ST.MARYS UNIVERSTY COLLEGE

BUSINESS FACULTY

DEPARTEMENT OF MANAGEMENT

AN ASSESMENT OF LEDERSHIP PRACTISE AND PROBELEM IN ETHIOPIAN ROAD AUTORITY (ERA) HEAD OFFICE

BY

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JUNE, 2011

SMUC

ADDIS ABABA

AN ASSESMENT OF LEDERSHIP PRACTISE AND PROBELEM IN ETHIOPIAN ROAD AUTORITY (ERA) HEAD OFFICE

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APPROVED BY THE COMMITTEE OF THE EXAMINERS

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Internal examiner	Signature
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External examiner	Signature

ACKNOWLEDGEMENTS

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ACRONYMS

ERA-Ethiopian Road Authority

BSC- Balance Score Card

BPR- Business Process Reengineering

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Leaders play a great role   in any organization without effective leadership. We can not think about success, according to Nalayana (2000 P. 501) leaders help groups in achieving their objective, initiate change make decisions and resolve difference among the employee. He further adds, "Function may be relatively straight forward such as choosing the group goal, supervising performance making plan and the function may also be much more complex at times such as serving to integrate the group's need with, outside realities satisfying interpersonal needs within the groups and creating an atmosphere free of conflict for group members"

From this point of view, we can say that every society, organization, institution country and the world require leaders to lead the people towards achievement of their common goals.

Leadership provides direction; guidance restores confidence and makes the way easy for achieving the objectives. In business and industrial organization mangers play the role of leaders and acquire leadership of subordinates, employees and workers working under them and are instrumental in guiding their efforts towards the achievement of the organizational goal. Ethiopian Road Authority (ERA) was initially established as "Imperial high way Authority by proclamation NO 115/1951. The stated purposes of the authority were:-

To improve the transportation system of imperial and to facilitate such the administration of high ways development maintenance program to accomplish the corporation of international bank reconstructions and development.

The power and duties of the authority are

Maintain and construct roads and prepare designer roads administration contracts and supervises the construction of roads.

The vision and mission statement or ERA

ERA'S Vision

Our vision is to assure the provision of an adequate and high quality road network to Ethiopia and opening all properties development are as in all part of the country.

ERA"S Mission

Provider safe comfortable and adequate road infrastructure to support the socioeconomic development of the nation and satisfy road users by:-

- Improving the condition of road
- Expanding the network
- Preserving road asset.

1.2 Statement of the problem

Leadership is an integral part of the management and plays a vital role in managerial operations. If there is any single factor that differentiates between successful and unsuccessful organizations, it could be considered as dynamic and effective leadership; according to the preliminary assessment through an informal communication of the Ethiopian Road Authority have the following problems.

1. The organization doesn't apply suitable mechanisms to resolve various leadership problems.
2. There is a traditional/old/ leadership practice organization.
3. There is no training and development program to update employee's performance.
4. There is no compensation program to motivate employees.
5. Employee do not participate at the decision making process

1.3   Research question

Based on the problem the student researcher tried to answer the following question.

1. What is the attitude of employee to ward the leadership practice?
2. What are the factors that bring about leadership problem in ERA?
3. Do the leader's flows appropriate leadership style?
4. How leadership problem affect the effectiveness of the organization?
5. What is the impact of lack of training and development as well as compensation programs to wards decision making in the organization?

1.4   Objective of the study

The study will have both general and specific objectives

1.4.1 General objective

The general objective of this study is going to asses the existing leadership practice and problem of the organization with the following specific objectives:

1.4.2 Specific objective.

The study was having the following specific objectives.

- ✓ To identify which type of leadership style is demonstrated currently in the organization.
- ✓ To identify the major problem that is affecting the current leadership practice of the organization.
- ✓ To identify the existence of employee participation of the decision process.
- ✓ To assess the existence of training and development in the organization.
- ✓ To identify and propose problem resolving mechanisms when over it happen in the organization.

1.5 Significance of the study

The study has the following significance:
- ✓ It gives information about the leadership practice of ERA.

✓ It identifies the major problem of the leadership practice which may need an improvement.

✓ It plays an important contribution concerning its leadership practice.

✓ It may also serve as a reference material for other researchers.

1.6 Delimitation (scope of the study)

The study was delimited in assessing the leadership practice and problem at the head office of Ethiopian Road Authority, which is located in Addis Ababa. Regional branches of the organization are not included in the study due to shortage of time and finance and material resources.

The sample size was also delimited to 100 from a total population of 1.000. In addition, the student researcher delimited to data collection tools. Such as interview and questionnaires because these are believed to be appropriate tools to collects relevant data for the study from wide range of respondents.

1.7 Research Design and Methodology

1.7.1 Research Design

In this study descriptive method was used to asses the leadership practice and problem in Ethiopia Road Authority hade office, descriptive research describe a social situational event. System structure etc. and it gives answer to question like who, what, when and where the problem occurred.

1.7.2 Population and sampling techniques

In Ethiopian road authority there are 1,000 employees out of the total populations 10% (100) was selected from the total population as a sample size. In this study the research give random sampling techniques, i.e lottery method to give equal chance, and judgmental sampling techniques used to interview by qualifying its experts.

1.7.3 Type of data collected

The study used both type of data primary and secondary data. Primary data used to get first hand information from employees of the organization by using

questionnaire and also secondary data also used for the related literature review and background of the study from published and unpublished material.

1.7.4 Techniques of data collection

Three kinds of data collection instruments were used with the intention of achieving the goals of the study. They were interview, document review and questionnaire. The interview was prepared for general directorate and the questionnaire for employees of the organization. Both qualitative and quantitative data are used, thus, qualitative method used for interview and document review whereas, to analyze the data obtained through the distribution of questionnaire quantitative method was used.

