



**ASSESSMENT OF LEADERSHIP STYLE AND  
EMPLOYEES SATISFACTION IN THE CASE OF AWASH  
BANK**

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(MBA)**

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## **Declaration**

I, Henok Ashebir, the under signed, declare that this thesis entitled: “Assessment of Leadership Style and Employees Satisfaction In The Case Of Awash Bank” is my original work. I have undertaken the research work independently with the guidance and support of the research advisor. This study has not been submitted for any degree or Diploma Program in this or any other institutions and that all sources of materials used for the thesis has been duly acknowledged.

**Declared by**

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Date \_\_\_\_\_

## Certification

This is to certify that the thesis prepared by Henok Ashebir, entitled “Assessment of Leadership Style and Employees Satisfaction In The Case Of Awash Bank” and submitted in partial fulfilment of the requirements for the Degree of Masters of Arts in Business Administration complies with the regulations of the University and meets the accepted standards with respect to originality and quality.

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# Table of contents

Declaration .....	iii
Certification .....	iv
Acknowledgments.....	v
Table of contents.....	vi
List of figure.....	ix
List of tables.....	x
Abbreviation.....	xi
Abstract .....	xii
CHAPTER ONE .....	1
INTRODUCTION .....	1
1.1. Background of the study .....	1
1.2. Statement of the problem .....	3
1.3. Research questions .....	5
1.4. Objective of the study .....	5
1.4.1. General objective of study .....	5
1.4.2. Specific objective of study.....	5
1.5. Significance of the study.....	5
1.6. Scope of the study .....	6
1.7. Organization of the study.....	6
CHAPTER TWO .....	7
LITERATURE REVIEW .....	7
Introduction.....	7
2.1. Theoretical review.....	7

2.2. Types of leadership Style .....	10
2.2.1. Transformational leadership .....	10
2.2.2. Transactional leadership style .....	11
2.2.3. Laissez-faire leadership.....	12
2.3. Employee satisfaction .....	12
2.3.1 Age and Job Satisfaction.....	14
2.3.2 Sex and Job Satisfaction .....	15
2.3.3. Marital Status and Job Satisfaction.....	15
2.3.4. Studies on Related Factors .....	18
2.4. Satisfaction and leadership.....	19
2.5. Empirical Literature .....	20
2.6. Conceptual Framework .....	21
CHAPTER THREE.....	23
RESEARCH METHODOLOGY .....	23
3.1. Introduction .....	23
3.2. Research design.....	23
3.3. Research approach .....	24
3.4. Data type and Sources.....	24
3.5. Target Population and sample size.....	25
3.6. Data Collection Instruments.....	25
3.7. Data processing and analysis technique.....	26
3.8. Validity and reliability .....	27
3.8.1. Validity.....	28
3.8.2. Reliability.....	28
3.9. Ethical consideration.....	29

CHAPTER FOUR.....	30
DATA PRESENTATION, ANALYSIS AND DISCUSSION.....	30
4.1. Introduction.....	30
4.2. Demographics of Respondents Rate .....	30
4.3. Data Analysis and Interpretation.....	32
4.4. Discussion of the Findings.....	40
4.5. Relationship between leadership with employee’s satisfaction.....	40
4.6. Analysis of interview question for the manager of awash bank .....	41
CHAPTER FIVE.....	43
SUMMERY, CONCLUSION AND RECOMMENDATION.....	43
5.1. Summary of Research Finding.....	43
5.2. Conclusion .....	44
5.3. Recommendation .....	45
5.4. Recommendations for Future Research .....	46
References.....	47
APPENDIX 1 .....	51



## List of figure

Figure: 1 conceptual framework-----21

## **List of tables**

Table: 1	proportionate sample distribution of awash bank -----	24
Table: 2	Cronbach alpha-----	27
Table: 3	Demographic response rate-----	29
Table: 4	Transformational leadership style-----	31
Table: 5	Transactional leadership style-----	34
Table: 6	Lassies fair leadership style-----	34
Table: 7	Employee Satisfaction-----	37
Table: 8	Summary of mean value on leadership and employees satisfaction-----	39

## Abbreviation

AB: Awash Bank

CBE: Commercial Bank of Ethiopia.

ES: employee satisfaction

EB: Ethiopian Birr

TFLS: Transformational leadership style

LFLS: Laissez-faire leadership style

TLS: Transactional leadership style

## **Abstract**

*The goal of this study was to assess the relationship of leadership style with employee satisfaction. A sample size of 300 respondents was involved from employees of Awash bank worked under head quarter in Addis Ababa. The study used descriptive and explanatory research design, and multifactor leadership questionnaire developed by Bass and Avolio (1995) was adopted. The first objective of the study was to show the relation of leadership style and employee satisfaction, the second objective was to identify dominant leadership style practiced in the company and the third objective was to determine the degree of relation between leadership style and employee's satisfaction. The study used mixed approach to collect and analyze data. The sample size of 300 staffs were selected from target population using random sampling. A five-point Likert scale questionnaire, interview and document review were used to collect data. Descriptive tools and content analysis were used to analyze the collected data. Descriptive statistics show the relatively significant value associated with employee satisfaction is transformational leadership style followed by transactional leadership style. Correlation result shows that transactional and transformational leadership styles positively correlated to employee satisfaction, whereas laissez faire leadership style inversely correlated to employee satisfaction. According to the result of the study awash bank dominantly practiced transactional leadership style. To enhance perceived leadership influence on employee satisfaction, transformational leadership style advised to adopt, shared visions and values, participating employees in decision making and problem solving and providing employees and managers learning opportunity to enhance their knowledge's and skills are among the recommendations forwarded.*

*Key Terms: Leadership, Transformational Leadership style, Transactional Leadership style, Laissez-faire Leadership style, Employee Satisfaction, Awash bank*

# CHAPTER ONE

## INTRODUCTION

### 1.1. Background of the study

Many studies on leadership style have been performed around the world, in Africa, and in Ethiopia. Various studies have been conducted around the world on the Assessment of leadership style on employee satisfaction. Rasool et al. (2015), for example, conducted research on the Pakistani health sector and found that both transformational and transactional leadership styles have an impact on employee efficiency, but transactional leadership has a smaller impact than transformational leadership. Additionally, According to Mintzberg (2010) leadership is the key of trust that comes from the respect of others. Also, according to Batista-Taranet et al. (2009), businesses are changing their structures as a result of globalization in order to compete in a larger global arena. Furthermore, Tandoh (2011) stated that if a manager uses a job- centered leadership style, this style has a positive impact. Similarly, transactional leadership is more Assessment vie in several countries outside of North America, according to Jeger (1986). These countries include India, Nigeria, Japan, and Pakistan. Pakistan is a hierarchical country ruled by command and control (Ahmed, 2012). As a result, transactional leadership is a more powerful leadership style in the culture of Pakistan.

Leadership is one of the most observed and least understood phenomena on Earth,” according to Burns (1978). Fry (2003), on the other hand, described leadership as "the use of a leading strategy to provide motivating motives and to enhance the capacity for growth and development of the staff." Similarly, Ivansevich and Matteson (2008) described leadership as the ability to use the power of the organization's environment or circumstance to create a positive Assessment and environment impact on the achievement of difficult goals. He went on to say that leadership is the method of persuading others to act in order to achieve predetermined objectives. He also defied because leadership often entails someone influencing of a follower or followers in a situation. Furthermore, according to Bass (1990), "leadership is an interaction between two or more members of a community that often includes a structuring or reforming of the situation as well as the members' views and expectations" additionally, Priyono (2011), a leader is someone who can persuade others to help him achieve his

objectives. Path Goal theory (destination path theory) of leadership has been developed to understand how a leader's influences subordinate satisfaction and success. On the other hand,

Leadership, according to Allport (1924), is described as "personal social power". Leadership appears to be the activity of a group leader influencing a group member to accomplish the group's objectives (Lussier & Achua, 2007). Not only but also, Bundel (1930), on the other hand, defines leadership as "the practice of persuading others to do what one desires".

Moreover, according to Robbin (2002), leadership is described as the ability to control a group's goals. Furthermore, Bernard (1926) defines leadership as "an individual who is more than normally efficient in caring psychosocial stimuli to others and is thus successful in conditioning collective responses." In addition to this, a leader, according to Fatokun et al., (2010), is an individual who takes the lead in interactions and influences the leader of other members of the community. He is an individual who has power over others and is in charge of directing their leader. Davis (1942), on the other hand, defines leadership as "the dynamic force that motivates and coordinates the organization in achieving its objectives. Style to demonstrate concern, care and respect for employees, it would increase interest of employees in their work and enable them to put up better satisfaction, thereby affecting their job satisfaction positively. Many studies on leadership style have been performed around the world, in Africa, and in Ethiopia.

The difference researchs have been conducted in related the all countries leadership type and employee satisfaction. Rasool et al. a smaller impact than transformational leadership. Additionally, According to Mintzberg (2011) leadership is the key of trust that comes from the respect of others. Also, according to Batista-Taranet et al. (2019), Ngethe et al. (2012), on the other hand, argue that the position of leaders and their leadership styles are critical in retaining employees. Similarly, to the rest of the world, several studies were performed in Africa. For example, in Ugandan local government authorities, Gimuguni et al (2014) found a positive relationship between autocratic, laissez-faire, and democratic results. Also, Jamaludin (2011), conducted research on leadership and leadership styles and concluded that successful leaders are those who use their influence for the good of their followers as well as the organization. Similar to world and Africa, there were many studies conducted in Ethiopia on the Assessment of leadership style on employee satisfaction. For example, Tsigu and Rao (2012) in Ethiopia Banking sector finds that the transformation leadership explained

the variation is employee satisfaction better than transaction leadership style. In addition to this, Bedasa (2020) conducted his research on omo kuraz 1 sugar factory and he concluded that, democratic style and laissez- fair leadership style have positive effect on the satisfaction.

## **1.2. Statement of the problem**

Many literatures assert that leadership Styles can facilitate the improvement of both leadership capability and satisfaction of followers. This ultimately contributes to enhancing organizational satisfaction. Leadership Style in an organization is one of the factors that play significant role in enhancing the interest and commitment of the individuals in the organization (Obiruwu et al., 2011). Leadership style is especially important to motivate employees' commitment to fulfill organizational objectives and increase job satisfaction, (Riaz, Akram, &Ijaz, 2011; Chi, LAN, &Dorjgotov, 2012). Moreover, according to research study conducted by (HueryenYeh (2012), leadership style is positively related to lassies- fair leadership style and job satisfaction. Meanwhile, organizational commitment is positively related to job satisfaction.

Leadership style in an organization is one of the factors that play significant role in enhancing the organizational satisfaction and lassies- fair leadership style. From these review of related literature, however, controversy pertaining to the respective importance of leadership styles on organizational satisfaction and organizational commitment has been observed. Certain studies (Rejas, Ponce, Almonte& Ponce 2006) had indicated that transformational leadership had a positive impact on satisfaction of employee's, while transactional leadership had negative impact on satisfaction. Other studies (Obiruwu et al., 2011 ;) had established that while transactional leadership had significant positive Assessment on organizational satisfaction of enterprises, Transformational leadership style had positive but insignificant Assessment on organizational satisfaction. Moreover, another research studies conducted by (Wu, 2009) and (Epitropaki and Martin, 2005) that showed transactional leadership style provided high satisfaction as well as organizational satisfaction compared to transformational leadership style. Various past studies cover different aspects of leadership and its relationship with organizational commitment. Swanepoel, Erasmus, Van Wyk and Scheck (2000) describe the lassies- fair leadership style is encouraged with the leadership style for the successful implementation of business strategies to achieve the organizational goal.

