has an optimistic view and set high standards for followers. By developing the consciousness of followers, inspirational motivational leader by encourage them to accomplish higher, future goals and pursuit drawing best out of them by aligning towards the organizational mission, vision and objectives; and motivating others in understanding and committing to the accomplishment of the organizational goal is a key dimension of the transformational leadership style of inspirational motivation.

Leaders equipped with this style encourage the employees rendering them more autonomy to make decisions without supervision and providing them the tools to make these decisions. “Vision – expressing an idealized picture of the future based around organizational values. Inspirational communication- expressing positive and encouraging messages about the organization and making statements that build motivation and confidence.” Gill R. (2011: 90). In simplest ways it can be conclude that, workers are motivated to put in their best performance by the inspiring leadership

2.3.3.3 Individualized Consideration

According includes providing support, encouragement, and coaching to followers. It includes supportive behavior and efforts to develop subordinate’s skills and confidence while concerning with the basic transformational leadership behaviors of regarding individuals as fundamental contributors to the work place. These types of leaders concerned for their employee want/needs, and are able in boosting and coaching for the development of desired workplace behavior. According to Daft Richard L (2011:41) refers to leader behaviors aimed at recognizing the unique growth and developmental needs of followers as well as coaching followers and consulting with them.”

2.3.3.4 Intellectual Stimulation

It enables employees to understand, conceptualize, and comprehend their problems. These types of leaders are characterized by their rationality, creativity, consensus decision-making, coaching, supporting, challenging, and involvement in the overall performance of the organization. In other words which refers to leaders who challenge organizational norms, encourage divergent thinking, and who push followers to develop innovative strategies. Intellectual stimulation or inspiration ensures that employees are aware of their problems and capable enough to think about their problems in a more creative manner. “Intellectual stimulation: -enhancing employees’ interest in and awareness of problems, and increasing their ability to think about problems in new ways.” Gill R 2011: 90).

According to Daft Richard L (2011:41) refers to leaders who challenge organizational norms, encourage divergent thinking, and who push followers to develop innovative strategies.

“Taking all aspects of transformational leadership into consideration, Northouse P.G (2001) described the following qualities of a successful transformational leader:

- ✓ Empowers followers to do what is best for the organization,
- ✓ Is a strong role model with high values,
- ✓ listens to all viewpoints to develop a spirit of cooperation,
- ✓ creates a vision, using people in the organization,
- ✓ Acts as a change agent within the organization by setting an example of how to initiate and implement change,
- ✓ Helps the organization by helping others contribute to the organization.”

2.4 Leadership Practices

Leadership practice especially organizational leadership has a central role in evolution and cultivating an organization. It can help the member of an organization and working teams to face the challenges and to work for organizational goal.

As a top management level any leader is expected to be visionary. “The vision and mission could be broad - as for the entire organization - or narrow - as for a specific project or objective. Leaders evaluate actions against the mission. But they must also be flexible and adaptable to deal positively with unforeseen circumstances as it was stated in the literature part Proctor, G. (2004)”. This definition shows that how vision is important and also depicts the behavioral nature that is expected by the leader. The main task over here is that to formulate the organization vision that will motivate and move all organization members to work for it with deep commitment.

After formulating vision the next task is to set clear strategic goals and objectives. The middle and the lower level manager can use it to accomplish the departmental objectives. One of the characters of transformational leadership is that they work as a team with their followers, supporting and coaching them. “Leaders will be focused on results, but will be equally focused on people. They will encourage, reward, develop and involve their followers. They will seek input and feedback, delegate and empower. They will continue to learn and to seek opportunities to team (Proctor, 2004).

Whereas effective Leadership practice includes main aspects starting with the leader itself he /she should lead oneself exceptionally well, the other is the interaction with other a leader is expected to invest in building good relationships while doing so it should develop each team member of the organization to their potential and positions to win and reward for results to strengthen their performance by being accountable and creating this situation for the overall organization and doing tasks with a given authority.

2.5 Leadership and Related Issues

2.5.1 Leadership and Decision Making

In every day life, making decision is a one phenomenon of life. This situation might only affect the decision maker or the related relatives ones this is the case of individual level where as for the organization level this situation will affect either positively or the reverse many individual and the surrounding environment. According to Bateman, T. & Snell, S. (2003: 132) “Decision making is defined as the selection of a course of action amongst all possible alternatives.” Therefore to make the best decision researchers suggested that, managers should try to gather information from as many levels of the organization as time allows and a great consideration should be given to it. Since leaders player of the managerial position they expected to give decision that are timely bases, considering different constraints within like financial, human, legal as well as outside the organization this could be legal, marketing and other conditions. (Bateman, T. & Snell, S. (2003:))

There two type of decision making base on the type of decision made that is programmed and non-programmed decision making. The programmed decision are made according to the rules Regulation, policies and others within and outside the organization .Most top and some middle level managers/leaders face the second type of decision making. That is the problem on hand or the decision to be made has various options and possible solution. In this case the leaders“ critical analysis, broad minded, and confidence will be combined to give a fair answer for all bodies.

Once a leader faces any situation he/she should be rational in making decision. To do so some activities need to be done this starts with recognizing and defining the decision situation; identifying, evaluating, selecting, implementing the best and the chosen alternative, and finally following up and evaluating the results are the main tasks performed. (Bateman, T. & Snell, S. (2003 :))

2.5.2 Leadership and Communication

According to Bateman, T. & Snell, S. (2003:466) “Communication is the transformation of information and meaning from on party to another through the use of shard symbols.” In addition to this definition, other authors Weihrich H., Cannice, M. V and Koontz H.

Good communication skills alone, however, will not make an effective leader. Research on leaders over many years has demonstrated that leaders spend from around 75% to 90% of their time on

communication activities. In addition, to this 90 per cent of the meaning of a communication is captured in the non-verbal clues. That is facial expressions, body language, the way a person dresses and other are used for send messages to others. Other forms of communication are under taken in written form.

Other than internal communication external relations is also conducted by leaders of the organization this activities includes sales promotions, advertising and public relations initiatives and others that must be managed very carefully. To conclude, to say communication has taken place when the transference of information occurs; and it has been received and understood by the subordinate. (Bateman, T. & Snell, S. (2003 :))

2.6 Theoretical Literature review on organizational culture

Organizational culture, as defined by Schein (2010), encompasses a set of norms, values, underlying assumptions, and beliefs formed by group members to address integration challenges, consequently shaping the behaviors of employees within the organization. Denison et al. (2012) echo Schein's concept by characterizing organizational culture as the deep-seated values, protocols, beliefs, and assumptions held by members, embodying, and reinforcing fundamental principles (Denison & Mishra, 1995). Moreover, building upon this foundation, (Denison and Mishra, 1995) categorized organizational culture into four traits: involvement, consistency, adaptability, and mission. These traits were further dissected into smaller indices to capture an organization's need for strength and flexibility (Denison et al., 2014), In Denison's model, organizations are evaluated based on the strength of their culture, with a focus on more surface-level values and visible practices, which are more accessible and reliable than artifacts (Yilmaz & Ergun, 2008). The Denison Organizational Culture Survey (DOCS) model is a foundational tool with robust predictive capabilities for assessing organizational culture and widely adopted in IT organizations (Denison et al., 2014).

Various models, such as those proposed by (Schein, 1985), the Competing Values Framework by (Cameron and Quinn, 2011), and the (Denison model, 1995) utilized to illuminate organizational culture. Denison and Mishra introduced the DOCS scale in 1995, which further refined by Denison and colleagues (Denison et al., 2015). In this study, the instrument recommended by (Denison et al., 2012) used. Notably, the Denison model suggests that high-performing organizations demonstrate prominent levels of four cultural traits. The involvement culture allows top-

performing companies to structure their organizations around team members, promoting coordinated activities and empowering employees. This trait emphasizes the organization's capability to respond to changes and adapt to the business environment (Fey & Denison, 2003; Wahyuningsih et al., 2019). Consistent culture provides a central source of coordination, communication, integration, and control. It is associated with highly committed team members, consistent business practices, and adherence to core values, serving as a potent driver of internal integration and stability (Denison et al., 2014). The adaptability culture observed in organizations that embrace change and prioritize customer needs, forming a cluster with the involvement culture and emphasizing flexibility and change management (Denison et al. 2014; Fey & Denison, 2003). Lastly, an organization highlighting a mission culture maintains a clear vision and direction, effectively responding to changes in the external business environment (Denison et al., 2014).

2.7 Organizational Performance and Indictors

Organizational Performance

The performance is usually evaluated by calculating the values of qualitative and quantitative performance indicators like cost and clients. Currently lot of managers and organizations recognize this and put the necessary effort to define the company goals, performance indicators and evaluate them. However practically such analysis is done in an informal way and will benefit more from the systematic approach. The initial step towards an improvement in this area is to make explicit the available knowledge on performance indicators and how they are related. It is necessary to validate the concept of a performance indicator together with its characteristics, relationships to other performance indicators and relations to other formalized concepts such as goals, processes and roles.

Starting with the word performance it means fulfillment of a given task in accordance with the standard of accuracy, speed, and completeness. According to Evans, J. R. (2008: 284) “performance simply means the extent to which an individual contributes to achieving the goal and objectives of an organization.” Furthermore when we say performance it can be stated and measured in numeric as well as verbal terms. According to Lebens G (2006:7) “It is a set of financial and non-financial indicators which offer information on the degree of achievements of objective and results.

The second thing that came in mind is that organizational performance refereeing to it is the general functioning of activities. According to Jones G. R. and George J. M. (2009: 6) “Organizational Performance is a measure of how efficiently and effectively managers use available resources to satisfy customers and achieve organizational goals.” This will be achieving by the well interaction and commitment of team and individual. Others define it as a means of transforming inputs into outputs so that predetermined objectives can be achieved. From this definition it is clear that performance as a relation with the final expectation of something for this case an objective or goal of an enterprise.