1.7.5 Methods of data Analysis

The data collected and analyzed using different quantitative and qualitative method. The quantitative is presented in different statistical tools like, table; and the qualitative analysis of data from interview was made to supplement the data.

1.8 Limitation of the study

Research work requires availability of sufficient time, many and other resources above all time is the major resource affecting the research work. The willingness of the concerned organizational representative to give adequate information is another limitation of work.

1.9 Organization of the Paper

This study classify in four chapters. consists of the background information, statement of the problem, objectives, research questions, significance, scope, methodology, limitation of the study and organization of the study. And the second part of the study is related literatures review .and the 3rd part of the study going to presentation and analysis of data. The last chapter is Summary, Conclusion & Recommendation of the study

CHAPTER TWO

2. REVIEW OF RELATED LITERATURE

2.1 DEFINITION OF LEADERSHIP

Every theorist, every scientist, political orator, business executive, social worker and educator has defined leadership in his own way. All agree that leadership is important but no one can be defining it to the satisfaction of everyone.

Leadership has been define as "the relationship in which one person, or leader, influences other to work together willingly on related task to attain that which the leader desires "this author view leadership as a relational concept employing two ideas the influenced to get a task done .in other words, without followers there can be no leader. (C.B, 2004; P, 690)

Leadership can be defining as outstanding aspect of management which manifests ability, creativeness, initiative and inventiveness, and which gains the confidence, co-operation and willingness of the people to work by organizing and building employee moral. (ibid 690)

And also it is another personal influence, exercised in situations and directed, through the communication process, towards the attainment of specifies goal or goals.

"Leadership is the process influencing the activity of the individual or a group to ward the achievement of a goal in a given situation. From this definition of leadership it follows that the leadership process is a function of the leader, the follower and other situational variable" (I bid690)

Leadership is a process of influencing and shaping the potential behavior of people in the system. (U s, 2004; P, 180)

Leadership as an Art or a Science: leadership is becoming increasingly complex with the increasing demands on leader in organizational settings. There is a difference of opinion as to whether it is an art or a science. Those

who consider it as art assert that leadership is an initiative skill and, therefore, there exists very little possibility of building transferable knowledge regarding it. However, those who consider it as a science feel that there exists a possibility to develop and disseminated knowledge regarding it. (R.S 2001; P, 464)

Leadership as a profession: another difference of opinion prevails in respect of considering leadership as a profession. Leadership is not qualified to be called professional. Numerous leaders are attempting to perform their task in a professional manner by informally complying with professional requirements. Moreover, there is a doubt as to whether the emerging general body can provide a basis for a true profession. However, it's hoped that this trend toward building and disseminating a body of leadership knowledge would mark the first step towards professionalism. (A.S 2001; P, 464)

2.2 PERSONAL CHARACTERISTICS OF LEADERS

Leadership is an intangible quality and its effectiveness can best be judged by the behavior and attitudes of the followers. Even though, personal backgrounds and personalities differ widely, some of the factors such as education and socio- economic status are poor indicators of judgments of successful leaders. However, some behavioral characteristic may be common to most of the successful and effective leaders. Some of these characteristics are :(A. S 2003 p.494)

   2.2.1 Ability to inspire others. This ability may be due to an internal "charisma" which is an inborn trait and may not be a learnable factor.

   2.2.2 Problem solving skills. An effective leader has developed the patience and ability to look at the problem form various angles and get down to the cause of the problem and tries to solve the problem form its roots rather than the symptoms of the problem.

   2.2.3 Emotional maturity. Emotional stability and maturity is a major ingredient for effective leadership it pertains to good adjustment to life, calm, cool and calculated reaction to undesirable situations and

obstacles and normal acceptance of success as well as failure. Such leaders are self confident rational and are open hearted towards differences in opinions and opposing viewpoints. They generally have a happy family life and have a balanced outlook towards life and the world. They are warm and sensitive and not vindictive in nature.

2.2.3 Ability to understand human behavior. A leader must understand the needs, desires and behavior of their subordinates and show respect for such desires. He is emotionally supportive and is careful enough to avoid ego threatening behavior. He must give credit to subordinates when their efforts are successful

2.2.4 Verbal assertiveness. A leader must be an effective orator and must be confident of his views

2.3 IMPORTANCE OF LEADERSHIP

Importance of leadership does not need any over emphasis. Success of leadership is because of its leadership even national independence, growth of industrial or business organizations also because of effective leadership. Eye-catching performances are achieved by many organizations through able executive leadership. (A. S 2003 p, 534)

An effective and important leadership must perform the following functions.

✓ A leader should act as a friend, philosopher and guide to the people whom he is leading. He must have the capacity to recognize their potentialities and transform them in the realities.

✓ A leader should win the confidence of his people and seek their cooperation and convince them of policies, procedures and the goals to be achieved. He should be able to wipe out the differences among his people unite them as a team and build up team spirit.

✓ He maintains discipline among his group and develops a sense of responsibility. He should be impartial in treating people under him and build up a high morale. He should as far as possible not use coercive

methods. He should represent his people in and outside the organization. According to R. Likert, "Leaders act as a linking pin between the work groups and the forces outside it".

- ✓ He should motivate his subordinates to achieve goals. He seeks their commitments to attain the objectives of the organization.
- ✓ He should try to raise high moral and ethical standards among his people

2.4. LEADERSHIPS SKILLS

An effective leader appears to rest on three personal and basic development skills. (A.R 1999; P.12)

2.4.1. Technical skills

This is used to refer to proficiency and understanding of a specific kind of activity involving a method, process, procedure or technique. This skill is primarily concerned with working with 'things'.