Research conducted on the leadership style and its relationship with organizational commitment (Lo, Ramayah& Min, 2020) and concluded that transactional and transformational leadership positively correlated with organizational commitment. Moreover, Riaz and Haider (2010) concluded that to bring the lassies- fair leadership style, transformational leaders has strong influence on employees as compare to transactional leaders. Even though the various branches of awash bank operate in a similar manner with respect to policies and practices, their satisfaction varies from branch to branch. Hat pursues an answer to the question; which leadership style really influences Wegagen bank employee's satisfaction? Moreover, this study fills the contentious gaps of different research studies that have been conducted on leadership Styles with respect to employee satisfaction. Consequently, it contributes meaningfully to the body of growing literature and knowledge in this area of study in bank.

When the satisfaction evaluation is observed, some branches of the bank achieved their goals at the end of the year while the remaining did not. As per the information obtained from strategic planning office of the bank in 2022 budget year, from so many branches of awash bank branches which are found in Addis Ababa city, only 116 (nearly 51%) branches achieved their goal and the remaining 113 (49%) branches did not meet their annual plan goals. This result clearly shows there is a great difference in satisfaction among branches of the Bank and no previous study has been conducted on the Assessment of leadership Style in transformational leadership style and employees' satisfaction, even if there are many factors which has an impact to change organizational commitment and employee satisfaction such as transformational leadership style, transactional leadership style etc.

The literature indicates that job satisfaction is a prerequisite to long tenure and good performance, and hence to institutional effectiveness (Wood, 2006). Therefore, it seems wise to identify factors that affect job satisfaction and dissatisfaction of the Education office members in order to determine whether any problem areas exist. Following the findings, the institution should be able to remedy problems and provide opportunities for worker advancement and leadership

During investigation researcher was gathered some information that required to examining the offices leadership problem in deep. After conduct pilot study the researcher try to be know main leadership problem like they don't offering contingency reward for employees, employees are not participating in decision making process, employees are no gaining appropriate financial reward for their performance, leaders prevent problem where the problem is occur and they are not giving a power



for employees to make their decision. This leadership style of the office practicing may be the cause of employee satisfaction means it may not be preferred by the office employees, if it is not appropriate for them employees feel dissatisfaction, therefore the aim of this study is to explore different leadership styles, the relationship between leadership style and employee satisfaction and to also show the effect of leadership style on employee satisfaction and in order to fully fill this knowledge gap,

### **1.3. Research questions**

1. What is the relationship between leadership style and employee satisfaction?
2. What is the most dominant leadership style practiced at Awash bank?
3. What is the degree of relationship between leadership style and employee satisfaction?

### **1.4. Objective of the study**

#### **1.4.1. General objective of study**

The general objective of the research is designed to assess the relationship between leadership styles and employee satisfaction in Awash bank S.C. in addressing the following sub-questions of the study.

#### **1.4.2. Specific objective of study**

1. To examine the relationship between leadership style (transformational, transactional, and laissez-faire leadership styles) and employee satisfaction.
2. To identify the most dominant leadership styles practiced in Awash bank s.c.
3. To determine the extent of relationship between leadership style and employee satisfaction

### **1.5. Significance of the study**

The outcomes of this research have great significance especially for Awash bank in the following ways. First, it identifies the style of leadership being exhibited at the bank which in turn is critically important in crafting strategy with the style of leadership for its implementation in mind. Second, this study adds to literature with regard to determining the relationship of the various leadership styles and the different issues on employee satisfaction. Third, the assessment of leadership style on satisfaction of individual and organizational level is examined from the Ethiopian perspective. Fourth, as it has been discussed in the statement of problem part, empirical research is few in number, the assessment of leadership style and employee satisfaction in the Ethiopian banking industry. Therefore, the findings of this study can have a great contribution to the body of knowledge by identifying how leadership style is related to the employee's satisfaction of banks in the case of Awash

Bank S.C. Finally, it can serve as a base for other researchers who want to do a further research on this topic.

### **1.6. Scope of the study**

There is no doubt in that the research findings would have shown a better picture if the study was carried out by taking two or more districts and different banks. However, this become difficult due to time and cost constraints. Therefore this research is limited to investigate the relationship of leadership and employees satisfaction of awash bank s.c head quarter.

Although there other factors that affect employee productivity like compensation and rewards, employee training, working conditions There is geographic factor to collect the data and also company procedures to show there secondary data for the study etc. this research is dedicated to determine the effect of leadership style on employee performance only.

The investigation was assist the bank to understand and identify the Assessment of leadership Style on the employee's and the relationship between transformational leadership style, transactional, to address the problem under consideration, this research is delimited to the Assessment of leadership style on employee satisfaction at Awash Bank S.C. The study focus on the internal function of the organization which is leadership, and it's employees' satisfaction. To measure the Assessment of leadership style the research was implement a regression model, and in order to identify the relationship the research was implement correlation using primary data.

The geographic area in which the study has focused on is the banking industry, specifically Awash Bank S.C. and the respondents are all in Addis Ababa Ethiopia. The research is conducted on the Headquarter of the bank where the managerial and operational staff is combined. This research has incorporated data for the financial period 2022/23.

### **1.7. Organization of the study**

The study is organized into five chapters. The first chapter includes introduction part, study of background area, statement of problem, objective of the study and research question, significance and scope of the study, and organization of the study. The second chapter contains literature review with theoretical and empirical review. The third contain research methodology, sampling data collection tools and data analysis method. The fourth includes result and discussion. The fifth chapter contains summary, conclusions and recommendations. Finally references and appendixes.

# **CHAPTER TWO**

## **LITERATURE REVIEW**

### **Introduction**

This chapter mainly contain definition of leadership, Theoretical review, meaning leadership style, types of leadership style, theories of leadership style, transformational leadership style, transactional leadership style, the concept of employ satisfaction and the conceptual framework of the stud.

### **2.1. Theoretical review**

Gary Yukl (2006) defines leadership as “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”. Peter North use (2010) defines leadership as “Process whereby an individual influences a group of individuals to achieve a common goal”. These definitions suggest several components central to the phenomenon of leadership. Some of them are as follows: (a) Leadership is a process, (b) leadership involves influencing others, (c) leadership happens within the context of a group, (d) leadership involves goal attainment, and (e) these goals are shared by leaders and their followers. The act of defining leadership as a process suggests that leadership is not a characteristic or trait with which only a few certain people are endowed at birth. Defining leadership as a process means that leadership is a transactional event that happens between leaders and their followers. Viewing leadership as a process means that leaders affect and are affected by their followers either positively or negatively. It stresses that leadership is a two-way, interactive event between leaders and followers rather than a linear, one-way event in which the leader affects the followers but not vice versa.

Leadership style is the direction in which the followers are led. The number of leadership styles has been growing as the leadership studies have evolved over the course of history. If the leadership style is effective, it may develop the organizational performance and support the achievement of desired goals, or if the leadership style is ineffective, it will have a negative impact on organizational performance and opinions of employees. This significant relationship between leadership styles and organizational performance led to many studies regarding the aspect of leadership that resulted in numerous leadership theories. Each theory proposes a distinct leadership style and, most often, a mixed set of styles for the performance of the leadership. (Hussain & Hassan, 2016). According to

Sheng Victor & Soutar (2005), leadership styles are significantly impacted by the leader's immediate family - subordinates. This research determines the relationship between organizational leadership style and employee satisfaction committing to enhancing development that may have a positive impact on the organization and its employee.

The commonly used universal leadership styles are transactional, transformational and laissez-faire. The leadership styles are acknowledged to change depending on the situational factors. Therefore, a leader who uses transformational style could use the transactional style and vice versa based on the situation and vice versa. The character and personality traits can be used to distinguish a transformational or transactional leader (Bono & Judge, 2004). However, followers' recognition of their leaders, their willingness, task intricacies also decide the leadership styles followed by the leaders. Therefore, leaders should have unique ability to determine the organizational settings, carefully distinguish the unforeseen factors and make good decisions in driving the organization towards success (Alkahtani, 2015).

Defining leadership as a process makes it available to everyone not just a select few who are born with it. More important, it means that leadership is not restricted to just the one person in a group who has formal position power (Dubrin, 2007). Lee and Chuang (2009), explain that the excellent leader not only inspires subordinate's potential to enhance efficiency but also meets their requirements in the process of achieving organizational goals. Stogdill (1957), defined leadership as the individual style to guide a group to achieve the common target. Fry (2003), explains leadership as use of leading strategy to offer inspiring motive and to enhance the staff's potential for growth and development. Several reasons indicate that there should be a relationship between leadership style and organizational satisfaction.

The first is that today's intensive and dynamic markets feature innovation-based competition, price/satisfaction rivalry, decreasing Returns, and the creative destruction of existing competencies (Santora et al., 1999; Venkataraman, 1997). Studies have suggested that Assessment leadership Styles can facilitate the improvement of satisfaction when organizations face these new challenges (McGrath and MacMillan, 2000; Teece, Pisano and Shuen, 1997). Yukl (1994) described leadership as the process of influencing a subordinate in such a way that the subordinate is motivated to ensure that the group maintains cooperation and the agreed task is completed, with the help of external groups. Moreover, Tead (1935) defines leadership as "the task of persuading others to work against a purpose that they find attractive." Also, according to Bohn and Grafton (2002), leadership is the

process of establishing a clear vision, instilling self-confidence in subordinates, and achieving this through teamwork and attention to detail. In addition to this, Chapin (2004) defines leadership as "a polarization point for party cooperation." Northouse (2004), on the other hand, defines leadership as a mechanism by which a person influences a group of people to achieve a common goal. Also, Janda (1960) defines leadership as "a group member's belief that another group member has the authority to recommend Style practices for the former in his activity as a member of a specific group".

Additionally, Priyono (2011), a leader is someone who can persuade others to help him achieve his objectives. Path Goal theory (destination path theory) of leadership has been developed to understand how a leader's behaviour influences subordinate satisfaction and success. On the other hand, Leadership, according to Allport (2004), is described as "personal social power". Leadership appears to be the activity of a group leader influencing a group member to accomplish the group's objectives (Lussier & Achua, 2007). Not only but also, Bundel (2003), on the other hand, defines leadership as "the practice of persuading others to do what one desires". Moreover, according to Robbin (2002), leadership is described as the ability to control a group's goals. Furthermore, Bernard (2006) defines leadership as "a individual who is more than normally efficient in caring psychosocial stimuli to others and is thus successful in conditioning collective responses.

In addition to this, a leader, according to Fatokun et al., (2010), is an individual who takes the lead in interactions and influences the Style of other members of the community. He is an individual who has power over others and is in charge of directing there. Davis (2002), on the other hand, defines leadership as "the dynamic force that motivates and coordinates the organization in achieving its objectives.

Leadership is one of the most observed and least understood phenomena on Earth," according to Burns (2008). Fry (2003), on the other hand, described leadership as "the use of a leading strategy to provide motivating motives and to enhance the capacity for growth and development of the staff." Similarly, Ivansevich and Matteson (2022) described leadership as the Ability to use the power of the organization's environment or circumstance to create a positive Assessment and environment impact on the achievement of difficult goals. He went on to say that leadership is the method of persuading others to act in order to achieve predetermined objectives. He also defied because leadership often entails someone influencing of a follower or followers in a situation. Furthermore, according to Bass (2020), "leadership is an interaction between two or more

members of a community that often includes a structuring or reforming of the situation as well as the members' views and expectations".