Indicators

According to Armstrong, M. and Baron A. (1998: 285) “performance indicators are taken to refer to activities that can bases of observable behaviors, performance indicators may also suggest a prospective rather than retrospective view point, in that they point the way to aspects of performance that will need to be observed.”

According to Evans, J. R. (2008: 284-85) “High performance work is characterized by flexibility, innovation, knowledge and skill sharing, alignment with organizational directions, customer focus, and rapid response to changing business needs and marketplace requirements.” In addition to this point according to James R. Evans (2008: 31) says that “ a company should select performance measures and indicators that best represent the factors that leads to improved customer, operational, and financial performance, these typically includes: customer satisfaction, product and service performance, financial and market performance, workforce performance, process performance and leadership performance ” This point that is performance measures is further supported by other authors in the book page 201 strengthen the above measurements or indicators. Similarly, Varga, R. S. (2009). developed a multidimensional conceptualization of organizational performance, consisting of three specific areas: financial performance (profits, return on assets), product market performance (sales, sales growth, market share) and shareholder return (total shareholder return, economic value added, and dividends).

Therefore, from the above definition and other grounds the researcher used profits as a financial indicator from a financial perspective; second employees satisfaction that is though merging of internal process and learning & growth perspective; and finally customer satisfaction from customer perspective considered as organizational performance indicators to study the current

status of the enterprise.

To use this as performance indicators there should be some pre-set standards that will make all the measurement activities easier.

According to Colander D. C. (2001:57) profit is what left over from the total revenues after all the appropriate costs has been subtracted. Leadership style is an important factor that affects the enhancement of organizational performance and also makes a profit for their employees also for other society.

It is known that the principal objective of any business is to generate profit and which is maximized. Profit has ability to build the future and used during uncertainly of a given economy. Besides this profit maximizing could take place in different ways through pricing, product/ service variation, cost reduction and others.

But for this study case the research focused on cost reduction as a tool of profit maximizing. Since the organization understudy profitability is determined by the higher management bodies of the organization in the formulation of strategic planning process using BSC as a tool of management; working with a give budget and others objectives are included under financial perspective.

In the book written by Dr.H.L.Kaila (2011) page 55- 58 state that customer is the one who use the product or the service provided; the one who is capable of influencing sales of the organization, and also organizational success will be determined by them. In addition to that measuring customer satisfaction is a bit difficult task. Customer satisfaction in the current word is one of the tasks that are giving a great priority in running any business. This is the main reason that leader focus had moved to merely giving of service or production of product to satisfaction of customers.

Collis, J. & Business, H. (1998) in his book page 43 he stated that the key to create customer satisfaction is; first to recognize the area of customer care and satisfaction; second to accomplish the first point should concern for dealing with combining smaller issues rather than the big tasks and at last the main objective of the business is to create customer which can create profit. Therefore, considering this and other explanations customer satisfaction is one of the main aspects that every leader in any organization should be concerned about.

Similar with that of customer satisfaction employees need to be given attention. As a company owner we need to continue our activities using capable, educated, trained, experienced employees. When employees are not participating and are not involved in different activities there will be resistance during implementation of decisions, defensiveness prevails, disagreements and bad feelings between employees and managers occur. Since an employee are the most valuable assets and determinates of success of an organization full attention and considerations need to be given. The vision setter defines and articulates a firm's basic purpose and future direction with attention to the emerging social, economic, and technological trends. Supportive leader behavior results in high employee satisfaction.

2.8 Empirical Reviews

2.8.1 Relationship between leadership style and organizational culture

A comprehensive review of the literature emphasizes the interconnected nature of leadership and organizational culture, highlighting the significance of consciously aligning employee values with the company's strategy for optimal organizational performance. A literature review on this topic sheds light on various aspects of this relationship. One approach to understanding the link between culture and leadership is through the conceptualization of culture in organizational theory. (Smircich, 1983) identifies two approaches in the study of cultural phenomenon in organizations: culture as an organizational variable and culture as a malleable element. Consequently, the manner, direction, and impact of such manipulation depend on the leader's skills and abilities. The literature advocating for the benefits of transformational leadership provides extensive support for this perspective (e.g., Nicholls, 1988; Quick, 1992; Simms, 1997). In contrast, when culture viewed as an integral part of the organization, leaders' thoughts, feelings, and responses are shaped by the culture (Bass and Avolio, 1993; Schein, 1992).

Schein (1992) observes the intertwined nature of organizational culture and leadership, illustrating this interconnectedness by examining the relationship between leadership and culture within the organizational life cycle. As a company is formed, the founder creates an organization that mirrors their values and beliefs, thus molding the cultural traits of the organization. However, as the organization evolves over time, the established culture influences and shapes the leader, impacting the leader's actions and style. Through this

dynamic and ongoing process, the leader both creates and influenced by the organizational culture. Reflecting on the consensus regarding the links between organizational culture and leadership, (Bass and Avolio ,1993) echo Schein's argument, suggesting an ongoing interplay where the leader shapes the culture and is, in turn, shaped by the resulting culture. (Bass, 1985) illustrates the relationship between leadership and culture by exploring the impact of different leadership styles on culture. He argues that transactional leaders operate within the confines and limitations of the existing culture, while transformational leaders often strive to change the organizational culture in alignment with their vision. Similarly, (Brown, 1992) notes that effective leaders must develop the skills necessary to modify aspects of their culture to enhance organizational performance.

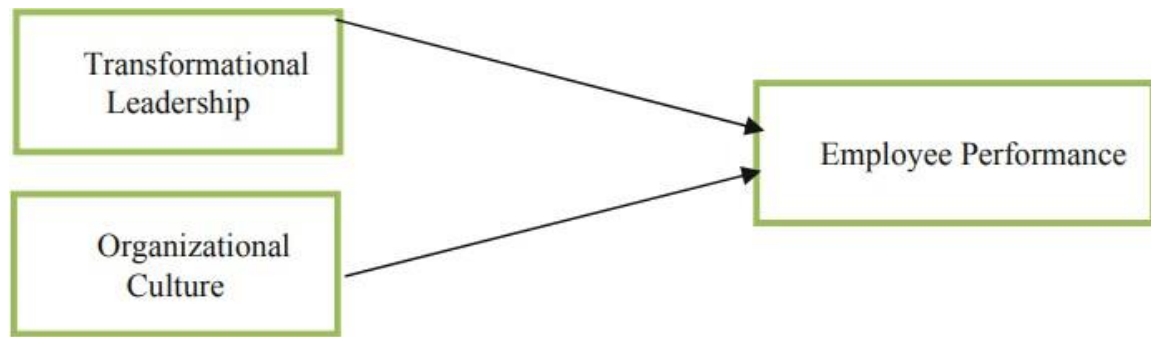
2.8.2 The Effect of Organizational Culture on Employee Performance

Organizational culture is a value and symbol that helps employees to understand acceptable and unacceptable actions or behaviors in the organization. A strong organizational culture can encourage employees to have a high level of motivation and encourage employees to work optimally. Some indicators of organizational culture are participation, respect for individuals, and attitude to risk, action orientation, trust, openness, and distance of power. Organizational culture has to do with how employees prepare for the characteristics of an organization's culture, rather than with whether they like that culture or not. Organizational culture expresses a shared perception embraced by the members of that organization. A strong organizational culture will encourage employees to improve their performance. Several studies reveal the positive influence between organizational culture and employee performance. The results showed that organizational culture has a positive and significant effect on employee performance. The process of employee performance in a company can be improved by implementing the organizational culture.

2.8 Conceptual Framework

As it was mentioned in the earlier section of the study focused on impact of transformational leadership on organizational culture with employee engagement are linked in a certain ways this is shown in the following diagram.

Fig1.1: Conceptual Framework



Source: own source

As Figure 1 shows, it reflects the fact that organizational culture, as measured in terms of Profitability, Customer and Employee satisfaction can be influenced by either one of the transformational leadership styles considered in this study that is Inspirational Influence, Inspirational Motivation, Intellectual stimulation and individual consideration.

Source: (personal view)

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

This chapter contains the whole research procedures and activities which include the research design that is used for the selected population, the samples and sampling procedures. Following this the data sources and instruments used for the collection process. Beside this, all the data's and documents collected for the research purpose are analyzed by considering the Validity and reliability of the study. The overall purpose of this chapter is to explain and justify the research methodology used to collect and analyze the data.

3.1 Research Approach and Design

The research design shows the overall research processes while conducting the research. In other words it is simply an action plan upon which the entire study is going to be building on. According to Shajahan (2004:43) a research design is a logical and systematic plan prepared for directing a research study.

To undertake this research two research designs are use. To begin with descriptive research design, the major purpose is to describe the state of affairs as it exists at present. According to Kothari,C.R.(2004), descriptive research includes surveys and fact-finding enquiries of different kinds. It is considered as an appropriate method since it serves to archive research objectives. Furthermore, it will give answers for the questions like who, what, when and how that will discover the association of the two variables. In addition to this, causal/explanatory research design is used to examine the effect of leadership on organizational performance. It serves to archive a variety of research objectives, to discover association between the two variables and its appropriateness for the undergoing research study.

The research approaches used is a mixed approach that both the qualitative and quantitative approaches where applied narrative study and survey takes place respectively. According to Neuman, W.L.(2013) triangulation is the idea that looking at something from multiple points of views to improve accuracy. Therefore, using these approaches is necessary for the detail analysis and combining these approaches enables to find out the finding of the research appropriately and the approach includes all the parameters of the study. Questionnaires are used for the quantitative research while structured interviews are used for qualitative methods. The information gathered

from primary sources will be used to triangulate from different perspectives, explore the relation with the existing data and the research problem in hand.

3.2 Population, Sample and Sampling Techniques

Sample is the part of population which the researcher intended to collect information for the study. Sampling is the process of selecting sample from a total population. There are two types of sampling that is probability & non-probability sampling design. From probability sampling method stratified sampling techniques specifically disproportionate Stratified Sampling where the number of sampling units drawn from each stratum is based on the analytical consideration is selected and used. Since the selected sectors populations of the organization are considered as more or less equal on some characteristics since they are functioning for the common goal. In contrary to that between work-processing groups/departments are differed and the magnitude of being affected by the study variables is different among them. Therefore, simple random sampling that is lottery method was used to select the employees who work under the supervision of the selected work process since it is convenient to use this sampling method while using stratified sampling method.