2.4.2. Human skill

Which is the manager's ability to work with others and to build a cooperative effort with the group he manages .This skill is primarily concerned with working with 'people'.

2.4.3. Conceptual skill

This implies the ability to visualize the organization as a whole. This skill enables the manager to perceive and recognize the interrelationships of various factors operating within the total organization. The relative importance of these skills is required more than the conceptual skill.

2.5 POSITIVE AND NEGATIVE LEADERS

Based on the approaches of leaders to mobilize and maintain the level of motivation of subordinates. Some leaders tend to emphasize the use of rewards for subordinates to get things done whereas others emphasize the use of punishments for failure to produce results. The former type is positive while the

later negative .In positive leadership. Leaders enthuse a spit it of cooperation in their subordinates to get results in return for rewards.

This leadership is people centered, and is believed to provide optimal results through committed people. In negative leadership, the leaders employ real or implied threats to stimulate their subordinates. Although in the short-run, the threat to one's security fetches results, in the long run, causes resentment and kills the imitative among subordinates, who tend to conceal their true capabilities(I bid; P, 694)

2.6 SUCCESSFUL LEADERSHIP VS EFFECTIVE LEADERSHIP

An individual attempts to affect the behavior of another through the exercise of leadership. The response of the other person (subordinate) may be either compatible with the expectations of the leader or otherwise. Further, the compatible response may be the result of either the impact of leaders' appropriate style or because of position power. In case of the former, the leader is effective as subordinate sees his own need being accomplished by satisfying the goals of organization and the shape or predisposition of an individual or group and thus is attitudinal in nature. An individual interested only in success tends to emphasis his position power and uses close supervision. On the other hand, if he intends to be effective, he will depend on his personal power characterized by more general supervision. The position power can be delegated downward in the organization; the personal power cannot be delegated, but is generated upward form below through follower acceptance. The successful or effectiveness is not either or position, however, rather these can be in the form of aconitum ranging from very successful to very unsuccessful or very effective to very effective to very ineffective.

Thus, a manger can be successful but ineffective having only a short – run influence over the behavior of other on the other hand, if a manger is both successful and effective, his influence tends to lead to long – run productivity. However, it should be emphasized that successful and effectiveness framework

is a way of evaluating the response to a specific behavioral response and not of evaluating. (A. S 2003 p, 533)

2.7 DIFFERENTIATING MANAGERIAL AND LEADERSHIP ROLES

Management and leadership roles are complementary to each other and jointly form a prerequisite to corporate excellence. These roles are quit different, involving an entirely unique set of functions and activities. Management relates to coping with complexities, which can be managed by planning and budgeting. Leadership relates to producing useful change, starting with setting a direction. Planning leads to orderly results; direction setting gives raise to visions and strategies. Leadership involves the roles of aligning people whereas management is concerned with organizing and staffing. Aligning involves the processor getting people to more in the same direction. Organizing and staffing facilitate implementation of plans and relate to development of an organizational structure and a series of jobs, and the process of manning them. (S. A 2003 P; 326)

2.8 DISTINCTIONS BETWEEN LEADERSHIP AND MANAGEMENT

(S.A 2003; p, 326) said that Leading and managing go together but some differences exist between the two. The following are the points of differences between them. Management establisher relationship through authority this is relationship between superiors and subordinates the framework of organization.

TABEL 1.1 Distinctions between leadership and management

Management	Leadership
1. Management establishes relationship through authority.	1. Leadership does not require any framework or organization.
2. Management needs formal organized groups.	2. Leadership does not require any such group.
3 management juniors have to follow seniors.	3. Informal groups can be led not managed. Anyone can follow leader. There are no

	juniors or seniors among followers.
4. Management expects managers to be rational decision-making.	4. Leadership vent on moods and expectations of the followers.
5. Management does not have such appeal rather it acts on rationality.	5. Leadership has emotional appeal
6. All managers are not leaders.	6. All leaders are not managers
7. Managers direct subordinates by virtue of authority vested in them.	7. leaders have no such formal authority invested in them; rather they derive power from their followers
8. Managers have formal authority to reward the employees with promotion or transfer them or demote them if they erred.	8. Leaders have no such authority. Leaders with people power to satisfy their social needs and ego.
9. Management tries to accomplish organizational objectives.	9. Leadership tries to accomplish people's hopes, aspirations and expectations
10. Management is the process of planning, organizing, actuating controlling the activities of the to attain organizational object	10. leadership is a process of influences behavior of people to attain their shared goals
11. "Management's efficiency climbing the leader of success.	11. According to Peter Drucker, Leadership determines whether leader is leaning against the right wall."
12. Management is accountable for its behavior in clearly defined.	12. Leadership is not so accountable in clearly defined manner.
13. For leadership managerial qualities are not essential at all.	13. Leadership qualities for management are supposed to be essential and added advantage.

14. Management requires policies and procedures to direct people for attainment of goals of the organization.	14. Leadership achieves goals through actions by the people.

(Source:-secondary data)

2.9 LEADERSHIP STYLES

(c.b 2004; P, 702) Leadership styles

What is a leadership style?

Leadership style is the behavior exhibited by a leader during supervision of subordinates there are different leadership styles.

Positive versus Negative Leadership Styles

Positive leadership styles give emphasis to praise and recognition, Monetary rewards, increase in security, and addition of responsibility.

Negative leadership styles on the other hand emphasize penalties, loss of jobs, suspension, and public reprimands critics.