## **2.2. Types of leadership Style**

Leadership Style has been a challenging topic for organizational Assessment liveness. Therefore different leadership styles have been studied across several decades and in the modern theory which was proposed by Bass. This model is consisted of three types as Transformational, Transactional, and Laissez-Faire Leadership (Bass, 1990; Gordon, J.R. 1993; Bass & Avolio 2003; Glad and Blanton, 1997; Pillai et al., 1999; Greenberg & Baron, 2000; Sosik & Godshalk, 2000, Eren, 2010; Lather et al., 2009; Giri & Santra, 2010. It is important to note that this submission attempts to single out some types of leadership models not all. It is not intended to introduce any new theory.

### **2.2.1. Transformational leadership**

Transformational leadership was developed by Bass in 1985 on account of stating Style and characteristic to provide organizational change and stability while transformational leadership is comprised of idealized influence, individual consideration, intellectual stimulation, and inspirational motivation (Bass, 1990). Transformational leaders try to persuade followers that they are powerful enough to coping with individual needs and personal development which turn out to establish close relationship with employees.

Leaders pay feel more special, motivated and encouraged. By this way, there is an enhancing Assessment on the success of the employees (Greenberg & Baron, 2000). Transformational leadership is also explained for displaying higher to come to terms with team mission and goals and also the continuity of this process. Leaders encourage employees to see beyond what they already have (Bass, 1990). The transformation leader motivates its team to be Assessment and efficient. Finally, in contrast to Burns, Bass suggested that leadership could simultaneously display both transformational and transactional leadership. According to Yukl (2023) the full range of leadership introduces four elements of transformational leadership.

#### **2.2.1.1. Individualized Consideration**

The degree to which the leader attends to each followers needs acts as a mentor or coach to the follower and listens to the follower's concerns and needs. The leader gives empathy and support, keeps communication open and places challenges before the followers. This also encompasses the need for respect and celebrates the individual contribution that each follower can make to the team.

#### **2.2.1.2. Intellectual Stimulation**

The degree to which the leader challenges assumptions tasks risks and solicits follower's ideas. Leaders with this style stimulate and encourage creativity in their followers. They nurture and develop people who think independently.

#### **2.2.1.3. Inspirational Motivation**

The degree to which the leader challenges assumptions appealing and inspiring to followers. Leaders with inspirational motivation challenge followers with high standards, communicate optimism about future goals, and provide meaning for the task at hand. Followers need to have a strong sense of purpose if they are to be motivated to act.

#### **2.2.1.4. Idealized Influence**

Provides a role model for high ethical Style, instills pride, gains respect and trust. As a development tool, transformational leadership has spread already in all sectors of western societies, including governmental organizations.

#### **2.2.2. Transactional leadership style**

The transactional leader is given power to perform certain tasks and reward or punish for a team's satisfaction. It gives the opportunity to the manager to lead the group and the group agrees to follow his lead to accomplish a predetermined goal in exchange for something else. Power is given to the leader to evaluate, correct and train subordinates when productivity is not up to the desired level and reward Assessment when expected outcome is reached (Burns, 1978). According to Bass (1985), transactional leaders lead to employees by rewarding. The desired satisfaction is based on when a leader explains what are aims, goals, results, and rewards to employees who achieved in their work. Transactional Leadership is consisted of contingent reward, active management by exception, and passive management by exception. Contingent reward leadership may put forth a result of developmental plan, may explain why they desire to success, when they get the results, they was reward them for good satisfaction (Sosik and Godshalk, 2000). Employ fulfill these requirements are explained explicitly (Pillai et.al, 1999). Transactional leaders choose the way of leading ongoing process. Leaders, who adopt this approach, especially reward employees with money, status and promotion while they pay less attention to creative and innovative acts (Eren, 2010).

### **2.2.3. Laissez-faire leadership**

The laissez-faire leader gives no continuous feedback or supervision because the employees are highly experienced and need little supervision to obtain the expected outcome. This type of style is also associated with leaders that do not lead at all, failing in supervising team members, resulting in lack of control and higher costs, bad service or failure to meet deadlines. In government, this is what the type of leadership, which may drive to anarchy (Lewin, Lippitt, & White, 1939). Laissez-Faire leaders give group members the freedom to make their own decision in any process as leaders play no leadership role to subordinates (Griffin, 1993). Laissez- Faire Leaders need the less of management authority, leave responsibility to subordinates to decide goals, plans, and programs by their own within the source of possibility.

### **2.3. Employee satisfaction**

Organizations have an important role in our daily lives and therefore, successful organizations represent a key ingredient for developing nations. Thus, many economists consider organizations and institutions similar to an engine in determining the economic, social and political progress. Continuous satisfaction is the focus of any organization because only through satisfaction organizations are able to grow and progress. Thus, organizational satisfaction is one of the most important variables in the management research and arguably the most important indicator of the organizational satisfaction.

It comprises the actual output or results of an organization as measured against its intended outputs (or goals and objectives). Although the concept of organizational satisfaction is very common in the academic literature, its definition is difficult because of its many meanings. For this reason, there isn't a universally accepted definition of this concept. In the '50s organizational satisfaction was defined as the extent to which organizations, viewed as a social system fulfilled their objectives (Georgopoulos&Tannenbaum, 2021).

According to Richard et al.(2009) organizational satisfaction encompasses three specific areas of firm outcomes: (a) financial satisfaction (profits, return on assets, return on investment, etc.); (b) product market satisfaction (sales, market share, etc.); and (c) shareholder return (total shareholder return, economic value added, etc.).The term Organizational is broader. Satisfaction evaluation during this time was focused on work, people and organizational structure. Later in the 60s and 70s, organizations



have begun to explore new ways to evaluate their satisfaction was defined as an organization's ability to exploit its environment for accessing and using the limited resources (Yuchtman& Seashore, 1967).The years 80s and 90s were marked by the realization that the identification of organizational objectives is more complex than initially considered. Managers began to understand that an organization is successful if it accomplishes its goals using a minimum of resources (efficiency).

Thus, organizational theories that followed supported the idea of an organization that achieves its satisfaction objectives based on the constraints imposed by the limited resources (Lusthaus& Adrien, 1998 after Campbell, 1970). In this context, profit became one of the many indicators of satisfaction. The authors Lebars&Euske (2006) provide a set of definitions to illustrate the concept of employee satisfaction: As the satisfaction of an organization is dependent on the quality of the workforce at all levels of the organization (Temple, 2002), it is essential to discuss the concept of individual satisfaction. Millcorvich and Bondream (1997) define employee satisfaction as the degree to which employees accomplish work requirements. To them employee satisfaction in Assessment reflects the efficiency of the organization.

People are an organization's greatest assets: individuals and organizations have learned about the importance of the role of people in an organization, and how the success of an organization depends on its people (Bartlett and Ghoshal, 1995). The role of human resources is absolutely critical in raising satisfaction in an organization (Armstrong and Baron, 1998). Ultimately it is the satisfaction of many individuals, which culminates in the satisfaction of an organization, or the achievement of goals in an organizational context (Armstrong and Baron, 1998).Amos, et al. (2004) states, that “the management of individual satisfaction is critical to the execution of strategy and the organization achieving its strategic objectives”. Satisfaction cannot be left in anticipation that it was develop naturally, despite the employee's natural desire to perform and be rewarded for it. This desire needs to be accommodated, facilitated and cultivated (Amos, et al., 2004). In return for this satisfaction, organizations extend themselves in various forms of acknowledgement (Foot and Hook, 1999).

Individual satisfaction has become a topical issue in today's business environment, so much so that organizations go to great lengths to appraise and manage it (Armstrong and Baron, 1998). Whitten and Cameron (1998), state that individual satisfaction is the product of ability multiplied by motivation. Furthermore, Cummings and Schwab (1973) concur with the belief that satisfaction is ultimately an individual phenomenon with environmental factors influencing Satisfaction, primarily

through their Assessment on the factors are those factors over which the organization has little or no control, such as demands for job grading systems (Hellriegel, et al., 1999).

### **2.3.1 Age and Job Satisfaction**

Herzberg et al. (2007) reviewed 23 studies in the analysis of the change in job attitudes with changing age.

Morale is high when people start their first job; it goes down during the next few years, and remains at a relatively low level; when workers are in their late twenties or early thirties morale begins to rise. This rise continues through the remainder of the working career in most cases. Hulin and Smith (2005) did not support this U-shaped model. Who found that age has a positive monotony relationship to job satisfaction, however, a slight modification of the model was proposed by Saleh and Otis (2006).

For managerial employees, they found that job satisfaction increased up to sixty years and then declined with approaching retirement. Their explanation was that the increase until about age of 60 was seen as the general adjustment to life. The decline between the age of 60 and 65 was partially due to decline in physical health, but mainly to the blockage of channels for selfactualization and psychological growth (Saleh and Otis, 2006). Nevertheless, it should be emphasized that most of the above cited studies concerned blue and white collar workers in industrial settings.

In educational institutions, a number of studies found significant relationships between job satisfaction and age. Sprague (2004), in his study of job satisfaction of university faculty, reported a positive relationship between age of faculty and employee job satisfaction. Earlier research findings of employee satisfaction in the North Carolina community college system supported the association between job satisfaction and faculty age (Rollins, 2003). Probe (2001) also reported significant relationship between teacher job satisfaction and age.

In a Thai study of morale of university personnel, Petput(2001) also reported an increase in job satisfaction of teaching and support staff as age increased. Panmuk(2005). in his investigation of factors in motivating agriculture teachers to work in the secondary schools in Thailand, found positive relationship between age of teachers and job satisfaction, particularly with respect to supervision received.

### **2.3.2 Sex and Job Satisfaction**

The male-female differential in job satisfaction has some interesting results. Of 21 studies reviewed by Herzberg et al. (2007)» 6 of the studies found women to be more satisfied than men; 3 of them showed women were less satisfied than men; and 5 of them showed no difference between men and women. Herzberg and associates concluded that the studies comparing men and women in job satisfaction did not lead to any simple conclusions about such differences. Hulin and Smith (2006), from a sample of 295 male and 163 female workers drawn from 4 different plants, found that males were more satisfied than female counterparts. Kuhlen (2006) reported males and females require different satisfactions from their job.

The relationships found in educational settings support the findings of Herzberg and associates in terms of no clear-cut pattern. Some studies revealed significant differences between job satisfaction and sex (Parker, 2004; and Hafen,2001). Parker (1974) reported the significant differences between job satisfaction and sex of elementary school teachers.

Sprague (2004) found no difference between job satisfactions and sex in his study of university faculty members. Merrill (2000) disclosed female teachers and principals were more satisfied in their jobs than their male colleagues.

In Thailand, Petput (2001) also disclosed in his study cited earlier that Thai female university personnel tended to be more satisfied than their male counterparts. However, this was not the case for school teachers in Bangkok and Northeastern Region of Thailand in which a study showed no difference between sex and level of job satisfaction (Chatatrakul, 2002).

### **2.3.3. Marital Status and Job Satisfaction**

A number of studies on how job attitudes are related to marital status do not permit clear-cut conclusions to be drawn Of 12 studies reviewed by Herzberg et al. (2007). 3 studies found married workers to be more satisfied than unmarried; one of them showed unmarried workers were more satisfied than married; and 8 of them showed no difference between married and unmarried workers in job attitudes.