Non-probability purposive sampling methods was used for selecting supervisors, middle level managers and top level managers from each job processing groups. Since the main concern of the study is to identify the leadership practice they are the one who going to perform this activity being selected management level and also responsible for the performance of each department or work process they are selected purposefully.

The sample was determined by a statistical formula Yamane (1967) calculation that the sampling size of the population the sample size was 164 from the total population of 849 as it was mention in the above paragraph it includes all employees. To select the managers from the samples as it was stated in the above paragraph 33 managers are selected according to the researcher judgment.

Where: „n“ is the sample size

„N“ is the population size,

„e“ is the level of precision (sampling error)

$$n=849 = 164$$

$$1+849 (0.05)^2$$

Therefore, the sample population „n“ taken for the study undergone from the total population „N“ is 164 from this the managerial staff taken for the study is 33 for the non- managerial samples are 131 the following assumption and table will show this. From the total samples 33 of the non-man managerial samples are provided with interview about the research topics that non-probable judgmental sampling method was deployed.

ASSUMPTION:

- 95% = confidence level;

Where samples will have the true population value within the range of precision and

- 0 .05 = sampling error

Range that is (± 7 percent) in which is the true value of the population is estimated to be. (Since sampling error it is usually ranging from 0.10, 0.07, 0.05, and 0.01)

3.3 Sources and Instruments of Data Collection

The research used both the primary and secondary sources of data as it was mentioned earlier in this chapter. The primary data is the data which was collected by the researcher from the study. This includes questionnaires which are prepared to address non- managerial staff of the organization. The layout of the questionnaire is made simple to enable the respondent to answer easily with less time taking situation. as it Spector,P.E stated in (1997) „The results of questionnaires are usually more reliable because employees are more likely to be truthful when their responses are anonymous.“

The Participants of the case study were asked 5 points questions that are labeled as 1= strongly disagree (SDA), 2 = disagree (D), 3= neither agree nor disagree (N), 4 = agree (A), 5 = strongly agree (SA). For the managerial staffs of the organization structured interview was deployed. They are expected to answer the listed specific activities in accordance with the specific behavior explained in questions.

The other data collection is from secondary data gathering method that is obtained from earlier studies regarding the study matters, organization websites, from report of the ,chercher town

administration selected sectors. The research conducted by considering information starting from 2016 to 2017 e.c beside this printing documents and from other organized information sources that are used for some other purpose. The gathered data helped to have access to the required data cheaply and is expected to minimize study time.

3.4 Procedures of Data Collection

The next task was formulation of questionnaires is which are closed ended ones having two parts the general information section and the main section. The researcher arranged appointment with the HR department expert to distribute and collect the questionnaires. Then it was distributed for the sample population and collection process undertaken. Likewise the researcher arranged appointment to meet the managers of the organization and interviews were conducted. Finally the above primary data are organized and tabulated then analysis of data has made. To improve the response rates, in the first page of the questionnaire there was an explanation about the reasons for the research, why the research is important, why the subjects were selected and a guarantee of the respondents confidentiality is provided. Similarly, secondary data's were collected, organized and analyzed.

3.5 Methods of Data Analysis

The data analysis process conducted as it was mentioned earlier that both qualitative and quantitative data analysis process are applied. This was done by using the two analysis method that is through the discussion part where the association/correlation between leadership and performance and the quantitative methods; finally analyzed by using triangulation / mixed approach.

-The data collection process carried out using two ways. The first one was using questionnaire that will help in getting casual relation among variables and also it enable to explain the dependent variable leadership; to provide accurate profile of situation, demographic and other information that the analysis process is done by using percentages, graphs, diagrams and additional statistical measurement methods. That was done by using statistical package for social science (SPSS) to display this findings and it helps to make the analysis easier by processing all variables and cases. The second data collection way was interview checklists which are analyzed using descriptive approaches that will find out the answer for who, what, where, or other questions. After doing the analysis process the findings were summarized and recommendation

given accordingly.

Definition of Variables

Dependent Variable

Organizational performance and employee engagement was the dependent variable that was evaluated in this research case. Whereas it measured by using three dimensions profit, customer satisfaction and employees' satisfaction. For the study purpose these dimensions are considered as one variable as organizational performance (OP).

Independent Variable

Considering the independent variable, transformational leadership style that was measured using four indicators that includes idealized influence, inspirational motivation, intellectual stimulation and individual consideration which was labeled as Ii, IM, IS and IC respectively. These components are generally placed as TR referring to the transformational leadership style.

Model of Specification

The research model used for this study is linear regression models. This model helps to capture the main objective of the study that is the impact of transformational leadership styles on organizational performance. All variables of transformational leadership style and organizational performance are presents as follows:

$$OP = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + C$$

Note: -

OP – Organizational Performance of the enterprise β_0 – Constant

β_1, β_2 , and β_3 are coefficients β_i ($i= 1, 2, 3,$) > 0

$\beta_1 - \beta_4$ = Measure of sensitivity of variable X to changes in OP

TR – presented as X_1, X_2, X_3 and X_4

X_1 – Idealized influence, X_2 – Inspirational motivation, X_3 – Intellectual stimulation, X_4 – Individual consideration

€= Error term

3.5.1 Validity

When we say validity it means the accurateness and reliability of the research methodologies in measuring the factors wanted to be measured in the process of the study. According to Leedy & Ormrod (2013), validity is the ability of an instrument to measure what it is intended to measure.

From this and other definition validity is what is planned to measure where it is measured accurately that is in terms of measurement procedures. Validity is important for the study undertaken where the researcher study is in depth of individuals or situations. Validity also increases the researcher confidence in the findings of the study.

For the study undertaken issues related with validity can be strength through the respondent willingness and trust worthy information provided regarding the topic under study. The response given by this individual was tasted. Besides, questionnaires and other analysis method was reviewed by the advisor and validated with some adjustments. During the questionnaire formulation takes place considering other research questionnaires that are distributed for the related topics and some adjustments were made to use it for this research purpose.

3.5.2 Reliability

According to Bryman, A and Bell, E (2007) the Cronbach's alpha result of 0.7 and above implies acceptable level of internal reliability there is a very good result. This result was obtained using SPSS for data entry of collected questionnaires and reliability test

The greater the degree of consistency and stability in an instrument is the greater is its reliability Leedy & Ormrod (2013). Reliability means consistency of a measure or it is the ability for research findings to be repeatable this will be under the same conditions and generate the same results.

3.6 Ethical Consideration

Ethical consideration is one of the basic issues that a research should consider in doing any research. Accordingly to conduct the research an official support paper was taken from St. Marry University. After that this document was presented to ESLSE's the concerned official in search of his acceptance for the study. The official has accepted the study and confirmed to avail any data relevant for the study as required. The concerned management member has also shown keen interest to participate on the study. This process was done before the data collection process began

and was applicable during the study process. The participants of the research study are informed that the information given by them be kept confidential. All materials and information provided belonging to another person or organization have been properly acknowledged. At last, all of the data collected were analyzed and reported in this research.

Chapter Four

Results and Findings

4.1 Introduction

This chapter presents the data analysis results and interpretation of the findings as per the purpose and objectives of the study. The purpose of this study was to investigate the role of transformational leadership on organizational culture and employee engagement in chercher town administration bureau selected sectors. Those sectors

1. Education Bureau
2. Social Affairs Bureau
3. Wereda Administration Bureau
4. Agriculture Bureau
5. Civil Service Bureau
6. Finance Bureau

The study also sought to determine the influence of idealized, individualized consideration, intellectual stimulation and inspirational motivation on organizational performance.

4.1.1 Response Rate

The essence of determining the response rate is to enquire whether it is sufficient enough to generalize the results to the target population (Mungai, 2015). Generally, 353 questionnaires were distributed to sample respondents of the study. Out of these, 304 questionnaires were returned back. Therefore, the response rate is 86.1 % of the planned were achieved.

Table 4.1: Response Rate

No	Target group	Distributed	Returned	Rate of return in %
	Administrative staff and Employees	353	304	86.1%

Source: own survey (2025)

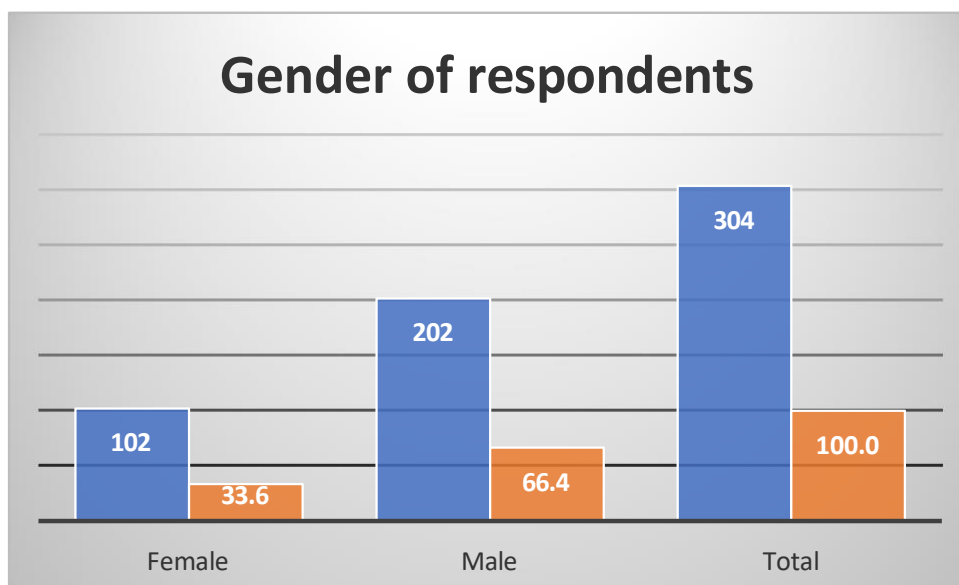
4.2 Demographics

This section presents the general information of the respondents, which includes their gender, age bracket, Educational level and length of service in the sectors.