The commonly known that there is three type of leadership style that are: **Autocratic Democratic and Free – rein**

2.9.1 Autocratic /Authoritative/ Directive style

An autocratic leader centralizes power and decision – Making in him and exercises complete control over the subordinates. Such a leader usually shows high concern for the task and low concern for the people. Rigidity or inflexibility characterize such a leader.

The common characteristics of autocratic leaders include the following

i. The leader is high conscious of his/her position.

ii. He /she has little trust and faiths in subordinates

iii. The leader believes that pay is just a reward for working and the only reward that will motivate employees.

iv. Orders are issued to be carried out with no questions allowed and no explanation

v. Subordinates are expected to do what they are told

vi. Production if good when the leader is present, but poor in the leader's absence.

2.9.2 Democratic/ Participative/ leadership style

✓ The leader shows high concern for both task and people

✓ A manger with this style usually shares a decision with the group encourage participation and supports the task efforts of subordinates

✓ Democratic leadership has the following characteristics:

✓ Decision making is shared by the leader and the group

✓ If forced to making is shared by the leader and the group

✓ Objective criticism and praise is given

✓ New ideas/ change proposed by a group are respected

✓ Develops a feeling of responsibility within the group.

✓ Increases the quality of work and productivity.

✓ The group feels successful

2.9.3 Free – rein /Laissez faire/ Abdicative leadership style

Free – rein /Laissez Faire leadership styles has the following major characteristics:

✓ The leader does not set goals the group

✓ Decisions are made by who ever in the group willing to do it.

✓ Individuals may have little interest in their work.

✓ Morale and team work are generally low

✓ Usually productivity is low and work is sloppy (messy)

2.10 Theories of leadership

The theories of leadership are classified into three categories. Thus theories are trait theory, behavioral theory and situational theory of leadership. (M, S 2003p, 503)

2.10.1 The Trait theory of Leadership

- ✓ Trait leadership refers to what characteristics the leader possesses.
- ✓ Traits are inborn and inherent personal qualities of individuals
- ✓ The "Trait Theory" therefore believes that leaders possess certain inborn traits which are inherited rather than acquired.
- ✓ The followers of the traditional they or believe that managers or leaders are born not made.

The following are some of the traits that are shared by most successful leaders, according to the trait theory.

a) **INTELLECTUAL traits** – include dimensions of intelligence such as decisiveness, judgmental ability, knowledge, and verbal abilities.

b) **PERSONALITY traits** – Suggest such traits as alertness, originality, personal integrity, and self – confidence that are associated with effective leadership.

c) **Physical traits** – include physical characteristics such as age, height, weight and appearance.

2.10.2 The Behavioral Theory of Leadership

Trait theory seeks to explain leadership on the basis of what leaders is Behavioral theory however attempts to describe leadership in terms of what leaders do. According to this theory, leadership is shown by a person's acts more than by his traits. The two prominent behavioral theories of leadership are the following. (S, N 2003 p, 256)

A. THE UNIVERSITY OF MICHIGAN STUDIES

After studying numerous industrial situations the Michigan University research identified two leadership styles which include: production job- centered and employee – centered.

i. **The job** – centered leader practices close supervision on that subordinates performance. This leader relies on coercion, reward, and legitimate power to influence the behavior and performance of followers.

ii.   **The employee** – centered leader believes in delegating authority and supporting followers in satisfying their needs by creating a supportive work environment. The employee centered leader is concerned with followers' their personal advancement, growth and achievement**.**

B. THE OHIO STATE UNIVERSITY STUDIES

The Ohio state university studies identified two leadership behaviors, which include: initiating structure, and Consideration

    i.   **Initiating structure** – refers to the extent to which the leaders structure and define the activities of subordinates so that organizational goals are accomplished.

    ii.   **Consideration** - refers to the ability of the leader to establish rapport, mutual respect and two way communications with employees. The leader is friendly approachable, and listens to the problems of employees and allows them to suggest.

2.10.3 The situational/contingency theory of leadership

This theory suggests that leadership effectiveness is a function of a variety of factors (complex social and interpersonal process) what will vary depending on the nature of the leadership situation

- ✓ The contingency theory of leadership stresses that no single leadership style is effective in all situations.
- ✓ An effective leader must be flexible enough to adapt to the differences among subordinates and situations.

CHAPTER THREE

DATA PRESENTATION AND ANALYSIS

3.1. OVERVIEW

This chapter comprises two sections namely gender characteristics of respondents and analysis of the data which were collected through questionnaire and interview. 100 respondents/employees/ were selected based on the sample design and out of the distributed questionnaires 90 were filled out properly and returned. The return rate is 90%. The interview was conducted with the directorate of the organization.

3.2. Demographic characteristics of respondents.

The following table summarizes the general characteristic of respondents that participated in the study.

Table 1: General characteristics of respondents

Item	Alternative	Respondents	
		In No	IN %
1. Sex	Male	61	67.8
	Female	29	32.2
	TOTAL	**90**	**100%**
2. Age	Below 20	-	-
	20-30	17	18.8
	31-40	25	27.8
	41-50	41	45.6
	Above 50	7	7.8
	TOTAL	**90**	**100%**
3. Education level	12th complete	-	-
	Certificate	3	3.3
	Diploma	18	20
	BA Degree	55	61.0
	MA	14	15.7
	TOTAL	**90**	**100%**
4. Work experience	1-5 years	37	41.2
	6-10 Years	23	25.6
	11-15 years	18	20
	16-20 Years	9	10
	Above 20 years	3	3.3
	TOTAL	**90**	**100%**

(Source:-Primary

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According to table, items 1, 61, (67.8%) of the respondents are male. While the rest 29 (32.2%) of them are female. This clearly indicated that the majority of the employees in the organization are male. Therefore, there is high concentration of male in the organization. However, the data may indicate there is reasonable representation of the female employees in the study.