In the educational institution, Lacy (2009) investigated factors that affect job satisfaction of public high school business teachers in Ohio. Among the findings, she reported no difference was shown in job attitudes between married and unmarried teachers. However, Becvar(2000) reported different findings of first-year teachers with respect to job attitudes. It was found that married first-year

teachers were more satisfied than unmarried peers (Becvar, 2000). In Ethiopia study cited earlier, Petput(2001) summarized in his findings that no significant relationship was found between marital status and job satisfaction of Thai university personnel in his investigation. This seems to be contradictory to the findings of school teachers in Ethiopia. Two studies conducted by Yotakong (2006) and Panmuk (2005) reported positive relationship between marital status and job satisfaction of Ethiopia teachers in their population. Length of Service and Job Satisfaction Herzberg et al. (2007) reviewed 17 studies to determine how job attitudes were related to length of service with the organization. Of these, 8 studies disclosed the same trend as studies relating to change in morale to age. Seven were not definite in their results. In all cases the problem under study was how a worker felt about his job versus how long he had been on that job. Herzberg and associates summarized the seventeen studies by making observation that: These studies show the following trend: workers begin with high morale which drops during the first year of service and remains low for a number of years. As service increases, morale tends to go up. Later research tended to support this point of view. For example, O'Reilly and Roberts (2005), in their study of individual differences in personality, reported job satisfaction was significantly related to job tenure.

Thus far, no studies have been located which examined the length of service in relation to job satisfaction of American college and university faculty, but a number of studies of no college teachers confirmed that this variable is positively related. Lacy (2009) found that there was a significant relationship between level of job satisfaction of business teachers and length of service with the educational institution. Probe (2001) reported similar finding in his investigation of the relationship between public school teacher job satisfaction and selected personal characteristics.

As for the Ethiopia studies, Petput (2001) supported the findings of positive relationship between job satisfaction and length of service. In other words, the longer the Ethiopian sub city education office personnel were on the jobs, the more satisfied they were with their work. Education and Job Satisfaction Herzberg et al. (2007) reported 13 studies relating education to job attitudes. Of these studies, 3 studies showed an increase in morale with increase education; another 5 showed the higher these workers' educational level, the lower their morale; and the remaining studies showed no differences in job attitudes among workers differing in education. Williamson and Karras(2000) asked 34 female clerical workers to rank 10 job characteristics taken from the Herzberg Two-factor Theory. The findings indicated that the female group with college educations ranked motivators significantly higher for self-actualization than those of female clerical workers without a college

education. Klein and Maher (1976) conducted a study of firstlevel managers in an electronics manufacturing population. Among the conclusions, they reported college educated managers to be less satisfied with pay compared to a no college education group.

This finding may not be generalized to any managerial groups, where the study of England and Stein (2006) showed higher education level to be related positively to job satisfaction. In the educational institution, Varley (2003) reported the results of his study of 4<sup>6</sup> teachers in 14 metropolitan high schools that teachers who graduated from teachers' colleges were relatively satisfied with their work. Hollon and Gremmill (2006) conducted a study of 321 full-time teaching professionals in 7 two-year public community colleges. They disclosed that female teaching professionals reportedly experience less overall job satisfaction than their male colleagues.

Petput (2001) also found Thai university personnel with higher level of education were more satisfied in their jobs than their peers at lower levels of educational background.

Academic Responsibility and Job Satisfaction area an attempt to determine whether or not faculty members who were engaged in teaching and research were less satisfied or more satisfied that those faculty members who were engaged in academic administration. It was not intended as matter of questioning a response as to which of the typical assigned tasks, i.e., teaching, research, and academic administration was of more important.

However, no guidance is found in the empirical literature on American studies with respect to the specific variable that the researcher wished to explore. Only a small section of the Thai study conducted by Petput (2001) focused on this question. Thai university personnel with teaching responsibility were found to be in higher morale compared with their colleagues who were engaged in academic administration and support functions.

#### Academic Rank and Job Satisfaction

The relationship between rank and job satisfaction seems difficult to interpret. Herzberg et al. (1957) have indicated that one unequivocal fact emerged from their studies included a wide range of occupations ranging from unskilled laborers through professional and managerial positions.

Herzberg and associates concluded that there is good support for the assumption that job satisfaction increases as the employee takes an increased responsibility and authority in the organization.

In the academic institution, Field (2006), in his study of satisfaction and dissatisfaction of University of

Wisconsin faculty members by campus location reported that associate professors comprised the most dissatisfied academic rank among the sample.

#### **2.3.4. Studies on Related Factors**

Affecting Job Satisfaction of American Faculty Members Studies related to this topic has apparently reflected different populations and sample sizes, and diverse variables.

Field and Giles (2007) investigated the dimension of faculty members' sensitivity to job satisfaction items. The population of the study was 888 full-time teaching faculty members of a large, southeastern university who were randomly selected from the university's personnel roster. Based upon 52 percent response rate, the results revealed that faculty members' sensitivity of job satisfaction items centered primarily in their concern with extrinsic job factors, department head action, and promotion and salary. Such findings might be turned out as a result of organizational setting where job satisfaction seemed relatively high.

Neumann (2008) also attempted to examine the relationship between several dimensions of organizational climate and faculty job satisfaction in university departments by using data which were based on a second phase of a longitudinal study. His major conclusion was that the organizational climate was one of the keys leading to faculty job satisfaction.

Smart and Morstain (2005) used the Job Descriptive Index (JDI) developed by Smith et al. (2009) as an instrument for the measurement of job satisfaction among college administrators.

A total of 713 questionnaires were returned from all members of the Association for Institutional Research (AIR), a return of 68 percent. This study revealed that college administrators whose preferred and perceived job responsibilities were most congruent tend to find work to be more challenging, fascinating, and satisfying than their moderate and incongruent colleagues. Congruent administrators perceived their work as providing an outlet for their creative energies, being useful to their institutions and respected by their colleagues within the institutions, and providing a sense of accomplishment in their lives. Cohen (2001) employed the critical incident method in conducting a study of faculty job satisfaction in twelve community colleges. During the summer of 2003 the author forwarded questionnaires.

Research related to factors affecting job satisfaction, especially of faculty members, is limited in Thailand. Most of what is done in the field is being conducted by graduate students for thesis work. Also a review will include the research work done by a group of faculty in Social Sciences College,

Kasetsart University, and Bangkok relative to job satisfaction in terms of university faculty member work incentive.

Asrat (2005) made a study of job satisfaction of school and college administrators under the Department of Vocational Education, Ethiopia by developing a questionnaire instrument based on the Herzberg's Motivation-Hygiene Theory.

The population of this study included 136 school administrators and 27 college administrators. The results disclosed that both groups of school and college administrators were relatively satisfied in their work. When grouping and comparison were made, college administrators perceived higher level of job satisfaction than the school administrators.

Both groups were highly satisfied with job security, interpersonal relationship, responsibility, and the work itself.

In a similar study, Chatatrakul (2002) examined the morale between school teachers in Bangkok and those in northeastern region of Thailand. One purpose of this study was to determine the degree of teachers' satisfaction with respect to working conditions, activities, interpersonal relationships, supervision, and pay, opportunity for advancement, safety and social status in their employment regions. When comparison was made, the results indicated that school teachers in the northeastern region perceived higher satisfaction than their peers in Bangkok in the area of interpersonal relationship, activities, pay safety and social status. However, school teachers in Bangkok were more satisfied with working conditions and opportunities for advancement. On the whole, school teachers in both locations were quite satisfied with their work roles.

Chancharoen (2006) reported an extensive study of morale of instructors in teacher colleges. This study included a sample population of full-time instructors representing 15 teacher colleges in Thailand. Of 480 instructors in the sample, 471 (98.130) responded to the mailed questionnaire. Two-way analysis of variance was employed in handling the data. Among the conclusions in the study revealed that instructors whose primary responsibilities included both teaching and academic administration were more satisfied in their work than those who were assigned only teaching tasks. On the whole, the morale of both groups was moderately high.

#### **2.4. Satisfaction and leadership**

The success of an organization is reliant on the leader's ability to optimize human resources. A good leader understands the importance of employees in achieving the goals of the organization, and that

motivating these employees is of paramount importance in achieving these goals. To have an organization the people within the organization need to be inspired to invest themselves in the organization's mission- the employees need to be stimulated so that they can be satisfied; hence assessment organizations require assessment leadership (Wall, Solum and Sobol, et al, 2021).

Leadership is perhaps the most thoroughly investigated organizational variable that has a potential impact on employee satisfaction (Cummings and Schwab, 2021). Winning leaders understand what motivates employees and how the employee's strengths and weaknesses influence their decisions, actions, and relationships. Cummings and Schwab (2022) mention the connection between leadership traits or leadership Styles and employee satisfaction. However, through research by Pruijn and Boucher (1994) it was show that transformational leadership is an extension of transactional leadership (Bass, 2021).

## **2.5. Empirical Literature**

Javed, Balouch and Hassan (2014) established that there is a significant relationship between transactional leadership style and employees “satisfaction and this transactional leadership style is more adopted by the leaders as compared to transformational leadership style. The authors recommend the research results to the senior leadership of banks for them to improve their employee’s satisfaction. This they offer can be done through training their leading staff in branches to adopt transactional leadership style.

The study involved 230 people working in five selected private banks of four districts of the Punjab province of Pakistan. From the analysis of strong and weak point of these transformational and transactional leadership styles, it is evident that more empirical work is required to achieve clearer understanding of these two concepts. This study will look at a combination of both and values based leadership style. In the UAE Verma (2014) in her study, the influence of leadership styles of principals on teachers,, job satisfaction in private schools in UAE, establishes that there was significant influence of transformational leadership styles of principals on the job satisfaction of teacher.

Further she specifies that inspirational motivation and individualized consideration leadership styles showed positive significant predictive relationship with job satisfaction of teaching faculties. Bushra, Usman and Naveed (2011) investigated the relation between transformational leadership and satisfaction among 133 bank employees in Lahore, Pakistan. They found that transformational leadership has a positive influence on the general job satisfaction experienced by 42% of participants,



indicating their preference for this particular leadership style. In their study of two hundred Malaysian executives working in public sectors, Voon, et al., (2011) establishes that transformational leadership style has a stronger relationship with job satisfaction. This implies that transformational leadership is deemed suitable for managing government organizations. The study in Malaysia sought to define the aspects of transactional and transformational leadership that affect employee's satisfaction in the public sector in Malaysia. In Iran, Hamidifar, F. (2009) A Study of the Relationship between Leadership Styles and Employee Job Satisfaction at Islamic Azad University Branches in Tehran, Iran leadership styles (the independent variable) influence employee job satisfaction (the Dependent variable).

Findings were the dominant leadership styles were transformational and transactional and employees were moderately satisfied with their job. The different leadership style factors will have different impacts on employee job satisfaction components. Individualized consideration and laissez-faire are strong predictors of all the job satisfaction factors.