4.2.1 Gender of the Respondents

The study sought to determine the gender of the respondents. From the findings, majority of the respondents, 66.4%, were male while 33.6% of the respondents were female as indicated in figure 4.1.

This shows that most of the staff working in chercher town administration bureau were males and shows female participation in the leadership position of the administration bureau is not up to the expectation. This may have negative effects on the accomplishment of organizational goals.



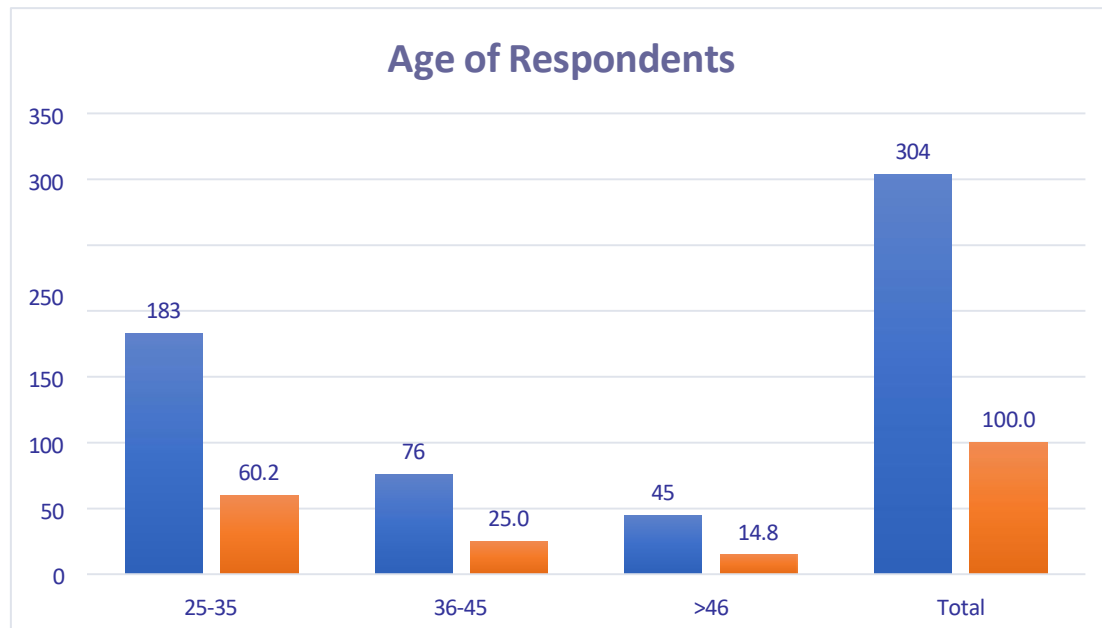
Source: Own survey (2025) Blue indicates Gender of the respondent in number and gray color indicates in percent.

Figure 4.1: Gender of the respondent

4.2.2 Age Bracket of the Respondents

The study also sought to determine the age bracket of the respondents. From the findings, majority of the respondents, 60.2%, were between the ages of 36-45 years, 25 % were between the ages of 25-35 years, and 14.8 % were years of age ≥ 46 years as indicated in the figure 4.2. This shows that most of the staffs working at chercher town administration bureau were found under the age

category of 36-45 years old i.e. they are in the productive age and if handled effectively, they can contribute more to the accomplishment of organizational goals.



Source: Own survey (2025)

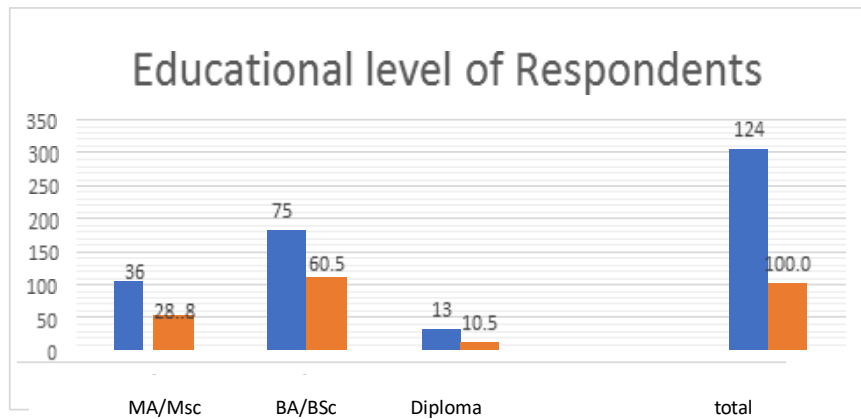
Figure 4.2: Ages of Respondents

4.2.3 Respondents' Highest Level of Education

The study sought to determine the respondents' level of education. The study findings showed that majority (61 %) of the respondents was bachelor degree holders and (28.8%) of the administration staffs were master's degree holders and (10.2%) diploma level as it indicated in figure 4.2.

This clearly indicates that most of the respondents had bachelor degree level of education which might help them to perform their duties effectively since they have adequate educational qualification for the position they hold on the organization.

Figure 4.3: Highest level of education

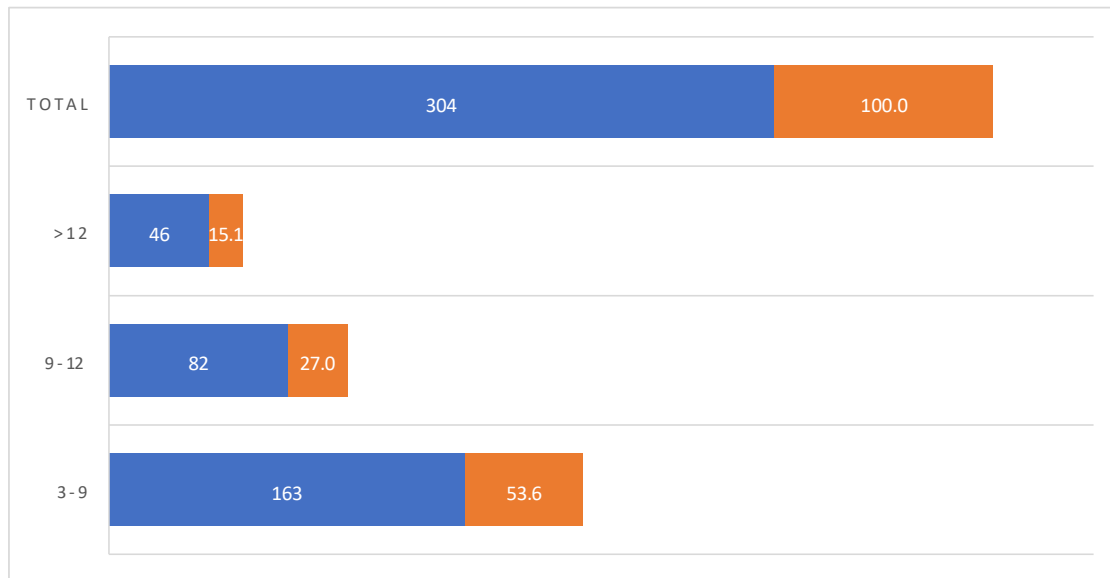


Source: Own survey (2025)

4.2.4 Respondents' Length of service

The study sought to determine for how long the respondents have worked in the in chercher town administration bureau. From the findings, majority of the respondents (53.6%) indicated that they had worked for the organization for 3-9 years, 27% had worked for above 9-12 years, 15% had worked for greater than ≥ 12 years and 4.3% of the respondents worked less than three years. as clearly indicated in figure 4.4. This implies that most of the managers had served three to nine years and this service year in leadership position help them to Improve their leadership qualification which enable to lead organization in right direction when the town administration utilized their accumulated knowledge and skill in a way that can facilitate the accomplishment of organizational objectives.

Figure 4.4: Respondents length of service



Source: Own survey (2025)

4.2.5 Descriptive Analysis

Mean results were used to analyze the extent at which the sample group in average agreed or disagreed with the raised statements. Low mean implied that majority of the respondents disagree while higher mean value indicates their agreement. Accordingly, the perceptions of the respondents were captured using a five-point scale (1- Strongly Disagree, 2– Disagree, 3 – Neither Agree nor Disagree, 4 – Agree and 5 - Strongly Agree) and interpreted in accordance with the below detailed Zaidatol et. al., (2012), means scores degree.

- Mean = 1.00 – 2.33 - Low,
- Mean= 2.34 – 3.67 - Moderate and
- Mean = 3.68 – 5 - High

Standard deviation was also used to show the variability of measurements from the mean (average). The higher standard deviation indicates a wider distribution of the scores from the mean. This distribution indicates more heterogeneous or dissimilar spread of scores on a scale. whereas if the value is lower, it indicates a narrower distribution with more similar or homogeneous spread of scores around the mean (Mark et al., 2009). Accordingly, respondents'

Intention to stay and their opinion towards the studied independent variables were analyzed with the mean & standard deviation results here under.

Table 4.2.: Mean and Standard Deviation: Results of the Respondents’ on Idealized influence

Descriptive Statistics			
	N	Mean	Std. Deviation
Leaders are the role model for the followers	304	3.7632	.52321
leaders are admired, respected and trusted with other employees	304	3.3849	.61330
leaders give an attention to the employee’s interest	304	3.3388	.63998
Leaders had a high level of integrity and ethics	304	3.7993	.62076
Leaders in our organizations are willingness to take the risk	304	3.1250	.63778
Leaders are given an attention to the employee’s interest	304	3.3388	2.47236
Our leaders have an interest for the greater good of the good and make personal	304	3.7664	.62076
Over result of idealized influence	304	3.502	0.8754

Source: Own survey (2025)

As it has been depicted in table 4.2, the study sought to examine the respondent’s level of agreement with the statement in relation to idealized influence in the organization. Accordingly, the results show that all of the seven items of idealized influence ranges maximum mean (M= 3.799 and SD = .62076 i.e. “Our leaders had a high level of integrity and ethics” to minimum mean (M= 3.125 and S. D= .63778 “Leaders in our organization have the willingness to take the risk.” The overall response indicates that the value of majority of the respondents moderately expressed their agreements on the effects idealized influence on organizational performance. This implies that leaders of the Administration are articulate clear vision, leading by example,

Influencing their followers positively and have smooth relationship with their subordinates. The same question was forwarded to the leaders participated in interview and replied that they are leading followers by example like have passionate in their work, give their time and talent to the benefits of their community and inspire others to behave and to carry out their day to day duties effectively.