From table, item 2, it is clear for leaders that 17 (18.8%) of the respondents are between 20-30 years a age group .The majority of the respondents that is 25 (27.8%) however fall between the range of 41-50 years. 7 (7.8%) of respondents are above 50 and the remaining (25%) of the respondents are found to be between 31-40. This shows that majority of the employees are in their maturity and productive age. Accordingly, there is no doubt on their responses reasonability as well as relevancy for the study.

Almost 50% of the respondents are degree holders. Which includes 3 (3.3%) of the respondents are certificate holders, 55 (61%) of the total respondents are degree holders. 18 (20%) of the respondents are diploma holders. And 4 (15.75) of participants has there masters degree .however, there is no employee under 12th complete. This may indicate that the organization has qualified work force more or less.

As indicated in table1, item4. 37 (41.2%) of the respondent have 1-5 years of work experience. 23 (25.6%) are between 6-10 years experience. 9 (10%) are 16-20 and 18 (20%) of the respondents are served for 11-15 years and the rest 3 (3.3%) have more than 20 years experience. this shows that large number of the respondents are senior. Therefore, we can expect and assume that we have an accurate response and had adequate skills.

3.2. Analysis and interpretation of data concerning the study

Table2. Relationship between boss and employee

Item	Alternative	Respondent	
		In No	**In %**
Do you have good relationship with your boss?	A. Yes	34	37.8
	B. No	56	62.2
	TOTAL	**90**	**100%**

(Source:-Primary data)

Concerning the employees relation with their boss 34 (37.8%) of the respondents said that it is good. 56 (62.2%) of them confirmed their relationship with their boss is poor. As presented in the literature review In the OHIO state university studies there are two leadership behaviors in the consideration leadership behaviors it refers the ability of the leader to establish rapport, mutual respect and two way communications with employees.

The leader is friendly approachable and listens to the problems of employee and allow them to suggest. Therefore, we can conclude from the response of majority of the respondent that, the relationship between leaders and employees is not that close to bring about the desired effective communication of objectives and the increase in commitment among followers.

Table3 attitudes of employees towards the leadership practice

Item	Alternative	Respondent	
		IN NO	**IN %**
What is the attitude of leadership to Wards employee?	A. Very friendly	10	11.12
	B. Bossy	48	53.33
	C. Un friendlily	30	33.33
	D. Undefined	2	2.22
	TOTAL	**90**	**10%**

(Source:-Primary data)

Table: 3 above presents a data regarding employee's attitude towards the leadership practice. According, 10 (11.2%) of the respondent said that their leaders approach is vary friendlily. 48 (53.33%) of the respondents on the other hand said there is bossy type of leadership style in the organization. The rest 30 (33.33%) of the employees answered that there is unfriendly leadership practice. Thus, the majority of the employees are dissatisfied with the existing leadership practice of the organization. Therefore, it is possible to say that the organization facing leadership problems. Whenever employees are dissatisfied with the existing leadership it might exposed them to leave the organization or it may create high turn over and not to achieve the organization goal effectively.

Table 4; Employee's participation on decision making

Item	Alternative	Respondent	
		In No	IN %
To what extent does the management involve the employee in decision making process?	A. Vary Grate extent	3	3.33
	B. Great extent	11	12.22
	C. To some extent	30	33.33
	D. Not at all	46	51.11
	TOTAL	**90**	**100%**

(Source:-Primary data)

As presented in table 4, 30 (33.3%) of them said they are involved to the decision making process to some extent. 11(22.2%) of them answered they involved to a grate extent and 46(51.11%) of the respondent believe they do not involve in diction making at all. However 3(3.33%) are said they involved to a very great extent. This indicated that there is no much employee involvement and participation on decision making process of the organization. Thus, this circumstance is likely to result in lack of belongingness and trust among employees and also might decrease employee's productivity.

Table5;- leader's communication on values, visions, objectives as well as their plans.

Item	Alternative	Respondent	
		In No	**In %**
The leaders to communicate , vision value, objectives and plans of the organization	A. Very high	13	14.4
	B. High	47	52.2
	C. Average	26	28.9
	D. Law	2	2.2
	E. Not at all	2	2.2
	TOTAL	**90**	**100%**

(Source:-Primary data)

According to table 5, we can observe 26 (28.9%) of the respondents answered as average about their leaders communication on the values, vision, objectives and their plans. On the other hand, 2 (2.2%) of the respondents said their communication with their leaders is law however, majority of the respondents 47 (52.2%) of them said it is high. 13 (14.4%) of employees assumed it is very high and the remaining 2 (2.2%) of them answered not at all.

This implies that leaders of the organization have communication with their subordinates concerning the vision, values objectives and their plans as well. Therefore, most of the employees have much information about their leaders plan this will lead them to work according to the organization plan and goal.

Table6. Leader's capability to help their subordinates on work related problems

Item	Alternative	Respondent	
		In No	**In %**
To what extent the leader's capable to help you to solve work related problem?	A. To a great extent	8	8.9
	B. To very grade extent	30	33.3
	C. To less extent	48	53.3
	D. Not at all	4	4.4
	TOTAL	**90**	**100%**

(Source:-Primary data)

Regarding leaders capability to help their subordinates on work related problems, 30 (33.3%) of employees responded to a very great extent their leaders help them. However, 8 (8.9%) of them responded that they helping them to a great extent on solving work related problems. The majority of respondents which is 48 (53.3%) of them give their respondents as to less extent. Thus, as it is conformed by the majority of respondents it should be realized that there is deficiency on the capability of leaders to help their subordinates on solving work related problems. As a result, employees management not be motivated to accomplish their work function efficiently and effectively and this might affect to achieve organizational goals.