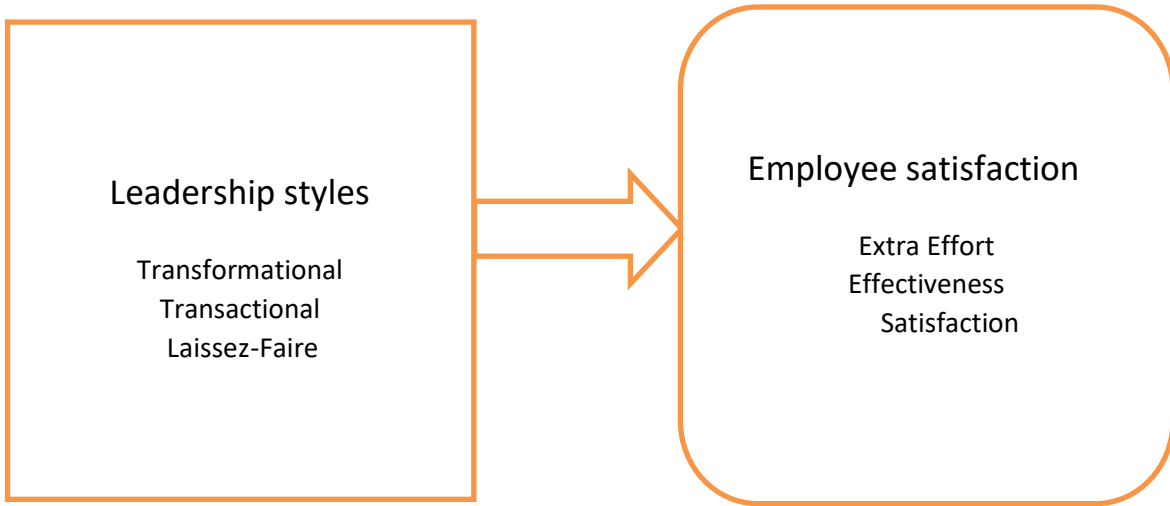
Bangladesh Rana, Md. S. (2015) Job Satisfaction Effecting Factors of Employees in Bangladesh Banking Sector to determine the impact of various human resource management practices like job autonomy, team work environment and leadership behavior on job satisfaction. It also investigates the major determinants of satisfaction in Bangladeshi banking sector. This study further evaluates the level of difference in job satisfaction among male and female employees. There is a positive and significant link between job satisfaction and human recourse management practices like team work environment, job autonomy and behavior of leadership. From the findings of the study, it is also inferred that male and female workers have significantly different levels of job satisfaction

## **2.6. Conceptual Framework**

The study has one independent variable and two dependent variables. The leadership Style plays an independent role and leader's commitment and organizational satisfaction as dependent variables. The organizational commitment was be the mediating factor. The questionnaire was be utilized for his study is Leadership Theory using the Multifactor Leadership Questionnaire and the revised Commitment Scale Items (Allen and Meyer, 1990). The employee's satisfaction questionnaire was developed taken from the research of Campbell (1990), which focuses the improvement of individual work satisfaction. The leadership Styles consists of transformational, transactional and laissez faire Styles. Task satisfaction and contextual satisfaction are the components of the individual satisfaction.

Independent variable

Dependent variable



Source: Bass & Avolio: (2000 )

*Figure 1: Conceptual Framework*

# **CHAPTER THREE**

## **RESEARCH METHODOLOGY**

### **3.1. Introduction**

This chapter provides the research methods employed to conduct the study. Accordingly, this chapter presents research design and technique, data type and source, total population, sampling design technique, regression and correlation method of data collection, data processing & analysis, Validity & Reliability and Ethical consideration. Zikmund, Babin, Carr and Griffin (2010) describe a research methodology as a part that must explain technical procedures in a manner appropriate for the audience. It achieves this by addressing the research and sample designs that used for the study, the data collection and fieldwork conducted for the study and the analysis done to the collected data. Dawson (2020) states that research methodology are the philosophy or general principle which guides the research. Kombo and Tromp, (2020) concur with Zikmund et al. (2010) that research methodology deals with the description of the methods applied in carrying out the research study.

### **3.2. Research design**

As to nature of this research, basically by far it was employ descriptive research nature in line with explanatory research design. This study is expected to investigate on the Assessment of Leadership Style on the Employees Satisfaction in awash bank. Employee satisfaction was be explained using the employee satisfaction dimensions. Moreover, the relationships of the six employees' engagement dimensions towards the dependent variables are clearly examined. Descriptive studies are designed to obtain data that describe the characteristics of the topic of interest in the research. The objective of descriptive study is to represent an accurate profile of persons, events or situations. In descriptive research, the research problem is structured and well understood (Ghauri and Gronhaug, 2022). Furthermore, for this study the type of research used to conduct is explanatory type of research. Explanatory studies are showing the causal relationship between variables (Saunders, Lewis and Thornhill, 2020), and explanatory study used to analyze for data collected from internal auditors. The reason behind was using explanatory type of research to explain, understand and predict the relationship between variables.

### **3.3. Research approach**

In this research, a mixed research approach that involves a mixture of quantitative and qualitative methods will be employed to gather data from both primary and secondary sources (Cohen et.al.2007). The study was benefited from both qualitative and quantitative data collection techniques employing multiple forms such as, questionnaires and document reviews. The data will be also analyzed using both qualitative and quantitative analysis methods.

Quantitative aspect of the study is intent to find data needed to generalize the result to the population as stated (Marczyk, DeMatteo and Festinger, 2005). And Quantitative research uses positivist knowledge claims (such as cause and Assessment thinking, reduction to specific variables and hypothesis, use of measurement and observation, and test of theories) employs strategies of inquiry such as experiments and surveys and collect data on predetermined to instrument that yields statistical data (Creswell, 2020).

### **3.4. Data type and Sources**

The study employed mixed approach data such as qualitative and quantitative data. The qualitative data included those data that the primarily data collected through interview whereas the quantitative data included objective items through the close ended questionnaires. Regarding the data sources, the study used primary sources and secondary sources of data.

The necessary data for this study collected from both primary and secondary sources. According to Kothari (2004), Primary data are fresh data that are gathered for the first time and thus happened to be original in character. Louis, Lawrence and Morrison (2007), describes primary data as those items that are original to the problem under study while Ember and Ember (2009). Describe primary data as data collected by the investigator in various field sites explicitly for the Assessment of employee satisfaction Ember and Ember (2009) describe secondary data as data collected by others and found by the comparative researcher in ethnographies, and histories. Therefore, the secondary data are collected from different sources such as, websites, books, and Journals, periodicals released by the articles national and international and magazines. As the study mainly focused on assessing the relationship between leadership Styles and employee satisfaction in awash bank, explanatory research type were applied and close ended structured questionnaires utilized.

### 3.5. Target Population and sample size

The population of the study consisted of respondents from Head Office (HO) located in Addis Ababa. The number of total Population introduced by contacting the human resource Department of the organization. Currently there are 1499 employees (Clerical Staff is 1113 and Non Clerical staff is 386) working in Awash Bank Head office. A sample size is sub set of the population drawn to represent the entire population or any combination of sampling units that does not include the entire set of sampling units that has been defined as the population (Garson, 2012). The formula for estimating the sample size based on 95% Confidence level needed from a given population was provided by Taro Yamane (1967), for managerial and non-managerial employees, random sampling was used to obtain the sample size. Assumptions: A 95% confidence level, and  $e = \pm 5\%$

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

$$n = \frac{1499}{1+1499(0.05)^2}$$

n= 316 sample size

n = the sample size

N = the population size

1 = designates of the event occurring.

e= the level of precision (Sampling error)

**Table 1: proportionate sample distribution form awash bank Corporate**

No	List of awash bank employee	Total number of awash bank employee's	No. of Sample
1	Clerical staff	1113	234
2	Non clerical staff	386	82
Total		1499	316

Source: Own computation based on census taken frame work in awash bank (2023).

### 3.6. Data Collection Instruments

Methods of data collection relatively dependence on standard questionnaires prepared by Swami Nathan (2004), So that, these questionnaire developed based on the statement of the problem, research

questions, reviewed literatures and previous studies from various references, and which deal with the research topic. It was prepared in the form of five point Liker's scales. This scale helps to assure employees' response, which was kept confidential by the researcher.

The researcher modifies in relation to the study for that matter the researcher tested the reliability and checked the dependability. Schwab (2005) defines questionnaires as measuring instruments that ask individuals to answer a set of questions or respondent to a set of statement. Mugenda (2003) and Kothari (2004) define a Questionnaire as a document that consists of a number of questions printed or typed in a definite order on a form or set of forms. For the purpose of data collection, the researcher used closed-ended questionnaires and structured and semi- structured interviews with the sectors managers and leaders. Closed-ended questionnaires were prepared on the Assessment of leadership style on employee satisfaction of awash bank. Thus, closed ended questionnaires helps to avoid pressure up on the respondents in any direction and better able to obtain the required data in the study area. The sources of data for the study were both primary and secondary. The primary data collected from the employees of different department in the organization. In addition, for closed ended questionnaires a five point Liker scale the range from 5 (strongly agree) to 1(Strongly Disagree) were employed and distributed to employees and Managers working awash Bank Head Quarter. Thus 316 employees selected for the study as the source of Primary data. The questionnaire was divided into two sections. The first section contained the demographic characteristics of the respondents were requested to provide information about their gender, age, year of service or experience, marital status and education level.

The second section of the questionnaire was designed to enable the researcher to gather information about the Assessment of leadership style on employee satisfaction in selected district of awash bank. For all questionnaires were included in section two, the respondents were requested to indicate their feeling on a five point Likert scale type to measure weighted as follows: 1=strongly disagree, 2=disagree, 3=neutral, 4=agree, and 5= strongly agree. But, while making interpretation of the results of frequency, tables, mean and standard deviation of the scales.

### **3.7. Data processing and analysis technique**

The data collected analyzed using qualitative and quantitative data analysis techniques. The qualitative data analyzed using content analysis, perceptions, and descriptions; this content analysis is a procedure for the categorization of verbal or Style data, for purposes of identified, classification, summarization and tabulation. Also, based on the higher level of analysis is interpretative: However,

the numerical (quantitative) data analyses were analyzed using SPSS (statistical packages for social science) version 21.0 software.

Analysis of data in this research done by using, descriptive Statistics:- such as, it used to compare or describe data using table, percentages, frequency, mean, and standard deviation and it was a collection, organization, summarization and presentation of data the most widely used method of measuring the degree of Relationship between two variables Kothari, (2004). This correlation's type analysis was conducted to test the proposed whether there is a positive significant relationship between the Assessments of training on employee satisfaction. The conducted to determine by how much percent contribution in the independent variables i.e. the Assessment of leadership style on employee satisfaction explain the dependent variable which was the Assessment of leadership Styles employee satisfaction. Also, this analysis method, the independent variables were enter into the equation in the order specified by the researcher based on theoretical grounds. Therefore, it was conducted to investigate the influence of independent variable on the dependent variable and identify the relative significant influence. Assessment of leadership Style on the employee's satisfaction and increasing the level of employee's satisfaction in awash bank.

$$(Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e)$$

Where

Y= Dependent variable (employees' satisfaction)

X1=, transformational leadership style

X2= transactional leadership style

X3=Laisse- Fair Leadership Style

$\beta_0$  is the intercept term- it gives the mean on Assessment Y of all the variables excluded from the equation, although its mechanical interpretation was the average value of Y when the stated independent variables are set equal to zero. There for  $\beta_1$ ,  $\beta_2$ , and  $\beta_3$ , refers to the coefficient to their respective independent

e is the error term.

### **3.8. Validity and reliability**

Patton (2002), states that validity and reliability are two factors which any researcher should, be concerned about the while designing a study, analyzing results and judging the quality of the study.

### 3.8.1. Validity

Healy & Perry (2000), explain that validity determines whether the research truly measures that which it was intended to measure or how truthful the research results are. It estimates how accurately the data obtained in the study represents a given variable or construct in the study (Mugenda, 2008). The study has ensured reduction of construct validity by deriving the research variables from existing theoretical frameworks. It was found that redundant and misunderstood were discarded or modified to improve the quality of the research instrument, thus increasing its validity.

### 3.8.2. Reliability

Healy & Perry (2000), assert that reliability was the extent to which results are consistent over time and an accurate representation of the total population under study. Cronbach's Alpha was used as a measure of Reliability and internal consistency. Reliability can be equated with stability, consistency, or dependability of a measuring tool. According to Zikmund, Babin, Carr, and Griffin (2010), the standard coefficient alpha ( $\alpha$ ) is stated as 0.80 to 0.95, very good reliability, 0.70 to 0.80, good reliability, 0.60 to 0.70, fair reliability.