The finding is consistent with De Jong and Bruch (2013) argument that a transformational leader comes up with a vision that is clear, meets the group expectations and is also committed to meeting the laid-out group objectives. Further, the study established that leaders exhibit a commitment to the goals that have been laid out. These finding also concede with Mutahar et al. (2015) stated that transformational leaders exhibit a commitment to the goals that have been laid out. Also, the study found that the leaders in ,chercher town administration bureau develop team spirit in employees and align individual and organizational goals. According to Abbasi and Zamani-Miandashti (2013), the followers are encouraged by their leader to have a teamwork spirit which makes them eager and cheerful when articulating their firm's goals.

Table 4.3: Mean & Standard Deviation: Results of Respondents' on Individual Consideration

Descriptive Statistics			
	N	Mean	Std. Deviation
Leaders discussed and emphases with the needs and concern of individual employees	303	3.1716	.58986
Leaders are making interpersonal connection with employees	304	3.4013	.57746
Leaders are encouraging ongoing professional development and personal growth of employees	304	3.2664	.89630
Leaders pay close attention to the needs of followers	304	3.6217	1.47308
Leaders act as coaches and advisors to individuals	304	3.6809	.91567

Our leaders acknowledge and attend to employee needs and concerns	304	3.3289	.76883
Leaders in our organization listen fully to understand the perceptions of followers	304	3.2270	.64827
Leaders support a flexible work schedule	304	3.3553	.68369
There is a coaching program in our organization to enhance personal skills	304	3.8026	.70864
Our leaders' mentor the junior staff to improve personal and professional growth	304	3.8388	.70149
Over all individual consideration	304	3.469	0.796

Source: Own survey (2025)

The above table (table 4.3) illustrates that the overall individual consideration mean score is 3.469 and standard deviation is 0.796 and it lays on the average or moderate level. When we see individual items of individual consideration, the highest scored item, which fall above average, is “Our leaders’ mentor the junior staff to improve personal and professional growth” mean and standard deviation of 3.838 and .701 respectively. The other items which fall on average level are: - “There is a coaching program in our organization to enhance personal skills” (mean= 3.802 and SD=.708) and “Our leaders act as coaches and advisors to individuals” (mean= 3.680 and SD=.915). On the other hand, the item “Leaders discussed and emphases with the needs and concern of individual employees, leaders in our organization listen fully to understand the perceptions of followers, leaders are encouraging ongoing professional’s development and personal growth of employees and our leaders support a flexible work schedule and leaders are making interpersonal connection with employees” scores fall on moderate level with mean range of 3.171 – 3.621. The result shows majority the Administration leadership gives attention to each employee working in the organization. This implies that individualized consideration has significant contribution on enhancing organizational performance in ,chercher town administration bureau to a great extent. In the same way interviews replied that leaders exert certain efforts to understand the needs

and interests of their respective subordinates and to meet their desire along with organizational objectives.

These findings agree with Okechukwu and Godday (2015) argument that individual consideration is a good example of leaders who give a listening ear to their followers and support them accordingly. They also make sure those issues troubling their subjects are well tackled, hence endearing themselves more to those being led. Such leaders are keen listeners, because they understand that it is through listening, they are able to learn new ideas and also develop themselves and their followers intellectually.

The study also proved that leaders in ,chercher town administration bureau support a flexible work schedule. This is in agreement with Naseem and Sheikh (2011) findings that revealed the perfect balance between work and their private life is of high importance to every employee. Therefore, it is important that an employer provides allowances for employees to plan their time effectively to accommodate both responsibilities where possible. The study established that leaders were keen to acknowledge and attend to employee needs and concern. This finding concurs with Kalkavan and Katrinli (2014) stated that it is up to the leaders to identify all these needs and demands of their employees and make sure they have been fulfilled in the best way possible.

The study revealed that leaders pay close attention to the needs of followers and they listen fully to understand the perceptions of followers. These findings concede to Neupane (2015) argument that intelligent leaders are always keeping a close ear so as to understand what their followers are saying and things, they would like done differently. Similarly, Neupane (2015) argues that for them to come up with the correct judgment, leaders may be required to have interactive sessions with the subject. If leaders do not meet the needs of their subjects, it may lead to lack of motivation and fulfilment among employees, which can significantly affect the organizational performance. The study found that leaders in ,chercher town administration bureau act as coaches and advisors to individuals. This finding agrees with Kalkavan and Katrinli (2014) argument that coaching can positively influence the employee in realizing their role in the organization, devotion to work and also their job satisfaction.

Table 4.4: Mean & Standard Deviation: Results of Respondents’ on Intellectual Stimulation

Descriptive Statistics			
	N	Mean	Std. Deviation
Our leaders encourage imagination and creativity	304	3.8092	.71045
The relationship with our leaders is good	304	3.8586	.73327
Our leaders appreciate creativity and innovation	304	3.7237	.78094
There is supportive supervision of employees in the organization that enhances creativity and innovation	304	3.7697	1.95146
Our organization provides creativity- relevant activities	304	3.4046	2.82798
Leaders support critical thinking	304	3.4803	1.14015
Employees in our organization are involved in problem solving	304	3.4408	1.13878
Employees in our organization participate in decision-making	304	3.4836	1.05917
The overall mean result of inspirational	304	3.6213	1.2927

Source: Own survey (2025)

As the above table (table 4.5) depicts, all the items of intellectual stimulation failed at moderate or average. Among the 8 items, “The relationship with our leaders is good” item gets the highest score with mean and standard deviation of 3.8586 and .7332 respectively, “Our leaders encourage imagination and creativity” also get the second highest score (mean= 3.8029 and SD=.710). On the top of this, “There is supportive supervision of employees in the organization that enhances creativity and innovation” has got the third highest score (mean= 3.769 and SD=.1.952) and the fourth “Our leaders appreciate creativity and innovation” with score (Mean= 3.7237 and SD=.7809) respectively. Whilst, he results of the remaining four items were laid on average level of agreement. This indicates the Administration leaders stimulate their employees to involve in creativity and innovation which enable creates new method of doing things. Leaders who

participated in the interview stated that they are working in collaboration with subordinates in solving problems and promotes creativity that enable to cope up with the ever changing situations.

The finding is consistent with Mwesigwa and Namiyingo (2014) argument that leaders who are open-minded tend to intellectually influence their subjects, which subsequently influences their performance. Such leaders want to challenge the norm and make a case out of every argument; this encourages their subordinates to intellectually challenge themselves more. In addition, Linda (2012) states without unique ideas, innovation cannot take place. It is through these unique ideas that the organization can create a product in the market which introduces new services and products satisfactory to customer demand.

Further, the relationship between the staff and the leaders was considered good. According to Ul Hassan et al. (2013), the relationship between the management and employees together with internal factors such as job complication determine the level of creativity in the organization. The management should therefore come up with a model that tackles all the components of banking system, this will in turn challenge employees to be more innovative. In addition, leaders should offer moral support to the employees and create guidelines that further encourage workers to be more creative. The result revealed that employees in the organization were involved in problem solving. This finding concurs with Choudhary et al. (2013) stated that employees should be involved in organization's problem solving so as to ensure that there will be no resistance to change. When one applies critical thinking in coming up with solutions, he/she becomes more empowered and knowledgeable.

The study further revealed that employees in the organization participated in decision-making. This finding agrees with Sahin et al. (2014) and Ojokuku and Ogbomosho (2014) who highlight the importance of employee involvement in decision making and the participation of workers in decision making greatly affects the overall performance of the company. Besides, Choudhary et al. (2013) categorized employee participation in decision making into several levels namely informal, short term, consultative, employee ownership and work decision participation. The study also found that the leaders in the organization provide creativity-relevant activities. This result concedes to Quagraine (2010) argued that leadership is one of the most critical factors that

Influence creativity in any organization. Transformational leadership, in particular, has been singled out as the effective mode of management in promoting creativity.

The study established that in chercher town administration bureau leaders support critical thinking. These findings concede with Ojokuku and Ogbomosho (2014) depict that transformational leadership definitely promotes creativity, which in turn leads to innovative minds. The study further revealed that leaders appreciate creativity and innovation. These findings correspond to Ul Hassan et al. (2013) finding stated that the leadership of the banking sector players in Pakistan was appreciating creativity and innovation by the staff members. In addition, the study found that there is supportive supervision of employees in the organization that enhances creativity and innovation and the management creates an open environment where employees are encouraged to work under minimal supervision that encourages and enhances creativity in employees

Table 4.5: Mean & Standard Deviation: Results of Respondents' on Inspirational Motivation

Descriptive Statistics			
	N	Mean	Std. Deviation
To what extent does inspirational motivation influence organizational performance in your organization	304	3.3191	1.03415
Our leaders motivate confidence among the staff	303	3.3993	.99781
Leaders in our organization are responsive to employee ideas and thoughts	304	3.4342	1.06347
Our leaders have articulated a clear vision for the future	304	3.5658	.96930
Leaders in our organization exhibit a commitment to the goals that have been laid out	304	3.5296	1.04634
Our leaders develop team spirit in employees	304	3.4671	1.11051
Our leaders align individual and organizational goals	304	3.9309	.89286

Employees in our organization are motivated through incentives	304	3.8454	1.01756
Employee motivation in our organization promotes workplace harmony	304	3.4375	.66703
Over all intellectual stimulation	304	3.547	0.9776

Source: Own survey (2025)

The above table (table 4.4) sought to examine the respondent's level of agreement with the statement in relation to intellectual stimulation in the organization. Based on the statistical results, the overall intellectual stimulation mean score and standard deviation are 3.547 and .977 respectively, and it laid on the moderate/ average/ level. When we see the individual items, the highest item which scored above the average level is "Our leaders motivate confidence among the staff," with mean score of and standard deviation of 3.399 and .977 respectively. The second highest item scored above average is "Our leaders align individual and organizational goals "with mean score 3.930 and standard deviation .892 and the third item score high is "Employees in our organization are motivated through incentive" with mean score 3.8454 and standard deviation 1.0175.