Table 7. employees response on training and development program of the organization

Item	Alternative	Respondent	
		In No	**In %**
How frequently do your leaders provide training and development to you?	A. Always	-	-
	B. Sometime	38	42.2
	C. Not at all	52	57.8
	TOTAL	**90**	**100%**

(Source:-Primary data)

Table 7 exhibits that according to 38 (42.2%) of the respondents said leaders sometimes provide training and development program whereas, 52 (57.8%) of them said they do not provide. Thus, most of the employees in the organization believe there is no training and development program at all. This situation leads to poor performance and accomplishment of task.

Table; 8 leader's delegation of authority to subordinate

Item	Alternative	Respondent	
		In. No	**IN%**
Does the leader delegating authority?	A. Yes	30	33.3
	B. NO	60	66.7
	TOTAL	**90**	**100%**

(Source:-Primary data)

From the above information 30 (33.3%) of the respondents believe their leaders delegate power to the employees. However, 60 (66.7%) of the respondents answered there is no delegation of power by leaders. From this information we can understand that there is no delegation of power in the organization.

Therefore, as it is conformed by the majority of the respondents there is no sharing of power between the leaders or the supervisor. It may result in delay decision making and lowering the motivation of employee.

Table 9. Employees response on sharing ideas and opinions with their leaders.

Item	Alternative	Respondent	
		In No	In %
To what extent leaders encourage you to suggest ideas opinions?	A. A very great extent	22	24.4
	B. to a great extent	12	13.3
	C. To some extent	56	62.2
	C. Never	-	-
	TOTAL	**90**	**100%**

(Source:-Primary data)

Table 9 presents responses of employees on idea sharing with their leaders. Accordingly, 12 (13.3%) of employees has answered as a great extent. Where 22 (24.4) of them said they share ideas and opinions to a very great extent. However, 56 (62.2%) of the employees said their leaders encourage them to share ideas and opinions to some extent. Therefore, from the information we can say that there is communication and exchange of ideas and opinions among the employees and their leaders.

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Table10: Employees response on challenging their boss.

Item	Alternative	Respondent	
		In No	In %
Do you criticize or challenge your boss when you feel the leader's decision is not correct?	A. Yes	16	17.8
	B. No	74	82.2
	TOTAL	**90**	**100%**

(Source:-Primary data)

The above exhibits 16 (17.8%) of the employees response responded as they criticize and challenge their boss whenever they feel their leader's decision is not correct .however, 74 (82.2%) of them said they do not. This implies the majority of employees believe they do not challenge their supervisors even if they recognized their decision is not correct. this indicated that the organization is used one way communication which is the feature of autocratic leaders.

Table:- 11 Employees response about their leader's consultation on assigning tasks.

Item	Alternative	Respondent	
		In No	In %
Does your boss consulting you when he/she assign tasks and duties to you?	a. Yes	58	64.6
	b. No	32	35.6
	TOTAL	**90**	**100%**

(Source:-Primary data)

According to table 10, 58 (64.4%) of the respondents said their boss consult's them when he/she assigns task and gives duties .where as, 32 (35.6%) of them believes they do not consult them. These shows as the majority of the

employees agree their supervisor advise them when ever they assign tasks and duties.

Table 12 Employees response on their performance feedback

Item	Alternative	Respondent	
		In No	**In %**
How frequent the bosses provide you feed back on your performance?	A. Always	4	4.41
	B. Sometime	74	82.2
	C. Not at all	12	13.3
	TOTAL	**90**	**100%**

(Source:-Primary data)

Table 4 (4.41%) of the respondents answered their boss provides feedback. Whereas, 12 (13.3%) of the employees believe their boss do not provide any feedback on their performance.74 (82.2%) of the respondent said the boss provide feed back on the performance n Therefore, we can say that there is no continues feed bake on the performance of employee in the organization.

Table 13. Response regarding the style of leadership employee's preference on the style of leadership

Item	Alternative	Respondent	
		In No	In %
Which style of leadership do you prefer for the boss to follow?	A. Centralize or autocrat	15	16.7
	B. Participative	52	57.7
	C. Both centralized and participative	23	25.6
	TOTAL	**90**	**100%**

(Source:-Primary data)

As can be seen from table 13 above , 23 (25.6%) of the respondents said they prefer to have both centralized and participative leadership styles. 52 (57.7%) of the employees said it is participative. However, 15 (16.7%) of the respondents said autocratic leadership style. Based on this data we can possibly see that the attention that is given for participatory leadership style by the employees is very good. Which means every and each employee will have a chance to participate.

Table 14. Employee responses on rating their leadership style

Item	Alternative	Respondent	
		In No	In %
How do you rate over all leadership style of your boss?	A. Autocratic	52	57.8
	B. Democratic	24	26.7
	C. laissez faire	14	15.5
	TOTAL	**90**	**100%**

(Source:-Primary data)

The above table describes employee response on rating the leadership style. According52 (57.8%) of the respondent confirmed that the overall leadership style of the leaders currently are autocrat .24(26.37%) of the respondent confirmed that it is democrat and the remaining 14(15.5%) of the respondent answer as laissez faire.

This implies that the over all leadership style of the organization currently is autocratic. Therefore, we can conclude that there is centralized leader ship style and insufficient employee involvement on making plans and decisions.

3.3 Summary of open ended questions

Summary of employees response for opens ended question that were included in the questioner which invite respondent to give there suggestion to improve the overall leadership practice of there is enumerated as follows.