The reliability test is an important instrument to measure the degree of consistency of an attribute which is supposed to measure. Reliability can be equated with the stability, consistency, or dependability of a measuring tool. Cronbach's alpha was one of the most commonly accepted measures of reliability. It measures the internal consistency of the items in a scale. For further research, the data must be verified and the results are measured as Reliability and valid by using reliability test (Cronbach's Alpha). To provide the following rule of thumb for the Cronbach's  $\alpha > 0.9$  excellent,  $> 0.8$  good,  $> 0.7$  acceptable,  $> 0.6$  questionable,  $> 0.5$  poor and  $< 0.5$  unacceptable

**Table 2: Cronbach's Alpha for each field of the Questionnaire**

<b>No</b>	<b>Dimensions</b>	<b>Cronbach's Alpha</b>	<b>Number of Items</b>
1	Transformational leadership style	0.787	12
2	Transactional leadership style	0.903	7
3	Laissez faire leadership style	0.841	8
4	Employee satisfaction	0.700	11
Total Cronbach alpha		0.982	38

Source: Own Survey result, July (2023)



Cronbach's alpha is one of the most commonly accepted measures of reliability. It measures the internal consistency of the items in a scale. It indicates that the extent to which the items in a questionnaire are related to each other. It also indicates that whether a scale is one dimensional or multidimensional. The normal range of Cronbach's coefficient alpha value ranges between 0-1 and the higher values reflects a higher degree of internal consistency.

Different authors accept different values of this test in order to achieve internal reliability, but the most commonly accepted value is 0.890 as it should be equal to or higher than to reach internal reliability (Hair *et al.*, 2003). The Cronbach's coefficient alpha was calculated for each field of the questionnaire. The above table 3.1 shows the values of Cronbach's Alpha for each field of the questionnaire and the entire questionnaire. For the fields, values of Cronbach's Alpha ranged from 0.700 and 0.982. This range is considered high as the result ensures the reliability of each field of the questionnaire. Cronbach's Alpha equals was the entire questionnaire which indicates very good reliability of the entire questionnaire. Therefore, based on the test, the results for the items are reliable and acceptable.

### **3.9. Ethical consideration**

The study considered the rights of respondents and organizations as well as the ethical principles that have to be followed by conducting research. Generally, the researcher gives a great attention and respects to the dignity of respondent's organizations without any and preconditions. Hence, the study carries out in line with research ethics that mainly included providing adequate information and explanation to all participants about the research, its objectives, Methodologies, actual and potential benefits to various bodies, ensure their right and promised to all participants, in order to kept their confidentiality of the personal information they gave during the interview and the information they were give insure by using a code system to refers to the data specific Participants, and not personal names and finally the researcher expects to that participants has the right to be inform on the research findings.

## CHAPTER FOUR

### DATA PRESENTATION, ANALYSIS AND DISCUSSION

#### 4.1. Introduction

This chapter deals with data presentation ,analysis and interpretations of the analyzed data .It includes two major analysis techniques .The first section presents demographic features of respondents which are the subject of the study and the second section of the chapter discusses the results and implications of the findings .

#### 4.2. Demographics of Respondents Rate

**Table: 3 Respondents rate by demographics**

category		frequency	percentage
Responded		300	95%
Did not responded		16	5%
total		316	100%
Gender		Frequency	percent
	Female	105	35.0
	Male	195	65.0
	Total	300	100.0
Marital status		Frequency	percent
	DAIVORCED	78	26.0
	MAIRRED	120	40.0
	UN MAIRRED	102	34.0
	Total	300	100.0
Age		Frequency	percent
	18-25 year	48	16.0
	26-30 year	74	24.7
	31-35 year	105	35.0
	36-40 year	51	17.0

	Above 41year	22	7.3
	Total	300	100.0
<b>Qualification</b>		<b>Frequency</b>	<b>percent</b>
	Below Diploma	60	20.0
	Diploma	78	26.0
	First Degree	91	30.3
	Master	71	23.7
	Total	300	100.0
<b>Service years</b>		<b>Frequency</b>	<b>percent</b>
	1-5	90	30.0
	6-10	153	51.0
	11-15	39	13.0
	16-20	12	4.0
	Above20	6	2.0
	Total	300	100.0

*Source: Own Survey result, (2023)*

This section discussed the results of the general information about the respondents, including, Education, age, sex and experience field of study and work experiences in the organization. Tables 3 shows the above table that out of the 316 questionnaires which were distributed, 300 were returned. The overall respondent rate was thus found to be 95% and was more sufficient to proceed the data analysis. Gender105(35%) female and the Gender165(65%) of male the participants covered all questions in the questionnaire, participated actively the highest response in the quaternaries, and gives positive replies for the male interviews.as well as the marital status of divorced 78(26%), married 120(40%), and un married 102(34%) the majority of high respondents in awash bank participation in the employees are married 40% because the employees are the responsible of in awash bank industry. age 18-25 years 48(16%), 26-30 years 74(24.7%), 31-35 years 105(35%), 36-40 years 51(17%) and above 41years 22(7.3%) the majorities respondents31-35 years is high respondent in a wash bank industry, it replies highest participant of in this organization is younger and matured and the lowest respondent of 41-45 years 7.3% lowest respondent of this awash bank office. The qualification of

respondents below diploma 60(20%), diploma 78(26%), first degree 91(30.3%), and master 71(23.7%). The majority's respondents are first degree qualification. Service years in awash bank 1-5 years 90(30%), 6-10 years 153(51%), 11-15 years 39(13%), 16-20 years 12(4%) and above 20 years 6(2%), it replies that majority of the respondents 153(51%) have an experience of service 6-10 years in awash bank.

### 4.3. Data Analysis and Interpretation

This study the Assessment of Leadership Style on the Employees Satisfaction. The descriptive statistics of the variables are presented here after; revealing the mean and standard division, of the attributes in each predictor variables. This study mainly transformational leadership style, transactional leadership style and lassie fair leadership style, For the variables the highest value that describes a higher to leave the organization is or strongly agree 5 whereas the lowest value to describe quit is 1 or strongly disagree.

**Table 4 Transformational leadership style**

No	Variable	N	Mean	Std. Deviation
1	My leader instills pride in me	300	2.75	0.137
2	My manager Deliberates moral and ethical values	300	2.75	0.137
3	My manager listens to team member's point of views before ta king decisions.	300	2.35	0.869
4	My manager Gets me to rethink never-questioned ideas	300	1.13	0.337
5	My manager spends time to teach and coach his assistant in it	300	3.00	0.121
6	My manager Pay attention to my concerns	300	3.53	0.155

7	My manager Outlooks me as having different needs, abilities	300	3.17	0.319
8	My manager Inspires me to accomplish	300	3.26	0.202
9	My manager Rises my motivation	300	3.08	0.257
10	My manager gives me with insightful suggestions on with at I can do to improve.	300	2.99	0.415
11	My manager Encourages me to think more creatively	300	2.84	0.228
12	My manager Arranges challenging standards	300	3.15	0.142
	Valid Range	300	3.6215	0.1542

*Source Own Spss 2023*

There were 12 questions items directed toward measuring employee satisfaction, my leader instills pride in me and my manager Deliberates moral and ethical values mean 2.75 and standard division 0.137, My manager listens to team member's point of views before ta king decisions mean 2.35 and standard division 0.869, My manager Gets me to rethink never-questioned ideas mean 1.13 and Standard Division 0.337, My manager spends time to teach and coach his assistant in it mean 3.00 and 0.121, My manager Arranges challenging standards, My manager Encourages me to think more creatively mean 2.84 and standard division 0.228, Transformational leaders pay importance on the change of needs and values of their followers in order to realize objectives and vision of the company. (Ozalp&Ocal, 2000). Properties or sub dimensions of transformational Leadership is in the form of charisma, being the source of inspiration, intellectual motivation and individualized interest on the followers. (Jogulu&Ferkins, 2012; Acar, 2013). The central concept here is change and the role of leadership in envisioning and implementing the transformation of organizational satisfaction. Some studies and conclusions in which transactional and transformational leadership styles are used in the literature are specified below.

In the research performed by Acar (2013) in logistic corporations, from the leadership styles dimensions of transformational leadership style (respectively, charisma, intellectual motivation, individual interest, to be source of inspiration) appear at the forefront compared to transactional leadership dimensions (conditional rewarding, active management with exceptions, passive management with exceptions). In the study performed by Jogulu&Ferkins (2012) on company managers in Malaysia, transformational leadership came at the forefront compared to transactional leadership. Oztop (2008) revealed in his study performed on production oriented company employees in primarily leadership style is My manager gives me with insightful suggestions on with at I can do to improve.

According to Bass and Avolio, transformational leaders encourage followers to view problems from new perspectives, provided support and encouragement, communicates a vision, stimulates emotion and identification. Transformational leaders are able to define and articulate a vision for their organizations and their leadership style can influence or transform individual level variables such as increasing motivation and organization level variables, such as mediating conflict among groups or teams.

It is Style that increases followers' awareness of problems and influences followers to view problems from a negative perspective. This is mostly a rational and non-emotional components of transformational leadership, distinct from the other transformational components. Leader appeals to followers' intellects by creating problem awareness and problem solving, of thought and imagination, and of beliefs and values. Transformational and transactional leadership Styles are described in terms of two broad of Style, each with specific sub categories. The taxonomy was identified primarily by factor analysis of a Style description questionnaire called the Multifactor Leadership Questionnaire.

**Table 5 Transactional leadership style**

No	Variable	N	Mean	Std. Deviation
1	My boss makes clear expectation	300	3.02	0.217
2	My manager appreciates for the quality of my efforts	300	3.02	0.192
3	My manager is particular regarding who is responsible for leading satisfaction targets.	300	3.02	0.192
4	My manager Tells me standards to carry out work	300	3.62	0.181

5	My manager Works out agreements with me	300	3.17	0.319
6	My manager Monitors my satisfaction and keeps track of mi stake	300	3.28	0.214
7	Leaders should give subordinates complete freedom to solve problems on their own	300	3.02	0.217
	Valid range	300	3.215	0.3251

*Source Own Spss 2023*

As indicate the above table 5 transactional leadership style mean 3.02 and standard division 0.217, my manager appreciates for the quality of my efforts mean 3.02 and standard division 0.192, My manager Monitors my satisfaction and keeps track of mi stake mean 3.28 and standard division 0.214, Leaders should give subordinates complete freedom to solve problems on their own, Transactional leaders determine the targets, explain the connection between satisfaction and rewards and ensure positive feedback to keep followers on the job. (Oztop, 2008). Business oriented leaders express that followers can achieve their individual goals if they realize the target and wishes of the leader. Transactional leadership is mainly consisted of conditional rewarding, active and passive management with exceptions, let them do leadership dimensions.

(Jogulu&Ferkins, 2012).

Leadership is prevalent and can be perceived at many levels throughout all types of organizations. This leadership style focuses on meeting the targets of the given job. The fundamental concept of transactional leadership is that the understanding of the relationship between effort and reward, the receptivity to exhibit the issues, the use of incentive, reward, punishment, the motivation of goal setting and rewarding of satisfaction, and the use of power to subject followers to complete The tasks (Burns, 1978). According to Bass (1985) transactional leader doesn't involve regularly with the workers unless a mistake or deviation occurs. He maintained that transactional leaders want the same procedures in the company to be followed flawlessly every time the job is done.