On the other hand, the item "Leaders in our organization exhibit a commitment to the goals that have been laid out, leaders in our organization are responsive to employee ideas and thoughts, our leaders have articulated a clear vision for the future, our leaders develop team spirit in employees and employee motivation in our organization promotes workplace harmony" scores fall on the average. This implies that the leaders have been striving to encourage employees to undertake their day to day tasks effectively and they have been exerting they're at most efforts to work in collaboration with their employees. From this one can infer that intellectual stimulation has significant influence on enhancing organizational performance. In the same way interviews confirmed that leaders have employed various incentives for employees to enhance their commitment in accomplishing organizational objectives. Among other things, employee's participation in making decision on issues concerning them, educational opportunities to upgrade their capacity and short term training that enable to carry out their day to day activities effectively.

This finding concedes with Ovidiu-Iliuta (2013) argument that there exists a positive relationship between the inspirational motivation of employees and the effectiveness and performance of the organization. It also found that leaders motivate confidence among the staff in ,chercher town administration bureau . These findings concur with Oluyinka and Hashim (2012) stated that leaders play a major role in motivating their employees. The study also found that the leaders in the town administration bureau were responsive to employee ideas and thought. These findings agree with Ovidiu-Iliuta (2013) argument that one way of motivating employees is by being responsive to their ideas and thoughts.

The study also found that the employees in the organization were motivated through incentives. This finding agrees Asim (2013) argument that any firm's or enterprise's success depends largely on the motivation of its employees. Motivated employees achieve their optimal performance since they enjoy the environment, they are working in. Employees are different and each one of them has different incentives that motivate them to work hard. While some prefer cash incentives, others are motivated by recognition. The employer should seek to understand and further provide incentives so as to promote organizational performance.

It was also established that employee motivation promotes workplace harmony. This finding concedes with Sahin et al. (2014) findings that transformational leader's inspirational appeal encourages the followers to put in their best effort in terms of good work, harmony and charity in their tasks. When employees are motivated, their performance increases and boosted the workplace harmony.

Table 4.6: Mean & Standard Deviation: Results of Respondents' on organizational performance

Descriptive Statistics			
	N	Mean	Std.
Transformational leaders have a significance role to give a quality service to the customer	304	3.3783	.93607
Leaders in our organization are working to give a quality service	304	3.3811	.6493
Leaders are working to give a quality educational service	304	3.4967	.77926
our leaders working to achieve organizational goal	304	3.2993	.86318

Leaders develop the long-range program	304	3.3783	.93607
our leaders using work time properly	304	3.3816	.64929
Leaders encourage and using our budget properly & timely	304	3.1612	.79831
The overall results organizational performance	304	3.34342	0.80522

Source: Own survey (2025)

As the above table (table 4.6) depicts, all items of organizational performance fall on average with the mean score 3.3434 and 0.805 standard deviation. When we see the individual item mean and standard deviation scores for each of the organizational performance ranked by respondents as “Leaders in our organization are working to give a quality service” has (M= 3.4967 and S.D =.7792; “our leaders using work time properly” has M= 3.381 and S.D = .649; “our leaders develop the long-range program” has M= 3.378 and S.D = .93607. In addition, the next items sought to examine the respondent’s level of agreement with the statement in relation to organizational performance of Administration. Accordingly, the result revealed that “Our leaders working to achieve organizational goal” with the mean score (M= 3.2993 and S.D = .8631) and “Leaders encourage and using our budget properly & timely “with the mean score (M = 3.1612 and S.D= .79831). From this it is sound to conclude that the Administration leaders have been collaborating their efforts to realize the vision of the organization by utilizing the existing resources both effectively and efficiently. In the same way interviews stated that the Administration leaders have played their leadership role in way that contribute to the achievement of organizational objectives. As the Administration is service providing institution their leadership has brought significant achievements in improving the quality of education, community service and applicable research works that mitigate the prevailing problems in the community.

4.3 Overall Performance

The study sought to examine respondents’ level of understanding on overall organizational performance of the Administration by ticking the number that most accurately reflects their opinion. From the findings in table 4.7, majority of the respondent’s 59.7 % agreed that the overall performance of the Administration last year was far slightly above average and 24% of the total respondents said the Administration achieved average level performance while the remaining 6.3% of the respondents replied the overall performance of the Administration relative to major

competitors last year was far below average. From this one can infer that the Administration has achieved its overall objective significantly in relation to its major competitors (public universities) of the country.

4.3.1 Inferential Statistics

4.3.1.1 Correlation Analysis

A correlation analysis was performed to determine if there were any relationships between the independent variables (transformational leadership) and the dependent variable (organizational performance). In order to interpret the result of the correlation there are standards. According to Somekh and Lewin (2005, the criteria for evaluating the magnitude of a correlation was as follows: If the correlation coefficient (r) is 0.01-0.29, the strength of relationship is weak, when correlation coefficient (r) is 0.30-0.49, the relationship is moderate and when the correlation coefficient (r) is 0.50-1.0, the strength of relationship is strong.

Correlations					
		Total Idealized Influence	Total individualized Consideration	Total Inspirational Motivation	Total Intellectual Stimulation
Total Organizational Performance	Pearson Correlation				
	Sig. (2-tailed)				
	N				
Total Idealized Influence	Pearson Correlation	1			
	Sig. (2-tailed)				
	N	304			
Total Individualized Consideration	Pearson Correlation	-.022	1		
	Sig. (2-tailed)	.706			

	N	304	304		
Total Inspirational Motivation	Pearson Correlation	.085	.173	1	
	Sig. (2-tailed)	.138	.002		
	N	304	304	304	
Total Intellectual Stimulation	Pearson Correlation	.059	.111	-.031	1
	Sig. (2-tailed)	.309	.054	.594	
	N	304	304	304	304

The above table shows the correlation coefficient of different components of transformational leadership with organizational performance. Idealized influence with inspirational motivation has strong correlation by having correlation coefficient (r) of 0.085. While intellectual stimulation and individualized consideration have moderate correlation by having correlation coefficient (r) 0.054 respectively. Idealized influence with individualized consideration has low correlation coefficient (r) of 0.022.

4.4 Regression Assumptions Tests

Before applying the multiple linear regression analysis to test the influence of independent variable on organizational performance, some tests were conducted in order to ensure the appropriateness of data analysis as follows:

4.4.1 Normality Test

The main assumption in normality is that the distribution in each item and in all linear combination of items is normally distributed (Hair, et.al, 2010). The researcher used Histogram method of testing the normality of the data. Histogram is bell shaped which lead to infer that the residuals (disturbance or errors) are normally distributed. The residuals should be normally distributed about the predicted dependent variable score. As shown on figure below, dependent variable is normally distributed for each value of the independent variables.

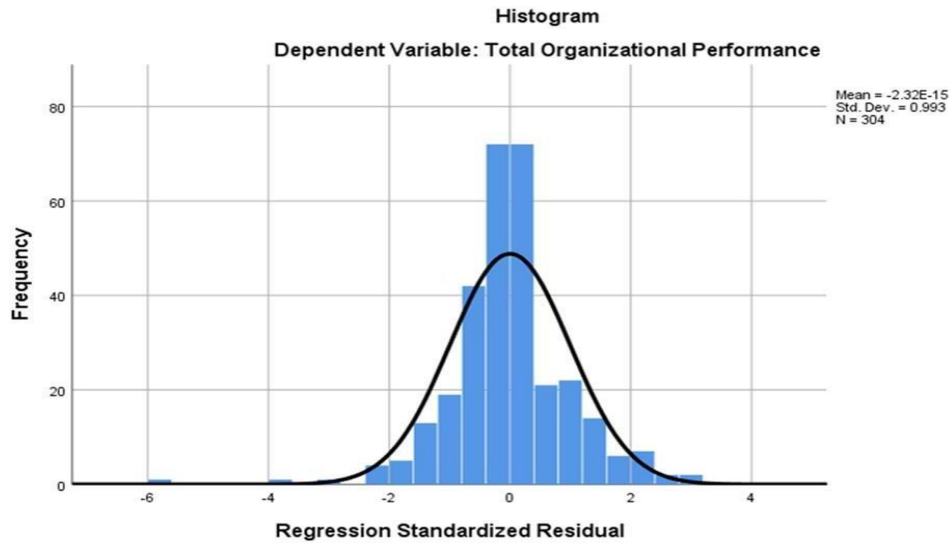


Figure4.1. Histogram of Data Normality Test

4.4.2 Linearity Test

Linearity refers to the degree to which the change in the dependent variable is related to the change in the independent variables. To determine whether the relationship between the independent variables; Salary, bonus/ incentives, infringe benefits, Recognition and appreciation, working condition promotion and empowerment and dependent variable employee motivation is linear; Plots of the regression residuals through SPSS software had been used. In case of linearity, the residuals should have a straight-line relationship with predicted dependent variable scores.

As shown on figure below, the change in the dependent variable is more of related to the change in the independent variable. Therefore, there is no linearity problem on the data for this study and residual follow at straight line.