- ➢ Absence of participatory program.
- ➢ Lack of motivation in work.
- ➢ In conducive working environment.
- ➢ Lack of supervisor competency.
- ➢ Lack of training and development as well as promotion.
- ➢ Lack of organizational culture which participate employee in both planning and dictions making process.
- ➢ Insufficient delegation of power.
- ➢ Poor communication among leaders and subordinates.

3.4 Summary of interview conduct with the management

This part summarized the finding from interview with the general directorate of /ERA/.the researcher has interviewed the general directorate. based on the responses; there is a smooth relationship between leaders and subordinate unlike with employees responses .however the general directorate argued that though he believes consulting employee in decision making and take suggestion and opinions is important there are times he may be forced to treat followers unfriendly.

Regarding the questioner, employee performance evaluation based on their responsibility the directorate said since they are in the process of implementing the business Presses reengineering (BPR) and they are not yet implementing the second phase which is called balance score card (BSC) that served as the method of performance evaluation system they are not taking the evaluation of employees performance currently.

For the question the directorate has been asked about how frequently they communicate the visions, objective and plan of the organization with their subordinates he believes that they are very much informed specially in written forms of communication and also at the time of communicating the approval of the year budget.

Unlike employee the general directorate responds for the question that has been asked to what extent they encourage subordinate to suggest ideas and opinions and weather they review the suggestions and the ideas accordingly. And side they are vary democrat and always they take employees opinions.

Finally, the general directorate responded on the style of leadership and he believed that the introduction of business Presses reengineering (BPR) brought a change on the style of leadership and they are using democratic leadership style because the program they are using currently is vary much participatory that empower employees so that they could exercise the filing of belongingness to the organization.

CHAPTER FOUR
SUMMARY, CONCLUSION AND RECOMMENDATION

4.1 SUMMARY

This research is conducted on Ethiopia Road Authority Hade Office (ERA) to find possible solution for existing leadership practice and problem. Thus to achieve this objective related literature were reviewed questioners were distributed to randomly selected employees of different directorates. The data collected from respondents is presented and analyzed using percentage. It also intimated to suggest possible solution to the problems identified in order to enhance leadership practice in the organization.

Therefore, on the basis of the data collected and analyzed the study has come up with the following findings.

- ✓ 56(62.2%) of the respondent said that the relationship between employees and boos is not that close to bring about the desired effective communication of objective and increases the commitment among followers.
- ✓ 48(53.33%) that the majority of the employees are dissatisfied with the existing leadership practice of the organization.
- ✓ 46(51.11%) of the respondent said that there is no much employee involvement and participation on the decision making process.
- ✓ 47(52.2%) of them said that leaders of the organization have communicated with their subordinate concerning vision, value, objectives and plans of the organization.
- ✓ According to the finding 52(57.8%) of them said the organizations do not provide training and development for the employee.
- ✓ According to the study 60(66.7%) of the respondent said that there is no delegation of authority to employees.
- ✓ The study show 56(62.2%) to some extent the leaders are encourage the employee ideas, and opinions according to the policy and procedures
- ✓ The findings shows, the larges number of respondents that are 74(82.2%) employee are do not criticize or challenge the boss decisions.

- ✓ The findings show, 58(64.6%) of the respondent said that the boss consulting the employee when they have task or duties.

- ✓ According to the study, 74(82.2%) of the respondent said that there is no continuous feedback on the performance of employee.
- ✓ According to the finding, 52(57.8%) of them said rate of the over all organization leadership style is autocrat style.

4.2 CONCLUSIONS

After examining the above summary of major findings the following conclusions were drawn.

- ✓ Though the response of directorate staffs do not concede with the response of employee, no as such good relationship between employee and leaders, this shows that the leader is less extent to solve work related problem. Thus absence of the interaction of leaders and employee it may decreases the performance of employee.

- ✓ The decision making process of the management is not participatory. Thus, this circumstance is likely to result lack of belongingness and trust among employees and also might decrease employee productivity.

- ✓ In ERA, the leaders are communicate, vision, value, objectives and plane of the organization. This shows that there is a good communication between employee and leaders in terms of the organization plan. Thus the interaction of employee and leaders may increases the performance of the organization.

- ✓ The interaction of leaders are less extent to solve work related problem, thus, the attention give to employee by the leaders is not appreciated this is likely to force employees quit their job or losses interaction to words the organization though time.

- ✓ The organization do not provide training and development for the employee, thus, this may result the employee not integrated in their job and may decreases the performance of employee and the organization as well.

- ✓ Deficiency on the delegating their authority due to leader is not comfortable to share there authority of the leads and it also deteriorates the organization ability to accomplish its objective.

- ✓ Leaders are encouraged the employee ideas, and opinions according to the policy and procedure, therefore, we can say that there is

communication and exchange of ideas and opinions among the employees and their leaders.

✓ The employees do not criticize or challenge the boss decision. This indicated that the organization is used one way communication which is the feature of autocratic leadership.

✓ There is no continues feed back on the performance of employee its. Indicates that there is no motivation of employee as well as checking and balance system in the organization

✓ We can conclude that there is centralized leadership style and insufficient employee involvement in making plans and decisions.

4.2 RECOMMENDATION

The following recommendations were forwarded hoping that they may contribute to a better and improved leadership practice in the Ethiopian Road authority.

- ✓ The leaders should improve the relationship between them and their followers through clear communication, free discussion, by making the approach friendly etc.
- ✓ The organization should improve the participation of employees on meeting and decision making activates by following the participatory leadership style.