Additionally, transactional leaders don't motivate their employees or help them in a career growth. Bass and Avolio (1995) proposed that transactional leadership consists of three dimensions, namely contingent rewards, management by exception (active) and management by exception (passive). Contingent reward refers to leaders clarifying the work that must be achieved and use rewards in exchange for good satisfaction.

**Table 6; Lassies fair leadership style**

No	Variable	N	Mean	Std. Deviation
1	My boss allows me to make decisions	300	3.08	0.259
2	My boss set priorities and occasionally delegate certain tasks to me	300	2.98	0.401
3	My boss, fully trusts, and has confidence on me	300	2.86	0.223
4	I take ownership on activities assigned to me by my leader	300	3.15	0.157
5	My manager doesn't interfere with the activity Until problems become severe.	300	3.01	0.216
6	My boss is able to analyze the situation and determine what needs to be done and how to do it	300	3.02	0.191
7	Whatever decision a group makes within the limits set by regulations and policies, the leader agreeing on the decision	300	3.02	0.200
8	My manager Monitors my satisfaction and keeps track of mi stake	300	2.83	0.267
	Valid range	300	2.1624	0.2351

*Source Own Spss 2023*

As indicate the above table 6 my boss allows me to make decisions mean 3.08 and 0.259, my boss set priorities and occasionally delegate certain tasks to me mean 2.98 and standard division 0.401, My manager doesn't interfere with the activity Until problems become severe mean 3.01 and standard division 0.216, My boss is able to analyze the situation and determine what needs to be done and how to do it mean 3.02 standard division 0.191, transformational and transactional leaders are described as leaders who actively intervene and try to prevent problems, although they use different approaches. When researching these two active forms of leadership, one finds that they are often contrasted with the third style of leadership, called laissez-faire leadership (Bass, 1990 as cited in Temesgen (2011). James & Collins (2008) describe the laissez-faire leader as an extreme passive leader who is reluctant to influence subordinates' considerable freedom, to the point of handing over his/her responsibilities. In a sense, this extremely passive type of leadership



Indicates the absence of leadership. Laissez-faire leadership style has a negative impact on followers and associates- opposite to what is intended by the leader manager. There are many Styles that represent laissez-faire leadership as a “do nothing” or “hands-off approach. Such Styles include staying away from employees, shirking supervisory duties, and being “inactive, rather than reactive or proactive” Temesgen (2011).

Researchers have consistently reported that laissez-faire leadership is the least satisfying. That is because these leadership Styles are accompanied by little sense of accomplishment, little clarity, little sense of group unity, and followers do not hold as much respect for their supervisors (Trottier et al., 2008; Lok & Crawford, 2021). It is probably for these reasons that many researchers choose to exclude laissez-faire leadership from their research involving only transformational and transactional leadership.

The laissez-faire style, according to Robbins (2007), "abdicates obligations to avoid making decisions." Luthans (2005) described laissez-faire style as someone who "abdicates responsibilities and avoids making decisions. “In the other side, unless the leader's subordinates are expert and well-motivated professionals, such as scientists, it is difficult to justify his leadership style.

“Leaders delegate all decision-making authority to community members” (Mondy & Premeaux 1995). Similarly, Bhatti, Maitlo, Shaikh, Hashmi, and Shaikh (2012) stated that a laissez-faire leadership style includes a “non-interference policy, complete freedom for all workers, and no particular way of achieving goals. “Also, this leadership style is distinguished by its physical appearance, but it is lacking in leadership (Lewin, Lippitt, & White, 1939). It's also described as "the inability or a sign of general failure to take responsibility for managing and organizing activities, thus demonstrating leaders who avoid making decisions, hesitate to act, and are absent when required in critical situations" (Eagly, Johannesen-Schmidt, & Van Engen, 2003).

The laissez-faire leadership style is also known as the "hands-off" style. It is also one in which the boss has little to no guidance and allows workers as much flexibility as possible. Basically, this style looks straightforward and easy-going between leaders and subordinates. In studies of different types of organizations, however, both transformational and transactional leadership styles have been shown to be positively associated with organizational outcomes (Snodgrass & Schachar, 2008). Laissez-faire leadership is also described by Bass and Avolio (1990) as "the absence of Leadership" and "the avoidance of action. Furthermore, laissez-faire leaders also act as if they are

free of the obligations and duties that have been entrusted to them (Lewin, Lippit & White, 1939). Not only that, but this leadership style parallels Blake and Mouton's (1985) concept of "impoverished management," which describes a leader who makes limited effort to complete necessary tasks and shows little regard for subordinates (Einarsen, Aasland & Skogstad, 2007). According to Lewin et al (1939), laissez-faire leaders are nominated to leadership positions and physically hold them, but they lack the roles and duties that have been delegated to them. As a result, laissez-faire leadership should be viewed as "zero leadership" as well as "lack of presence." Schyns and Schilling (2013), on the other hand, disagree with this assertion, and Einarsen et al (2007) regard laissez-faire leadership as a form of destructive leadership.

Furthermore Hamidifar (2009) laissez-faire leadership style is an inactive kind of leadership where the exchange between the leader and the follower is absent. In this kind of leadership style the necessary decisions are avoided. Others describe such leadership style as absence of leadership. In this kind of leadership style, the responsibility is totally left for the followers. Managers avoid giving feedback. The satisfaction of the followers is given less attention. Researches show that this leadership style is the most kind of leadership style (Bass & Riggio, 2006; Hamidifar, 2009; Northouse, 2013, Long & Thean, (2011).

**Table 7; Employee satisfaction**

<b>Item</b>	<b>N</b>	<b>Mean</b>	<b>STD</b>
I would to delighted to spend the rest of my carrier with organization	300	3.06	.84
I believe this organization is an excellent place to work.	300	3.01	1.22
I would take almost any kinds of job responsibility to keep working for this organization.	300	2.97	.94
I don't feel any necessity to continue with my employer.	300	2.82	1.22
I am committed for work more than I should.	300	3.62	.88
I use my potential to done in a better way.	300	3.72	.85
I am working attentively to accomplish organization goal.	300	3.72	.85
I always strive to find a better way of doing things.	300	4.22	.61

When I do anything successfully, I feel like a personal accomplishment	300	3.66	.93
At my job, I use my skill and ability	300	4.22	.63
I have all resource; I need to do my job successfully.	300	2.74	1.02
Total	<b>300</b>	<b>3.43</b>	<b>.90</b>

Source: own survey 2023

The above table 7. Show that the response of employees job satisfaction parameters, from this table the following mean score results are shown 3.06 and standard deviation 0.84 for response that I would be delighted to spend the rest of my career with organization. mean 3.01 and standard deviation 1.22 For response that I believe this organization is an excellent place to work, mean 2.97 and standard deviation 0.94 For response that I would take almost any kinds of job responsibility to keep working for this company, mean 2.82 and standard deviation 1.22 For response that I don't feel any necessity to continue with my employer. Mean 3.62 and standard deviation 0.88 for response for that I am committed for work more than I should. Mean 3.72 and standard deviation 0.85 for response of I use my potential to done in better way. Mean 3.72 and standard deviation 0.85 for response for that I am working attentively to accomplish organizational goal. Mean 4.22 and standard deviation 0.61 for response for that I always strive to find a better way of doing things. Mean 3.66 and standard deviation 0.93 for response of when I do anything successfully, I feel like a personal accomplishment. Mean 4.22 and standard deviation 0.63 for response that at my job, I use my skill and ability. The last mean score 2.74 and standard deviation 1.02 deal with I have all resource i need to do my job successfully. This implies that all are agree on satisfaction because the mean score value show majority of employees are agree up on employees satisfaction parameters.

Standard deviation of response on employees job satisfaction record 0.61- 1.22 this implies there is low deviation of response on that I am working attentively to accomplish organization goal. And there is 1.251 deviations between responses on that I would delight to spend the rest of my career with organization.

**4.4. Discussion of the Findings**

The result of this study indicate that a transformational and transactional leadership styles have a Highest positive significant effect on employees satisfaction .based on this results, this study is agree with Other studies at like Ojokuku R.H.et.al (2012), Osabiya Batunde, (2015) and Iqbel et.al. (2015).This study also agree with the studies that states transformational and transactional leadership Styles have a positive significant effect on employees satisfaction such as Rasoolet,el,(2015) Raja and Palanchamy (2015), Aboshaqa,et.al,(2015) and Paris M.keoch andprof.G.S.Namusonge (2012).

The second research objective was about the Assessment of dominantly practiced leadership style in awash bank. It is apparent that unlike autocratic leadership, democratic leadership is more participative and based on supportive relationship between leaders and followers (Yukl, 2010). The results of data analysis, in this study, shows that transactional leadership style mean value 2.96 dominantly practiced in awash bank. From analysis of the data, none of the lasses faire leadership aspects were found to have significant correlation to employee satisfaction.

Consequently, the surveyed respondents perceived that leaders practices of transformational leadership did not significantly associated to improving their level of work satisfaction. According to Bass (1981), employees who work for participative leader tend exhibit greater involvement, commitment and loyalty than employees who work under a directive leader.

**4.5. Relationship between leadership with employee’s satisfaction**

**Table 8 Summary of mean value on leadership and employees satisfaction**

	Mean	Std. Deviation	N
transformational leadership style	2.47	.84	300
transactional leadership style	2.96	.89	300
laissez-fair leadership style	2.89	.83	300
employees satisfaction	3.43	.90	300

Source: own survey 2023

As view of table 8 shows that mean value of dependent and independent variable, the mean value of transformational leadership style is 2.47, transactional leadership style 2.96, Laissez-fair leadership style 2.89 and employee's satisfaction score 3.43. this indicate the bank use dominantly transactional leadership but it doesn't mean that leaders are applying transactional leadership only, but aligning with transformational leadership the organizations verifying transactional and laissez-faire leadership style, leaders help employees, the articulate a compelling of vision, leaders goes beyond self-interest, and display sense of confidence and power, suggest new of looking how to complete the task. In addition to that employees are satisfied because the means score say that most of respondent are agreed up on parameters of satisfaction, in generally employees in awash bank are moderately satisfied by existing leadership style.

#### **4.6. Analysis of interview question for the manager of awash bank**

1. What do you think about the leadership style of awash bank?

AN. As view of awash international bank managers leadership define in various way, as they said that leaders should be answer the following questions: what does it mean by lead?, why lead?, who lead?, before define leadership, after answering these question the leader also should be believe two basic points, motive and needs to be achieve. According to managers leadership is influencing people, looking the performance regard with company goal, it is the activity of the person, who commit, initiate to achieve organization goal. From the above definition we look that the definition of leadership by managers is contain common sense with theoretical definition. On the other hand they are also mention the office actual leadership style, as they said enterprise using participatory leadership style. This indicate that leaders in awash bank has common know how about concept of leadership, this also implies that they are able how to lead their staff and can use technique to obtain adequate outcome , but it doesn't mean that all leaders have knowledge about leadership , some leaders are technical they don't know about leadership

2. How do you describe employee's satisfaction in the office?

according to managers view employees job satisfaction is describing by different indicator like financial experience, deliver performance, work place discipline such as lateness, communication among employees, absenteeism, conflict , and relationship among colleagues, these things are important to know that are they satisfied or not?. From this points can determine employee's satisfaction in awash bank. As interviewee said employees job satisfaction determined by depends on situation like some time employees are not willing to be controlled, they don't want work load,

work environment, social interaction. The office also facilitates condition to maintain satisfaction of employees, means that employees are attending in quality circle and they arise any issue and compliant about anything they have about the office.