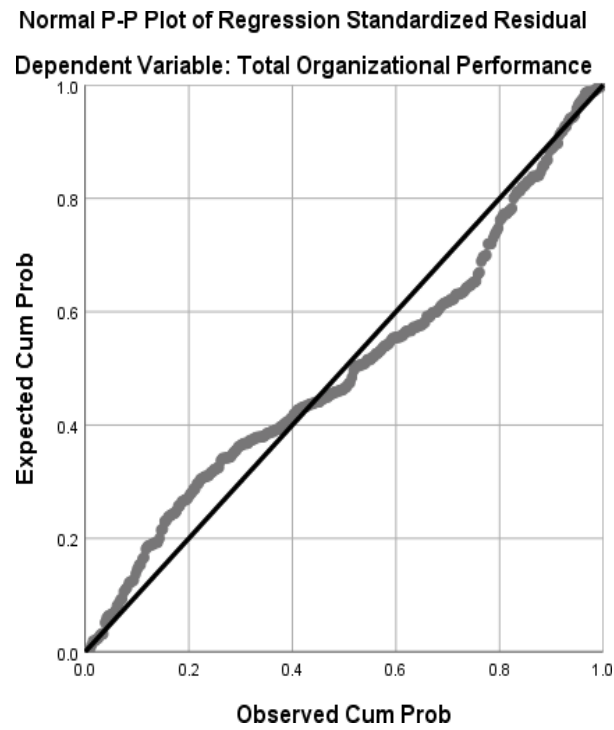


Figure4.2. P-P Plot Linearity Test

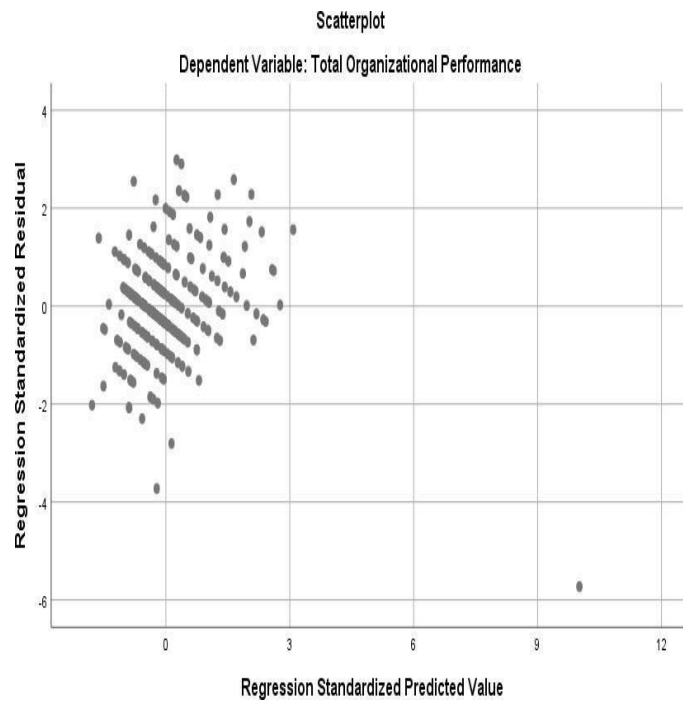


Figure4.3. Scatter plot of organizational performance

4.4.3 Multicollinearity Test

Multicollinearity can be checked by correlation matrix and Variance Inflation Factors (VIF). A correlation matrix is used to ensure the correlation between independent variables (Explanatory variables) and dependent variables to identify the problem of multicollinearity. On the other hands, correlation matrix computing a matrix of Pearson's bivariate correlations among all independent variables and magnitude of the correlation's coefficients. Whereas the Variance Inflation Factors (VIF) of the linear regression indicates the degree that the variances in the regression estimates are increased due to Multicollinearity.

As Hair et, al. (2006) argued that correlation coefficient below 0.90 may not cause serious multicollinearity problem. The result in table of correlation part shows that, there is a correlation among the independent variables and the coefficient of correlation (r) is ranged from -0.022 to 0.085 values. From those coefficients of correlation (r) the highest correlation is 0.085 and it is less than the stated standard by Hair ET, al. So, it can be concluded that there is no multicollinearity problem among the independent variables in the model based on the correlation matrix result. on other hands, the collinearity statistics shows Variance Inflation Factors (VIF) ranged from 1.013 to 1. 047 and tolerance values ranged from 0.955 to 0. 987 as described in table below.

Collinearity Diagnostics		
Variables	Tolerance	VIF
Total Idealized Influence	.987	1.013
Total Individualized Consideration	.955	1.047
Total Inspirational Motivation	.959	1.043
Total Intellectual Stimulation	.981	1.019

A Dependent Variable: Total Organizational Performance Source: Own survey data, 2025

As stated by Field (2005) the Variance Inflation Factors (VIF) of the Linear Regression indicated the degree that the variances in the regression estimates are increased due to multicollinearity and VIF values higher than 10.0 shows as there is multicollinearity problem. On the other hands, as stated by Pallant (2007), Tolerance is a statistical tool which indicates the variability of the specified independent variable from other independent variables in the model and it has no multicollinearity problem if the tolerance is greater than 0.10 values. The results of tolerance and VIF suggest that multicollinearity is not suspected amongst the independent variables, because the values of VIF are below 10. 0 while the tolerance values are above 0.10.s

4.5 Regressing transformational leadership on organizational performance

Regression is a statistical measurement attempts to determine the strength of the relationship between one dependent variable (usually denoted by Y) and a series of other changing variables which is known as independent variables (beers, 2019). In this research the chosen regression type was multiple linear regression analysis given that the number of determinant /independent variables to predict the dependent variables are four specifically idealized influence, inspirational motivation, intellectual stimulation and individualized consideration, the regression was made between the independent variables which are the four different dimensions of transformational leadership with organizational performance.

The multiple regression models consist of a table that provides the R, the R-square, the Adjusted R-square and the standard of error of the estimate, which can be used to determine how well a regression model fits the data. The multiple correlation coefficients, R, can be considered to be one measure of the quality of the prediction of the dependent variable. The R² value is the proportion of variance in the dependent variable that can be explained by the independent variables.

Table 4.8: Model of Summary

Model Summary				
Mode L	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.683	.467	.466	.40237
a. Predictors: (Constant), IS, IM, IC, II				

Source: Own survey (2025)

The transformational leadership attributes of idealized influence, inspirational motivation, intellectual stimulation and individualized consideration were regressed on organizational performance to predict their effect on organizational performance of chercher town administration bureau .

The coefficient of determination denoted by R² (R Square) is a key output of regression analysis. It is interpreted as the proportion of the variance in the dependent variable that is predictable from the independent variable. A R² of 0 means that the dependent variable can't be predicted from the independent variable. An R² of 1 means the dependent variable can be predicted without error from the independent variable. An R² between 0 and 1 indicates the extent to which the dependent variable is predictable.

The adjusted R square explains that 46 % of the change in organizational performance can be predicted by the combination of the four transformational leadership dimensions. This finding indicates that 54% of the variance in organizational performance at chercher town administration bureau was not accounted for by the study's variables, hence it can be inferred that 45.7% organizational performance in the town administration bureau determined by extraneous factors not considered in this study.

Table 4.9: ANOVA table

ANOVA						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	42.352	4	10.588	65.359	.000
	Residual	48.408	299	.162		
	Total	90.760	303			
a. Dependent Variable: ORG						
b. Predictors: (Constant), IS, IM, IC, II						

Source: Own survey (2025)

The ANOVA helped to determine the model's significance in predicting the dependent variable, organizational performance. The finding revealed that F is 65.399 with P value of 0.000 significant which is less than ($<.005$) inferring that the model is significant. This indicates the variation explained by this model is not because of a chance rather transformational leadership has significant influence on organizational performance in the town administration bureau.

Table 4.10: Coefficients of Regression Analysis

		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
1	(Constant)	.449	.518		.867	.387
	II	.623	.042	.638	14.751	.000
	IC	.165	.036	.197	4.545	.000
	IM	.454	.133	.148	3.420	.001
	IS	.145	.071	.089	2.039	.042

a. Dependent Variable: ORG b.

Source: Own survey (2025)

In the above Table (4.10) multiple regression coefficients were performed to determine the influence of transformational leadership on organizational performance of the Administration. It also provides result on the contribution of each independent variable on organizational performance. It indicates how much the dependent variable varies with an independent variable when all other independent variables are held constant. The p value showed the significance of the influence of the transformational leadership on the organizational performance.

The largest beta value in independent variable, the more important contribution to the dependent variable. as it can be seen from the above table, unstandardized beta value result that idealized influence was found to have a positively significant influence on organization culture in the town administration bureau ($\beta=0.623$, $p=0.000<0.05$). Here increase in idealized influence results 62.3 % increment in organization culture, Inspirational motivation was found to have a positive and

significant influence on organization culture in the town administration bureau ($\beta=0.454$, $p=0.001<0.000$). This shows that when inspirational motivation increases it results in 45.4 % increment in organization culture. Moreover, individual consideration was found to have significant influence on organizational performance in chercher town administration bureau ($\beta=0.165$ $p=0.001<0.05$). This shows that an increase in Intellectual stimulation would lead to 16.5 % increment in organization culture in administration bureau. Besides, Intellectual stimulation was found to have significant influence on organizational performance. Overall, idealized influence was found the most influential factor followed by inspirational motivation in contributing to organizational performance on the administration bureau as indicated in table 4.10.

Therefore, based on the result in the regression coefficient table 4.10 and accordingly to the above general mathematical equation the estimated regression model of this study for organizational performance in chercher town administration bureau is presented below.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

$$Y = .449 + .623X_1 + .165X_2 + .456X_3 + .145X_4 + 48.408$$

$$\text{Organizational performance} = .449 + 0.623II + 0.165IC + 0.456IM + 0.145IS$$

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter presents the discussion of the findings as per the objectives of the study. The chapter also presents conclusions drawn from the findings and for practice. The conclusions and recommendations focused on addressing the purpose and objectives of the study.

5.1 Summary of major findings

The purpose of this study was to investigate on the role of transformational leadership on organizational culture and employee engagement in ,chercher town administration bureau .

The study also sought to investigate the influence of idealized, individualized consideration, intellectual stimulation and inspirational motivation influence on organizational performance in administration bureau. The study used a descriptive research design.

The study found that individualized consideration influences organizational culture in chercher town administration bureau selected sectors to a moderate extent.