- ✓ The organization should communicate its vision, value, mission in a very transparent way to motivate and mobilize employees by demonstrate the common goal.
- ✓ The leadership of the organization is strongly advised to follows through close relationship with employees and must give more attention to employees. To this end, leaders should assign adequate time to communicate with their subordinate to coach and listen them.
- ✓ It is advised that employee training programs should arrange because its used to improving the role played employee, skill and competencies on understanding initiating listening to employees and giving quick solution to problem.
- ✓ The organization and its leaders should set direction and align, employee, with that direction through communication, inspiration, motivation empowerment and basic need gratification.
- ✓ As we all know, the major activity of leaders is motivating his/her subordinate toward the organization goal and objective. Thus to fulfill this, leaders have communicate and motivate subordinates smoothly and friendly by follow the participatory leadership style.

✓ It is strongly recommended that the leadership style of the organization /leader/should be changed in to modern, participatory and more empowering leadership style.

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Appendices

Appendix A

ST.MARY'S UNIVERSITY COLLEGE
BUSINESS FACULTY
DEPARTMENT OF MANAGEMENT

This questioner is provided by prospective graduate of st. Mary's university college so as to collect relevant data for graduation

Dear respondent the question is designed to "an assessment of leadership practice and problem" at the Ethiopian road authority (ERA) Hade office your true response to the questions is very important for the successful completion of the study therefore, please complete each part of the questionnaire generally.

Thank you in advance for your indispensable cooperation

General instruction
  ❖ No need write your name
  ❖ Give the best answer and circle it
  ❖ Give short and brief answer for provided space

PART I PERSONAL DATA

1.1 Sex
  A. Male   B. Female

1.2 Age
  A. Below 20   D. 41-50
  B. 20-30   E. Above 50
  C. 31-40

1.3 Education level
  A. 12th complete   C. Diploma   E. MA
  B. Certificate   D. BA degree   F. Others _____

1.4 Work experience
  A. 1-5 Years   C. 11-15 Years   E. above 20 years
  B. 6-10 years   D. 16-20 years

PART 2 Questions Concerning to Leadership Practice
  1. Do you have good relationship with boss
     A. Yes   B. No
  2. What is the attitude of leadership to ward employee?
     A. Very Friendly   C. un friendlily
     B. Bossy   D. undefined

  3. If your response for the above question is "C" or "D" it is due to?
     A. Leaders pensive themselves superior
     B. You have hiring educational qualification then the boss.
     C. Leaders perceive themselves less competent
     D. Other _____

4. To what extent does the management involve the employee in decision making process?

A. Vary Great extent   C. some extent

B. Great extent   D. Not at all

5. The Leader ability to communicate, Vision, value, objectives and plans of the organization?

A. Very high   C. Average   E. very low
B. High   D. low

6. To what extents are the leader's capable to help you to solve work related problems?

A. To vary great extent   C. To less extent

B. To a great extent   D. not at all

7. How frequently do ledgers provide training and development to you ?

A. Always   C. monthly

B. Weekly   D. other _____

8. Does the leader delegating authority to you?

A. Yes   B. No

9. If your answer for question No 8 is "no" what is the reason?

A. Leaders think workers are incapable

B. Leaders fear that subordinate may perform better than them.

C. Leaders not comfortable to share their authority

D. Other, specify _____

10. To what extent leaders incarnating you to suggest ideas. Opinions?

A. A vary great extent   C. To same extent

B. To a great extent   D. Never

11. Do you citizen or challenge your boss when you feel the leader's decision is not correct?

A. Yes   B. No

12. If your answer for question no 11 is "yes" does your boss take revise his/her decision?
A. Yes   B. No

13. Does your boss consulting you when he/she assign tasks and duties to you?

A. yes   B. No

14. If you answer is yes, does your boss evaluate you based on the agreed duties and responsibilities?

A. Yes   B. No

15. How frequent the bosses provide you feed back on your performance?

A. Always   C. Not at all

B. Some times

16. What action is taken by your boss when your performance is low?

A. punishing me   C. do nothing

B. Arrange training and development   D. other _____

17. What action is taken by your boss when your performance is superior?

A. Reward me   C. do nothing

B. Praise me   D. other _____

18. Which style of leadership do you prefer for the boss to use?

A. Centralized or autocratic

B. Participative

C. Both centralized and participate

19. How do you rate the over all leadership style of your boss?

A. Autocratic

B. Democratic

C. Laissez faire

20. What do you suggest to improve the overall leadership practice in the organization?

_____

_____

_____

_____

Thank you!!!

Appendix B

INTERVIEW QUESTIONS TO THE MANAGEMENT

1. How is your relationship with your subordinate?

2. To what extent you participate your subordinate in decision making and problem?

3. To what extent you are assigning tasking and duties to your subordinate in consultation with them?

4. Do you evaluate your subordinate's performance based on agreed duties and responsibilities?

5. How frequently you precede feed back to your subordinates?

6. What measures you take in a situation when subordinates are achieved low or high performance?

7. To What extent you provide your subordinate training and development?

8. How frequently you communicate the visions objective and plans of the organization to subordinates?

9. To what extent you encourage your subordinate to suggest ideas and opinions?

10. To what extent you well come to critics of your subordinate on your decision and do you review your decision accordingly?

11. In your opinion what leadership styles do you exercising?

DECLARATION

I the undersigned declare that this senior essay is my original work prepared under the guidance of Ato habete zeberga . All sources of materials used for the manuscript have duly acknowledged.

Name: hana ayalew

Signature:_____

Place of submission: - st. mary's university collage

Department of management

Date of submission:-

ADVISOR DECLARATION

This paper has been submitted for examination with my approval as the university college advisor.

Name:_____

Signature:_____

Date:_____