4. How do you see the relationship between leadership and employees job satisfaction?

All managers whose participate in interview believe that leadership style has positive relationship with employees job satisfaction and leadership style is critical issue to maintain employees job satisfaction because as they said finance is temporary encouragement therefore for continuous employees satisfaction leadership style has positive outcome on employees job satisfaction. The other interviewee said that acceptable leadership style can create positive employees job satisfaction means the more democratic leadership style the more we get positive outcome, the more dictatorship style, the more we get poor performance.

5. How do you see the effect of leadership style on employee's satisfaction?

According to the opinion of interviewee leadership style has positive effect on employee's satisfaction, the effect of leadership style is critical because they believe that without employee's satisfaction, we could not survive organization. Therefore to become satisfy our employees leadership style is means of satisfaction. In addition to that the relationship also indicates that there is effect on one to other.

## CHAPTER FIVE

### SUMMARY, CONCLUSION AND RECOMMENDATION

#### 5.1. Summary of Research Finding

This study conducted to assess the relationship between leadership style and employee satisfaction in Awash bank through questionnaire and interview data collected from 300 employees. Accordingly the summary of findings have been presented as follows;

- ❖ Descriptive analysis were Started from the simple demographic presentation, majority of the respondents were male 195(.65%), likewise, majority of the respondents 120(40%) were marital status of married, Age of respondents majority lies between 31-35 years old holds in 105(35%). The qualification or educational level first degree holders 91(30.3%) have highest respondents. Besides that, more half of the respondents 153(51%) have a service year within a range of 6-10years.
- ❖ Descriptive statistics; mean and standard division results show that the respondents aggregate response on Likert scale variables of the study. Therefore, the aggregate response on the dependent variable had a tendency to agreement with a mean of 3.03 on 5 point Likert scale. Besides, the standard deviation of 0.89 indicates that, there was a moderate employee's satisfaction in the data.
- ❖ Since questionnaire was employed as a research instrument, the Cronbach's alpha value of the questionnaire items were computed and become reliable and internally consistent (all items were exceeded the minimum requirement of all variables 98% and which justifies the reliability of the questionnaire items. The Cronbach's coefficient alpha was calculated for each field of the questionnaire.
- ❖ The values of Cronbach's Alpha for each field of the questionnaire and the entire questionnaire. For the fields, values of Cronbach's Alpha ranged from 0.700 and 0.982. This range is considered high as the result ensures the reliability of each field of the questionnaire. Cronbach's Alpha equals was the entire questionnaire which indicates very good reliability of the entire questionnaire. Therefore, based on the test, the results for the items are reliable and acceptable.

- ❖ The independent variables; transformational, transactional and laissez faire are had a tendency to agreement with the mean of the result shows that the model tested is significant level ( $p < 0.01$ ). As far as the above table is concerned, in awash bank.
- ❖ The study identify the most dominant leadership styles practiced in Awash bank the bank use dominantly transactional leadership but it doesn't mean that leaders are applying transactional leadership only, but aligning with transformational leadership. In addition to that in some cases the bank used lassies faire leadership style but it have negative relationship to employee satisfaction.
- ❖ The study is also tried to measure the level of employees satisfaction , the result show that most of respondents in this study are agree up on almost all variables but they are disagree on I don't feel any necessity to continue with my employers, mean they are require additional things which expect from enterprise. The aggregation mean results of employee's satisfaction leads in to most respondents are satisfied.

## 5.2. Conclusion

The purpose of this study is to investigate the relation of leadership style with employee satisfaction in Awash bank S.C. focusing on determining the most dominant leadership style in the company and evaluating its perceived relationship with employee satisfaction.

- The existed leadership style of awash bank that has a great significant relationship with employee's job satisfaction this means transformational leadership and transactional leadership styles have association and strong positive relationship with employees job satisfaction. Seltzer and Bass (1990) also showed a significant relationship b/n transformational leadership and effectiveness of job satisfaction of subordinates. Transformational leadership pattern reduce work pressure and rise employees oral resulting in promoting their job satisfaction (Ibraheem, Mohammad and Al-Zeaad.et al 2011). Transformational leadership were more positively correlated with intrinsic rather than extrinsic job satisfaction mans that transformational leadership dimension create a good environment that increase job satisfaction (Ibraheem, Mohammmad and Al-Zeaad. at al 2011).
- The study shown that the relatively dominant leadership style practiced by awash bank s.c. is transactional leadership style although this leadership style is complemented by transformational leadership style as one leadership style cannot fit for all situations. Therefore leadership style



flexibility in the company is encouraging as this enables leaders to behave differently in different situations.

The dominant transactional leadership style practiced in the company is perceived by employees as effective. The fact that, leader used a combination of contingent reward and management by exception active transactional leadership style.

- Managers of awash bank help their employees to develop themselves, give personal attention how seems rejected and they late others to know how she/he think they are doing, provide others with new way of looking at puzzling things and get others to rethink ideas that they had never questioned before and they enable others to think about old problem in new ways, they expressed few simple words about what their employees could and should do, they help their employees to find the meaning of work and they provide appealing image about what their employees do, they give reward or recognition when employees reach the goal, they tell what to do if they want reward or recognition, they give attention to what others can gate for what they accomplish, as long as things are working, managers try to change something, they tell for their employees the standards they have to know to carry out work and they satisfied when employs meet agreed standards
- The transformational leadership style and transactional leadership style have positive relationship with employee satisfaction but laissez-faire leadership style has negative relationship with employee satisfaction.

### **5.3. Recommendation**

This study has found out that the Styles that associated with transformational and transactional leadership have positive relationship with organizational satisfaction. In the context of Ethiopian banking sector, transformational leadership which focuses on change and transformation of organization and individual performer and, the transactional leadership which involves reward and recognition in exchange for the work done and close assistant and guidance are more relevant. Based on the resulted findings of the study, the researcher forwarded the following Recommendations for the bank leaders, stakeholders and for future researchers.

- Managers of awash bank are in very good condition by using transactional leadership style and transformational leadership style. But for more they have to upgrade their status by conducting meeting with other branches to communicating and sharing experience because

they may get new supplementary ideas and comments that may upgrade their status. On top of this, it would be better for the managers upgrade their status by participate on different short term leadership trainings and the Board of directors has to give due recognitions for successful managers and their employees so that they could relies more satisfaction and energy for better accomplishment and success of the banks. They should minimize laissez-faire leadership form their management practice by maximizing transformational leadership style and transactional leadership style in their management practice because the result shown as laissez-faire leadership style has negative impact on employee satisfaction.

- Managers of awash bank needs to encourage employee participation and involvement in decision making and problem solving in order to develop employees sense of ownership and belongingness. This situation coupled with shared vision and value creates an engaged employee in the company and in turn increase the firm competitiveness.
- . In awash bank, practice of transformational leadership style is less this Cause effect on employee satisfaction negatively so they should see their status and create policy which is comfortable for their employee. They should know the importance of transformational leadership style and they have to put in practice.

#### **5.4. Recommendations for Future Research**

In future research, it would be interesting to assess causal relationships by taking more cross sectional data in different time using longitudinal design (e.g. observations or interviews) to determine if the findings tested are likely to be sustained. Further research should also involve a larger sample size from survey covering whole population of the banks in Ethiopia. Future studies can also benefit by including leadership styles and other variables such as organizational culture and other environmental factors in determining the banks satisfaction. In conclusion, conducting similar research works on other service giving sectors; manufacturing and industrial sectors may help in identifying established trends or relationships. The results of this study may help policymakers, practitioners and concerned awash bank to better understand the issues about leadership style and employees' satisfaction and to provide results that may be beneficial as they seek to improve the status.

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## APPENDIX

### ST. MARY'S UNIVERSITY

DEPARTMENT: MASTER OF BUSINESS ADMINISTRATION (MBA)

Dear respondents, my name is Henok Ashebir the purpose of this questionnaire is prepared as part of the researcher's effort to partially fulfill the requirements for master of business administration from St, Marry University, school of leadership. The objective of the research is to explore "the Assessment of leadership Style and employee's satisfaction in the case of awash bank". The research is hoped to highlight business administration and organization culture being practiced in awash bank. The office and what needs to be done to introduce a sustainable leadership Style on the employee's satisfaction in awash bank. Your active participation in the research and your honest feedback to the questionnaires was help to achieve the objective. The data shall be kept confidential and used for academic purposes only. You are not required to indicate your name. Should you require further clarification, please contact me via 0911160842.

Thank you in advance for your cooperation!

#### Part One: personal information

1. Sex: - Male  Female
2. Marital Status: - Married  Single  Divorce
3. Age: - 18-25  26-30  31-35  36-40   
Above 41
4. Educational Qualification: - Below Diploma  Diploma  First Degree   
Master
5. Service Years in Addis Ababa Awash bank: - 1-5  6- 10   
11- 15  16- 20  above 2

**Appendix II- Assessment of leadership Style on the employee's satisfaction**

Key: SD = 1, Strongly Disagree, D = 2, Disagree, N = 3, Neutral A = 4, Agree, SA= 5, Strongly Agree

N	A. Transformational Leadership Style	1	2	3	4	5
	<b>I) Idealized Influence</b>					
1	My leader instills pride in me					
2	My manager Deliberates moral and ethical values					
3	My manager listens to team member's point of views before taking decisions.					
4	My manager Gets me to rethink never-questioned ideas					
	<b>II) Individual Consideration</b>					
5	My manager spends time to teach and coach his assistant in it.					
6	My manager Pay attention to my concerns					
7	My manager Outlooks me as having different needs, abilities					
	<b>III) Inspiration Motivation</b>					
8	My manager Inspires me to accomplish					
9	My manager Rises my motivation					
	<b>IV) Intellectual Stimulation</b>	1	2	3	4	5
10	My manager gives me with insightful suggestions on with at I can do to improve.					
11	My manager Encourages me to think more creatively					
12	My manager Arranges challenging standards					

	B. Transactional Leadership Style	1	2	3	4	5
	<b>I) Contingent Reward (CR)</b>					



13	My boss makes clear expectation					
14	My manager appreciates for the quality of my efforts.					
15	My manager is particular regarding who is responsible for leading satisfaction targets.					
16	My manager Tells me standards to carry out work					
17	My manager Works out agreements with me					
	<b>II) Management by Exception</b>					
18	My manager Monitors my satisfaction and keeps track of my mistake					
19	Leaders should give subordinates complete freedom to solve problems on their own					
	C. Laissez-Faire leadership Style					
		1	2	3	4	5
20	My boss allows me to make decisions					
21	My boss set priorities and occasionally delegate certain tasks to me					
22	My boss, fully trusts, and has confidence on me					
23	I take ownership on activities assigned to me by my leader					
	<b>II)Management By Exception Passive (MBEP)</b>	1	2	3	4	5
24	My manager doesn't interfere with the activity Until problems become severe.					
25	My boss is able to analyze the situation and determine what needs to be done and how to do it					
26	Whatever decision a group makes within the limits set by regulations and policies, the leader agreeing on the decision					
27	My manager Monitors my satisfaction and keeps track of my mistake					

	<b>Employee Satisfaction</b>	1	2	3	4	5
28	I would be delighted to spend the rest of my career with organization.					
29	I believe this organization is an excellent place to work.					
30	I would take almost any kinds of job responsibility to keep working for this company.					
31	I don't feel any necessity to continue with my employer.					
32	I am committed for work more than I should.					
33	I use my potential to do in a better way.					
34	I am working attentively to accomplish organizational goal.					
35	I always strive to find a better way of doing things.					
36	I do anything successfully, I feel like a personal accomplishment.					
37	At my job, I use my skill and ability.					
38	I have all resource I need to do my job successfully.					

**Thank you**