- The study revealed that leaders act as coaches and team leaders to individuals. In addition, leaders' mentor the junior staff to improve personal and professional growth and that leaders support a flexible work schedule.
- The study established that leaders were keen to acknowledge and attend to employee needs and concern. Besides, leaders in the organization listen fully to understand the perceptions of followers.
- The study found that leaders in the organization moderately stimulate the intellect and imagination of the followers or subordinates. In addition, the study found that leaders in ,chercher town administration bureau encourage imagination and creativity. Further, the relationship between the staff and the leaders was considered good; employees in the organization were involved in problem solving and participated in decision-making.
- The study found that inspirational motivation influences organizational culture in the organization to a good extent. The studies also found that leaders motivate confidence among the staff and were responsive to employee ideas and thought. In addition, leaders have articulated a clear vision for the future and exhibit a commitment to the goals that have been laid out, develop team spirit in employees and align individual and organizational goals.

- The regression result also revealed that all the four dimensions of transformational leadership dimensions which comprises of idealized influence, individual consideration, intellectual stimulation and inspirational motivation have significant contribution for enhancing organizational performance. Among these, idealize influence is the highest contributor followed by inspirational motivation.

5.2 Conclusion

The main objective of this study was tried to explore the effects of transformational leadership on organizational culture and employee engagement in the case of ,chercher town administration bureau selected sectors. The uniqueness of this study lies in it focusing on transformational leadership as an important predictor of organizational performance. Based on the major findings of the study, the following conclusions were drawn.

The results from the study findings showed that idealized influence has significant contribution on improving the performance of the organization. Hence it can be concluded that organizational success highly depends on the ability of transformational leaders to inculcate clear vision and positively influence followers, responsiveness to their attention, developing trust on employees makes them to contribute all what they have for the accomplishment of organizational objectives.

The result revealed that individual consideration dimension of transformational leadership has a positive and significant influence on organizational culture in ,chercher town administration bureau. Therefore, it can be concluded that mentoring, coaching, treating employees based on their unique talent, characteristics and attention will help to improve personal as well as professional growth and adjusting a flexible work schedule leads to enhance commitment of employees and thereby bring valuable contribution to organization.

It is plain that today's organizations are operating their business in highly complex environment which demands continuous creativity and innovation to cope up with the ever-changing situation so as to maintain their competitive advantage. The discoveries of this study proved that intellectual stimulation has a significant effect on organizational culture in ,chercher town administration bureau. Thus, it can conclude when leaders stimulate the intellect and imagination of the followers and allows them to participate in decision making since it makes to develop sense ownership and autonomous, they can devise new ideas that can bring significant change in the organization.

The study also revealed that inspirational motivation has positive influence on the performance of the organization. When transformational leaders motivate employees through various incentives, this in turn enhances employee commitment and committed employees might have significant contribution for the organization.

5.3 Recommendations

The study found that the leaders in chercher town administration bureau were leaders a high-level integrity and ethics and they were willingness to take the risk and attend to employee needs and concern their interest. This study therefore recommends leaders should become role model for followers in every aspect as well as they should inspire, communicate the vision and guide them inherently to realize the organizational objectives.

-The study found that the leaders in chercher town administration bureau acknowledge and attend to employee needs and concern of employees. This study therefore recommends that the management should give due attention to individual employees so as understand their needs, behaviors and talents to enable exploit his or her best potential and leaders develop effective coaching, mentoring and building capacities of their followers to enhance their skill which can subsequently influence the performance of the Administration

-In the current competitive and turbulent business environment the Administration needs to be creative and innovative. This study therefore recommends that the top management should support innovation and creativity through consideration of the opinions and views of the staff. In addition, the management of the organization should create conducive working environment that facilitate creativity & innovation.

-Incentives are known to improve the motivation and hence the productivity of employees. Therefore, this study recommends that the top management Administration should strengthen their incentive programs to increase the enthusiasm of the employees such as recognition, appreciation, career development, training and financial incentives.

-Moreover, Administration top management should ensure that its leadership focuses on the development of staff members through incentives, training, academics and their needs as this had the highest significance with regard to its effect on organizational performance.

-It is highly recommended that the top management should to get the right leader with great

competences and experience as well influential effects in all levels of the Administration.

5.4 Recommendation for Further Studies

This study was limited to the chercher town administration bureau selected sectors and hence its findings cannot be generalized to other unselected sectors and other wereda administrations and out of the town administration. This study therefore suggests that further studies should be conducted on the role of transformational leadership on the performance of organization and employee engagement in wereda administration. This will enhance the generalizability of the findings to the Administration. The study was also limited to one leadership style, that is, transformational leadership. The study suggests that further study should be carried out on the role of leadership styles on the performance of organization.

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APPENDIX I

Questionnaire to be filled by employees and Administration staff

This questionnaire is prepared by student of Master Civic and Ethical Education (CVET) at Mekelle University to gather data about **“Transformational leadership: impact on organizational culture (The Case of , Chercher town administration)”**. The data to be collected will be used only for academic purpose. I.e. to produce a research paper this is a partial requirement for the student’s award of Master Civic and Ethical Education.

The investigator would like to confirm you that the information you will provide will certainly be kept confidential. Bear in mind that your information and its accuracy are the very inevitable inputs for the research to produce qualified paper.

If you face any question about this study please communicate the investigator for the better understanding on eseid9003@gamil.com

1. No need of writing your name.
2. Please tick your responses against each question in the box and spaces provided.
3. Read the instruction and each question before attempting to complete it.
4. Thank you in advance for filling the questionnaires and making considerable sacrifices.

APPENDIX II

QUESTIONNAIRE

Please answer the questions below as precisely and truthfully as possible. Any information provided will be held with strict confidentiality and anonymity. In addition, your answers will only be used for academic purposes only. Kindly tick your responses against each question in the spaces provided and the Box.

A. General Information

A1) Gender

1. Female ☐ 2. Male ☐

A2) Age Bracket

1. Below 25 Years ☐ 3. 36 to 45 Years ☐
2. 25 to 35 Years ☐ 4. 46 years and above ☐

A3) State your highest level of education

1. Secondary School ☐ 3. University/Degree ☐
2. College ☐ 4. Postgraduate ☐

A4) for how long have you been working in Chercher town?

1. Less than 3 year's ☐ 3. 9 to 12 year's ☐
2. 3 to 9 year's ☐ 4. Above 12 years ☐

B1) to what extent do you agree with the following statements in relation to the Idealized influence in your organization? Using a scale of 1 to 5 please tick the number corresponding to your opinion for each question

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

Idealized Influence	1	2	3	4	5
Our leaders had a high level of integrity and ethics					
Leaders in our organizations are willingness to take the risk					
Our leaders are given an attention to the employee's interest					
Leaders are the role model for the followers					
Our leaders have an interest for the greater good of the good and make personal					
Leaders in our organization are admired and respected with other employees					
Leaders in our organization are trusted with other employees					

B2) to what extent do you agree with the following statements in relation to the Individualized consideration in your organization? Using a scale of 1 to 5 please tick the number corresponding to your opinion for each question.

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

Individualized consideration	1	2	3	4	5
Our leaders pay close attention to the needs of followers					
Our leaders act as coaches and advisors to individuals					
Our leaders acknowledge and attend to employee needs and concerns					

Leaders in our organization listen fully to understand the perceptions of followers					
Our leaders support a flexible work schedule					
There is a coaching program in our organization to enhance personal skills					
Our leaders' mentor the junior staff to improve personal and professional growth					

B3) To what extent do you agree with the following statements in relation to the inspirational motivation in your organization? Using a scale of 1 to 5 please tick the number corresponding to your opinion for each question.

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

Inspirational motivation	1	2	3	4	5
Our leaders encourage imagination and creativity					
The relationship with our leaders is good					
Our leaders appreciate creativity and innovation					
There is supportive supervision of employees in the organization that enhances creativity and innovation					
Our organization provides creativity relevant activities					
Our leaders support critical thinking					
Employees in our organization are involved in problem solving					
Employees in our organization participate in decision-making					

B4) to what extent do you agree with the following statements in relation to the intellectual stimulation in your organization? Using a scale of 1 to 5 please tick the number corresponding to your opinion for each question.

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

Intellectual Stimulation	1	2	3	4	5
Our leaders motivate confidence among the staff					
Leaders in our organization are responsive to employee ideas and thoughts					
Our leaders have articulated a clear vision for the future					
Leaders in our organization exhibit a commitment to the goals that have been laid out					
Our leaders develop team spirit in employees					
Our leaders align individual and organizational goals					
Employees in our organization are motivated through incentives					
Employee motivation in our organization promotes workplace harmony					

C) To what extent do you agree with the following statements in relationship of organizational culture with transformational leadership in your organization? Using a scale of 1 to 5 please tick the number corresponding to your opinion for each question.

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

Organizational performance	1	2	3	4	5
Leaders in our organization are working to give a quality service					
our leaders working to achieve an organizational goal					
our leaders develop the long-range program					
our leaders using work time properly					
Leaders encourage and using our budget properly and timely					
our leaders using the organizational resource properly and functionally					
Transformational leadership have a big role to solve the community problem					
Transformational leadership have a role to fulfill interests of the community					
Transformational leaders have a role to give quality service to the customer					
Transformational leadership have a role to achieve the organizational goal.					

APENDIX II

Semi-structured interview to some selected Administration Staff

1. How does Leaders a role model for the followers in your bureau?

2. Do leaders admired, respected and trusted with other employees in bureau?

3. Do Leaders give an attention to the employee's interest?

4. To what extent does inspirational motivation influence organizational culture in your organization?

5. Does Employees in your organization are involved in problem solving?

6. Do employees in your organization participate in decision-making?

7. Do Leaders take the risk in your organization and responsibility to employee ideas and thoughts in bureau?

8. What major roles do transformational leadership played in the organizational culture in bureau?

9. Do leaders have articulated a clear vision for the future in your organization?

10. Does Employee motivation in your organization promote workplace harmony?

If you have any other comments or opinion, please forward.

THANK YOU FOR YOUR TIME AND RESPONSE.